

INSTRUCTIONS FOR THE AUDIT COMMITTEE

DOCUMENTS FOR CORPORATE GOVERNANCE



DOF ASA

Adopted by the Board of Directors on 18 August 2017

This collection of documents is adopted to secure, together with any other corporate governance documents, that DOF ASA (“DOF” or the “Company” and, together with its subsidiaries, the “Group”) complies with applicable regulations and recommendations relating to corporate governance (other than those recommendations, if any, the Board of Directors resolves that the Group shall not follow).

The policies and routines included herein are subject to the annual review by the Board of Directors of DOF (the “Board”).

These documents are solely for the internal use of the Group, and none other than DOF can invoke breach of the content. Breaches of the content can however lead to sanctions from public authorities if the action also is a breach of any public regulations.



Instructions for the Audit Committee

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1 OBJECTIVE

The audit committee is a sub-committee of DOF ASA's (the "Company") board of directors and its objective is to act as a preparatory body in connection with the board's supervisory roles with respect to financial reporting and the effectiveness of the Company's internal control system, and other tasks assigned to the audit committee in accordance with the provisions set forth in these instructions.

The audit committee supports the board of directors in the administration and exercise of its responsibility for supervision in accordance with applicable provisions of the Norwegian Public Limited Liability Companies Act and Norwegian securities legislation, as well as applicable listing rules of the Oslo stock exchange.

In particular, the audit committee shall:

- (i) monitor the financial reporting process, including review of implementation of accounting principles and policies;
- (ii) monitor the effectiveness of the Company's internal control, internal audit and risk management system;
- (iii) monitor the statutory audit of the annual and consolidated accounts;
- (iv) review and monitor the independent auditor's qualifications and independence;
- (v) review and monitor the performance of the Company's internal accounting function and independent auditor;
- (vi) monitor the Company's compliance with applicable legal and regulatory requirements; and

- (vii) monitor the Company's compliance with its governance policies.

The audit committee will also have oversight of all main subsidiaries of DOF ASA.

2 ORGANISATION

The board of directors determines the instructions for, and composition of, the audit committee.

The audit committee shall consist of at least two members of the board of directors, however, the entire board of directors may operate as the Company's audit committee. The members and the chairperson of the audit committee, whether the audit committee comprises the entire board of directors, some members of the board of directors or a combination of external members and certain members of the board of directors, shall be appointed by the board of directors for a two-year term. The composition of the audit committee shall be in compliance with the Norwegian public limited liability companies act, which requires that at least one of the members of the audit committee is independent of the Company's operations and have qualifications and competence in accounting or auditing. When resolving the composition of the audit committee, the board of directors shall take into consideration whether the member in question has the necessary knowledge of basic internal control, finance and accounting practices.

The audit committee shall have full access to all books, records and personnel of the Group, as well as the external auditor of the Company. The audit committee may also retain independent counsel, accountants or others to advise the audit committee or assist in the conduct of its duties.

It is not the responsibility of the audit committee to plan or conduct audits or to determine whether the Company or the Groups' financial statements are complete, accurate, or in accordance with IFRS.

3 MEETINGS

The audit committee will meet as often as it deems necessary, but normally quarterly. The meetings may be held telephonically. The audit committee will draw up an annual meeting plan. Interim meetings may be called for if a member of the audit committee so requires.

The Company's chief executive officer and members of the board of directors are entitled to participate in the audit committee's meetings. The Company's chief financial officer will be the executive management's main representative in relation to the audit committee and will participate in the audit committee meetings, unless otherwise instructed by the committee.

The external auditor will participate in meetings when matters falling within the scope of the external auditor responsibilities are considered.

Meeting agendas shall be prepared and provided in advance to members, along with appropriate briefing materials. Minutes of all audit committee meetings shall be prepared.

4 RESPONSIBILITIES

The audit committee's primary responsibilities include:

- (i) Overseeing the external auditor's relationship by discussing with the auditor the nature and rigor of the audit process, receiving and reviewing the audit and other reports including responses from the management related thereto, and provide the auditor full access to the audit committee, with or without the management of the Company present, to report on any and all appropriate matters.
- (ii) Assessing whether non-audit services provided by the external auditor may affect the independence of the external auditor.
- (iii) Reviewing the annual financial statements of the Company and the Group and discussing them with the relevant members of the Company's management before they are presented to the board of directors for approval (and subsequently to the Company's shareholders).
- (iv) To the extent the audit committee in its sole discretion determines, reviewing the interim financial statements of the Company and the Group and discussing them with the relevant members of the Company's management before they are presented to the board for approval.
- (v) Reviewing and discussing with the relevant members of the Company's management and the external auditor, the financial statements produced by the various companies in the Group, with focus on accounting and consolidation principles used in the Group.
- (vi) Discussing with the relevant members of the management of the Company and the external auditor the quality and adequacy of the Company's systems for internal

control and for managing business, financial and regulatory risks, including computerised information system controls and security. This would also include a review of the Company and the Group's insurance coverage.

- (vii) Discussing with the relevant members of the Company's management the status of pending litigations, taxation matters and other areas of oversight to the legal and compliance area, as may be appropriate related to financial issues.
- (viii) Arranging an annual review to ensure that the proper authorisation process has been observed in the Company and the Group.
- (ix) If such authority has been delegated to the audit committee by the Company's general meeting or the board, fixing the auditor's remuneration.
- (x) Making recommendations in connection with the general meeting's appointment of external auditor.
- (xi) Reporting the audit committee's activities and actions to the board of directors, cf. Section 5.
- (xii) Reviewing and reassessing the adequacy of these guidelines annually and recommending any proposed changes to the board of directors for approval.

5 REPORTING TO THE BOARD OF DIRECTORS

The audit committee shall regularly report to the board of directors about the audit committee's activities and any issues that may arise with respect to the quality or integrity of the Group's financial statements, the Group's compliance with legal or regulatory requirements, and the performance and independence of the Company's external auditor. The reporting may be in the form of written minutes of meetings, memoranda or ad hoc presentations at meetings of the board of directors.

The audit committee shall provide an open avenue of communication between internal audit, the external auditor and the board of directors.

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