

# MINUTES

## from the supervisory board meeting at SpareBank 1 Østlandet 26 March 2020

The supervisory board of SpareBank 1 Østlandet met **Thursday 26 March 2020** at 17.00, in the bank's premises in Hamar.

In accordance with the decision taken by the board of directors on 19 March 2020 on the grounds of the ongoing situation relating to the Covid-19 outbreak, representatives were granted access to participate electronically.

Of the 40 members of the supervisory board, 37 voting representatives chose to participate electronically and 3 representatives attended the bank's offices.

The meeting was chaired by the chairman of the board Pål Jan Stokke, and the secretary of the meeting was Lars Chr. Stensrud.

Notice of the meeting was issued in a letter sent on 7 March 2020 to members of the supervisory board, board members and the external auditor.

An additional item, item 4, was sent on 23 March 2020.

**The following matters were addressed:**

### 1. ELECTION OF TWO PERSONS TO CO-SIGN THE MINUTES TOGETHER WITH THE CHAIRMAN OF THE SUPERVISORY BOARD. ELECTION OF VOTE COUNTERS

The following two participants were elected to sign the minutes together with the meeting chair and to count votes:

Asbjørn Grønbakken og Marit Johnsrud

### 2. APPROVAL OF AGENDA AND MEETING NOTIFICATION

No one had anything to note about the meeting notice and agenda. The following was passed unanimously

**DECISION:**

***The meeting was declared to have been legally called and quorate.***

### 3. APPROVAL OF THE EXTERNAL AUDITOR'S REMUNERATION FOR 2019

As case documentation, the board's case file of 3 March 2020 was sent together with the notice of the meeting. Following a review by the CEO, the following was adopted unanimously.

#### **DECISION:**

***The supervisory board set the audit fee for PricewaterhouseCoopers AS to NOK 1,196,000 for auditing SpareBank 1 Østlandet for the 2019 financial year. VAT is included.***

### 4. APPROVAL OF THE ANNUAL REPORT AND ACCOUNTS FOR 2019

As case documentation, the board's case file of 3 March 2020 comprising the annual report for 2019 was sent together with the notice of the meeting. This case file included:

- Report of the Board of Directors
- Income statement
- Changes in equity
- Balance sheet
- Cash flow analysis
- Notes to the accounts
- Statement from the Board of Directors and the CEO
- Auditor's report

In addition to this, the board's case file of 19 March 2020, comprising '*Additional item 4*' relating to the '*reassessment of the annual settlement allocations and recommendation for revised dividend*', which contained an amendment to the proposed resolution in the board's case file of 3 March 2020.

The annual report and accounts were reviewed by the CEO.

The Chairman of the Board reviewed the extraordinary meeting 19 March 2020 regarding the reassessment of the annual settlement allocations and revised dividend.

The members of the Supervisory Board, Peggy H. Følsvik and Tor Arne Solbakken, voted against section 2 and 3. The vote counted 4 against and 36 for.

The following was adopted:

**DECISION:**

- 1. The supervisory board approved the accounts presented with notes and reports as the SpareBank 1 Østlandet annual report for 2019.**
- 2. The supervisory board adopted a cash dividend of NOK 4.58 per equity certificate, totalling NOK 531 million.**
- 3. Furthermore, the supervisory board adopted a customer dividend of NOK 208 million, and NOK 737 million and NOK 271 million were added to the dividend equalisation fund and the primary capital respectively, in addition to a provision of NOK 26 million for gifts.**

**5. REDISTRIBUTION OF UNCLAIMED CUSTOMER DIVIDENDS TO THE SUSTAINABILITY FUND**

As case documentation, the board's case file of 3 March 2020 was sent together with the notice of the meeting.

Eli A. Bryhni suggested that the sustainability fund should take the Covid-19 situation into account.

Following a review by the CEO, the following was adopted unanimously.

**DECISION:**

**The supervisory board decided that unclaimed customer dividends for 2017 totalling NOK 1,961,252 and for 2018 totalling NOK 2,364,167 - a sum total of NOK 4,325,419 - were to be redistributed to SpareBank 1 Østlandet's sustainability fund.**

**6. AUTHORISATION TO ISSUE REGULATORY CAPITAL AND SENIOR NON-PREFERRED DEBT, IN ADDITION TO AUTHORISATION TO REDEEM OUTSTANDING REGULATORY CAPITAL AND SENIOR NON-PREFERRED DEBT**

As case documentation, the board's case file of 6 February 2020 was sent together with the notice of the meeting.

Following a review by the CFO, the following was adopted unanimously.

**DECISION:**

**The board of SpareBank 1 Østlandet is authorised to increase the bank's regulatory capital. This can be done through raising loans in one or more of the following categories:**

- a) Subordinated loan of up to NOK 1,000,000,000**
- b) Perpetual hybrid tier 1 capital of up to NOK 1,000,000,000**

**The board of SpareBank 1 Østlandet is authorised to raise senior non-preferred debt that may be converted into new equity:**

- c) Senior non-preferred debt may not exceed NOK 10,000,000,000**

**These loans, a), b) and c), may be raised in Norwegian kroner or foreign currency.**

**The board is authorised to apply to the Financial Supervisory Authority of Norway for the repayment of regulatory capital and senior non-preferred debt.**

**This authorisation remains valid until 1 April 2021.**

**All previous board authorisations for the raising of hybrid tier 1 capital, subordinate loans and other subordinated debts are hereby recalled.**

## **7. AUTHORISATION TO INCREASE CAPITAL**

As case documentation, the board's case file of 6 February 2020 was sent together with the notice of the meeting.

Following a review by the Board Chair, the following was adopted unanimously.

### **DECISION:**

**The board of directors is authorised to increase the equity share capital in accordance with § 10-10 (2) of the Financial Enterprises Act, cf. § 10-14(2) of the Public Limited Liability Companies Act, on the following terms:**

- a) The equity share capital may be raised by up to NOK 579,148,945 over the course of one or more occasions.**
- b) The nominal value is NOK 50 per equity certificate.**
- c) The equity certificate holders' preferential rights can be waived.**
- d) The authorisation can be used to strengthen the bank's equity if necessary, in connection with incentive schemes and to issue equity certificates as remuneration when acquiring business consistent with the purpose of the Bank.**

- e) The authorisation covers the increase of equity share capital in assets other than cash or the right for the bank to assume certain obligations in accordance with § 10-2 of the Public Limited Liability Companies Act, but not decisions concerning mergers in accordance with § 13-5 of the Public Limited Liability Companies Act.**
- f) The authorisation replaces earlier authorisations to increase the equity certificate capital and is valid until the 2021 meeting of the Supervisory Board, although not after 30 June 2021.**



## 8. BUY-BACK OF EQUITY CAPITAL CERTIFICATES

As case documentation, the board's case file of 06 February 2020 was sent together with the notice of the meeting.

Following a review by the Board Chair, the following was adopted unanimously.

### **DECISION:**

- 1) The bank may acquire and/or pledge equity certificates with a total nominal value of up to NOK 289,574,473, the equivalent of 5 % of the bank's statutory equity share capital, over the course of one or more occasions.**
- 2) The sum to be paid for each equity certificate acquired shall be a minimum of NOK 50 and a maximum of NOK 150.**
- 3) The board of directors is free to decide how the acquisition, pledging, or disposal of equity certificate takes place. This authorisation shall, among other things, be used for the savings scheme for the bank's employees.**
- 4) The authorisation can be used from the moment it is approved by the Financial Supervisory Authority of Norway and registered in the Register of Business Enterprises.**
- 5) This authorisation shall remain valid until 31 December 2021 in the event that it is used in connection with the savings scheme for the bank's employees. For other uses, this authorisation shall remain valid until the 2021 meeting of the Supervisory Board, although not after 30 June 2021.**

## 9. AMENDMENT TO SECTION 3-4 OF THE ARTICLES OF ASSOCIATION AND THE ADDITION OF SECTION 12 CONCERNING OWNERSHIP RIGHTS

As case documentation, the board's case file of 03 March 2020 items 8, 9 and 10 was sent together with the notice of the meeting.

Following a review by the Board Chair, the following was adopted unanimously:

### **DECISION:**

**1.**

**The following addition is made to Section 3-4 of the Articles of Association:**

**'Members of the supervisory board elected by equity certificate holders shall reflect all categories of the bank's owners. No owner may be represented by more than half of the members of the supervisory board elected by equity certificate holders.'**

2.

**New Section 12 in the Articles of Association:**

**'SECTION 12 OWNERSHIP RIGHTS IN SPECIAL CASES**

**SECTION 12-1**

***In addition to a majority of the supervisory board as is the case for amendments to the Articles of Association, at least half of all votes cast by representatives who have been elected by equity certificate holders are required in the following instances:***

- a) ***Reduction of equity share capital***
- b) ***Increase in equity share capital***
- c) ***Creation of warrants***
- d) ***Loans with the right to demand equity certificates***
- e) ***Decisions concerning changes to the company or its liquidation or conversion pursuant to Section 12 of the Financial Enterprises Act.'***

3.

***The supervisory board authorises the board to make the necessary amendments to the 'Instructions for the Nomination Committee for equity certificate holders' so that this corresponds to the amendments made to Section 3-4 of the Articles of Association.***

**10. AMENDMENT TO SECTION 3-3 OF THE ARTICLES OF ASSOCIATION TO REPLACE 'HEDMARK' WITH 'INNLANDET' AND THE ADDITION OF A NEW SECTION 13 CONCERNING THE ENTRY INTO FORCE OF THE ARTICLES OF ASSOCIATION**

As case documentation, the board's case file of 6 February 2020 was sent together with the notice of the meeting.

Following a review by the Board Chair, the following was adopted unanimously.

**DECISION:**

***The Supervisory Board adopted the following amendments to the Articles of Association.***

1. ***Section 3-3 is amended to:***

***'Section 3-3 Innlandet County Council's elections of members of the Supervisory Board***

***Every four years, Innlandet County Council shall elect four members and four deputy members.'***

2. ***New Section 13 in the Articles of Association replaces Section 10-2:***

***'Section 13 ENTRY INTO FORCE OF ARTICLES OF ASSOCIATION***

***Amendments to the Articles of Association will enter into force when they have been approved by the Financial Supervisory Authority of Norway (Finanstilsynet) or in accordance with the rules applicable at any given time. The previous Articles of Association, last approved by the Supervisory Board on 28 March 2019, are cancelled at the same.'***

**11. AMENDMENT TO SECTION 3-6 OF THE ARTICLES OF ASSOCIATION CONCERNING SENIOR NON-PREFERRED DEBT**

As case documentation, the board's case file of 06 February 2020 was sent together with the notice of the meeting.

Following a review by the Board Chair, the following was adopted unanimously.

***DECISION:***

***The Supervisory Board agreed to amend the provision of Section 3-6 to the following:***

***Section 3-6 Duties of the Supervisory Board***

***Ordinary meetings of the Supervisory Board shall consider and resolve the following matters:***

- ***Election of Chair of the Supervisory Board and Deputy Chair for one year***
- ***Election of the Chair and Deputy Chair, members and deputy members of the Board of Directors, with the exception of those members and deputy members that shall be elected by the employees***
- ***Election of the Chair, members and deputy members of the nomination committee for elections by the Supervisory Board and depositors***
- ***Determination of the remuneration for elected officers and auditor***
- ***Approval of the annual financial statements and annual report, including the allocation of profits and payments of dividends***
- ***Other matters that, by law and the Articles of Association, are part of the remit of the Supervisory Board***

***Decisions on or authorisation to raise regulatory capital, hybrid tier 1 capital and senior non-preferred debt instruments shall be made by the supervisory board and shall require a majority as in the case of amendments to the Articles of Association. Resolutions or authorisations to raise other external***



**financing shall be approved by the Board of Directors or in accordance with a decision by the Board of Directors to delegate such matters.**

## 12. ELECTION OF EXTERNAL AUDITOR

As case documentation, the board's case file of 13 December 2019 was sent together with the notice of the meeting.

Following a review by the Board Deputy Chair, the following was adopted unanimously.

### **DECISION:**

**The supervisory board hereby elects Deloitte as the auditor for the bank and group as of the 2020 financial year.**

## 13. ELECTION C/O THE NOMINATION COMMITTEE OF THE SUPERVISORY BOARD

As case documentation, the nomination committee's recommendation in the minutes of 17/02/2020 was sent together with the notice of the meeting

The chair of the nomination committee outlined for the committee's work and recommendations. The following elections were subsequently held:

*(Employee member and deputy members of the board were elected by and from among the employees in a separate employee election held in January 2020).*

### **The supervisory board:**

#### **Chairman until elections in 2021**

**Standing:**

Pål Jan Stokke, *Hamar*

**Elected:**

Pål Jan Stokke, *Hamar*

Re-  
elected

#### **Deputy Chairman until elections in 2021**

**Standing:**

Malin W. Skoglund, *Kongsvinger*

**Elected:**

Malin W. Skoglund, *Kongsvinger*

Re-  
elected

### **Board:**

## Deputy Chairman of the Board until elections in 2022

### Standing:

Nina Cecilie Lier, *Brumunddal*

### Elected:

Nina Cecilie Lier, *Brumunddal*

Re-elected

## Board members until elections in 2022

### Standing:

Guro Nina Vestvik, *Hamar*

### Elected:

Guro Nina Vestvik, *Hamar*

Re-elected

Hans Chr.Gabrielsen, *Oslo*

Hans Chr.Gabrielsen, *Oslo*

Re-elected

Espen Bjørklund Larsen, *Elverum*  
**Employee board member**

Espen Bjørklund Larsen, *Elverum*  
**Employee board member**

Re-elected

Vibeke H.Larsen, *Stange*  
**Employee board member**

Marit Jørgenrud, *Oslo*  
**Employee board member**

New

## Deputy board members until elections in 2022

### Standing:

Marit Jørgenrud, *Oslo*  
**Employee Deputy Board Member no. 1**

### Elected by and from amongst the employees:

Vibeke H.Larsen, *Stange*  
**Employee Deputy Board Member no. 1**

New

Thor-Even Thorstensen, *Jessheim*  
**Employee Deputy Board Member no. 2**

Øistein Kure Syversen, *Oslo*  
**Employee Deputy Board Member no. 2**

New

## Nomination Committee:

### Chairman of the committee until elections in 2022

#### Standing:

Amund Spangen, *Løten*  
**Depositor**

#### Elected:

Siv Nytrøen Reiten, *Tyllidalen*  
**Depositor**

New

## 2 members until elections in 2022

### **Standing:**

Siv Nytrøen Reiten, *Tylldalen*  
**Depositor**

Inge Storberg, *Brandval*  
**Equity certificate holder**

### **Elected:**

Arne Udnesseter, *Skarnes*  
**Depositor**

Marit Johnsrud, *Hamar*  
**Equity certificate holder**

New

New

## **By-election of 2 members until 2021**

### **Standing**

Dag Rønning, *Engerdal*  
**Elected by the County Council**

Cato Edvardsen, *Elverum*  
**Employee**

### **Elected**

Mona Cicilie Stormoen, *Ridabu*  
**Elected by the County Council**

Sjur Smedstad, *Løten*  
**Employee**

New

New

## 3 deputy board members until 2022

### **Standing:**

Malin W. Skoglund, *Kongsvinger*  
**Depositor**

Turid Backe-Viken, *Trysil*  
**Elected by the County Council**

### **Elected:**

Brit Godtlund, *Skotterud*  
**Depositor**

Turid Backe-Viken, *Trysil*  
**Elected by the County Council**

New

Re-elected

## **14. APPROVAL OF RMUNERATION RATES BY THE SUPERVISORY BOARD'S ELECTION COMMITTEE**

As case documentation, the nomination committee's recommendations regarding the determination of fees in the minutes of 4 February 2020 were sent together with the notice of the meeting

The chair of the nomination committee outlined for the committee's recommendations.

### **DECISION:**

The supervisory board unanimously adopted the recommendations of the committee.

## 15. ELECTION BY THE EQUITY CAPITAL CERTIFICATE OWNERS' ELECTION COMMITTEE

As case documentation, the equity certificate holders' nomination committee's recommendations in the minutes of 22 January 2020 were sent together with the notice of the meeting.

The chair of the nomination committee outlined for the committee's work and recommendations.

The following elections to the nomination committee for equity certificate holders were subsequently carried out by members of the supervisory board elected by equity certificate holders:

### Nomination Committee for equity certificate holders

#### 2 members until elections in 2021

**Standing:**

Marit Johnsrud, *Hamar*

Marianne Steenland, *Tynset*

**Elected:**

Marit Johnsrud, *Hamar*

Marianne Steenland, *Tynset*

Re-elected

Re-elected

#### 2 deputy board members until elections in 2022

**Standing:**

Jan Gjerdrum, *Våler*

Roar Stormoen, *Rendalen*

**Elected:**

Bjørnar Håkensmoen, *Elverum*

Roar Stormoen, *Rendalen*

New

Re-elected

## 13. ANY OTHER BUSINESS

No other business was submitted.

The meeting closed at 18.00.

**Minutes approved:**



Pål Jan Stokke  
Supervisory board chairman



Asbjørn Grønbakken



Marit Johnsrud