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## Proposal from the Nomination Committee to the Yara International ASA Annual General Meeting 7 May 2019

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

**Otto Sørberg (chair)**

CEO, Eksportkreditt Norge

**Thorunn Kathrine Bakke**

Director in Norwegian Ministry of Trade, Industry and Fisheries, Ownership Department

**Ann Kristin Brautaset**

Deputy Director Equities, Folketrygdfondet

**Ottar Ertzeid**

Group Executive Vice President, DNB Markets

Reference is made to Yara's web pages for information on the Nomination Committee members:

<https://www.yara.com/this-is-yara/corporate-governance/shareholders/nomination-committee/>

Since the General Meeting in May 2018 the Nomination Committee has held 15 meetings, including individual meetings with all members of the board and Yara's CEO. The Nomination Committee has as part of its work sought input directly from Yara's largest shareholders, and more broadly through communication on Yara's web pages. The committee has had a dialogue with shareholders who have wished to share their views. In preparing its proposal, the Nomination Committee has in particular considered the need for broad and relevant competence and experience, the need for continuity and the candidates' independence. The committee has received the board's own evaluation, and has reviewed the board's work and composition. The Nomination Committee considers that Yara's board functions well.

The current Board members' term of office runs until 2020. Vice chair of the Board Maria Moræus Hanssen has notified the Nomination Committee that she will make her seat at the Board available as of the annual general meeting on 7 May 2019, due to a change of position which will make it difficult to continue as a member of the Board.

The Nomination Committee's proposal emphasises the importance of Yara's Board being broadly composed with regard to relevant competence and experience. The Company has recently developed a new strategy and operating model, and this influences what competence the Board should have going forward. The Nomination Committee has in its work found it desirable to strengthen the Board's competence within downstream activities, digital business models and portfolio evaluation. The Nomination Committee on this basis recommends that the Board is expanded with two shareholder-elected members, also to improve resilience in the event of unexpected changes to the Board.

The Nomination Committee proposes an increase in the remuneration of corporate body representatives. For the chair of the Board the committee proposes an increase of approximately six percent, which will bring the remuneration to a level which to a greater extent reflects the role's responsibility, scope and time demands, in addition to the company's complexity and international exposure. The Nomination Committee highlights the increased expectations to chairpersons of international companies in terms of knowledge, availability and time commitment. Furthermore the Nomination Committee underlines the importance of being able to offer remuneration which contributes to recruitment and retention of needed competence and experience in the board.

For the vice chair of the Board, other Board members and the Nomination Committee, the Nomination Committee proposes an increase of approximately three percent, in line with the general salary trend in Norway. The committee proposes to increase the meeting allowance for Board members resident outside Norway from NOK 11,400 per meeting to NOK 23,000 per meeting.

The Nomination Committee makes the following proposal to the Yara International ASA General Meeting 7 May 2019:

### 1. Election of Board members

The Nomination Committee proposes election for a period of two years of Kimberly Lein-Mathisen, Adele Bugge Normann Pran and Håkon Reistad Fure as new Board members.

Kimberly Lein-Mathisen (born 1972) is General Manager of Microsoft Norway. From 2013 to 2016 Lein-Mathisen was CEO of Orkla Home & Personal Care, and from 2001 to 2013 she held a series of senior management positions in Eli Lilly & Co, based in both in North America, Europe and Asia. She has previous experience from Appear Networks AB (2000-2001) and Procter & Gamble (1994-1999). Lein-Mathisen is a board member of NHST Media Group, and has over a number of years been a board member of the American Chamber of Commerce, both in Norway and Germany. She also has previous board member experience from Borregaard AS, Meda AB and Kappa Bioscience AS. Lein-Mathisen holds a Bachelor of Science, Industrial Engineering from the University of Illinois and an MBA from Harvard Business School. She is independent of Yara's executive management and Yara's material business interests.

Adele Bugge Norman Pran (born 1970) is a board member of ABG Sundal Collier «Women for Finance» foundation, XXL ASA, Zalaris ASA, B2 Holding ASA, Mesta AS, ABG Sundal Collier ASA and Løvenskiold Fossum. From 2004 to 2016 Pran was CFO (and from 2011 to 2016 also partner) at Herkules Capital. Pran has previous experience from PWC Transaction Services (2000-2004) and the law firm Hjort (1993-1998), and holds a Master and Bachelor of Law from Oslo University and a Master in accounting and auditing from the Norwegian School of Economics and Business Administration (NHH). She is independent of Yara's executive management and Yara's material business interests.

Håkon Reistad Fure (born 1987) is a partner in Magni Partners and board member (and formerly acting CEO) of Avida Holding AB. From 2015 to 2018 Fure was a board member of Storebrand ASA, and from 2007 to 2014 Fure was an analyst at DNB Markets Equity Research, covering the Materials and Banking sectors. Fure holds an MSc in Finance from the Norwegian School of Management (Handelshøyskolen BI). He is independent of Yara's executive management and Yara's material business interests.

With this proposal the Nomination Committee considers the Yara board will be broadly composed with regard to relevant competence and experience. The Board will have significant experience from international business, agriculture, industry, energy, finance, digital business models and customer-facing activities, in addition to experience from restructuring and change management. Further reference is made to the Nomination Committee's evaluations described above, and to Yara's web pages for information on the current Board members' competence and background:

<https://www.yara.com/this-is-yara/management-and-board/>

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

Maria Moræus Hanssen, who will make her seat at the Board available, was elected as vice chair of the board. The Nomination Committee recommends that the Board elects Trond Berger as the new vice chair of the Yara Board of Directors.

Trond Berger (born 1957) has broad international experience from a sector marked by major changes of technology and business models. He has been CFO of Schibsted ASA since 1999, and has been a board member and chair of the audit committee in Yara since 2018. Berger is also a member of the boards of Arcus ASA and Polaris Media, and has previously been Investment Director at Stormbull (1998-1999), Corporate Investment Director at Nycomed Amersham (1996-1998), CFO of Hafslund Nycomed (1994-1996) and manager and partner in Arthur Andersen (1982-1994). He is also a member of the boards of several subsidiaries within the Schibsted group. Berger holds an MA in Economics from the BI Norwegian School of Management and is a State-Authorized Public Accountant. He is independent of Yara's executive management and Yara's material business interests.

## **3. Proposal for remuneration of members of the board of directors**

The Nomination Committee proposes the following remuneration for Board members:

Chair:	NOK 646,000
Vice chair:	NOK 386,000
Other members:	NOK 340,000

The remuneration is per year and is calculated proportionally.

Meeting allowance for board members resident outside Norway:  
NOK 23,000 per meeting

Remuneration to deputy board members attending:  
NOK 10,300 per meeting

## **4. Proposal for remuneration of members of the HR Committee**

Chair:	NOK 7,900 per meeting
Other members:	NOK 7,500 per meeting

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

Chair:	NOK 174,000
Other members:	NOK 98,000

The remuneration is for one year and will be calculated proportionally.

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

Chair:	NOK 8,200 per meeting
Other members:	NOK 6,200 per meeting

Oslo, 5 April 2019



**Otto Sørberg**  
Chair of the Nomination Committee