

## Recommendations from the nomination committee of Norwegian Property ASA

The nomination committee of Norwegian Property ASA comprises:

Marianne E. Johnsen, chair  
Jan Ole Stangeland, member  
Espen D. Westeren, member

The composition of the committee ensures that the interests of the shareholders in general are taken care of. The present members of the committee are independent of the board of directors and the executive management, and neither is permanently represented on the board of directors. The chief executive officer or other members of the executive management do not sit on the committee.

Information on the membership of the committee is also posted on the company's website at [www.norwegianproperty.no](http://www.norwegianproperty.no). Deadlines for submitting proposals to the committee and contact information are also posted on the web site.

The committee has since the ordinary general meeting in 2014 held several meetings, also in relation to the committee's nomination to the extraordinary general meeting which took place on 10 October 2014. The chair of the board has given the nomination committee a review and evaluation of the directors' work since the extraordinary general meeting in October 2014, and the chief executive officer has given the committee a thorough update on the company's business, strategy and organisation. Furthermore, several meetings and dialogue with the company's largest shareholders have taken place. In line with good corporate governance practice, the committee has conducted a thorough assessment of the board's work, competence and experience, and also assessed the need for changes in the composition of the board and the nomination committee. The nomination committee has in particular focussed on putting together and maintaining a competent and sufficiently broad composition of the board and a nomination committee which both will work consistently for the interest of all the shareholders in general. During its work, the committee has been able to draw on resources in the company, and to seek advice and recommendations from sources outside the company.

In connection with Norwegian Property ASA's annual general meeting on 9 April 2015, the committee would make the following unanimous recommendations:

### **1. Board of directors**

Pursuant to the company's articles of association, the board will comprise three to nine members. The present board of Norwegian Property ASA comprises chair Henrik A. Christensen, deputy chair Bjørn Henningsen and director Cecile Astrup Fredriksen. Espen D. Westeren is substitute board member. The former directors Nils K. Selte and Camilla Hagen Sørli stepped down from the board on 20 January 2015 following the shareholder Canica AS' sale of all its shares in the company.

The board of directors was elected at the extraordinary general meeting in October 2014 for a period till the ordinary general meeting in 2016. Thus, the three present board members are not up for election this year.

The nomination committee has in its evaluation work considered several alternatives and additions to the current board, and emphasized input from the shareholders. The committee has been in contact with the largest shareholders of the company, the board members and the chief executive

officer in its work to find and suggest candidates to the board. Furthermore, the committee has had an ambition to increase the number of board members to five, which is in line with previous practice in the company. The committee has also emphasized and concluded that the current board composition works well and that the new members to the board should complement inter alia existing competence and experience on the board. The committee has conducted a thorough assessment of all input and suggested candidates, including their formal background, competence, capacity and experience in order to contribute as board member of the company.

The nomination committee recommends that Espen D. Westeren is elected board member of the company. Espen D. Westeren is currently substitute board member of the company and member of the company's nomination committee. Espen D. Westeren will step down as member of the nomination committee at the ordinary general meeting as a consequence of the possible election of him to the company as a permanent board member. The nomination committee recommends that Espen D. Westeren is elected for a period till the ordinary general meeting in 2016.

Furthermore, the nomination committee recommends that Marianne Heien Blystad is elected board member of the company. Marianne Heien Blystad is also recommended elected for a period till the ordinary general meeting in 2016.

Consequently, the board of Norwegian Property ASA will comprise the following members after the ordinary general meeting on 9 April 2015, if elected:

- Mr Henrik A. Christensen, chairman of the board of directors (not up for election)
- Mr Bjørn Henningsen, deputy chair (not up for election)
- Ms Cecilie Astrup Fredriksen, board member (not up for election)
- Mr Espen D. Westeren, board member
- Ms Marianne Heien Blystad, board member

With this composition of the board, the company still meets the NUES (The Norwegian Code of Practice for Corporate Governance) standard which recommends that at least two board members are independent of the largest shareholders of the company.

Curriculum vitae for Espen D. Westeren and Marianne Heien Blystad are enclosed to this recommendation.

## **2. Nomination committee**

The nomination committee comprises Marianne E. Johnsen, chair, and Jan Ole Stangeland and Espen D. Westeren, members. Pursuant to the company's articles of association, the committee shall comprise two to three members.

The committee was elected at the extraordinary general meeting on 10 October 2014 for a period till the ordinary general meeting in 2017. None of the members of the nomination committee are consequently up for election this year. Nevertheless, member Jan Ole Stangeland has given notice to the nomination committee that he wants to resign from the committee at the ordinary general meeting in 2015 as a consequence of his employer Canica AS having sold all its shares in the company earlier in 2015. Furthermore, member Espen D. Westeren has given notice to the nomination committee that he wants to resign from the committee at the ordinary general meeting as a consequence of the recommendation of him to the board of directors of the company.

As new member to the nomination committee, the committee recommends that Robin Bakken is elected as member for a period till the ordinary general meeting in 2017. Curriculum Vitae for Robin Bakken is enclosed.

### **3. Remuneration of the board of directors**

2014 has been a year with somewhat extended workload for the board members, and in particular for the chairman of the board and the deputy chair following the extraordinary general meeting in October 2014. The nomination committee has conducted a review of directors' fees, and proposes the following remuneration for the directors of the board of the company - on a full year basis:

Chair: NOK 700,000  
Deputy chair: NOK 550,000  
Directors: NOK 250,000

The extraordinary general meeting on 10 October 2014 approved the recommended remuneration to all retiring board members. In addition, two board members stepped down in January 2015. Taken into account the actual serviced board period, the nomination committee's recommendation to the annual general meeting is as follows:

- Mr Henrik A. Christensen, chairman of the board: NOK 350,000
- Mr Bjørn Henningsen, deputy chair: NOK 275,000
- Mr Nils K. Selte, board member (retired): NOK 200,000
- Ms Camilla Hagen Sørli, board member (retired): NOK 62,500
- Ms Cecilie Astrup Fredriksen, board member: NOK 62,500
- Mr Espen D. Westeren, substitute board member: NOK 125,000

The proposed remuneration for directors reflects the board's responsibility, expertise and commitment of time as well as the complexity of the company's operations. Remuneration for the chair and deputy chair is set higher than for the other directors because of the additional responsibilities and obligations inherent in these roles.

### **4. Remuneration of the nomination committee**

The following remuneration for nomination committee is proposed:

Chair: NOK 75,000  
Member: NOK 30,000

The work load for the nomination committee and in particular for the chairman of the committee in 2014 has been extraordinary, in particular as a consequence of the extraordinary general meeting in October 2014.

The recommended remuneration for the nomination committee is based on the extent of the work, commitment of time and the remuneration in other nomination committees in other companies similar to Norwegian Property ASA.

Oslo, 19 March 2015

Norwegian Property ASA  
On behalf of the nomination committee

Sign.

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Marianne E. Johnsen

Enclosure to the recommendations from the nomination committee:

## **Curriculum Vitaes:**

### **Espen D. Westeren**

Mr Espen D. Westeren (born 1978) received his Master M.Phil Economics degree from the Cambridge University in 2003. He is currently employed as an advisor of Frontline Corporate Services and Seatankers Management in London. He is board member of Global Rig Company AS and has previously been employed as an advisor with Martin Currie and HBK.

### **Marianne Heien Blystad**

Marianne Heien Blystad (born 1958) received her Master of Law degree ('cand.jur.')

 from the University of Oslo in 2002 and her Master in Business and Economics ('Siviløkonom') from BI Business School in 1984. She is lawyer and affiliated attorney with independent practice with the law firm Ro Sommernes Advokatfirma DA. Marianne Heien Blystad has worked as lawyer in the law firms Nordia and Bull & Co, and has previous experience from the Spencer Holding group, Eksportfinans and Citibank. She is board member in Eksportfinans ASA, Opera Software ASA, Vardar AS and Y Holding AS, in addition to possess numerous board positions in companies wholly- or partly owned by the Spencer Holding group.

### **Robin Bakken**

Robin Bakken (born 1974) is lawyer and partner of the law firm BA-HR DA. He is in charge of BA-HR's capital markets group and is a law specialist in the fields of stock markets and securities, company law and corporate governance. Bakken has been employed in BA-HR since 2000 (partner since 2007) and received his Master of Law degree ('cand.jur.')

 from the University of Oslo in 2000. He is also board member of the stock exchange listed company Flex LNG Ltd.