

**THE NOMINATION COMMITTEE'S PROPOSAL TO  
THE ANNUAL GENERAL MEETING IN CXENSE ASA ON 8 MAY 2019**

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**1. PRESENTATION OF THE WORK OF THE NOMINATION COMMITTEE**

The current members of the Nomination Committee in Cxense ASA (the "**Company**" or "**Cxense**") were elected on 10 May 2017 and comprise of Lars Christian Tvedt (chairman), Ola Snøve and Dr. Davor Sutija.

As part of the Nomination Committee's work, the Committee has been in contact with the Company's management team, the Board of Directors, including the Chairman, as well as some of the largest shareholders. The Committee has also been presented with the Board's own self-assessment considerations. The Committee has also made itself familiar with the Company's strategy and future challenges in order to assess the competence and experience that the Board members of the Company is required to have.

There is consensus in the Nomination Committee that Cxense needs to have Board members with relevant industry experience and as independent of the Company as possible. It is understood that the Company needs a dynamic and active Board, which can work closely with the Cxense administration to resolve future demanding tasks. The Company has a major part of its revenue generating activity outside Norway, and there is therefore also a consensus that the Board should consist of persons with international experience, to be able to further grow the Company internationally.

All current Board members stand for election at the Annual General Meeting. The Nomination Committee has evaluated the current Board composition and concluded the current Board carries the experience and qualities described above, and, thus, it is suggested that all current Board members are re-elected by the Annual General Meeting.

**2. BOARD REMUNERATION**

**2.1 Remuneration to the Board members for the period from 2018 to 2019**

For the term served from the Annual General Meeting in 2018 to the Annual General Meeting in 2019, the Nomination Committee proposes a remuneration of the existing Board similar to and in line with the proposal from last year, however, so that the remuneration to the ordinary members is adjusted upwards from NOK 225,000 with NOK 25,000 to NOK 250,000. The Board believes that the adjustment is appropriate taking into consideration the scope of the Board's work and market practice.

On this background, the Nomination Committee proposes that the Annual General Meeting makes the following resolution:

*The annual Board remuneration is NOK 250,000 per Board member for the period from the date of the 2018 Annual General Meeting until the date of the 2019 Annual General Meeting, calculated proportionally for the term served by each Board member in the period. The Chairman of the Board receives an additional amount of NOK 250,000.*

**2.2 Remuneration to the Board members for the period from 2019 to 2020**

The Nomination Committee proposes that the Company amends the existing arrangement for approval and payment of remuneration to the Board members so that Board remuneration is resolved for the consecutive one-year term to be served by the Board, to be paid in quarterly instalments during the ongoing term. The background for the proposal is to provide the Company with a more competitive and flexible compensation arrangement for its Board members.

The proposed arrangement entails that remuneration to the Board members is determined by the annual general meeting in the current year for the period until the annual general meeting in the following year. On this background, it is proposed that the Annual General Meeting makes the following resolution:

*The annual Board remuneration is NOK 250,000 per Board member for the period from the date of the 2019 Annual General Meeting until the date of the 2020 Annual General Meeting. The Chairman of the Board receives an additional amount of NOK 250,000.*

*The remuneration shall be paid in quarterly instalments during the term. In the event that a Board member serves a shorter term, the remuneration shall be calculated proportionally on the basis of the term served.*

The Nomination Committee is further informed by the Company that during the Board's last term, the work of certain Board members has been beyond what is considered ordinary Board work, both in scope and nature, for which no

consideration has been paid. The Company has further informed that in the event that extraordinary work is required during the Board's next term, it finds it practical to enter into consultancy agreements in this respect to ensure that the Company can make use of services from Board members that already have in-depth knowledge of the Company and its recent strategy changes in addition to having the expertise needed. On this background, the Nomination Committee proposes that the General Meeting also resolves as follows.

*The Company may enter into consultancy agreements with board members on customary and generally accepted business terms, provided that the Company's management expresses a need for such services. The Board shall at the Annual General Meeting in 2020 give an account of any consultancy agreement concluded, including the main terms and remuneration paid during the preceding year.*

### **3. BOARD ELECTION**

The term of the current Board expires at the Annual General Meeting in 2019. The Nomination Committee proposes that all current Board members are re-elected for another one-year term:

- Lars Bjørn Thoresen (chairman)
- Liza Boyd Benson
- Ingeborg Molden Hegstad
- Martin Patrick Moran
- Azeem Javaid Azhar

The current Board members are presented in the Cxense ASA 2018 Annual Report.

The Nomination Committee emphasizes that the composition of Board members should be subject to evaluation each year, regardless of the election periods.

### **4. REMUNERATION TO THE NOMINATION COMMITTEE**

The Nomination Committee proposes that the remuneration to the Nomination Committee is kept at the same level as last year, and, thus, that the Annual General Meeting makes the following resolution:

*Remuneration to the Nomination Committee's members is NOK 25,000 for the Chairman of the committee and NOK 15,000 for each of the other members for the period from the 2018 Annual General Meeting to the 2019 Annual General Meeting.*

### **5. COMPOSITION OF THE NOMINATION COMMITTEE**

The term of the current members of the Nomination Committee expires at the Annual General Meeting in 2019.

It is proposed that Terje Valebjørg is elected as the new chairman of the Nomination Committee for a one-year term. Further, it is proposed that Ola Snøve and Davor Sutija are re-elected as members of the Nomination Committee for another one-year term.

#### **About Terje Valebjørg**

Terje Valebjørg is a MBA graduate from St. Gallen Business School, Switzerland and after retiring from a 37-year career with ExxonMobil in November 2014, he has been working as an independent consultant on various projects as well as serving on various Boards. Mr. Valebjørg held various management and executive positions at ExxonMobil covering all financial areas and including both assignments within Norway and abroad. During the last 10 years, Mr. Valebjørg served as the group CFO for operations in the Nordic Region covering all operating areas – Upstream, Downstream and Petrochemicals.

Mr. Valebjørg has extensive experience with corporate governance from ExxonMobil and for the last decade he served as chairman of boards of ExxonMobil's corporate entity set-up in the Nordic countries. Since 2014, Mr. Valebjørg has also held several board positions and currently serves as board member of Interwell AS and as a member of the nomination committee of Petroleum Geo-Services ASA

Mr. Valebjørg is independent from the Company's management and largest shareholders.

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The Nomination Committee in Cxense ASA

Lars Christian Tvedt (chairman)

Ola Snøve

Dr. Davor Sutija