

**R E C O M M E N D A T I O N**  
**FROM**  
**THE NOMINATING COMMITTEE - KONGSBERG GRUPPEN ASA 2015**

Since the General Meeting in 2014, the Nominating Committee for Kongsberg Gruppen ASA has consisted of Alexandra Morris (chair), Morten S. Bergesen and Morten Strømgren. The Committee has since General Meeting in 2014 had seventeen meetings and telephone conferences, as well as correspondence by e-mail.

The Nomination Committee has in connection with this year's election had meetings with all the shareholder and employee elected Board members and with the Chairman of the Board Finn Jebsen and CEO Walter Qvam. The Election Committee has reviewed the Board's self-evaluation. In addition, the Committee has been in touch with the major shareholders in order to get input to the Committee's work.

Kongsberg Gruppen has also according to the Norwegian code of practice for corporate governance and company management, facilitated that shareholders can could bolster suggestions via the company's internet page. Two proposals were promoted through this channel in 2015.

**Election of shareholder-elected Board Directors**

The shareholder-elected part of Kongsberg Gruppen ASA's Board of Directors has since the AGM in 2013 consisted of:

Chair	:	Finn Jebsen
Deputy Chair	:	Anne-Lise Aukner
Director	:	Irene Waage Basili
Director	:	Roar Flåthen
Director	:	Morten Henriksen

All Board members are up for election at the Annual General Meeting in 2015. Finn Jebsen, Anne-Lise Aukner and Irene Waage Basili has respectively five, three and two periods of the board. Roar Flåthen and Morten Henriksen were both elected as Directors of the Board in 2013 and have thus both one period of the board. In addition was Roar Flåthen permanent Deputy attending Director in 2012. Anne-Lise Aukner and Roar Flåthen has informed the company that they want to go out of the Board by the General Meeting this year.

The Nominating Committee propose on re-election of Finn Jebsen as Chairman of the Board and Irene Waage Basili and Morten Henriksen as Board members (Directors).

The Nominating Committee propose unanimously that Jarle Roth (54) is elected as a new Director of the Board. Roth has broad experience from strategy, management, acquisition and integration and board work. He is currently the Managing Director in Eksportkreditt.

The Nomination Committee propose further that Anne-Grete Strøm-Erichsen is elected as a new Director of the Board. Strøm-Erichsen (65) has broad political experience amongst others as Minister of Defense in the Stoltenberg II Government in the periods 2005-2009 and 2012-2013. She has great insight into, and understanding of, international defence policy, procurement of defense material and political processes.

It is the Election Committee's assessment that the set of candidates will give a Board composition that overall is suitable to protect the shareholders' and the company's interests, and that represents good and relevant skills both professionally, type of business and with regard to solid management experience from the business and community life. Of age, the Board will have a good spread from 47 to 65.

CVs for the proposed Board members are enclosed to this recommendation.

## **Directors' fees**

The Nominating Committee's mandate also includes proposing compensation for the Board of Directors. The Nominating Committee proposes that the General Meeting ratify the following adjustment in compensation for the Directors and for the work of the Board committees:

### **Board:**

Chair of the Board: NOK 432 000,- per year  
(Up NOK 13 000,-, most recently adjusted in 2014)  
Deputy Chair: NOK 233 000,- per year  
(Up NOK 3 000,-, most recently adjusted in 2014)  
Directors: NOK 218 000,- per year  
(Up NOK 8 500,-, most recently adjusted in 2014)  
Not permanent oncoming  
Deputy Directors: NOK 10 900,- per meeting  
(Up NOK 300,-, most recently adjusted in 2014)

### **Audit Committee:**

Chair: NOK 10 900,- per meeting  
(Up NOK 300,-, most recently adjusted in 2014),  
maximum NOK 54 500,- per year  
Member: NOK 9 600,- per meeting  
(Up NOK 300,-, most recently adjusted in 2014),  
maximum NOK 48 000,- per year

### **Compensation Committee:**

Chair: NOK 10 100,- per meeting  
(Up NOK 300,-, most recently adjusted in 2014),  
maximum NOK 50 500,- per year  
Member: NOK 8 900,- per meeting  
(Up NOK 300,-, most recently adjusted in 2014),  
maximum NOK 44 500,- per year

Oslo, 27 March 2015

Alexandra Morris (sign.)      Morten S. Bergesen (sign.)      Morten Strømngren (sign.)

## **CV OF THE NOMINEES TO THE BOARD OF DIRECTORS OF KONGSBERG GRUPPEN ASA**

### **Finn Jebsen (65)**

**Position:** Self-employed

**Education:** Economist, Norwegian School of Economics and Business Administration in Bergen (1974), master's in Business Administration from University of California, Los Angeles (1976).

**Other:** Former CEO of Orkla ASA

**Number of years on the Board:** 10

**Number of shares in Kongsberg Gruppen ASA:** 20 000 through the wholly-owned enterprise Fateburet AS

**Directorships outside KONGSBERG:** Chair of the Board of Kavli Holding AS.  
Director of Awilhelmsen AS, Norsk Hydro ASA and Norfund

### **Irene Waage Basili (47)**

**Position:** Chief Executive Officer, GC Rieber Shipping AS

**Education:** Business Administration (International Management), Boston University (1990), Management Programmes at IMD, Lausanne, Switzerland (2005/2006), Solstrand Management Programme, Bergen, Norway (2002/2003).

**Number of years on the Board:** 4

**Number of shares in Kongsberg Gruppen ASA:** 0

**Directorships outside KONGSBERG:** Board member of Pacific Basin Shipping Limited

### **Morten Henriksen (47)**

**Position:** Executive Director Technology, Arendals Fossekompani ASA

**Education:** NTH 1991, Electric power

**Number of years on the Board:** 2

**Number of shares in Kongsberg Gruppen ASA:** 0

**Directorships outside KONGSBERG:** Arendals Water Resources Usage Community Markedskraft and Flumill.

### **Anne-Grete Strøm-Erichsen (65)**

**Position:** Managing Partner Norway, Rud Pedersen Public Affairs Company AS

**Education:** Engineer Exam at the University of Bergen (1974), IT studies, South Dakota School of Mines & Technology USA (1980/1981)

**Special experience:** 8 years as Cabinet Minister, City Chief Commissioner and Mayor in Bergen, 20 years in the IT business.

**Number of years on the Board:** New

**Number of shares in Kongsberg Gruppen ASA:** 0

**Styreverv utenom KONGSBERG:** Member of the Board of Bergen Art Association, Deputy Chair of the Board of Nordhordland helsehus IKS

### **Jarle Roth (54)**

**Position:** Managing Director, Eksportkreditt Norge AS

**Education:** Norwegian School of Economics and Business Administration 1987

**Other:** Former CEO of Unitor ASA

**Number of years on the Board:** New

**Number of shares in Kongsberg Gruppen ASA:** 0

**Directorships outside KONGSBERG:** Deputy Chair of the Board of Ekornes ASA