

Recommendation from the nomination committee of Sbanken ASA

A meeting of Sbanken ASA's Nomination Committee was held on 25 March 2021. The Nomination Committee decided unanimously to present the following recommendation to the general meeting of Sbanken ASA, for consideration at the annual general meeting to be held on 22 April 2021:

1 The nomination committee's mandate

The Nomination Committee of Sbanken ASA makes recommendation to the general meeting on the shareholders' election of members and Chair to the Board of Directors and members and Chair to the Nomination Committee. The Nomination Committee also submits its recommendation to the general meeting concerning the remuneration to be paid to members of the Board of Directors, the board committees and the Nomination Committee.

The general meeting of Sbanken has adopted rules of procedure for the committee's work that are made available on the bank's website. The Nomination Committee has organised its work in accordance with the rules of procedure. The committee emphasises that the Board and the Nomination Committee shall be independent bodies. Requirements concerning competence and suitability set out in the rules for officers of the bank serve as guidelines for the committee's work.

The Nomination Committee has held eight meetings since the last annual general meeting in 2020. In addition, the committee has held individual meetings with the CEO, the Chair of the Board and board members, including employee-elected board members. In connection with the work, the committee has, among other things, received and considered the Board's self-evaluation, and obtained information from the administration and other individuals considered relevant to the committee's work. In autumn 2020, the Nomination Committee was also in contact with the Company's 20 biggest shareholders, and on the Company's website, the committee has arranged for all shareholders to be able to nominate candidates and provide input on the committee's work. The Nomination Committee has performed an annual self-evaluation of its own work and mandate.

2 Proposal for election of the board of directors

In accordance with Article 3-1 of the Articles of Association, the Board of Directors of Sbanken ASA shall consist of at least five and no more than seven members elected by the general meeting for two years at a time, unless otherwise decided by the general meeting.

The Board of Directors of Sbanken ASA comprises the following shareholder-elected board members:

- Niklas Midby, Chair
Elected in 2015, most recently re-elected in 2019 for the period until the annual general meeting in 2021.
Midby has, in the period from the general meeting in 2020 to date in 2021, attended nine of nine board meetings.
- Mai-Lill Ibsen, board member
Elected in 2015, most recently re-elected in 2019 for the period until the annual general meeting in 2021.
Ibsen has, in the period from the general meeting in 2020 to date in 2021, attended nine of nine board meetings.
- Ragnhild Wiborg, board member
Elected in 2015, most recently re-elected in 2019 for the period until the annual general meeting in 2021.
Wiborg has, in the period from the general meeting in 2020 to date in 2021, attended nine of nine board meetings.
- August Baumann, board member
Elected in 2015, most recently re-elected in 2020 for the period until the annual general meeting in 2022.
Baumann has, in the period from the general meeting in 2020 to date in 2021, attended nine of nine board meetings.
- Hugo Maurstad, board member.
Elected on 3 June 2016 as the shareholder-elected board member representing Altor Invest 3 AS and Altor Invest 4 AS, and re-elected in 2020 for the period until the annual general meeting in 2022.
Maurstad has, in the period from the general meeting in 2020 to date in 2021, attended nine of nine board meetings.

- Cathrine Klouman, board member
Elected in 2018, re-elected in 2020 for the period until the annual general meeting in 2022.
Kloumann has, in the period from the general meeting in 2020 to date in 2021, attended eight of nine board meetings.

In addition, the Board of Sbanken ASA consists of the following board members and deputy members, elected by and from among the employees:

- Sarah Lunde Mjåtvedt, board member elected by and from among the employees
Elected in 2020 for the period until the annual general meeting in 2022.
Mjåtvedt has, in the period from the general meeting in 2020 to date in 2021, attended six of nine board meetings.
- Stein Zahl-Pettersen, board member elected by and from among the employees
Elected in 2020 for the period until the annual general meeting in 2022.
Zahl-Pettersen has, in the period from the general meeting in 2020 to date in 2021, attended nine of nine board meetings.
- Karianne Mjøs-Haugland, deputy board member elected by and from among the employees
Elected as a board member by and from among the employees during the period 2018–2020. Elected as a deputy board member by and from among the employees in 2020 for the period until the annual general meeting in 2022.
Mjøs-Haugland has, in the period from the general meeting in 2020 to date in 2021, attended three of nine board meetings.
- Svein Frøystad, deputy board member elected by and from among the employees
Elected as a board member by and from among the employees during the period 2018–2020. Elected as a deputy board member by and from among the employees in 2020 for the period until the annual general meeting in 2022.
Frøystad has not attended any board meetings from the general meeting in 2020 to date in 2021.

The following shareholder-elected board members are up for election in 2021:

- Niklas Midby, Chair
- Mai-Lill Ibsen, board member
- Ragnhild Wiborg, board member

The shareholder-elected board members who are up for election are willing to accept re-election. Board member Hugo Maurstad is not up for election, but has asked to be replaced because of changes in his employment relationship. On this basis, the Nomination Committee recommends that the above-mentioned shareholder-elected board members who are up for election be re-elected, in addition to the election of one new board member.

The Nomination Committee recommends the following:

- That Niklas Midby be re-elected as Chair of the Board for two years, until the annual general meeting in 2023
- That Mai-Lill Ibsen be re-elected as board member for two years, until the annual general meeting in 2023
- That Ragnhild Wiborg be re-elected as board member for two years, until the annual general meeting in 2023
- That Hermann Korsgaard be elected as a new board member for two years, until the annual general meeting in 2023

Korsgaard (born 1987) is a Director at Altor Equity Partners. Altor Invest 3 AS and Altor Invest 4 AS are the Company's biggest shareholders. Korsgaard holds an MBA degree from INSEAD and a bachelor's degree in Finance from Cass Business School. He has wide-ranging experience from the financial sector and strategy work, and is currently also a member of the board of Rossignol Group (France), Bruynzeel Storage Systems B.V. (the Netherlands) and Dale of Norway AS.

The Nomination Committee has carried out a suitability assessment of Korsgaard.

The Board of Directors of Sbanken ASA will thus comprise the following shareholder-elected board members:

- Niklas Midby, Chair
- Mai-Lill Ibsen, board member
- Ragnhild Wiborg, board member
- August Baumann, board member
- Cathrine Klouman, board member
- Herman Korsgaard, board member

With this composition, the Board of Directors of Sbanken ASA will consist of six shareholder-elected members, of which 50% are men and 50% women. The composition meets the requirement regarding gender representation set out in Section 6-11a of the Public Limited Liability Companies Act.

All shareholder-elected board members are independent of executive personnel and the Company's main business associates. The majority (five of six) of the shareholder-elected board members are independent of the company's main shareholder. This does not apply to board member Herman Korsgaard, who is employed at Altor Equity Partners AS. The parent company of this company, Altor Equity Partners AB, is a consultant to Altor Fund IV, which owns 25% of the bank's shares via Altor Invest 3 AS and Altor Invest 4 AS.

The Nomination Committee considers that the composition of the Board meets the regulatory requirements and that the proposal, which means the current composition is largely maintained, satisfies the Company's need for continuity, expertise, broad experience, capacity and diversity. It has also been emphasised that the Board functions effectively as a collegiate body and that the board members have the expertise and experience required to participate in the board committees (the Organisation and Remuneration Committee, the Risk and Compliance Committee and the Audit Committee). Overall, the Board is considered suited to attend to the tasks assigned to the Board of Directors of Sbanken ASA.

For more information about the board members, see www.sbanken.no.

3 Proposal for election of the nomination committee

Pursuant to Article 3-2 of the Articles of Association, Sbanken's Nomination Committee shall consist of three members who are elected for a term of up to two years.

The Nomination Committee comprises the following members:

- Siri Teigum, Chair
Elected in 2015, most recently re-elected in 2019 for the period until the annual general meeting in 2021. Teigum has, in the period from the general meeting in 2020 to date in 2021, attended all meetings of the Nomination Committee.
- Tom Jovik, member
Elected in 2016, most recently re-elected in 2020 until the annual general meeting in 2022. Jovik is employed at Altor Equity Partners AS. The parent company of this company, Altor Equity Partners AB, is an advisor to Altor Fund IV, which owns 25% of the bank's shares via Altor Invest 3 AS and Altor Invest 4 AS. Jovik has, in the period from the general meeting in 2020 to date in 2021, attended all meetings of the Nomination Committee.
- Susanne Munch Thore, member
Elected in 2018, re-elected in 2019 for the period until the annual general meeting in 2021. Munch Thore has, in the period from the general meeting in 2020 to date in 2021, attended all meetings of the Nomination Committee.

The following members of the Nomination Committee are up for election in 2021:

- Siri Teigum, Chair
In 2021, Teigum will have served as Chair of Sbanken's Nomination Committee for six years. According to the rules of procedure for the Nomination Committee, as adopted by the general meeting, members of the committee may not serve a total term of office that exceeds six years. Teigum may therefore not be re-elected.
- Susanne Munch Thore, member
Munch Thore is willing to accept re-election.
- Tom Jovik, member
Jovik is not up for election, but has asked to be replaced.

The Nomination Committee recommends that the following changes be made to the committee's composition:

- That Susanne Munch Thore, who has been a member since 2018, be elected Chair of the Nomination Committee for two years, until the annual general meeting in 2023.

Munch Thore (born 1960) holds a master's degree in law (cand.jur.) from the University of Oslo. She is a partner with the law firm Arntzen de Besche and holds various directorships, including in Argentum Fondsforvaltning and Oslo Areal. Munch Thore is independent of the Company's executive personnel, board members and shareholders.

- That Berit Henriksen be elected as a new member of the Nomination Committee for two years, until the annual general meeting in 2023.

Henriksen (born 1953) holds a Bachelor of Science and an MBA degree from Canada. She held various managerial positions in the DNB Group during the period 1985 to 2017. She has wide-ranging experience from the banking sector, as well as experience of board and committee work in listed companies. She is currently a member of the board of Ferd Holding AS, Eneti Inc (formerly Scorpio Bulkers Inc. (Monaco)), Infranordic AS, Hemsingfestivalen AS and Dextra Musica AS. She is also a member of the corporate assembly and nomination committee of Norsk Hydro ASA and a member of the nomination committee of Equinor ASA. Henriksen is independent of the Company's executive personnel and board members. As a member of the board of Ferd Holding AS, she is not independent of the subsidiary Ferd AS, which at 31 December 2020 was the Company's sixth biggest shareholder with a holding of 3.0%.

- That Øistein Widding be elected as a new member of the Nomination Committee for two years, until the annual general meeting in 2023.

Widding (born 1969) holds the title "Sivilingeniør" from NTNU and has an MBA degree from IMD, Switzerland. Widding is Head of Leadership & Talent in Altor Equity Partners AS and has a wide-ranging experience from Egon Zehnder, Aker, Aker Solutions and McKinsey. For Altor and previously with Egon Zehnder, Widding has worked actively with evaluations and recruiting processes for both management teams and boards of directors. The parent company of Altor Equity Partners AS, Altor Equity Partners AB, is an advisor to Altor Fund IV, which owns 25% of the bank's shares via Altor Invest 3 AS and Altor Invest 4 AS.

The Nomination Committee of Sbanken ASA will thus comprise:

- Susanne Munch Thore, Chair
- Berit Henriksen, member
- Øistein Widding, member

In accordance with the Norwegian Code of Practice for Corporate Governance and Article 3-2 of the bank's Articles of Association, the majority of the members will be independent of the bank's Board and management. The recommendation on the election of members to the Nomination Committee shall, in accordance with the committee's rules of procedure, also ensure broad representation of the company's shareholders, and both women and men shall be represented on the committee. The Nomination Committee considers that the composition of the committee satisfies these requirements.

For more information about the members of the Nomination Committee, see www.sbanken.no.

4 Proposal for remuneration

The Nomination Committee has considered the fees paid to officers of the bank. The Nomination Committee assumes that the remuneration to be paid to members of the Board, the board committees and the Nomination Committee should be in line with the market rate for comparable companies. The directors' fee should also reflect the responsibility and time commitment associated with the office, seen in relation to the complexity of the Company. The Nomination Committee proposes that the fees for officers of the Company be increased by approximately 3%.

The Nomination Committee proposes that the general meeting adopt the following remuneration for the period until the annual general meeting in 2022:

Board of Directors:

Chair:	NOK 660,000	(from NOK 640,000 in 2020)
Board members:	NOK 355,000	(from NOK 345,000 in 2020)
Employee board members:	NOK 54,000	(from NOK 52,000 in 2020)
Employee deputy members:	NOK 5,000 per meeting	(from NOK 0 in 2020)

Risk Management Committee:

Chair:	NOK 195,000	(from NOK 190,000 in 2020)
Members:	NOK 98,000	(from NOK 95,000 in 2020)

Audit Committee:

Chair:	NOK 165,000	(from NOK 160,000 in 2020)
Members:	NOK 82,000	(from NOK 80,000 in 2020)

Remuneration Committee:

Chair:	NOK 76,000	(from NOK 74,000 in 2020)
Members:	NOK 43,000	(from NOK 42,000 in 2020)
Employee representatives:	NOK 0	

Nomination Committee:

Chair:	NOK 61,000	(from NOK 59,000 in 2020)
Members:	NOK 38,000	(from NOK 37,000 in 2020)