

CONCERNING ITEM 12 IN THE NOTICE OF CONVOCATION

APPROVAL OF THE DECLARATION OF THE PRINCIPLES FOR COMPENSATION OF THE CEO AND OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT FOR 2016.

The Board proposes the following Declaration of the Principles for Compensation of the CEO and other members of the Executive Management for 2016 according to the Norwegian Public Limited Liability Companies Act § 6-16a:

The main principle in the Company's policy for remuneration and compensation is that the leading employees shall be offered competitive terms, so as to achieve the desired competence and incentives in the Company's executive management team. Salary and other benefits for executive management will during the next year be established in accordance with the above-mentioned main principle.

The Company has established an annual performance bonus program for the executive management team, in which the manager must remain within his position (unresigned) until the start of the following year in order to be eligible. The bonuses may be awarded as a direct cash payment or as share options in the company. Performance-based compensation will be subject to an absolute limit and fulfilment of performance criteria, both decided by the Board at its discretion.

The Company offers pensions plans to all employees, managers included. In addition, the Company provides managers with other limited benefits in kind such as a company telephone.

The Company's Chief Executive Officer has agreed to a 6 month mutual resignation period, except that the resignation period increases to 12 months in the event that the company is acquired or merged with another company.

The guidelines for determination of salary and other compensation for leading employees as outlined for the Annual General Meeting in 2014 have been complied with for 2015 with the exception of performance bonus program that only will be awarded as a direct cash payment. No options will be granted in 2015. The guidelines are found in Note 9 to the 2013 Financial Statements.

Additional detailed information regarding compensation for the executive management team is provided in Note 10 to the consolidated Group accounts for 2014.

The Board proposes that the Annual General Meeting approves the following resolution:

"The Declaration of the Principles for the Compensation of the CEO and the other members of the Executive Management for 2016 is adopted.

The adopted declaration is of an advisory nature to the Board of Directors, with the exception of the authorization for the grant of options to the executive management, which is binding on the Board of Directors based on the Norwegian Public Limited Liability Companies Act § 5-6 (3) and § 6-16 a."