

Treasure ASA

# Corporate governance report 2021

# Corporate governance

The board's corporate governance report for 2021

Corporate governance comply or explain overview			
Section	Topic	Deviations	Reference in this report
1.	Implementation and reporting on corporate governance	None	On page 3
2.	Business	None	On page 3
3.	Equity and dividends	None	On page 3
4.	Equal treatment of shareholders	None	On page 3
5.	Shares and negotiability	None	On page 3
6.	General meetings	There is no requirement for the full board and chair of the nomination committee to attend the general meeting. The board chair opens and directs the general meeting.	On page 3
7.	Nomination committee	None	On page 4
8.	Board of directors: composition and independence	The board elects its own chair. The board instruction does not specifically encourage board members to own shares in the company.	On page 4
9.	The work of the board of directors	The board acts as the audit committee.	On page 4
10.	Risk management and internal control	None	On page 5
11.	Remuneration of the board of directors	None	On page 5
12.	Salary and other remuneration for executive personnel	None	On page 5
13.	Information and communication	None	On page 5
14.	Take-overs	No separate policy developed. Guiding principles described.	On page 5
15.	Auditor	None	On page 5

## Reducing risk and creating value over time

This report is based on the requirements covered in the Norwegian Code of Practice for Corporate Governance.

The board believes sound corporate governance reduces risk and contributes to value creation in the best interest for the company's shareholders and other stakeholders.

The board discussed and approved this report on 9 February 2022 with all board members present, and assessed the company's corporate governance performance to be of a high standard.

The report will be presented to the annual general meeting on 15 March 2022.



Thomas Wilhelmsen  
chair

## 1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

Treasure ASA is a public limited company organised under Norwegian law. Listed on the Oslo Stock Exchange, the company is subject to Norwegian securities legislation and stock exchange regulations.

This corporate governance report follows the requirements of the Norwegian Accounting Act (§3-3b) and the recommendations of the Norwegian Code of Practice for Corporate Governance issued on 14 October 2021 ("Code of Practice"). The structure of the report follows the structure of the Code of Practice and is available on [www.treasureasa.com](http://www.treasureasa.com).

Treasure ASA's Corporate Governance and this report builds on "comply or explain" principles. Where Treasure ASA does not fully comply with the Code of Practice, the deviations and the selected company solutions are explained.

*Deviations from the Code of Practice: None.*

## 2. THE BUSINESS

### Business activities

Treasure ASA's business activities and the scope of the board's authority are restricted to the business specified in its Articles of Association.

The group's fundamental objective is to generate strong total shareholder returns from investments within the maritime and logistics industries, by growing the market value of its shares, through dividends or other distributions to shareholders.

### Strategy and risk

The board has a strategy session on an annual basis, including a review of the ownership strategy for its main investments and an evaluation of the overall risk profile. A summary of the strategic direction and a risk review is included in the directors' report for 2021.

### Stakeholder interests

Treasure ASA is in regular dialogue with key stakeholders who engage with issues relating to the maritime industry and corporate activities.

### Sustainable business model

A responsible business model must be sustainable. The board takes into account financial, environmental, social, and corporate governance considerations in its work. The group includes environmental, social, and corporate governance (ESG) issues in its investment analysis, business decisions, ownership practises, and financial reporting. The group's material ESG matters are described

further in the 2021 ESG report which is available on [www.treasureasa.com](http://www.treasureasa.com).

*Deviations from the Code of Practice: None.*

## 3. EQUITY AND DIVIDEND

### Capital structure

The parent company has a suitable level of equity considering its objectives, strategy and risk profile. The company has no interest-bearing debt.

### Dividends and share buy-backs

The company has historically distributed excess liquidity to the shareholders as a combination of cash dividends and share buy-backs.

### Share capital increase and share buy-backs

The 2021 Annual General Meeting authorized the board to issue new shares of up to 10% of current share capital, as well as to buy-back of own shares of up to 10% of current share capital. Both authorizations are valid until the 2022 Annual General Meeting, but no longer than to 30 June 2022.

*Deviations from the Code of Practice: None.*

## 4. EQUAL TREATMENT OF SHAREHOLDERS

### Transactions in own shares

Any transactions Treasure ASA carries out in its own shares are performed to secure equal treatment of all shareholders. Share buy-back transactions are executed by means of a reverse book-building, providing investors with transparent disclosures and a prolonged timeframe to cater for the prevailing low trading volume in the shares.

*Deviations from the Code of Practice: None.*

## 5. SHARES AND NEGOTIABILITY

The shares with the ticker "TRE" are listed on the Oslo Stock Exchange and are freely negotiable. There are no restrictions on negotiability in the company's Articles of associations.

*Deviations from the Code of Practice: None.*

## 6. GENERAL MEETINGS

Matters to be dealt with and decided by the annual general meetings and procedures related to general meetings are outlined in Treasure ASA's Articles of association.

The general meeting is normally held in March each year, unless extraordinary general meetings are required.

Proposed resolutions and relevant supporting

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documents, including the annual report, are published on [treasureasa.com](https://www.treasureasa.com) no later than 21 days prior to the general meeting.

Shareholders may attend the general meetings in person, nominate a proxy, or vote in advance. The vote may be through electronic communication. The attendance form, proxy nomination, or advance vote must be received by the company's registrar no later than two working days before the meeting takes place. Shareholders may vote on each individual matter, including individual candidates nominated for election.

The board chair, auditor and company management are present at the general meetings, which is organised in a way that facilitates dialogue between shareholders and representatives from the company. The chair of the nomination committee is present if deemed necessary. The board chair opens and directs the general meeting, as described in the Articles of Association.

*Deviations from the Code of Practice: There is no requirement for the full board and chair of the nomination committee to attend the general meeting. The board chair opens and directs the general meeting.*

## 7. NOMINATION COMMITTEE

The general meeting appoints the nomination committee and has approved guidelines for the committee's work. The committee nominates candidates to the board and proposes board members' remuneration.

As part of its nomination process, the committee will have contact with major shareholders, the board, and the company management to ensure the process takes the board's and company's needs into consideration. The nomination committee provides its recommendations to the annual general meeting.

The nomination committee are all independent of the company's board and management.

Nomination committee member	Elected	Period	Elected to
Gunnar Hartvig (Chair)	AGM 2020	2 years	AGM 2022
Gunnar Frederik Selvaag	AGM 2020	2 years	AGM 2022
Silvija Seres	AGM 2021	1 years	AGM 2022

*Deviations from the Code of Practice: None.*

## 8. BOARD OF DIRECTORS: COMPOSITION AND INDEPENDENCE

The composition of the board is made to ensure

it meets the company's need for expertise, capacity, and diversity. Focus is also on ensuring that the board can function effectively as a collegiate body. Information on the background and experience of the individual board members are available on the company's website.

The board comprises four directors and chooses its own chair. During 2021, the board consisted of the following members:

Board member	Elected	Period	Elected to
Thomas Wilhelmsen	AGM 2021	2 years	AGM 2023
Marianne Hagen	AGM 2021	2 years	AGM 2023
Christian Berg	AGM 2020	2 years	AGM 2022
Benedicte Bakke Agerup	AGM 2020	2 years	AGM 2022

Marianne Hagen and Benedicte Bakke Agerup are independent of the majority owner and the executive management. The CEO and/or CFO are present at board meetings depending on agenda and issues to be discussed.

During 2021, all board members attended all board meetings.

*Deviations from the Code of Practice: The board elects its own chair. The board instruction does not specifically encourage board members to own shares in the company.*

## 9. THE WORK OF THE BOARD OF DIRECTORS

The board has issued instructions for its own work. The instruction reflects the role, responsibilities, and work procedures of the board as laid down in the Norwegian Public Companies Act. This includes procedures for how to handle any situations where a board member has a personal or financial interest related to a board matter. Any transactions taking place with related parties will be conducted on arm's length terms. Material transactions will be supported by independent valuation and be publicly disclosed.

During 2021, the board held four meetings with all board members in attendance.

The board evaluates its performance and expertise on an annual basis. A summary of the evaluation is provided as input to the nomination committee.

According to the Articles of association, the board serves as the company's audit committee. As the board consists of four members, this is regarded the most effective solution.

The management team consists of the CEO and CFO. The duties, responsibilities and authority of the CEO follows instructions made by the board and the Norwegian Public Companies Act. Management is based on the majority shareholder's group policy and governance principles.

*Deviations from the Code of Practice: The full board serve as audit committee.*

## **10. RISK MANAGEMENT AND INTERNAL CONTROL**

The board believes that the company's internal control and risk management are sound and appropriate given the extent and nature of the company's activities. It is based on the majority shareholder's governing elements including code of conduct, business standards, whistleblowing system and relevant policies and procedures.

The board reviews the company's risk matrix regularly and internal control arrangements at least annually.

Treasure ASA reports to the financial market on a semi-annual basis. The board performs internal financial audit review prior to the release of semi-annual results, and when otherwise required.

*Deviations from the Code of Practice: None.*

## **11. REMUNERATION OF THE BOARD OF DIRECTORS**

Remuneration of directors is determined by the annual general meeting and is not dependent upon the company's results. The fee reflects the responsibilities of the board, its expertise, the amount of time devoted to its work and the complexity of the company's businesses. No director holds share options in the company.

In 2021, none of the directors performed assignments for the company other than serving on the board of the company. Remuneration of directors are described in the remuneration report. The remuneration report can be found on [www.treasureasa.com](http://www.treasureasa.com).

*Deviations from the Code of Practice: None*

## **12. SALARY AND OTHER REMUNERATION FOR EXECUTIVE PERSONNEL**

The group has no employees. Management functions are covered via an extensive Service Level Agreement with Wilh. Wilhelmsen Holding ASA.

*Deviations from the Code of Practice: None.*

## **13. INFORMATION AND COMMUNICATION**

Transparency, accountability and timeliness

guides the group's communication activities. The company follow the guidelines set out by the Oslo Stock Exchange.

The market will be informed about the company's activities and financial reports through stock exchange notices, annual and interim reports, press releases and on [www.treasureasa.com](http://www.treasureasa.com).

*Deviations from the Code of Practice: None.*

## **14. TAKEOVERS**

The Articles of association entail no provisions related to potential take-over bids and the board has not established a separate policy covering the topic. The board will handle any take-over bids in accordance with Norwegian Law and relevant regulation, but has a responsibility to ensure that, in the event of a take-over bid, business activities are not disrupted. The board also has a responsibility to ensure that shareholders have adequate information and time to assess any such bid. Should a takeover situation arise, the board would undertake an evaluation of the proposed bid terms and provide a recommendation to the shareholders as to whether to accept the proposal or not. The recommendation statement would clearly state whether the Board of Directors' evaluation is unanimous and the reasons for any dissent.

*Deviations from the Code of Practice: No separate policy developed, but guiding principles described above.*

## **15. AUDITOR**

The auditor for Treasure ASA is PricewaterhouseCoopers AS.

The key features of the external audit plan and audit summary report are reviewed by the board audit committee on an annual basis, with the auditor being present if deemed required. The board has a yearly meeting with the auditor without the presence of management. The annual meeting with the auditor includes a review of the company's internal control procedure.

As a general principle, the use of the auditor for services other than audit shall be limited.

The fee to external auditors, broken down by statutory work, other assurance services, tax services, and other assistance, is specified in note 1 to the group accounts and note 2 to the parent company accounts.

*Deviations from the Code of Practice: None.*

[www.treasureasa.com](http://www.treasureasa.com)

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