

SHAREHOLDER MEETING SEASON PREVIEW 2018

Thoughts on Voting Matters at Listed Companies in Norway

January to June 2018

AGENDA

- Election of Directors
 - Notable board trends
 - Board skills & diversity matrix
- Remuneration
 - Notable remuneration trends
- Audit Matters
 - Disclosure of auditor information
- Sustainability
 - Investment screening
- Routine Proposals
 - Notable other trends in Norway

ELECTION OF DIRECTORS

- Notable Trends

- Succession planning structure

- executive level
 - key management
 - board of directors

- Board reviews

- internal (annually) and externally (up to every three years)

- Reduction in over commitment of public company directorships

- Disclosure of board & committee attendance

- stating more than board members attended more than 75% of meetings

- New board nominees

- providing more details on the nominee
 - stating which new nominee will be elected to certain board committee

BOARD SKILLS & DIVERSITY MATRIX

DIRECTOR	COUNTRY OF RESIDENCE	CORE INDUSTRY	SENIOR EXEC.	FINANCE/ CAPITAL MARKETS	AUDIT/ ACCTING.	LEGAL	REGULATORY/ PUB. POLICY	INTERNATIONAL MARKETS	STRATEGY/ RISK MGMT.	IT/ TECHNOLOGY
Phillip Ameen	U.S.A.	✓	✓	✓	✓		✓	✓		
Kathleen Casey	U.S.A.	✓		✓		✓	✓	✓	✓	
Henri de Castris	France	✓	✓	✓			✓	✓	✓	
Joachim Faber	Germany	✓	✓	✓	✓			✓	✓	
John Lipsky	U.S.A.	✓		✓			✓	✓	✓	
Laura CHA May Lung	China			✓			✓	✓		
Heidi Miller	U.S.A.	✓	✓	✓				✓	✓	
David Nish	UK		✓	✓	✓		✓		✓	
Lord Evans of Weardale	UK		✓			✓	✓		✓	
Jonathan Symonds	UK	✓	✓	✓	✓			✓		
Jackson P. Tai	U.S.A.	✓	✓	✓				✓		
Pauline van der Meer Mohr	Netherlands		✓			✓	✓	✓	✓	✓
Paul Walsh	UK		✓		✓		✓	✓	✓	
Irene LEE Yun Lien	Australia	✓	✓	✓			✓	✓	✓	

Age Range: 51 to 70 years (average: 62); Avg. Tenure: 3 years; Gender Breakdown (M/F): 64%/36%

Source: Glass Lewis' HSBC 2017 Annual Meeting Proxy Paper

- Question to attending delegates: Would you be happy to take broader diversity concerns into account when assessing over-boarding concerns?

REMUNERATION

- Notable Trends

- Disclosure of Short Term Incentives (STI) metrics and weighting
- Disclosure of Long Term Incentive Plan (LTIP) metrics and weighting
- Recovery provisions
 - Clawback
 - Bonus malus
- Severance payments
- Executive shareholding guidelines
- Historical CEO pay ratios
- Historical gender pay gap data

OTHER DRIVERS

- **Audit Matters**

- Disclosure of more relevant audit terms
 - length of audit firm
 - length of lead partner

- **Sustainability**

- Increasing feed back and data that sustainability impacts investment decisions
 - green bonds
 - brown bonds
- Difficult to address sustainability at the shareholder meeting

- **Capital Measures**

- Capital Creation with and without preemptive rights
- Repurchase of Shares

QUESTIONS

Please feel free to contact me at any time

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