

To: the annual general meeting of Europis ASA

From: the nomination committee

Date: 25 April 25 2018

### **Recommendations from the nomination committee**

#### **Work of the nomination committee**

The annual general meeting of Europis ASA adopted instructions for the nomination committee's work on 23 April 2015. These instructions are available on the company's website at [www.europis.no](http://www.europis.no). The nomination committee will recommend candidates for the board and the nomination committee, as well as remuneration for these bodies and for the board sub-committees. The nomination committee has organised its work in accordance with the instructions. Six physical meetings have been held by the nomination committee between the previous AGM and this date, and it has otherwise worked via e-mail and the telephone.

The nomination committee has had discussions with the chair and the directors as well as with the CEO and other relevant members of the executive management. The nomination committee has also been given a presentation of the board's self-evaluation process, conducted in January 2018. Information about the work of the nomination committee and the deadline for shareholder proposals to the committee have been posted to the company's website. In addition, the nomination committee has been in direct dialogue with the largest shareholders.

The nomination committee's objective is to ensure that the board of directors has a broad composition, functions well as a collegiate body and fulfils the company's requirements for competence, relevant experience, capacity and diversity. International experience relating to procurement and logistics is desirable, along with general strategic thinking and boardroom experience. The committee endeavours to balance the board's need for continuity with the need for fresh insight and some renewal.

#### **Item 9 on the AGM agenda: To consider remuneration for the board of directors**

The nomination committee has compared the present remuneration of the board with comparable companies, as found in the annual survey of board remuneration in listed companies compiled by the Norwegian Institute of Directors.

Remuneration is regarded as in line with comparable companies. However, the nomination committee recommends that directors' fees are raised in line with general annual pay growth in Norway. The nomination committee would therefore recommend the following remuneration for the period from the 2017 AGM to the 2018 AGM.

#### The nomination committee's recommendation:

chair:	NOK 525,000
directors:	NOK 265,000
chair, audit committee:	NOK 70,000
members, audit committee:	NOK 45,000
chair, compensation committee:	NOK 32,000
members, compensation committee:	NOK 21,500

**Item 11 on the AGM agenda: To elect members to the board of directors**

The board of Europis ASA currently has the following shareholder-elected directors (date of first election in parentheses):

- Tom Vidar Rygh – chair (2012)
- Bente Sollid Storehaug (2015)
- Carl Christian Westin Jansson (2012)
- Hege Børmark (2015)
- Tone Fintland (2017)
- Claus Juel-Jensen (2017)

The full board was elected at the AGM in 2017 for a term of two years. No members are therefore up for re-election at this AGM. However, the nomination committee is free to assess the board's composition independently of which directors are up for election in a given year. After careful consideration, the nomination committee has determined that the board would benefit from some renewal. Given the expertise and continuity desired in the board and following an overall assessment, the nomination committee has recommended the election of a new director without increasing the membership of the board.

A search for potential candidates was commenced, and various candidates have been reviewed by the nomination committee. The committee has concluded that it recommends Sverre Kjær as a new director. Born in 1959, he spent 15 years as CFO in Norgesgruppen ASA until 2016. He holds a bachelor of business administration degree from the BI Norwegian Business School and an advanced management programme from Harvard. Kjær has long and wide experience of boardroom work and has been responsible for a number of structural changes and improvements at Norgesgruppen.

The nomination committee's recommendation is that Christian Jansson shall be replaced by Sverre Kjær as a new director for a term of two years.

**Item 12 on the AGM agenda: To elect members of the nomination committee and approve the remuneration of the members of the nomination committee**

The nomination committee currently comprises (date of first election in parentheses):

- Sverre Leiro, chair (2016)
- Mai-Lill Ibsen (2016)
- Tom Rathke (2017)

All the members of the nomination committee serve a two-year term. Both Leiro and Ibsen therefore reach the end of their current term at this AGM. Leiro has informed the committee that he is not available for re-election, while Ibsen is willing to stand for re-election.

The nomination committee has thus conducted a search for a candidate to succeed Leiro and recommends that Inger Johanne Solhaug be elected to the nomination committee for a period of two years. Born in 1969, Solhaug has occupied various corporate positions in Orkla for more than 10 years. She was CEO of Nidar from 2008 to 2013, and has broad boardroom experience from the consumer goods sector. Solhaug studied business economics at the Norwegian School of Economics.

Furthermore, the committee recommends that Ibsen takes over as chair of the nomination committee. Ibsen has been the chair or a member of the nomination committees of such companies as Morpol ASA, Oslo Børs, BW LPG Ltd and Gjensidige Forsikring ASA, and currently chairs two nomination committees in the Aberdeen Asset Management sphere.

The nomination committee has reviewed the structure of remuneration for the committee, which currently consists of a fixed annual amount plus a specific attendance fee for each meeting. The attendance fee is meant to take account of the fact that the committee's workload may vary considerably from year to year. The current fees for the period from the AGM in 2017 to this AGM are:

nomination committee chair	NOK 35,000
nomination committee member	NOK 25,000
all with a supplement of	NOK 8,000 per meeting

The committee has noted that quite a few companies have changed their nomination committee structure to one with a higher fixed annual fee, plus an attendance fee paid if the committee's work exceeds a certain number of meetings per year.

#### The nomination committee's recommendation

Mai-Lill Ibsen be elected chair of the nomination committee for a term of two years.

Inger Johanne Solhaug be elected as a member of the nomination committee for a term of two years.

The following remuneration is proposed for the nomination committee for the period from this AGM to the AGM in 2019:

nomination committee chair	NOK 60,000
nomination committee member	NOK 50,000
all with a supplement of NOK 8,000 per meeting if these exceed seven per year.	

CV information for all directors and nomination committee members is provided in the appendix to this recommendation.

Sverre Leiro  
(sign)

Mai-Lill Ibsen  
(sign)

Tom Rathke  
(sign)

## APPENDIX - Information on the candidates

### **Tom Vidar Rygh (born 1958)**

Tom Vidar Rygh, chair of the board of directors, is engaged as an advisor to the Nordic Capital Funds. He holds an MSc in business administration from the Norwegian School of Economics. Rygh has held various leading executive positions in industrial and financial companies, including executive vice president of Orkla ASA, CEO of SEB Enskilda and partner/CEO of NC Advisory AS – adviser to the Nordic Capital Funds. He has served as chair and director of several companies in a number of sectors, including Telenor ASA, Oslo Børs, Carlsberg Breweries A/S, Storebrand ASA, Aktiv Kapital ASA, Eniro AB, Netcom ASA, Helly Hansen ASA, Dyno ASA, Industrikapital Ltd, Actinor Shipping ASA, Borregaard Forests AS, Holberg Inc, Orkla Eiendom AS, Telia Overseas AB and Baltic Beverage Holding AB. He has also served as adviser to a number of prominent investment groups, such as TPG and the John Fredriksen group.

### **Hege Bømark (born 1963)**

Hege Bømark is a director of Union Eiendomsinvest Norge AS, AF-Gruppen ASA, OBOSbanken AS and the Institute for Eating Disorders. She has also been a director of Oslo Areal ASA, Norgani Hotels ASA, BWGHomes ASA, Norwegian Property ASA and Fornebu Utvikling ASA, all of which are or have been listed companies. Prior to becoming a full-time professional director, Bømark served as a project broker in AS Eiendomsutvikling and as a financial analyst at Fearnley Finans AS and Orkla Finans AS. She holds an MSc in business economics (siviløkonom) from the Norwegian School of Economics (NHH).

### **Bente Sollid Storehaug (born 1967)**

Bente Sollid Storehaug is a professional director with experience from more than 30 different companies, including Polaris Media ASA, DnB Kapitalforvaltning, Hafslund and Eika Gruppen. She is chair of technology companies such as Boostcom Group AS and Hitch AS. In addition, Sollid Storehaug has been the CEO of five different companies, established more than 10 companies and received several awards and recognitions for her work. At present, she is CEO of Wizaly Nordic. Sollid Storehaug is an adviser on data-driven attribution and personalisation technologies. She holds a BSc in political science from Molde University, has completed executive studies at the BI Norwegian Business School and is a certified communication consultant.

### **Tone Fintland (born 1962)**

Tone Fintland has many years of experience as a senior executive in the pharmaceutical industry. She has functioned since 2016 as global procurement vice president at TEVA Pharmaceuticals, and has previously held similar positions in the Actavis Group and Alpharma Inc. In addition, Mrs Fintland is a president of NIMA and chairman of NIMA Oslo Akershus Affiliate. She holds a Bachelor in Business Administration from the BI Norwegian Business School.

### **Claus Juel-Jensen (born 1963)**

Claus Juel-Jensen is a professional director, and has boardroom experience from more than 15 different companies. During his professional career, he was CEO of Netto Germany (1995-2004), a joint venture between Edeka Germany and Dansk Supermarked Group, and subsequently CEO of Netto International (DK, DE, SE, PL, UK) from 2005-2017. He has extensive experience in the food discount industry and the internationalisation of retail concepts. Juel-Jensen has an MSc in business administration and science from the Copenhagen Business School and the University of Cologne, and holds the rank of captain in the Royal Danish Guard.

### **Sverre Kjær (born 1959)**

Sverre Kjær was CFO in Norgesgruppen ASA for 15 years until 2016. He is chair of Aera Payment & Identification AS and a director of Bertel O Steen AS. He has long and wide experience of boardroom work and has been responsible for a number of structural changes and improvements in Norgesgruppen. He has a bachelor of business administration degree from the BI Norwegian Business School and has attended an advanced management programme at Harvard.

### **Mai-Lill Ibsen (born 1955)**

Mai-Lill Ibsen has been deputy CEO of Eksportfinans ASA, managing director and CCO of Citibank in Norway and CEO of NOS ASA. She has solid experience from boardroom work in the Nordic countries, including listed and state-owned companies and foundations. She was deputy chair of Folketrygdfondet until 2015. She is currently chair of GIEK

Kredittforsikring AS, and a director of companies including Carnegie AS, Fjellinjen AS, Royal Arctic Line A/S and Sbanken ASA. She is a graduate of the BI Norwegian Business School and has an MBA from Stanford University.

**Inger Johanne Solhaug (born 1969)**

Inger Johanne Solhaug has held different corporate positions in Orkla for more than 20 years and she was a part of the executive management group for several years. She was the CEO of Nidar from 2008 to 2013, and has broad boardroom experience from the consumer goods sector. She is a director of Strongpoint AS, Lofotprodukt AS/Insula AS and Vita AS/Cosmetic Group AS. Her educational background is in business economics (siviløkonom) from the Norwegian School of Economics.

**Tom Rathke (born 1956)**

Tom Rathke has been group executive vice president for wealth management at DNB ASA since 2013, and is the former head of insurance and asset management at DNB Livsforsikring and investment fund company Avanse. Today he is a special adviser to CEO in DNB (since 2017). He has also been chair of DNB Asset Management and DNB Skadeforsikring. His previous experience includes executive posts in Vesta and If Skadeforsikring, and service with SAS and Dyno. A graduate of the BI Norwegian Business School, Rathke has an MBA from the University of Wisconsin and the advanced management programme at Harvard Business School.