

THE NOMINATION COMMITTEE'S RECOMMENDATION TO THE ANNUAL GENERAL MEETING IN KMC PROPERTIES ASA ON 2 JUNE 2021

Please note that the recommendation was updated on 26 May 2021 to include section 1 below: Election of members to the board of directors. The other items are unchanged from the version published on 12 May 2021.

KMC Properties ASA's nomination committee has the following composition:

- Christopher William Ihlen, Chair
- Nini Høegh Nergaard

The nomination committee has assessed the board's work and composition based on the competence needs of KMC Properties ASA, the company's situation, opportunities, and challenges. The committee has contacted the largest shareholders with an invitation to provide any suggestions related to the composition of the board.

For the annual general meeting of KMC Properties ASA on 2 June 2021, the nomination committee presents the following recommendations:

1. Election of members to the board of directors

The current board of directors was elected at KMC Properties ASA's extraordinary general meeting on 18 December 2020. All members were elected for a period of two years. The nomination committee is of the opinion that the current board has broad and relevant expertise and a good understanding of the company's strategic challenges and opportunities. Board member Børge Klungerbo has requested to resign from his board position. On such basis, the nomination committee has recommended the election of a new board member to replace Børge Klungerbo.

The nomination committee recommends electing Thorbjørn Pedersen as new member of the board.

Thorbjørn Pedersen is currently a partner of Ness, Risan & Partners AS (NRP), an independent and privately owned investment firm. Pedersen has been with NRP since 2004 and with the predecessors to the NRP since 1996. Since the 1980s he has acquired experience in shipping, capital markets and real estate at, among others, Fearnley, Poseidon, Ambra and Carnegie.

Pedersen holds a Master of Science degree from the Norwegian School of Economics (NHH).

2. Election of members to the nomination committee

The nomination committee proposes to the annual general meeting to elect the following members to the nomination committee:

- Finn Haugan, Chair
- Ingrid Kristin Viken
- Gunnar Syvertsen

3. Proposed remuneration to the members and committees of the board

The nomination committee proposes the following annual remuneration for board members for the period from 18 December 2020 and to the annual general meeting in 2022:

- Chair: NOK 400,000
- Board members: NOK 225,000
- Members of the audit committee: NOK 50,000
- Members of the compensation committee: NOK 25,000

4. Proposed remuneration to the members of the nomination committee

No remuneration is proposed for the members of the nomination committee for the period 24 June 2020 to 31 December 2020. For the period from 1 January 2021 and to the annual general meeting in 2022, an annual remuneration of NOK 40,000 for each member is proposed.

Oslo, Norway, 26 May 2021,
Christopher W. Ihlen,
Chair of the nomination committee KMC Properties ASA