

Recommendations from the nomination committee of Norwegian Property ASA - 2016

The nomination committee of Norwegian Property ASA comprises:

Marianne E. Johnsen, chair
Robin Bakken, 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. Deadlines for submitting proposals to the committee and contact information are also posted on the web site.

The committee has since the annual general meeting in 2015 held several meetings. The chair of the board as well as each board member have given the nomination committee a review and evaluation of the directors' work since the annual general meeting in April 2015, and the chief executive officer has given the committee an update on the company's business, strategy and organisation. Furthermore, dialogues 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 and additions in the composition of the board and the nomination committee. The nomination committee has in particular focussed on putting together a competent and sufficiently broad composition of the board which will work consistently for the interest of the company and 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 13 April 2016, 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 the directors Cecile Astrup Fredriksen and Marianne Heien Blystad. Former director and board member Espen D. Westeren stepped down from the board on 11 December 2015 and was not replaced.

The entire board is up for election on the annual general meeting in 2016.

The nomination committee has in its evaluation work considered several alternatives and additions to and expansion of the current board, and emphasized input from the shareholders and that new board members should bring inter alia additional and complementary competence and experience on the board. The committee has been in contact with the largest shareholders of the company and the board members in its work to find and suggest candidates to 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 Bjørn Henningsen (deputy chair) and Cecilie Astrup Fredriksen are re-elected on the board as deputy chair and board member, respectively. Furthermore, the nomination committee recommends that Martin Mæland is elected as chair of the board and that Kjell Sagstad, Kathrine Astrup Fredriksen, Harald Herstad and Merete Haugli are elected as new board members of the company. The number of board members will consequently increase from five to seven, which is considered to be appropriate given the current shareholder structure and the company's market situation.

Consequently, the board of Norwegian Property ASA will comprise the following members after the annual general meeting on 13 April 2016, if elected:

- Mr Martin Mæland chairman of the board of directors (new)
- Mr Bjørn Henningsen, deputy chair (re-elected)
- Ms Cecilie Astrup Fredriksen, board member (re-elected)
- Mr Kjell Sagstad, board member (new)
- Ms Kathrine Astrup Fredriksen, board member (new)
- Mr Harald Herstad, board member (new)
- Ms Merete Haugli, board member (new)

The nomination committee recommends that all board members are elected for one year till the annual general meeting in 2017.

With this composition of the board, the company 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 Martin Mæland, Kjell Sagstad, Kathrine Astrup Fredriksen, Harald Herstad and Merete Haugli are enclosed to this recommendation.

2. Nomination committee

The nomination committee comprises Marianne E. Johnsen, chair, and Robin Bakken, member. 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 annual general meeting in 2017. None of the members of the nomination committee are consequently up for election this year. The nomination committee also considers that the number of members of the committee is sufficient and appropriate. Nevertheless, the nomination committee wants to internally switch roles and reallocate responsibility and work load, such that Robin Bakken steps up as chair of the committee while Marianne E. Johnsen continues as member. The nomination committee recommends to the annual general meeting to approve this internal reallocation.

3. Remuneration of the board of directors

The nomination committee has conducted a review of directors' fees, and proposes the following remuneration on a full year basis for the directors of the board of the company from the annual

general meeting in 2015 to the annual general meeting in 2016: (The remuneration is unchanged compared to the annual general meeting in 2015.)

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

Regarding former director Espen D. Westeren who stepped down from the board on 11 December 2015, the nomination committee recommends a remuneration which takes into account the actual serviced board period, which constitute NOK 166,667 (8/12 of NOK 250,000).

The nomination committee's recommendation to the annual general meeting for remuneration from the annual general meeting in April 2015 to the annual general meeting in 2016 is as follows:

- Mr Henrik A. Christensen, chairman of the board: NOK 700,000
- Mr Bjørn Henningsen, deputy chair: NOK 550,000
- Ms Cecilie Astrup Fredriksen, board member: NOK 250,000
- Ms Marianne Heien Blystad, board member: NOK 250,000
- Mr Espen D. Westeren, former board member: NOK 166,667

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 the nomination committee is proposed from the annual general meeting in April 2015 to the annual general meeting in April 2016:

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

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, 21 March 2016

Norwegian Property ASA
On behalf of the nomination committee

Sign.

Marianne E. Johnsen

Enclosure to the recommendations from the nomination committee:

Curriculum Vitae:

Martin Mæland

Mr Martin Mæland (born 1949) is cand. oecon. and cand. mag. in science from the University of Oslo, and he was chief executive officer of OBOS (the Norwegian real estate conglomerate and building society) from 1983 to 2015. He is chairman of the board of Veidekke ASA and Kultur- og Idrettsbygg KF. Mr Mæland has previously possessed a number of board positions, also within real estate and stock exchange listed companies.

Kjell Sagstad

Mr Kjell Sagstad (born 1948) received his Master of Economics from the University of Oslo, and is senior director and chief investment officer of the real estate private equity firm NIAM and the manager of NIAM's Norwegian business. He is chairman of the board of a number of companies owned and controlled by NIAM. Mr Sagstad has previously been chief investment officer of Vital Eiendom and chief executive officer and Norgani Hotels ASA, and he has long and broad experience from real estate management and transactions.

Kathrine Astrup Fredriksen

Ms Kathrine Astrup Fredriksen (born 1983) completed studies at European Business School in London. She is currently employed in Seatankers Management Co Ltd. In London, and serves as director and board member of Seadrill Ltd. She has previously been a board member of inter alia Frontline Ltd. and Golar LNG.

Harald Herstad

Mr Harald Herstad (born 1947) is lawyer and has run his own law business for 30 years with special focus on real estate law and real estate brokerage. He has had a number of board positions across several industries. He is chairman of the board and chief executive officer of Seatankers Management Norway AS, and chairman of the companies Golden Ocean Management AS, Frontline Management AS and Ship Finance Management AS.

Merete Haugli

Ms Merete Haugli (born 1964) has her education from Bankakademiet and BI, and has also completed studies in transpersonal psychology. She runs her own consultancy business within, inter alia, management coaching, mental training and mentoring, and she has long and broad experience within finance and also from the police. She is board member of Reach Subsea ASA and is member of the nomination committee of Marine Harvest ASA.