

# **Proposal from the Nomination Committee to the Annual General Meeting in Protector Forsikring ASA 30 April 2014**

## **1) Mandate**

The mandate of the Nomination Committee is regulated in the Company's articles of association § 2-11 which state:

" The Company shall have a Nomination Committee consisting of a chairperson and two members elected by the shareholders at the General Meeting. The election period is two years, unless a shorter period has been decided by the General Meeting. The members of the Committee can be re-elected and serve as a member of the Committee for a continuous period of up to 6 years.

A majority of the members of the Committee shall be "independent" of the Board of Directors and the management of the Company. The CEO and other members of the management of the Company cannot be members of the Committee. However, the Chairperson of the Board of Directors and the CEO shall at least annually be invited to attend the meeting of the Committee. Sections 6-7, 6-8 and 6-27 of the Public Companies Act applies correspondingly in relation to the members of the Committee.

The Nomination Committee shall make recommendations to the General Meeting on the following matters:

- the election of shareholder-elected members and alternates to the Board of Directors
- the election of members and alternates to the Control Committee and the Nomination Committee
- remuneration of the members of the Board of Directors, the Control Committee and the Nomination Committee

The Committee must give reasons for their recommendations.

The Committee shall operate in accordance with the Norwegian Code of Practice for Corporate Governance.

The General Meeting can set out further directives for the work of the Nomination Committee."

In order to have flexibility regarding the number of years a member continuous can serve in the committee, the Board of Directors propose for the General Meeting that Article 2-11 first section of the Articles of Association is changed as follows:

"The Company shall have a Nomination Committee consisting of a chairperson and two members elected by the shareholders at the General Meeting. The election period is two years, unless a shorter period has been decided by the General Meeting. The members of the Committee can be re-elected."

In the process of making recommendations to the General Meeting, the committee has taken contact with the company's senior management, representatives of governing bodies as well as the largest shareholders.

## **2) Election of members to the Board of Representatives**

The Nomination Committee has when considering candidates to the Board of Representatives placed emphasis on continuity of a well-functioning committee with a broad professional background and a strong support from major shareholders.

The members and alternate members of the Board of Representatives are elected for a 2-year term in such a way that half of the members retire each year.

Following members stand for election in 2014: Harald Elgaaen, Edgar Ellingsen, Cathrine Vinje Muri Halgrim Thon and alternate member Svein Garberg. Halgrim Thon and Svein Garberg are not up for election for a new period. Thorvald M. Haraldsen (alternate member), who stands for election in 2015, has asked to be relieved now. (The Board of Representatives elects the chairman and deputy chairman among the members annually.)

Members Harald Elgaaen, Edgar Ellingsen and Cathrine Vinje Muri are proposed for a re-election for a 2-year period. As a new member for a 2-year period Egil Stenshagen is proposed for election. (He represents the second biggest shareholder of Protector as Chairman of the Board of Directors in Stenshagen Invest AS. He is a known business leader in Norway). Further Lars Martin Lunde is proposed for election as a new alternate member for a 2-year period. (He is CEO in MP Pensjon, the Company's 8th biggest shareholder.) and Egil Christen Dahl is proposed for election as a new alternate member for a 1-year period (MSc in Economics and Administration, earlier founder of Platekompaniet and a big shareholder of Protector).

(Further the Nomination Committee proposes for the Board of Representatives that Harald Elgaaen is re-elected as the chair and Per Ottar Skaaret is re-elected as the deputy chair of the Board of Representatives for a 1-year period).

Following the proposal, the Board of Representatives will have the following composition:

Members:

- |                                     |                  |
|-------------------------------------|------------------|
| 1. Harald Elgaaen (chair)           | On election 2016 |
| 2. Per Ottar Skaaret (deputy chair) | On election 2015 |
| 3. Anders J. Lenborg                | On election 2015 |
| 4. Knut G. Aspelin                  | On election 2015 |
| 5. Edgar Ellingsen                  | On election 2016 |
| 6. Jan Eiler Fleischer              | On election 2015 |
| 7. Cathrine Vinje Muri              | On election 2016 |
| 8. Egil Stenshagen                  | On election 2016 |

Deputy members:

- |                       |                  |
|-----------------------|------------------|
| 1. Lars Martin Lunde  | On election 2016 |
| 2. Egil Christen Dahl | On election 2015 |

### 3) Election of members to the Control Committee

The Nomination Committee has when considering candidates to the Control Committee placed emphasis on continuity and maintenance of a well-functioning committee with a broad professional background. The chair, members and alternate member of the committee are elected for a term of one year, thus the whole committee stands for election this year.

The Nomination Committee proposes re-election of Anders J. Lenborg as chair, Tore G. Clausen as member and Kaare Oftedal as alternate member. Member Thorvald M. Haraldsen, has informed that he does not wish to be re-elected. The Nomination Committee proposes Ola Hverven as a new member of the Control Committee. (Hverven is born in 1946, has worked within P&C insurance for approx. 40 years, among other things within the areas of claims handling and distribution; in the last 15 years he worked as a director in Storebrand and in If P&C insurance. He is a retiree as of today).

Following the proposal, the Control Committee will have the following composition:

Members:

- |                              |                  |
|------------------------------|------------------|
| 1. Anders J. Lenborg (chair) | On election 2015 |
| 2. Tore G. Clausen           | On election 2015 |
| 3. Ola Hverven               | On election 2015 |

Deputy member:

- |                  |                  |
|------------------|------------------|
| 1. Kaare Oftedal | On election 2015 |
|------------------|------------------|

#### 4) Election of members to the Nomination Committee

The Nomination Committee has when considering candidates to the Nomination Committee consulted with the representatives of the company's governing bodies and the major shareholders and put emphasis on the continuity of the Committee. The members of the committee are elected for a term of 2 years. Per Ottar Skaaret and Nils Petter Hollekim are on election in 2014.

The Nomination Committee proposes re-election of Per Ottar Skaaret and Nils Petter Hollekim.

Following the proposal, the Nomination Committee will have the following composition:

- |                         |                     |
|-------------------------|---------------------|
| 1. Truls Holthe (chair) | On election in 2015 |
| 2. Per Ottar Skaaret    | On election in 2016 |
| 3. Nils Petter Hollekim | On election in 2016 |

#### 5) Remuneration

The Nomination Committee has made comparisons of remunerations of the governing bodies in other listed companies and other comparable companies. The Nomination Committee aims that members of the governing bodies have remunerations at market terms. The Nomination Committee also wants to use attendance fees for the members of the governing bodies who are elected by the General Meeting. The Nomination Committee proposes to the General Meeting to determine the remuneration of members of the governing bodies in advance, so that candidates in advance know what remuneration they receive if they are elected. The levels of remunerations to the different bodies are proposed unchanged from 2012 when major adjustments of the remunerations were implemented.

The Nomination Committee proposes the following remunerations:

##### i) The Board of Representatives:

For 2014:

Chair:	NOK 10,000 + attendance fee of NOK 5,000 per meeting
Member/ deputy member:	Attendance fee of NOK 5,000 per meeting

##### ii) The Control Committee:

For 2014:

Chair:	NOK 70,000 + attendance fee of NOK 5,000 per meeting
Member/ deputy member:	NOK 50,000 + attendance fee of NOK 5,000 per meeting

##### iii) The Nomination Committee:

For 2014:

Chair:	NOK 10,000 + attendance fee of NOK 5,000 per meeting
Member:	Attendance fee of NOK 5,000 per meeting

Oslo, 7 April 2014  
Translation – not to be signed

Truls Holthe

Nils Petter Hollekim

Per Ottar Skaaret