



## **Proposal from the Nomination Committee to the Annual General Meeting of Yara International ASA 5 May 2014**

The Nomination Committee in Yara International ASA consists of the following members:

- Eva Lystad (chair)
- Thorunn Kathrine Bakke
- Ann Kristin Brautaset
- Anne Carine Tanum

Since the General Meeting in May 2013, the Nomination Committee has held 22 meetings, including individual meetings with all members of the board and Yara's CEO. The committee has reviewed the board's own evaluation of its work and procedures, and has evaluated the board's performance and composition.

All current board members' term of office runs until 2014, and three board members have declared that they will not stand for re-election. As a result, the Nomination Committee has carried out a candidate search for the Yara board over the past year. The Nomination Committee has as part of this work among several factors considered the need for broad and relevant experience in the board, including a good understanding of and basis for risk management and compliance in the board. Furthermore, the candidates' independence and capacity have been considered. The Nomination Committee has sought input directly from Yara's biggest shareholders, and more broadly through communication on Yara's web site.

The Nomination Committee recommends that the Yara Board of Directors elects a vice chair, in line with established practice in other comparable companies, to further strengthen information and decision-making processes in the work of the board.

The Nomination Committee proposes an increase in the remuneration of corporate body representatives of approximately 3.9 percent. The Nomination Committee proposes an increase of 19.8 percent for the chair of the Audit Committee, to bring the remuneration to the level of comparable companies in Norway and to better reflect the complexity and scope of the work.

The Nomination Committee makes the following proposal to the General Meeting of Yara International ASA 5 May 2014:

### **1. Election of board members**

The Nomination Committee proposes re-election for a period of two years of Hilde Merete Aasheim and Geir Isaksen as Board members.

Reference is made to Yara's web pages for information on the candidates' background and experience:

[http://www.yara.com/about/management\\_and\\_board/board\\_members.aspx](http://www.yara.com/about/management_and_board/board_members.aspx)

The Nomination Committee furthermore proposes election for a period of two years from the time of election of Leif Teksum, Hilde Bakken and John Thuestad as new Board members.

Leif Teksum (born 1952) has since 1991 and until today had various roles in the DNB Group Management. He was Group Executive Vice President with responsibility for large corporate clients in Norway and all international banking activities in DNB / DnB NOR in the period 2003-2013. Since 2013 he has, as Senior Relationship Manager, been responsible for a portfolio of customers in Norway and Sweden.

Teksum has also led the bank's Investment Banking area, the Asset Management functions as well as the IT and Purchasing activity. In the period 1987 - 1989 he was head of the Bergen Bank London branch. Before joining DNB, Teksum had various specialist functions and group assignments within banking and insurance for Mobil Exploration Norway Inc.

Leif Teksum will retire from DNB in summer 2014.

Teksum has a Master's degree in Business and Economics from The Norwegian School of Economics and Business Administration. Leif Teksum is a non-executive director of AS Atlantis Vest, AS Inventor Shipping, AS Inventor Eiendommer and DNB Livsforsikring ASA. Teksum is also vice chairman of Nets AS. He has also held a number of Board positions as board member or chairman of the board in numerous DNB subsidiaries, both 100% owned and partly owned. Leif Teksum is independent of Yara's executive management and material business interests.

In connection with the nomination of Leif Teksum, it has been necessary to apply to the Financial Supervisory Authority of Norway for an exemption in accordance with the Norwegian Commercial Bank Act §10 subsection 2, since Teksum is a senior employee of DNB. Such an exemption has been granted.

Hilde Bakken (born 1966) has held various leadership roles in Statkraft within market and power production areas since 2000. Since 2010, Bakken has been part of Statkraft Executive management, from 2010 to 2013 as Chief of Staff and since 2013 she has been responsible for Statkraft's power generation activities in seven countries. She is also responsible for further development of Statkraft's hydropower concessions in North-West Europe.

Bakken has previously headed major corporate projects in Statkraft. Before joining Statkraft, she was employed in Norsk Hydro and Conoco where she has held various management and engineering positions in operations and field development on the Norwegian continental shelf. Bakken has a Master's degree from the Norwegian University of Science and Technology and Delft University of Technology, The Netherlands. Hilde Bakken is independent of Yara's executive management and material business interests.

John Thuestad (born 1960) has since 2013 led Sapa Extrusions Europe, with 50 locations, 11,000 employees and 20,000 customers. From 2012 to 2013 he led Sapa Profiles with production plants in Europe, North America and China. From 2009 to 2012 he led Alcoa Global Primary Products with 40 locations in Australia, Latin America, Europe and North America. Thuestad has previously been CEO of Elkem AS and Elkem Aluminium AS. Prior to that, Thuestad was Managing Director of Norzink AS and Fundo AS.

Thuestad has a Master's degree from the Norwegian University of Science and Technology and an MBA from Carnegie Mellon University, Pittsburgh, USA. Thuestad is Chairman of the European Aluminium Association, Extrusion Division and an Overseas Trustee of the American Scandinavian Foundation. He resides in Switzerland. John Thuestad is independent of Yara's executive management and material business interests.

The Nomination Committee suggests that the proposal for election of board members is considered in a joint vote.

## **2. Recommendation to the Board regarding election of chairperson**

The Nomination Committee recommends that the Board elects Leif Teksum as chair of the Yara Board of Directors.

### **3. Recommendation to the Board regarding election of vice chair**

The Nomination Committee recommends that the Board elects Hilde Merete Aasheim as vice chair of the Yara Board of Directors.

Reference is made to Yara's web pages for information on Aasheim's background and experience:

[http://www.yara.com/about/management\\_and\\_board/board\\_members.aspx](http://www.yara.com/about/management_and_board/board_members.aspx)

### **4. Proposal for remuneration of members of the Board of Directors**

The Nomination Committee proposes the following remuneration for the board members:

Chairperson:	NOK 500,000
Vice chair:	NOK 330,000
Members:	NOK 288,000

The remuneration is per year and is calculated pro rata.

Meeting allowance for board members resident outside Scandinavia:

NOK 10,400 per meeting

Remuneration to deputy board members attending:

NOK 9,100 per meeting

### **5. Proposal for remuneration of members of the Compensation Committee**

NOK 6,600 per meeting

### **6. Proposal for remuneration of members of the Audit Committee**

Chairperson:	NOK 148,000
Members:	NOK 86,000

The remuneration is for one year and will be calculated pro rata.

### **7. Proposal for remuneration of members of the Nomination Committee**

NOK 5,500 per meeting

### **8. Election of members of the Nomination Committee**

The Nomination Committee proposes re-election for a period of two years of Thorunn Kathrine Bakke, Ann Kristin Brautaset and Anne Carine Tanum as members of the Nomination Committee. Reference is made to Yara's web pages for information on current members of the Nomination Committee:

[http://www.yara.com/about/corporate\\_governance/shareholders/nomination\\_committee/index.aspx](http://www.yara.com/about/corporate_governance/shareholders/nomination_committee/index.aspx)

The Nomination Committee proposes election for a period of two years of Tom Knoff as a new member of and chair of the Nomination Committee. Knoff (born 1947) is an independent advisor and has previously held a number of leading positions within Norwegian business, including managing director of Nordea Private Banking Norway from 2001 to 2008 and managing director of Christiania Markets from 1996 to 2000.

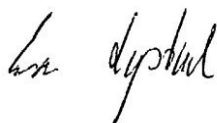
Knoff has a Master's degree from the Norwegian School of Economics and an MBA from the University of Rochester, N.Y. Knoff is chairman of the board of Argentum Private Equity, and is a member of the boards of Holta Invest AS and the Norwegian authorization authority for financial and insurance advisors. He is also chair of the Tomra Systems ASA Nomination Committee. Tom Knoff is independent of Yara's executive management and material business interests.

The Nomination Committee suggests that the proposal for members of the Nomination Committee is considered in a joint vote.

#### **9. Removal of age limit for members of the Board of Directors**

The Company's articles of association today state that members of the Board of Directors shall retire the year they reach the age of 70. The Nomination Committee considers this age limit unnecessary, and therefore proposes that this requirement is removed.

Oslo, 11 April 2014

A handwritten signature in black ink, appearing to read 'Eva Lystad', written in a cursive style.

Eva Lystad  
Chair of the Nomination Committee