

Kongsberg Automotive ASA (KOA)

Below is the Recommendation from the Nomination Committee (NC) to the Shareholders meeting (AGM) on March 31, 2016.

ELECTION OF DIRECTORS

The Nomination Committee proposes that the following persons are elected or re-elected to the KOA Board of Directors (BOD) and to serve as Directors until as stipulated. The Nomination Committee invites the shareholders to vote for the candidates as follows;

Thomas Falck, (to be re-elected for a period up to 2017)

Age 50. Thomas Falck is educated at the Royal Norwegian Naval Academy and holds a MBA from Darden School of Business Administration, the University of Virginia. He is a former CEO of a listed global niche ICT Company as well as former CEO of Q Free ASA listed on the Oslo Stock Exchange. He has extensive board experience. Thomas Falck has been on the Board of the Company since 2010.

Other present Directorships:

Investinor AS (Chairman of the Board of Directors).

Malin Persson (to be re-elected for a period up to 2017)

Age 48. Malin Persson is a professional board member with a broad industrial background including almost twenty years in the Volvo Group where she held senior executive positions including head of corporate strategy and CEO of the research and innovation company Volvo Technology. Malin Persson has also been the President of the Chalmers University of Technology Foundation and attaché adjoint at the Swedish Technical Attaché office in Brussels where she was responsible for transport technology and environmental technology.

Malin Persson has a M.Sc. in industrial engineering and management from Chalmers University of Technology.

Other present directorships on public listed companies:

Ricardo Plc,
Konecranes,
Mekonomen,
Getinge,
Hexpol
Hexatronic.

Ellen M. Hanetho (to be elected for a period up to 2017)

Age 52. E. M. Hanetho is educated from Boston University, Boston, Solvay Business School, Brussels and Insead, Fontainebleau.

She has working experience from the Brussels Stock Exchange, Citibank, Brussels, Goldman Sachs, Investment Banking Division, London, Credo Partners, Oslo, Credo Kapital, Oslo and is from 2013 CEO in Frigaard Invest Oslo.

Other present Directorships:

NextGenTel Holding ASA (earlier Telio Holding ASA) – Board Member

Fearnley Project Finance AS – Board Member

Fearnley Pensjonskasse AS – Board Member

Fearnley Securities AS – Board Member

Bruce E. Taylor (to be elected for a period up to 2017)

Age 63. B. E. Taylor is educated from the American University, Washington and Harvard Business School, Boston.

In the period from 1985 to 2001, B. Taylor has been working in various high management positions within Eaton Corporation in the US and Strasbourg, France. (Eaton is a USD 8.4 billion manufacturer serving industrial, vehicle, commercial and aerospace markets). From 2001 to 2007 he has been Senior Managing Director and Partner in Cortec Group Inc., New York. (A Private Equity firm founded in 1984). In the period from 2008-2014, B. Taylor was President and Non-executive Chairman in Global Thermoelectric, Inc., Calgary, Alberta, Canada.

Other present Directorships:

Torq Corporation Board of Advisors

Amacs Process Tower Internals Chairman Board of Directors

ASM Holdco Board of Directors

F Cubed LLC Board of Directors

Henning Eskild Jensen (to be elected for a period up to 2017)

Age 56. Henning E. Jensen has a Bachelor of Arts and a MBA from the University of San Francisco, USA. He has also undertaken doctoral studies at Hochschule St. Gallen, Switzerland.

From 1995 to 2001 he held various managerial and executive positions at General Motors. His last position with GM was as Director of Finance Europe for Delphi Delco Electronics and Saginaw

Steering Systems (revenues of EUR 750 mill). In the period from 2001-2009 he held the Divisional Head position (Automotive Division with around Euro 4 bn of revenues and around 20,000 employees), CFO (Electronic Components Segment with around EUR 12 bn in revenues and 75,000 employees), and other senior level management positions in TE Connectivity/Tyco Electronics Ltd. In 2010 and 2011 H. Jensen was CEO, CFO and Chairman of the Management Board of RHI AG; Vienna, Austria, the world leader in premium ceramic refractories products with global operations and around EUR 1.8 bn in revenues with 7.500 employees. From 2011-2015 he was with Kistefos AS, most of the time as CEO and Managing Director.

Henning E. Jensen has extensive board experience.

Other present Directorships:

None.

APPROVAL OF DIRECTOR'S FEE FOR THE PERIOD 2016/2017

It is proposed that the Chairman shall receive NOK 450.000 for the period.

It is proposed that each of the Directors, other than the Chairman, shall receive NOK 260,000 for the period.

Directors elected by the employees shall receive NOK 90.000 for the period.

Deputy Directors elected by the employees shall receive NOK 6.000 pr. attended meeting.

APPROVAL OF COMPENSATION TO THE MEMBERS OF THE AUDIT COMMITTEE AND THE COMPENSATION COMMITTEE FOR THE PERIOD 2016/2017

Chairman of the Audit Committee shall receive NOK 80.000 for the period.

Member of the Audit Committee shall receive NOK 60.000 for the period.

Chairman of the Compensation Committee shall receive NOK 50.000 for the period.

Member of the Compensation Committee shall receive NOK 35.000 for the period.

ELECTION OF MEMBERS TO THE NOMINATION COMMITTEE

Tor Himberg-Larsen, Attorney-at-Law, Committee Chairman. First elected as Committee Chairman in 2010. (to be re-elected for a period up to 2017)

Heidi Finskas, Advisor KLP Kapitalforvaltning AS. First elected as a member of the Committee in 2012. (to be re-elected for a period up to 2017).

Hans Trogen, Billdal, Sweden. Owner of a private investment company Ebitec AB. CEO and Board Member of CJ Automotive AB. First elected as a member of the Committee in 2013. (to be re-elected for a period up to 2017)

APPROVAL OF COMPENSATION TO THE MEMBERS OF THE NOMINATION COMMITTEE.

PERIOD 2015/2016:

For the period 2015/2016 the KOA AGM on May 7, 2015 approved that the fee to members of the Nomination Committee shall be NOK 5,000 per meeting to each member to compensate for the time spent for the works of the Committee. In addition it was approved that the Chairman of the Nomination Committee shall be paid NOK 45,000 to compensate for the additional work the chairmanship entails.

Due to the extraordinary amount of work in this election period the Nomination Committee proposes that the Chairman of the Nomination Committee shall be paid an extra NOK 45.000, in total NOK 90.000 for work - in addition to Committee meetings - which also includes work related to the Extraordinary General Meeting which was called in December 2015, but later cancelled and to the Annual General Meeting in 2016.

PERIOD 2016/2017:

The Nomination Committee proposes that the fee to members of the Nomination committee shall be NOK 5.000 per meeting to each member to compensate for the time spent for the works of the Committee. In addition the Chairman of the Nomination Committee shall be paid NOK 45.000 to compensate for the additional work the chairmanship entails.

THE WORK OF THE NOMINATION COMMITTEE.

The Nomination Committee has worked according to the Charter approved by the General Meeting of the Shareholders on June 9, 2011.

The Committee has during the year met with the Chairman of the Board and the management of the Company. In addition, the Nomination Committee has arranged meetings with each shareholder elected Board Members on an individual basis.

The Committee Chairman has communicated frequently with all board members.

The Nomination Committee has evaluated the KOA Board Members' Board positions in other companies and organizations as reported in this recommendation and on the Company's web site. The Committee has experienced no conflict of interest. All Board members are considered as independent.

Since the last AGM the Committee has met and communicated frequently with many of the largest shareholders in the company, including the minority shareholder group that called for an extraordinary general meeting in December 2015.

Via the Kongsberg Automotive web site, the Committee has asked all the shareholders to propose candidates to the Board. The Committee has interviewed candidates proposed by shareholders as well as candidates identified by the Nomination Committee.

In the process of proposing these candidates to the Board of Directors until 2017, the Committee made various considerations and balanced the need for continuity and renewal. The Nomination Committee believes that the experience of the three new proposed candidates in production, operations, management, corporate finance, international business and M&A will add value to the Board and serve in the best interest of all shareholders in Kongsberg Automotive ASA.

Based on the Norwegian Public Limited Liability Companies Act § 6-1 (2) the KOA Board of Directors constitutes itself and the KOA Board of Directors is electing the Chairman. After consultation with key shareholders the NC will recommend that Henning E. Jensen is elected Chairman of the Board of Directors. Henning Jensen is an independent candidate and will serve in the best interest of all KOA shareholders and he is a Norwegian citizen.

All decisions made by the Nomination Committee are unanimous, except as regards re-nomination of the Nomination Committee where two voted for and one against.

Oslo, March 9th, 2016

Heidi Finskas

Hans Trogen

Tor Himberg-Larsen

Chairman