

GUIDELINES FOR

THE AUDITOR'S AND ASSOCIATED PERSONS' NON-AUDITING WORK

- 1.1 These Guidelines are resolved and approved by the Board of Directors of Kongsberg Automotive Holding ASA ("KAH") 28 April 2009. The Guidelines shall also be resolved by and approved by the Board of Directors of each company within the KA Group.
- 1.2 These Guidelines applies with respect to an Auditor performing audit on a company within the KA Group including but not limited to the group level audit. The Guidelines should at all times apply the laws and regulations regarding this subject. In addition to laws, there are several recommendations which make references to this area, Kredittilsynet's "Auditors Act" and the EU's recommendation on "Statutory Auditors' Independence".
- 1.3 The primary task of the Auditor shall be to perform the audit work required by law and professional standards with the care, competence and integrity required by law and such standard. To much non-auditing work being assigned to the Auditor and/or any Associated Person may jeopardise this position and diminish the public confidence in the Auditor's integrity and independence of KAH. Audit work is defined as the work needed to give the audit opinion based on the statutory requirements, any further assurance services and tax advisory services.
- 1.4 Consequently, as a principle to avoid any potential conflicts of independence, non-audit related work should not be assigned to the Groups Auditing firm or Auditor Associated Person, unless significant reasons should exist. In a case where such significant reasons should exist the Board of Directors needs to approve the assignment prior to management signing any engagement letter. As a general rule the fees for non-auditing work should not exceed 10 per cent of the total remuneration to the Auditor the previous accounting year.
- 1.5 By "Auditor Associated Person" is meant any person being partner or employed within the same company as the legally appointed Auditor, or any firm formally associated with the auditor (including legal and transaction services firms) and any partner or employee within such firms.
- 1.6 The Management must annually provide the Board of Directors with an account of the auditor's remuneration divided into statutory auditing work and non-auditing work, with an identification of the relevant non-auditing work.