

# 2015

Annual report

# CORPORATE GOVERNANCE IN NORSKE SKOG

Norske Skogindustrier ASA is a Norwegian based paper manufacturer with global production and sales operations. Norske Skog's goal is to increase shareholder value, through profitable and sustainable production of publication paper. Norske Skog is listed on the Oslo Stock Exchange and is subject to Norwegian law, including Norwegian securities legislation and stock exchange regulations, as well as international bond market regulations.

The board of directors of Norske Skog has a strong focus on ensuring compliance with applicable corporate governance standards. Norske Skog is subject to reporting requirements for corporate governance pursuant to Section 3-3b the Norwegian Accounting Act, and complies with the Norwegian Code of Practice for Corporate Governance (the "Code", see [www.nues.no](http://www.nues.no), English pages). This corporate governance statement follows the structure of the Code published on 30 October 2014.

Corporate governance principles as referred to in this statement define roles and responsibilities, powers and processes, between and within governing bodies, such as the general meeting, the board and the corporate management. For further information about corporate bodies and corporate governance matters, please visit Norske Skog's website [www.norskeskog.com](http://www.norskeskog.com).

Corporate Governance is a continuously addressed by the board, and the board has approved this corporate governance statement.

## 1. IMPLEMENTATION AND REPORTING

Deviations from the Code are explained where relevant in this statement. Norske Skog's Steering Documents and corporate governance principles are fundamental for the company's corporate governance and value creation. Compliance with the Steering Documents is mandatory for employees and others acting on the company's behalf, and

similar conduct and ethical standards are expected in partnerships, joint ventures and partially owned subsidiaries. The Steering Documents, which can be found on the company's website, include Norske Skog's values, and define ethical fundamentals for the company's operations.

The Steering Documents confirm that the company's aim is to maximize shareholder value through operations within the publication paper industry. The company values are openness, honesty and cooperation and guide our behaviour across regions. These values, together with the leadership principles, are the fundament to ensure ethical and competitive business conduct within and on behalf of Norske Skog.

Furthermore, the Steering Documents constitute the company's social responsibility policy through providing the basic requirements for sustainable operations with regards to health and safety, environment, people (fairness, equality and merit based opportunities), corporate conduct (anti-corruption, legal compliance and business ethics), as well as financial management and reporting. Key international standards and agreements create a basis for the Steering Documents, hereunder the UN Global Compact and the ICEM agreement.

## 2. BUSINESS

Norske Skog's business purpose is set out in the Articles of Association, article 2: "The objective of the company is to operate wood processing activities and associated activities. The company may participate in other commercial activity by subscribing to shares or in other ways". The overall strategic guidelines involve producing at the lowest possible cost, seeking out growth that strengthens profit and focusing on core activities. The Articles of Association are available on the company's website.

## 3. EQUITY AND DIVIDENDS

### Equity

The board closely monitors the developments of the equity and liquidity, and considers and implements on a continuous basis various measures to ensure that the group and companies improve the level of equity and liquidity.

As a consequence of among other things a write-off of tax assets in Norway and Australasia made as part of the process with preparing the year-end consolidated financial statements for 2015, Norske Skog's consolidated total equity as at 31 December 2015 was NOK -229 million, which is equivalent to -1.8% of total assets. Norske Skog is continuously working on a number of equity and liquidity enhancing initiatives to improve the aforementioned equity level. In March and April of 2016, Norske Skog has among other things completed an issue of new equity and an exchange offer for the senior unsecured notes previously due in 2017, which improved the group's equity level with than NOK 1 billion.

The issue of new equity was made through a private placement to funds managed by GSO Capital Partners LP and Cyrus Capital Partners, L.P. and was completed on 31 March 2016. The private placement comprised approximately 63 million new shares at a subscription price of NOK 2.24 per share, and provided total gross proceeds in the amount of approximately NOK 142 million.

The exchange offer for the senior unsecured notes previously due in 2017 was completed on 11 April 2016, and comprised an exchange of all of the notes previously due in 2017 to a combination of new senior unsecured notes due in 2026 and perpetual notes due in 2115. Following completion of the exchange offer, there are no notes due in 2017. The completion of the exchange offer resulted in an immediate deleveraging and reduced net interest bearing debt and improved group equity by more than NOK 1 billion. Furthermore, the completion of

the exchange offer has reduced annual cash interest payments by more than NOK 100 million.

On 21 April 2016, Norske Skog announced the terms of a repair offering to repair for the dilutive effect of the abovementioned private placement. The repair offering comprises an issue of up to 31 512 247 new shares at a subscription price of NOK 2.24 per share, providing total gross proceeds in the amount of up to NOK 71 million.

The work on ongoing and future equity and liquidity enhancing initiatives remains and will continue to remain a high priority of Norske Skog.

At the extraordinary general meeting held on 6 January 2016, the board of directors accounted for Norske Skog's financial position in accordance with the provision of Section 3-5 of the Norwegian Public Limited Liability Companies Act, and the board of directors will similarly account for the financial position in the annual general meeting scheduled for 25 May 2015.

#### Dividends

It follows from Norske Skog's shareholder policy that the dividend policy shall be competitive and responsible. Due to the financial results of the company, no dividends have been disbursed in the last years. The board and corporate management strive towards getting the company into a dividend position again.

#### Purchase of treasury shares

The annual general meeting in 2015 authorised the board to purchase treasury shares, for the sole purpose of offering employees the opportunity to purchase shares at rebated prices in a limited employee share purchase programme, and up to a nominal value of NOK 3 800 000, however at no time exceeding 2% of outstanding shares. The shares should be acquired at the stock exchange quoted share price. The authorisation was granted for the period up to the next annual general meeting. On 31 December 2015, Norske Skog owned a total of 19 667 treasury shares. During 2015, a total of 180 643 shares were sold to Norwegian employees at a discount of up to 20% and with a maximum discount of NOK 1 500 per employee as a part of the employee share purchase programme. The shares are subject to a one year lock-up period from the date of acquisition by the relevant employee.

#### 4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

Norske Skogindustrier ASA has one class of shares. Shareholders shall be treated equally, and voting rights are based on the principle one share – one vote. Pursuant to the Steering Documents and the board's manual, the members of the board and the corporate management shall notify the board if they have any material interest in any transaction entered into by the company.

All transactions with related parties shall be entered into in accordance with the arm's length principle. For information on transactions with related parties, please see Note 26 in the consolidated financial statements.

#### 5. FREELY NEGOTIABLE SHARES

The Articles of Association do not impose any restriction on the negotiability of Norske Skog's shares, and pursuant to the Steering Documents for Financial Management and Reporting, the Norske Skog share shall be freely negotiable.

#### 6. GENERAL MEETINGS

The general meeting is the shareholders' forum and the supreme governing body of the company. The Articles of Association do not impede the shareholders' rights as provided by the Public Limited Liability Companies Act. The board sets the agenda for the general meeting. In accordance with applicable laws and deadlines, the minutes from the general meeting are published externally and on the company's website.

At the general meeting in April 2015, 42 shareholders and shareholder proxies were present, representing 67 177 545 shares out of a total of 189 945 316 voting shares, corresponding to 35.37% of the total number of voting shares. The company strives to promote the shareholders' rights and opportunities to carry out their rights in the general meetings:

- The summons and documentation for the general meeting, including the proposal by the election and remuneration committee, are made available on the company's website and distributed to the shareholders.
- Any shareholder may, by written notification to the board no later than seven days before the due date for submitting of the summons, require items to be included in the agenda for the general meeting.
- Participation at the general meeting is made possible by registering voting in advance, electronically or in writing, also on individual

agenda items.

- The summons and documentation for the general meeting are sufficiently detailed and comprehensive for the shareholders to assess, discuss and vote on the matters presented to the general meeting.
- The deadline for giving notice of attendance to the general meeting is set as close to the date of the meeting as possible. In 2015, the deadline was two days before the annual general meeting.
- The company's external auditor will attend the general meeting and present conclusions in the auditor's report.
- The summons for the general meeting will be given, and the general meeting will be chaired by the chair of the board. The company's Articles of Association include a provision on election of another chairperson for the general meeting.

An extraordinary general meeting was held on 6 January 2016, with 98 shareholders and shareholder proxies present, representing 93 988 214 shares out of a total of 189 925 929 voting shares. This corresponds to 49.49% of the total number of voting shares. Based on the recommendation from the election and remuneration committee, the extraordinary general meeting elected Joanne Owen and Nils Ingemund Hoff as new shareholder-elected members of Norske Skog's board of directors.

The Code recommends that the general meeting elects board members individually. Traditionally, Norske Skog's general meeting is invited to elect the board members collectively to promote the board as a qualified team and in accordance with legal requirements for gender representation. Norske Skog does not require the entire board's presence at the general meeting. However, the chair of the board will be present, and employee representatives and a number of shareholder elected members will regularly be present. Furthermore, the corporate management will at least be represented by the CEO and the CFO. In line with the above, Norske Skog does not require the entire election and remuneration committee's presence at the general meeting. However, the chair of the committee will be present to explain the committee's proposal.

#### 7. ELECTION AND REMUNERATION COMMITTEE

Pursuant to the Articles of Association, Norske Skog has an election and remuneration committee with four shareholder representatives and one employee representative.

The shareholder representatives, including the chair of the committee, are elected by the general meeting. The election and remuneration committee proposes shareholder candidates for election to the board, and shall ensure that the board has a sound composition of competencies and capacity to perform the responsibilities of the board, including with respect to the company's strategic development, financial matters and supervision of the operations and continuous improvement initiatives.

Furthermore, representation of shareholders as well as providing a good working climate in the board, are important elements in evaluating and proposing candidates. Upon its own discretion, the election and remuneration committee may engage company resources and external consultants to assist in search for candidates. As a basis for its work, the committee also invites shareholders' input, interviews board members and the CEO, and reviews the board's self-evaluation.

The election and remuneration committee also proposes its own succession candidates. Members of the committee should be independent from the board and the corporate management. With today's shareholder structure, the Norwegian forest owners are the only shareholder group directly represented in the committee.

The committee also proposes remuneration of the governing bodies, including for the committee itself. Whereas the employee representative on the committee does not have voting rights regarding shareholder candidate proposals, he or she has voting rights with regard to remuneration of all members of governing bodies.

The election and remuneration committee's proposals for election and remuneration of members of the governing bodies are submitted to the shareholders, together with the other documentation for the general meeting.

Norske Skog provides information on its website about members of the election and remuneration committee.

## 8. THE BOARD'S COMPOSITION AND INDEPENDENCE

According to the Articles of Association, the board of Norske Skog shall have between seven and ten board members. Following the resignation of the board member Siri Hatlen in February 2016, the current number of board members is seven, including three

employee representatives. For the employee representatives, personal alternate members have been elected. In the extraordinary general meeting on 6 January 2016, Joanne Owen and Nils Ingemund Hoff were elected as new shareholder-elected members of Norske Skog's board of directors, and replaced Karin Bing Orgland and Ole Enger. Of the four shareholder elected board members, one is a woman and three are men. The requirement of gender representation in the Public Limited Liability Companies Act sets out that if the number of shareholder elected board members is 4 or 5, at least two of the members shall be women. The requirement is therefore not fulfilled at present. However, at the annual general meeting scheduled for 25 May 2016, a new female board member will be elected, and the composition of shareholder elected board members will then be two women and three men, which will be in compliance with the requirement of gender representation. Two employee representatives are men and one is a woman. Their representation fulfils the legal requirements for gender representation.

All shareholder elected directors are elected for one year at a time. All current directors have a statistical attendance at board and committee meetings of nearly 100%. Neither the company's external auditor, nor any member of the corporate management, is a member of the board. The CEO and the CFO attend all board meetings, and the auditor attends board meetings in connection with the annual financial statements and on other audit related matters.

Except for GSO Capital Partners LP and funds it manages, which on 31 March 2016 flagged a combined shareholding of 24.47%, no shareholder or shareholder group holds more than 10% of the shares in the company. All Norske Skog directors are independent and act autonomously of the company's main business partners, corporate management and shareholders. However, the board member Eilif Due has relations to the Norwegian forest owners. Allskog BA, of which Eilif Due is the chairman, holds approximately 1.38% of the shares in the company. The other large forest owner entity holding shares in the company is AT Skog SA, which holds approximately 0.74% of the shares. Jon-Aksel Torgersen is CEO of Astrup Fearnley AS. Astrup Fearnley AS owns approximately 2.05% of the shares in the company on a consolidated basis.

The chairman of the board Jon-Aksel Torgersen is among the larger personal shareholders of the company. As at 31 December 2015, the chairman Jon-Aksel Torgersen held 3 486 664

shares through his wholly-owned company Fiducia AS. Eilif Due personally held 3 256 shares, Paul Kristiansen personally held 22 491 shares, Svein Erik Veie personally held 16 792 shares and Cecilie Jonassen personally held 1 943 shares.

As at 31 December 2015, the CEO Sven Ombudstvedt held in total 2 012 149 shares, partly personally and partly through his wholly-owned company Elle Holding AS, the CFO Rune Sollie held in total 153 883 shares, partly personally and partly through his wholly-owned company Tia Ynwa AS and the SVP Corporate Strategy & Legal Lars P. Sperre personally held 34 991 shares.

## 9. THE WORK OF THE BOARD

The board's main tasks comprise the overall responsibility for the management of the company, and overseeing the daily administration and operations of the company. Throughout 2015 and into 2016, the board has concentrated a significant amount of time on strategic and financial matters. Efforts and results within the areas of health, environment and safety are annually reported comprehensively to the board, and the CEO reports on health, environment and safety, operations and market developments in every board meeting.

The board prepares an annual plan for its work, clearly setting out strategic, financial, operational and organisational matters for discussion and resolution. In addition to addressing the matters on such plan, the board continuously addresses matters and processes which require the board's involvement from time to time.

The board has two sub-committees: An audit committee, as required by the Public Limited Liability Companies Act, and a compensation committee. The members of the audit committee are Paul Kristiansen (chair), Jon-Aksel Torgersen and Eilif Due. The members of the compensation committee are Jon-Aksel Torgersen (chair), Joanne Owen and Eilif Due. The board manual sets out clear mandates on defined areas of responsibility for both committees. The committees undertake preparatory discussions and submit their recommendations to the full board, but do not adopt any resolutions.

The audit committee focused on the company's financial reporting and internal control function in 2015. The compensation committee focused on the company's long term incentive program in 2015, in accordance with the resolution made at the annual general meeting in April 2015. The external auditor

and the CFO attend the meetings of the audit committee. The CEO attends the meetings of the compensation committee, except when the CEO's remuneration is being discussed.

The full board held 16 physical meetings in 2015, which was 8 more than its annual plan. 3 matters were resolved by written resolutions and 1 meeting was held as a phone meeting. The audit committee held 8 meetings in 2015. The compensation committee held 2 meetings in 2015.

The board has carried out a self-assessment with a statistical survey and a follow-up board discussion. The outcome of the self-assessment has been presented to the election and remuneration committee.

#### THE BOARD MANUAL

The board has adopted a board manual. Minor updates were made to the manual in December 2013 and no amendments were made in 2015. The mandate for the compensation committee was revised in December 2010 and the mandate for the audit committee was revised in December 2012.

The board manual sets out the directors' duties. Employee representatives have the same rights and obligations as shareholder elected board members. Furthermore, the manual sets out general loyalty obligations of the board members towards the company and to ensure equal treatment of shareholders. To maintain the board members' independence, they may not assume business relations and special tasks for the company in addition to their directorship, without informing the full board, and any remuneration for such tasks requires board approval.

In light of the board members' status as primary insiders of Norske Skog, the company's instruction for primary insiders is a part of the board manual. This instruction was revised in October 2012.

The board manual clarifies responsibilities of the chair of the board and the CEO, the board's obligations towards the general meeting, and the quorum and voting procedures in board meetings. The board manual also sets out the mandates for the two board committees referred to above. The mandate for the audit committee includes the accounting and financial reporting processes of the company, as well as the company's enterprise risk management, control functions and external auditing. The mandate for the compensation committee covers the board's discussion on salary and other remuneration of the CEO

and the corporate management. Furthermore, the compensation committee serves as an advisory board to the CEO regarding remuneration and pension principles for all employees.

#### 10. RISK MANAGEMENT AND INTERNAL CONTROL

The board's responsibility and the purpose of risk management and internal control

The board is ultimately responsible for the management of the company. Consequently, the board is also responsible for evaluating and controlling the company's risk position. Norske Skog's enterprise risk management processes are based on COSO's Enterprise Risk Management framework, and cover financial, operational, market and organisational risks. By this delineation of risk control, all sustainability and responsibility areas covered by Norske Skog's Steering Documents are also covered by its enterprise risk management processes and is reported to the board. The system is based on the management teams in each business unit and in key corporate functions regularly reporting potential risk factors to the company's risk management function, and updated risk pictures provide a basis for the agenda of the corporate management meetings and adequate follow-up measures.

The internal control systems within the CFO organisation primarily cover the financial reporting structure and processes. Routines for internal control over financial reporting are defined in Norske Skog's internal control documentation (Financial Closing Manual and Financial Closing Checklist). Responsibilities are clearly defined in terms of execution, documentation and control. As part of the continuous focus on compliance, regular reviews of business processes, investments or other issues are carried out. These compliance processes are carried out on the basis of risk assessments, and support the business in improving internal control and achieving the set goals. The group also has a power of attorney structure which describes and regulates financial empowerment to individual positions.

Norske Skog has clearly established channels and procedures for reporting and handling instances of possible serious misconduct (whistle blowing). It is the opinion of the board that Norske Skog's internal control and systems for risk management are adequate and proportionate to the nature and complexity of the company's operations and financial situation. Further information is provided in the notes to the financial statements.

#### 11. REMUNERATION OF THE BOARD

The remuneration of the board is decided by the general meeting on the basis of the election and remuneration committee's proposal. The committee considers the level of responsibility, complexity and time consumption, as well as the required expertise, for the board members. Proposals for annual adjustments of the remuneration of the board are based on considerations to ensure that Norske Skog -remains attractive and competitive on the market for governing bodies' competencies.

No board member has carried out specific tasks or commissions for the company in addition to the directorship, and Norske Skog has not paid other remuneration to any board member than the ordinary board remuneration.

Separate remuneration is stipulated for the chair of the board and members of committees under the board. For 2015, remuneration of the board amounts to:

1. The remuneration for the chair of the board is NOK 500 000 per year.
2. The remuneration for the other members of the board is NOK 328 000 per year.
3. The remuneration for the alternate members of the board is NOK 13 500 per meeting.
4. The remuneration for the members of the committees of the board is NOK 6 800 per meeting. Separate rates apply for the audit committee.
5. The remuneration for the chair of the audit committee is NOK 105 000 per year with the addition of NOK 6 800 per meeting.
6. The remuneration for other members of the audit committee is NOK 68 000 per year with the addition of NOK 6 800 per meeting.
7. Travel and lodging expenses are reimbursed in accordance with the state travel allowance scale.

The total remuneration for the board of directors in 2015 was NOK 3 306 079. For the election and remuneration committee, the total remuneration was NOK 469 000. For further information, reference is made to Note 12 in the consolidated financial statements.

#### 12. REMUNERATION OF EXECUTIVE PERSONNEL

Norske Skog has adopted guidelines for remuneration of the corporate management. These guidelines are included in the board's statement on salary and other remuneration to executive employees, which is a part of the documentation presented to the annual general meeting. The guidelines set out the main principles for salaries and other

compensatory elements. Performance related remuneration of the corporate management is linked to the financial performance of the company, and the individual member of management's contribution thereto. In general, the guidelines ensure alignment of financial interests between the shareholders and the corporate management.

The CEO's remuneration terms are reviewed and decided annually by the board following preparatory discussions in the board's compensation committee. The remuneration consists of base salary, annual performance bonus, pension and other benefits. The decision on the CEO's remuneration takes into consideration the overall performance of the CEO and the company, and the market development for CEO remuneration in companies of similar complexity, size and industries. The remuneration for other members of the corporate management is decided by the CEO, and the performance related remuneration consist of the same elements as for the CEO.

Performance based elements are calculated on the basis of quantifiable objective targets as well as on quantifiable targets falling within areas over which the respective executives have a reasonable influence. More information about corporate management remuneration is available in the financial statements, Notes 9 (Norske Skogindustrier ASA) and 12 (consolidated financial statements).

In addition, Norske Skog established a long-term incentive program in 2014, in accordance with the resolution made at the annual general meeting in April 2014. The program consists of synthetic options with a term of minimum three years, and is limited to a maximum number equal to 2% of the issued shares in the company. Synthetic options have been awarded once in 2014 and once in 2015.

### 13. INFORMATION AND COMMUNICATIONS

Information in Norske Skog's financial statements shall provide a correct impression of the company's results, cash flow, assets and liabilities. Financial reporting follows International Financial Reporting Standards, and through open communication to shareholders and financial markets, Norske Skog ensures transparency and equality to facilitate our stakeholders' assessment of the company's financial situation.

Press releases in connection with quarterly financial statements are presented to and approved by the board before being published. When publishing interim reports, the company releases the information through press releases and stock exchange notices distributed internationally via an electronic distribution provider (including on Newsweb.no), a webcast and presentations containing additional information. Outside of the general meeting, the company's administration maintains an active dialogue with the shareholders, investors and other relevant interested parties. The company's annually published financial calendar is available on [www.norskeskog.com/](http://www.norskeskog.com/) investors. The responsibilities on communication have been clearly defined among corporate management and members of the administration, including routines applicable should an extraordinary situation occur. Information sent to shareholders by mail is simultaneously published on [www.norskeskog.com](http://www.norskeskog.com).

### 14. TAKE-OVERS

The board has established clear principles for how it will act in the event of a take-over bid, hereunder that it will act in agreement with the Code and Norwegian law. The principles emphasise the importance of equal treatment of existing shareholders. They further warrant that the board will ensure sufficient information in time and content for the shareholders to assess a possible bid, including issuing a

statement to the shareholders with the board's assessment of such bid, together with a valuation prepared by an independent expert. A sale of a significant part of the company will require approval by the general meeting. The board will not without decision by the general meeting attempt to hinder a take-over bid for the company.

### 15. AUDITOR

The auditor presents an annual audit plan, describing the auditor's understanding of the industry and significant risks, as well as the audit approach to be applied. The auditor participates in audit committee meetings when discussing the quarterly financial statements and other audit related matters, and attends board meetings when otherwise requested. During 2015 and 2016, the auditor has participated in discussions with the audit committee and with the board without the corporate management being present. The company has effective guidelines for the ability of the auditor to perform non-audit services for the company upon approval by the audit committee. The company informs the general meeting about the auditor's fees for audit and non-audit services.

The board regularly assesses the quality and efficiency of the work of the auditor.

Due to the significant disagreements that have arisen in the audit process for the financial year 2015, Norske Skog and the auditor have mutually agreed that a new auditor should be elected for Norske Skog at annual general meeting scheduled for 25 May 2016. Norske Skog is in the process of obtaining tenders for the engagement as new auditor for the company, and a proposal will be announced prior to the annual general meeting in 2016.

# Shares and Share Capital

## NORSKE SKOG'S SHAREHOLDER POLICY

### The shareholder policy is as follows:

- Norske Skog's goal is to provide a competitive return for the shareholders.
- Norske Skog's shares shall be freely negotiable and based on the principle one share – one vote.
- The dividend policy shall be competitive and responsible.
- Norske Skog's capital structure shall be adapted to the company's strategy and business risk.
- The work of the board and the corporate management shall be based on the principle of equal treatment of all company shareholders.

## DIVIDEND PROPOSAL

Based on weak earnings and the company's financial position, the board recommends that no dividend be paid for the financial year 2015.

## LONG-TERM INCENTIVE PROGRAMME

Norske Skog has a synthetic option program for senior executives. The incentive program runs from 2014 to 2017 and totals 3.8 million synthetic options. By year-end 2015, 99.9% of the synthetic options had been awarded. The synthetic options are a proxy for cash payments and not options to buy shares. The exercise price for awarded options was NOK 4.80 in 2014 and NOK 3.85 in 2015, adjusted for an additional 10% per annum. The programme is described in detail in the notes

to the financial statements for the Norske Skog group (Note 12) and Norske Skogindustrier ASA (Note 9).

## SHARES AND SHARE CAPITAL

Norske Skog's shares have been listed on the Oslo Stock Exchange since 1976. In 2015, a total of 301.8 million Norske Skog shares were traded on the Oslo Stock Exchange, compared with 177.4 million in 2014.

The Norske Skog share price was NOK 2.66 on 30 December 2015, compared with NOK 4.27 on 2 January 2015. The highest price in 2015, based on close-of-trading prices, was NOK 7.12 on 30 January, and the lowest price was NOK 1.97 on 22 September.

On 31 December 2015, the share capital of Norske Skog was NOK 189 945 626, consisting of 189 945 626 shares with a face value of NOK 1. All shares have equal rights.

At the beginning of 2015, Norske Skog owned 310 treasury shares. In April and June, 300 000 shares were bought, and 280 643 shares were later sold to employees in connection with an employee share programme in Norway. Norske Skog's holding of treasury shares was 19 667 shares as of 31 December 2015.

On 31 December 2015, the largest shareholder was GSO Capital Partners, with an ownership interest of 10.6%. On 31 December 2015, the foreign ownership was 27.5%, compared with 18% on 31 December 2014. Based on the information in the Norwegian Registry of Securities, Norske Skog had 21 052 shareholders in total on 31 December 2015, of which 1 039 resided outside of Norway.

## INFORMATION TO THE FINANCIAL MARKET

Several Norwegian and international companies publish analytical reports on Norske Skog, directed towards both equity and bond investors. An overview of these companies can be found on Norske Skog's website.

## FINANCIAL CALENDAR FOR 2016

- 6 January: Extraordinary general meeting
- 18 January: Silent period starts
- 5 February: Interim financial statements, fourth quarter 2015
- 4 April: Silent period begins
- 21 April: Interim financial statements, first quarter 2016
- 25 May: Annual General Meeting
- 27 June: Silent period begins
- 13 July: Interim financial statements, second quarter 2016
- 3 October: Silent period begins
- 19 October: Interim financial statements, third quarter 2016



**NORSKE SKOGINDUSTRIER ASA**

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