

WATERISE AS

CORPORATE GOVERNANCE POLICY

as resolved by the Board of Directors on 21 September 2023

1. INTRODUCTION TO THE CORPORATE GOVERNANCE POLICY

- 1.1 The Board of Directors of Waterise AS (the "Company", or "Waterise", and together with its consolidated subsidiaries, the "Group") has approved this corporate governance policy document (the "Corporate Governance Policy"). The Corporate Governance Policy addresses the framework of guidelines and principles regulating the interaction between the Company's shareholders, the Board of Directors (the "Board"), the Chief Executive Officer (the "CEO") and the Company's executive management team.
- 1.2 The Corporate Governance Policy is based on relevant recommendations of the Norwegian Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board. The Company will aim to provide a report on the Company's corporate governance in the directors' report or in a document that is referred to in the directors' report in connection with its annual financial statements and report.

2. BUSINESS ACTIVITY

Pursuant to the Company's articles of association, the objective of the Company is technology, research, development, commercialisation of technical and commercial products, tools, installations and solutions and anything related to the aforementioned.

3. VISION AND VALUES

- 3.1 The Company's vision is to provide the world with safe and sustainable fresh water. We will continue to champion innovative solutions that help solve the world's water scarcity challenges.
- 3.2 The Company's values are:

Innovate	We contribute to new solutions and collaborations for sustainable water supply.
Trust	Our actions are built on honest and open collaborations.
Protect	We protect the health and safety of people and the marine environment.

4. CODE OF CONDUCT

- 4.1 It is the policy of the Company to conduct its business in an honest and ethical manner and in compliance with all applicable laws and regulations. The Company has implemented a Code of Conduct which sets out requirements for personal conduct and business practice, which shall be observed by all employees of the Company, including non-permanent staff and external business partners working on behalf of the Company.

5. COMPANY CAPITAL AND DIVIDENDS

- 5.1 The Board is committed to maintain a satisfactory equity ratio in the Company according to the Company's goals, strategy and risk profile, thereby ensuring that there is an appropriate

balance between equity and other sources of financing. The Board will continuously monitor and assess the Company's capital requirements related to the Company's strategy and risk profile.

- 5.2 When deciding on dividends, the Company will consider the Company's financial position, investment plans as well as the needed financial flexibility for strategic growth. The Board's general authorisations to increase the share capital and to buy own shares will not ordinarily be proposed granted for periods longer than until the next Annual General Meeting of the Company.

6. SHARE CLASSES

There is only one class of shares in the Company and all shares carry equal rights. The Company emphasise equal treatment of its shareholders.

7. TRANSACTIONS WITH RELATED PARTIES

- 7.1 Any transactions, agreements or arrangements between the Group and the Company's shareholders, members of the Board, members of the executive management team or close associates of any such parties may only be entered into as part of the ordinary course of business and on arm's length market terms. All such transactions shall, where relevant comply, with the procedures set out in the Norwegian Private Limited Liability Companies Act. The Board will arrange for a valuation to be obtained from an independent third party unless the transaction, agreement or arrangement in question is considered to be immaterial. The Company's financial statements shall provide further information about transactions with related parties in accordance with applicable accounting principles.
- 7.2 Board members shall immediately notify the Board and members of the executive management team shall immediately notify the CEO (who, where relevant, will notify the Board) if they have any material direct or indirect interest in any transaction entered into by the Group.

8. TRANSFER OF SHARES

The shares of the Company are freely transferable.

9. THE GENERAL MEETING

- 9.1 All shareholders have the right to participate in the general meetings of the Company, which exercise the highest authority of the Company. The annual general meeting shall normally be held no later than 31 May each year.
- 9.2 The full notice for general meetings shall be sent to shareholders no later than seven days prior to the meeting. The notices for such meetings shall include documents providing the shareholders with sufficient detail in order for the shareholders to make an assessment of all the cases to be considered as well as all relevant information regarding procedures of attendance and voting. The notice and the documents may be sent to or made available for the shareholders by electronic communication, to the extent allowed in the Company's articles of association. Representatives from the Board and the Company's auditor will normally be present at general meetings.
- 9.3 Notices for general meetings shall provide information on the procedures shareholders shall observe in order to participate in and vote at the general meeting. The notices will also set out: (i) the procedure for representation at the meeting through a proxy, including a form to

appoint a proxy, and (ii) the right for shareholders to propose resolutions in respect of matters to be dealt with by the general meeting.

- 9.4 The cut-off for confirmation of attendance shall be set as short as practically possible and the Board will arrange matters so that shareholders who are unable to attend in person, will be able to vote by proxy. The form of proxy will be distributed with the notice.

10. THE BOARD – COMPOSITION

- 10.1 In appointing members to the Board, it is emphasised that the Board shall have the requisite competency to independently evaluate the status of the Company, and to independently evaluate the cases presented by the executive management team as well as the Company's operation. It is also considered important that the Board can function well as a body of colleagues. Board members shall be elected for periods not exceeding two years at a time, with the possibility of re-election. Board members shall be encouraged to own shares in the Company.

- 10.2 The Board shall comply with all applicable requirements as set out in the Norwegian Private Limited Liability Companies Act. Acknowledging that the Board is ultimately appointed by and at the shareholders' discretion, the composition of the Board should also seek to comply with the recommendations set out in the Norwegian Code of Practice for Corporate Governance.

11. SUB-COMMITTEES OF THE BOARD

The Board has established the following sub-committees of the Board:

- An audit committee consisting of 1-2 members.
- A remuneration committee consisting of 1-2 members.

12. RESPONSIBILITY OF THE BOARD OF DIRECTORS

- 12.1 The Board will seek to prepare annual plans for its work with special emphasis on goals, strategy and implementation. The Board's primary responsibility shall be (i) participating in the development and approval of the Company's strategy, (ii) performing necessary monitoring functions and (iii) acting as an advisory body for the executive management team. Its duties are not of static nature and the focus will depend on the Company's ongoing needs.

- 12.2 The Board is also responsible for ensuring that the operation of the Company is compliant with the Company's values. The Board shall work to ensure that the Company's Code of Conduct is implemented and complied with throughout the organisation. The chair of the Board is responsible for ensuring that the Board's work is performed in an effective and correct manner.

- 12.3 The Board shall ensure that the Company has proper management with clear internal distribution of responsibilities and duties. The CEO is responsible for the executive management of the Company. A division of work has been established between the Board and the executive management team and the Board may issue separate rules of procedure for its own work and instructions for the CEO role, respectively.

- 12.4 All members of the Board shall regularly receive information about the Company's operational and financial development, and the members of the Board shall keep themselves updated in all areas relevant for their directorship. The Company's strategies shall regularly be subject to review and evaluation by the Board.

12.5 The Board may prepare an annual evaluation of its work.

13. RISK MANAGEMENT AND INTERNAL CONTROL

13.1 The Board shall ensure that the Company has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the Company's activities. The internal control and the systems shall also encompass the Company's corporate values and its Code of Conduct.

13.2 The objective of the risk management and internal control is to manage exposure to risks in order to ensure successful conduct of the Company's business and to support the quality of its financial reporting.

13.3 The Board shall carry out an annual review of the Company's most important areas of exposure to risk and its internal control arrangements.

13.4 The Board shall provide an account in the annual report of the main features of the Company's internal control and risk management systems as they relate to the Company's financial reporting.

14. BOARD REMUNERATION

14.1 The general meeting shall determine the Board's remuneration annually, normally in advance. The Board shall be informed if individual Board members perform tasks for the Company other than exercising their role as Board members. Work in sub-committees may be compensated in addition to the remuneration received for Board membership, if approved by the general meeting.

14.2 The Company's financial statements shall provide information regarding the Board's remuneration.

15. REMUNERATION TO THE MANAGEMENT

15.1 The Board decides the salary and other compensation to the CEO. The CEO's salary and bonus shall be determined on the basis of an evaluation by the Board, with emphasis on the CEO's and the Company's overall performance. Any fringe benefits shall be in line with market practice and should normally not be substantial in relation to the CEO's basic salary.

15.2 The Board shall annually carry out an assessment of the salary and other remuneration to the CEO.

15.3 The CEO determines the remuneration of executive employees within the guidelines and instructions provided by the Board. The Board shall, based on proposal from the remuneration committee, issue guidelines for the remuneration of the executive management team. Such guidelines should lay down the main principles for the Company's management remuneration policy. The salary level should not be of a size that could harm the Company's reputation or above the norm in comparable companies. The salary level should, however, ensure that the Company is able to attract and retain executive employees with the desired expertise and experience.

15.4 The Company's financial statements shall provide further information about salary and other compensation to the CEO and the executive management team.

16. INFORMATION AND COMMUNICATION

- 16.1 The Board and the executive management team assign considerable importance to giving the shareholders relevant and current information about the Company and its activity areas. Emphasis is placed on ensuring that the shareholders receive the same and simultaneous information.
- 16.2 Sensitive information will be handled internally in a manner that minimises the risk of leaks. The Company shall have routines for who is allowed to speak on behalf of the Company on different subjects and who shall be responsible for submitting information to the market and investor community. The Chairman, CEO, CFO and the General Counsel will be the main contact persons of the Company in such respects.
- 16.3 The Board should ensure that the shareholders are given the opportunity to make known their points of view at and outside the general meeting.

17. AUDITOR

- 17.1 Each year, the auditor shall present to the Board a plan for the implementation of the audit work and a written confirmation that the auditor satisfies established requirements as to independence and objectivity.
- 17.2 The auditor shall be invited to be present at Board meetings where the annual accounts are dealt with. Whenever necessary, the Board [and/or the audit committee] shall meet with the auditor to review the auditor's view on the Company's accounting principles, risk areas, internal control routines, etc.
- 17.3 The auditor should only be used as a financial advisor to the Company where such use does not affect or reasonably question the auditors' independence and objectiveness as auditor for the Company. Only the Chairman and the CEO and/or CFO shall have the authority to enter into agreements in respect of such counselling assignments.
- 17.4 At the annual general meeting and/or in the annual financial statements, the Board shall present a review of the auditor's compensation as paid for auditory work required by law and remuneration associated with other concrete assignments.
- 17.5 In connection with the auditor's presentation to the Board of the annual work plan, the Board should specifically consider if the auditor to a satisfactory degree also carries out a control function.
- 17.6 The Board shall seek to invite the auditor to attend all general meetings.

18. FINANCIAL POLICY

- 19. The Company shall prepare a statement of its financial policy, providing details of the Company's handling of financial risks, hedging, funding policies, etc.

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