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INFRATEK CORPORATE GOVERNANCE PRINCIPLES

Contents

The company's corporate governance framework is prepared based on relevant legislation - and guidelines provided in «The Norwegian code of practice for corporate governance» (NUES), issued by the Norwegian corporate governance board.

01. Implementation and reporting on corporate governance

01.1 Introduction

Corporate governance can be defined as the system of rules, practices and processes by which the company is directed and controlled. Some of its main purposes are to ensure:

- adherence to rules and regulations
- adherence to generally accepted ethical norms and code of conduct
- clarify roles and responsibilities
- a framework for achieving the company's key objectives
- value creation for and equal treatment of shareholders
- value creation for employees, customers, suppliers and the community as a whole
- quality of business and internal control
- confidence in reported data
- business transparency

It is the board of directors' responsibility to ensure that the company implements, documents, measures and maintains an adequate corporate governance structure.

The company is committed to ensuring an adequate compliance - in the widest sense - and to provide a robust and well organised business for its owners and relevant stakeholders.

01.2 Ethical guidelines and code of conduct

In all its activities - and geographical territories where the company conducts business – the company complies with relevant laws and regulations. The group has prepared a set of ethical guidelines that are approved by the board of directors. These guidelines are based on the company's overall values.

In addition, the company has prepared a comprehensive code of conduct document, outlining guidelines and requirements related to its basic corporate values.

The code of conduct provides the legal and ethical framework for the required conduct of all employees of the company.

«The code of conduct is the guardian of integrity within the company and defines the standards by which we conduct our business and behave as responsible and accountable representatives on behalf of our company. It influences how we think about our actions and what we should and should not do. Every employee shall have an understanding of how this code influences their daily work, and the ways to act accordingly.

It is the personal responsibility of all employees to comply with the set standards. The code of conduct defines the basic rules of conduct within the company and in relation to its business partners and the general public. It also reflects the underlying basic values we pursue, including in particular values with respect to employment, work and product safety as well as environmental protection. Only a business conduct which is fully compliant with all laws and regulations and high ethical standards secures the long-term success of the company and serves society best.»

01.3 Corporate social responsibilities and major stakeholders

In addition to provide the best possible yield to its owners, it is the company's vision to

- provide quality in all aspects of its business
- be a key player in the market place
- to be a key contributor to the development of company employees
- otherwise be a role partner in the interaction with customers, suppliers and other major stakeholder

Employees

The company's development depends on its employees' knowledge, efforts and input, which contribute to the creation of group profitability and growth. The group is committed to ensuring a safe and adequate working environment, competitive compensation and benefit terms - and opportunities for career development.

Customers
The customers are the basis for the company's existence and good customer relations are vital to the company's future. The company must ensure good customer dialogue via accessible and service-oriented customer service staff.

Suppliers
The company seeks to maintain a good business relationship with the its suppliers of goods and services. It is a goal to continually improve procedures so as to secure a mutually beneficial and long-term working relationship with major suppliers, based on competitive terms and conditions.

Society
By building and operating critical infrastructure - and running a profitable business in which employees can develop and grow – the company aim to continue to strengthen its reputation and be a solid and responsible contributor to society as a whole.

02. Business
The company is a leading supplier of services related to the building and operating critical infrastructure – such as *energy carriers*, *telecom* and *public transport*. The company has operations in Norway, Sweden and Finland.

The company has a growth strategy with the ambition to expand within the Nordic area. The company will continue to develop its market position to strengthen its standing both among customers, employees, shareholders and in society in general.

The company's business purpose, as presented in section 3 of the company's articles of association, reads as follows:

«The object of the company is to conduct business related to contractor- and operation services, installation, electrical security and other activities related thereto. The business may also be conducted through participation in, or cooperation with, other companies.»

The company's vision, corporate mission and core values are:

- Vision: together we shall deliver and become a leading Nordic player
- Corporate mission: we build, operate and secure critical infrastructure
- Core values: presence, job satisfaction, movement

These are supported by the following goals and strategic priorities:

- Satisfied and loyal customers
- Be a preferred employer by offering professional and personal growth, and respect for each employee
- Innovative and adaptable to a market in change
- A profitable industrial growth player – both organic and structural
- Having the Nordic region as a market.

The company's targets and strategies shall be in line with the company's articles of association, and be communicated through the company's financial reports and stock market notifications.

03. Equity and dividends
03.1 Equity
The company's equity should not exceed what is necessary to ensure proper development of the company's

values. The equity should at all times be tailored to the company's goals, strategy and risk profile - and should always be sufficient for the company to satisfy current loan agreement covenants.

03.2. Dividend

It is a goal for the company to provide shareholders with a competitive yield on their investments compared with alternative investments with similar risk profiles. Such a yield is primarily sought through value growth, but dividend could be used.

When determining the dividend, the board of directors will take into consideration the company's expansion opportunities, liquidity and overall financial situation.

04. Equal treatment of shareholders and transactions with close associates

The company is committed to an unconditional focus on the equal treatment of all its shareholders. This will be achieved by ensuring company discipline and by abiding by relevant legislation and regulations, in addition to ensuring a transparent flow of information relevant to all shareholders and to the value of the company's shares.

The company has one class of shares. The face value per share is NOK 0.02. Infratek AS is wholly owned by Infratek Group AS.

Transactions with related parties are to be conducted by following the arm's length principle. Any material transaction with related parties is to be presented in the company's annual report.

Board members and leading personnel - or connected related parties - are to notify the board of directors if they have significant interests - whether direct or indirect - in agreements entered into by the company.

The company has established guidelines to ensure that members of the board of directors and executive personnel notify the board if they have any material - direct or indirect - interest in any transaction entered into by the company.

05. Freely negotiable shares

Subject to any restrictions provided for by law, the company's shares can be transferred and acquired freely.

06. General meetings

The general meeting is the company's highest decision-making body. At the general meeting, issues - including modifications to articles of association, approval of the annual accounts and dividend disbursements - are discussed and decided, as required by relevant legislation. According to Norwegian law, the annual general meeting must be held no later than at the end of the month of June.

The company is committed to a close and transparent process with all of its shareholders, ensuring that the shareholder receives adequate and timely information - and to follow guidelines stipulated in *«The Norwegian code of practice for corporate governance»*.

07. Nomination committee

The company has established a nomination committee as per the company's articles of association. The nomination committee is elected by the general meeting.

The nomination committee’s duties are to propose candidates for election to the board of directors - and to propose the fees to be paid to members of these bodies (see below regarding the corporate assembly).

In connection with its work on proposing candidates for the election as members to the board of directors, the nomination committee should be in close contact with shareholders, the board of directors and the company’s executive personnel.

08. Corporate assembly and board of directors: composition and independence

08.1 Corporate assembly

In accordance with an agreement entered into between the company and major employee unions, the company does currently not have a corporate assembly – see the «*Norwegian Public Limited Liability Companies Act*» – article 6-35 item 2.

08.2 Board of directors

The company’s board of directors is to have between three and nine members. Board members are normally elected for a one year term and can be re-elected.

At least two board members must be elected by and among the company’s employees. Alternatively, the minimum number of board members to be elected by and among the employees is as regulated by the «*Norwegian Public Limited Liability Companies Act* » - in the event that the company does not have a corporate assembly. Employee-elected board members serve for a period of two years.

Candidates to the board of directors should have the necessary industry acumen - in addition to having the skills necessary to be a strong partner for the management of the company.

The board’s composition should be such that it can function as a consultative body and act independently of particular interests.

08.3 Independence

Shareholder-elected board members - and parties closely related to them - may not perform advisory or consulting services for the company. Nor may they be a company employee or be party to significant financial agreements entered into with the company. The company may - as a main rule - not purchase advisory or consulting services from a company that a board member either owns or is employed by. Any exceptions to these principles must be discussed by the board on a case-by-case basis. Board members may neither be closely related to other board members nor to leading company personnel.

A board member may not participate in discussions or vote on issues where the member - or any closely related party - has an interest in the outcome, or as to which the member must be regarded as having a prominent personal or financial interest. The same principle applies to the chief executive officer (CEO).

A board member shall not participate in the handling of situations where the member has a central position in a company that may have a potential conflict of interest with the company.

09. The work of the board of directors

09.1 The board of directors’ instructions

The board of directors has prepared instructions clarifying the scope of its own work - as well as the scope for executive management - with particular emphasis on a clear split of responsibilities and duties between the two.

Once a year, as stipulated by the board of directors’ instructions, the CEO shall - in consultation with the board chairman - propose an annual agenda, with particular emphasis on goals, strategies and execution. Normally six board meetings are to be held each year, although no fewer than four meetings.

Board meetings should normally be called no less than seven days ahead. The CEO - along with the board chairman - is responsible for the preparation and documentation of issues that will be presented to the board.

The board is responsible for the overall management of the company - and for appropriately organising the company's activities. This includes the monitoring the company's executive management. The board is responsible for making decisions related to issues that are unusual or of major importance to the company.

The board must ensure that the company maintains good internal controls and compliance in general - so as to ensure that the company complies with applicable legislation, including the company's assets and ethical guidelines (code of conduct).

The board must make sure that all necessary guidelines for the business in general and the company's management are prepared - and that - to the extent necessary - plans and budgets for the company and its subsidiaries are prepared. Annually, the board shall evaluate the performance of the company's CEO.

09.2 Board chairman

The board chairman has a particular responsibility to ensure that the board functions in a satisfactory manner - and to see to that the board's tasks and responsibilities are handled in the best possible way. In connection with the board's work and responsibility, the board chairman must ensure that the expertise of each and every one of the board's members is utilised in the best possible manner.

The board chairman must strive to have all board members present at every board meeting - and to ensure that all significant decisions are made by the full board in attendance.

09.3 Board committees / sub-committees

The board should make use of sub-committees when found useful - or when required by law.

The company has established an audit committee – but has opted out of establishing a remuneration committee as all remuneration issues are handled by the full board.

10. Risk management and internal control

The board of directors is responsible for ensuring that the company has an internal control structure - and otherwise procedures and systems adequate for achieving a robust risk management of the company's activities.

Risk management and internal control reflect the nature and size of the company's business – and its ethical and corporate social responsibility guidelines.

The group's decentralised management and responsibility structure demands that activities in all parts of the business is based on the company's main financial and non-financial guidelines – as defined and instructed in the company's common values, policies and guidelines. The management of each operational business unit and legal entity is responsible for implementing and executing risk management and internal control within their area of responsibility.

In order to meet management objectives and instructions within an adequate control environment, The company has implemented a common management structure - defining the group's common processes and guidelines. Internal control requirements are incorporated in the areas of health, safety, environment, quality, ethics, social responsibility, accounting and financial reporting.

The board of directors will conduct an annual review of the group's main risk areas and internal control.

The internal control structure includes detailed guidelines relating to the accounting, compliance and reporting processes. The aim is to ensure that reliable accounting information is presented in monthly, quarterly and annual reports.

The internal control structure includes requirements on procedures for the preparation of interim and annual reports. These requirements include:

- Accounting principles
- Guidelines related to the assessment of accounting items
- Guidelines related to the documentation of accounts and accounting records
- General principles for the preparation of financial reporting
- Guidelines related to the split of responsibilities in the preparation of financial reports
- Checklists for controls and documentation
- Reporting templates and deadlines

The reporting of the company's financial information is prepared by using a common reporting system, Cognos. All group companies report they numbers in Cognos on a monthly basis, mainly based on data coming from the common company ERP system, IFS.

Cognos has a common chart of accounts and has built-in control systems to ensure consistency of the information. The reporting detail is expanded during the year-end reporting period and in connection with the preparation of quarterly reports. The review and control of the accounting data is conducted at several levels of the organisation - in accordance with the group's decentralised management and responsibility structure.

11. Remuneration of the board of directors

The remuneration for the members of the board of directors must be reasonable, based on tasks and responsibilities. The remuneration paid to the board of directors should not depend on the company's financial performance. The members of the board of directors must not be awarded options or be part of similar schemes.

As a general rule, the members of the board of directors - or companies that they are associated with - may not render services to the company beyond their responsibilities as board members. Should they render services beyond such responsibilities, the board of directors must be informed. Fees for such services must be subject to board approval.

The company's annual reports will include details of all remuneration paid to the individual member of the board of directors, including fees paid for special tasks - and the number of shares held by members of the board.

12. Remuneration of executive personnel

Group management assists the CEO by following up on his/her responsibilities. In group management meetings, which are held on a regular basis, group operations are coordinated and discussed.

The company's CEO is responsible for the day-to-day management of the company's activities, and is to follow the guidelines and directives provided by the board of directors.

The company's corporate management group comprises of the CEO and the group chief financial officer (CFO). The company notifies the Oslo Stock exchange of any changes in the composition of its group management.

12.1 Guidelines for the remuneration of the members of the executive management

Remuneration of the CEO is determined by the Board of directors. Total remuneration for group CFO is determined in discussions between the board chairman and the CEO. Remuneration to the executive management is based on company guidelines. The board is notified of the outcome of these discussions.

The board should adopt guidelines for determining remuneration of the CEO and executive management, and these guidelines should be presented at the company's general meeting according to the law. The guidelines for the remuneration of the members of the executive management shall provide the main principles for the company's executive management remuneration policy.

Remuneration guidelines and all elements of remuneration payable to the CEO and leading executives should be presented in the annual report. The company's annual report must disclose the total salary, fees, and any other remuneration payable to the CEO, along with information on the number of shares held by the CEO and other leading executives.

12.2 Evaluation of group management

Group management conducts a yearly evaluation of the performance of top management. An individual evaluation of the CEO should also be performed as part of this yearly evaluation.

13. Information and communications

The board's information policy lists transparent communication and the equal treatment of all shareholders as fundamental goals.

The board must ensure that the quarterly financial report provides a basis for a complete picture of the company's financial and business positions, and that it accurately portrays the achievement of the company's operational and strategic goals. Such reporting must also present the board's realistic expectations in regard to business development and profit.

All financial information, presentations to analysts, quarterly reports, annual reports, stock exchange notices, and press releases are made available as rapidly as possible to the market place so as to ensure equal access to such information. In addition, a financial calendar must be made available, with dates for quarterly reports and dates of general meetings. Such information is also to be distributed via stock exchange notices to ensure equal treatment of shareholders. The company's management is to regularly schedule meetings with investors and analysts.

The board of directors is committed to reporting financial and other data based on transparency, open communications and equal treatment of all securities market participants.

14. Take-overs

As a general rule, the board of directors will not seek to prevent or obstruct takeover bids for the company's business activities or shares.

In the event of a potential takeover or in restructuring situations, the board recognises its responsibility to exercise particular caution so that the values and interests of all shareholders are maintained. Transactions that are in fact a divestiture of the company's activities are to be presented at the company's general meeting.

In the event of a takeover bid for the company's shares, the board of directors will not execute authorisations or make other decisions that obstruct the bid, unless the general meeting approves such obstructive actions after the bid and its details become known.

The board of directors will seek to give shareholders sufficient information and time to be able to evaluate the bid, among others through a statement of evaluation and recommendation of the bid, or a valuation carried out by an independent expert. If a larger shareholder, board member, senior executives, related parties to any of these or any who've currently had such a position - are a bidder or have any special interest in the offer given -

the board should ensure that an independent valuation is compiled. If a recommendation cannot be provided, it will be accounted for by the board.

15. Auditor

The company's auditor is approved by the general meeting. Among the responsibilities of the auditor are the examination of the board and the management of the company. Thus, the auditor must be independent of the company's management bodies. At the annual general meeting, the board presents the remuneration payable to the auditor for both legally required auditing services and other specific services, if any.

15.1 Auditor's independence

The auditor will provide a yearly written confirmation that the auditor meets established requirements for independence and impartiality. The board is to verify the independence of the auditor, making particular note of any conflict of interest and, if applicable, the auditor's performance of significant services beyond the legally required audit, as set forth in Norway's auditing and auditors act. Closely related advisory services by the auditor outside legal audit shall be explained and the board informed.

15.2 Auditor's work schedule

The auditor participates in board meetings in which the annual accounts are discussed. In addition, the auditor will meet with the board at least once a year to present his or her opinions as to the company's accounting principles, evaluation of significant accounting estimates, areas of risk, internal control procedures, any issues of disagreement between the auditor and executive management, and to present the main features of a plan to execute the audit. The board and the auditor shall meet at least once a year outside of the presence of the CEO or other members of the company's executive management.

As a minimum once a year, the auditor shall present the company's internal control to the audit committee, including identifying weaknesses and suggest proposals for improvement.

15.3 Auditor's mandate period

There is no mandated period for the company's auditor.