

Proposal from the Nomination Committee to the Annual General Meeting in Protector Forsikring ASA 20 April 2017

1) Mandate

The mandate of the Nomination Committee is regulated in the Company's articles of association § 2-10 which state:

"The Company shall have a Nomination Committee consisting of a chairman 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.

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 Chairman of the Board of Directors and the CEO shall be at least annually invited to attend the meeting of the Committee. Sections 6-7, 6-8 and 6-27 of the Public Companies Act apply 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 a chairman, members and deputy members to the Board of Directors
- remuneration of the Board of Directors
- the election of a chairman and members to the Nomination Committee as well as deputy members as necessary
- remuneration of the Nomination Committee

The Nomination Committee must give reasons for their recommendations.

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

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

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) Changes in laws which affect the composition of the Company's governing bodies

As a consequence of Financial Activities Act (finansieringsvirksomhetsloven) being replaced by Financial Undertakings Act (finansforetaksloven) from and including 1 January 2016 the Company's Board of Representatives and Control Committee are liquidated. Risk Committee is established in the company. A chairman and members of the Board of Directors are elected by the General Meeting. The General Meeting determines remuneration of the members of the Board of Directors.

3) Proposal to the composition of the Board of Directors and election of a chairman of the Board of Directors

According to the Company's articles of association, the Board of Directors shall consist of at minimum 5 and maximum 9 members and a number of deputy members decided by the General Meeting. The

members of the Board are elected for a 2-year term by the General Meeting. The chairman and the deputy chairman of the Board of Directors are elected from the members of the Board of Directors for a 1-year term.

In 2014 the number of the members of the Board of Directors was reduced from nine to seven, whereof five members are elected by the shareholders. The Nomination Committee observes that the Board of Directors functioned better after the reduction in the total number of the members and does not want to increase the total number of the members of the Board of Directors. The Nomination Committee has also weighted the fact that the members of the Board of Directors together have to have a wide professional experience, different background and tasks in the Board. It is also important that the members of the Board of Directors have the necessary competence in order to be included into the Board's subcommittees, i.e. the Audit Committee, the Risk Committee and the Compensation Committee. The Nomination Committee wants to maintain the continuity in the Board of Directors and to carry forward a well-functioning collegium with a broad professional background and good grounding among the Company's biggest shareholders.

The members elected by the shareholders standing for election in 2017 are Erik G Braathen and Else Bugge Fougner.

Both of them have expressed interest in continuing their work which means that they can be elected for a new 2-year period until 2019.

The chairman and the deputy chairman of the Board of Directors are elected for a 1-year term by the General Meeting. The Nomination Committee proposes that Jostein Sørvoll is re-elected as the chairman and Erik G. Braathen is re-elected as a deputy chairman of the Board of Directors.

Following the proposal of the Nomination Committee, the shareholder-elected members of the Board for the service year 2017/2018 will be:

- Jostein Sørvoll (chairman) on election 2018
- Erik G. Braathen (deputy chairman) on election 2019
- Else Bugge Fougner on election 2019
- Jørgen Stenshagen on election 2018
- Randi Helene Røed on election 2018

In order to give a proposition for the composition of the Board the Nomination Committee has had meetings with all of the members of the Board and CEO, and has reviewed the Board's self-evaluation.

The Nomination Committee has not received any objections towards the existing Board from the Company's shareholders.

Proposal for the resolution:

i) Establishment of the total number of the members of the Board of Directors:

It was concluded that the Board of Directors shall constitute of seven members, whereof five shareholder-elected members and two employee-elected members. No deputy members are elected for the shareholder-elected members of the Board of Directors. Two deputy members of the Board are elected for the employee-elected members.

ii) Election of the shareholder-elected members of the Board of Directors:

Jostein Sjørvoll, Jørgen Stenshagen and Randi Helene Røed are elected as the members of the Board until spring 2018. Erik G Braathen and Else Bugge Fougner are elected as the members of the Board until spring 2019.

iii) Election of the chairman and deputy chairman of the Board of Directors:

Jostein Sjørvoll is elected as the chairman of the Board of Directors for 1 year, i.e. until spring 2018. Erik G Braathen is elected as the deputy chairman of the Board of Directors for 1 year, i.e. until spring 2018.

4) Proposal for the composition of 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. The member standing for election in 2017 is Per Ottar Skaaret. Nils Petter Hollekim and Anders J. Lenborg stand for election in 2018.

The Nomination Committee proposes that Per Ottar Skaaret is re-elected as the leader of the Nomination Committee until 2019.

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

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| 1. Per Ottar Skaaret (leader) | on election 2019 |
| 2. Nils Petter Hollekim | on election 2018 |
| 3. Anders J. Lenborg | on election 2018 |

Proposal for the resolution:

i) Election of the members of the Nomination Committee:

Per Ottar Skaaret is elected as the leader of the Nomination Committee for 2 years, i.e. until spring 2019.

5) Proposal for remuneration

Remuneration of the Board of Directors is determined by the General Meeting.

The remuneration of the Board of Directors shall reflect the Board of Directors' responsibilities, competence, use of time and the complexity of businesses. The Nomination Committee aims the Board of Directors to have remuneration at market terms. Experience shows that work extent in the Board of Directors' subcommittees, the Audit Committee, and the Compensation Committee is relatively large. It is expected that work extent in the Risk Committee will be similar to that in the Compensation Committee. It is the opinion of the Nomination Committee that the company having to comply with the laws and regulation of the Norwegian Financial Authority will have greater need for documentation and control than other businesses.

In the 2016 General Meeting a comprehensive increase in remuneration for 2016/2017 was approved as proposed by the Nomination Committee – and unchanged for 2017/2018.

Current remuneration is as follows:

Chairman of the Board of Directors	NOK 500.000
Deputy chairman of the Board of Directors	NOK 310.000

Shareholder-elected members	NOK 275.000
Employee-elected members	NOK 140.000

ii) Additional remuneration of the Audit Committee:

<i>Chairman</i>	<i>NOK 40.000 + attendance fee of NOK 7.500 pr. meeting</i>
<i>Member</i>	<i>NOK 25.000 + attendance fee of NOK 7.500 pr. meeting</i>

iii) Additional remuneration of the Risk Committee:

<i>Chairman</i>	<i>NOK 25.000 + attendance fee of NOK 7.500 pr. meeting</i>
<i>Member</i>	<i>NOK 15.000 + attendance fee of NOK 7.500 pr. meeting</i>

iv) Additional remuneration of the Compensation Committee:

<i>Chairman</i>	<i>NOK 25.000 + attendance fee of NOK 7.500 pr. meeting</i>
<i>Member</i>	<i>NOK 15.000 + attendance fee of NOK 7.500 pr. meeting</i>

i) The following remuneration for the Board of Directors for the service year 2016/2017 was resolved:

<i>Chairman of the Board of Directors</i>	<i>NOK 500.000</i>
<i>Deputy chairman of the Board of Directors</i>	<i>NOK 310.000</i>
<i>Shareholder-elected members</i>	<i>NOK 275.000</i>
<i>Employee-elected members</i>	<i>NOK 140.000</i>

ii) Additional remuneration of the Audit Committee:

<i>Chairman</i>	<i>NOK 40.000 + attendance fee of NOK 7.500 pr. meeting</i>
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iii) Additional remuneration of the Risk Committee:

<i>Chairman</i>	<i>NOK 25.000 + attendance fee of NOK 7.500 pr. meeting</i>
<i>Member</i>	<i>NOK 15.000 + attendance fee of NOK 7.500 pr. meeting</i>

iv) Additional remuneration of the Compensation Committee:

<i>Chairman</i>	<i>NOK 25.000 + attendance fee of NOK 7.500 pr. meeting</i>
<i>Member</i>	<i>NOK 15.000 + attendance fee of NOK 7.500 pr. meeting</i>

i) The following remuneration for the Nomination Committee for the service year 2016/2017 was resolved:

<i>Chairman</i>	<i>NOK 10.000 + attendance fee of NOK 7.500 pr. meeting</i>
<i>Member</i>	<i>Attendance fee of NOK 7.500 pr. meeting</i>

Oslo, 13 March 2017

Per Ottar Skaaret Nils Petter Hollekim Anders J. Lenborg