



Corporate governance

EVERY is committed to sound corporate governance to enable optimal value creation over time. The main objective of corporate governance is to regulate the division of roles and cooperation between shareholders, the Board of Directors and executive management.



OUR PRINCIPLES ARE:

- EVERY will provide open, reliable and relevant communication to the outside world about the company's activities and its corporate governance.
- EVERY's Board of Directors will be independent of the Group's executive management and ensure a clear division of responsibility between the Board of Directors and the executive management.
- EVERY will ensure that there are no conflicts of interest between the interests of its shareholders, the members of its Board of Directors and its executive management.
- EVERY will treat all shareholders equally.

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

EVERY ASA's Board of Directors (the "Board") has the ultimate responsibility for ensuring that the company practices good corporate governance.

EVERY ASA is a Norwegian public limited liability company listed on the Oslo stock exchange. Confidence in EVERY ASA and its business activities as a whole is essential for the Group's continuing competitiveness.

EVERY is committed to openness about its systems and procedures for the management of the Group. This strengthens value creation and builds internal and external confidence, while at the same time promoting an ethical and sustainable approach to business.

EVERY's website, evry.com, provides relevant information about the company's corporate vision and business concept, as well as information on the company's policy for corporate social responsibility and its Code of Conduct.

As a listed company, EVERY adheres to the Norwegian Code of Practice for Corporate Governance (the Code) issued by the Norwegian Corporate Governance Board (NCGB) and will therefore explain any deviation from the Code.

2. BUSINESS

The business objective of EVERY ASA is defined in Article 3 of the company's Articles of Association, which states that: "The company's business is to develop,

manage and operate its own and other parties' IT solutions, to sell services and consultancy and any activities related to the foregoing. These activities may be carried out by the company itself, by its subsidiaries or through participation in other companies and collaboration with other parties."

EVERY's Articles of Association are available on EVERY's website, evry.com. The Articles of Association were last updated on 20 June 2017.

The Board considers EVERY's strategy and operational goals annually and ensures that risks related to the company's business are assessed on a continual basis.

3. EQUITY AND DIVIDEND POLICY

The book value of the Group's equity at 31 December 2018 was NOK 2 984 million, representing an equity ratio of 25.7 percent. The Group's capital adequacy is kept under constant review in relation to its objectives, strategy and risk profile.

The company's objective is to generate a return for its shareholders through dividends and increases in the share price that is at least in line with the return available on similar investment opportunities of comparable risk. The Board proposes a dividend if it is satisfied that this will not have an adverse effect on the company's future growth ambitions and capital structure. The company intends to pay dividends based on a pay-out ratio of around 60 percent of →

EVERY's Adjusted Net Income. The proposal to pay a dividend in any year is further subject to any restrictions under the Company's borrowing arrangements and/ or other contractual arrangements in place at the time. Share buy-backs and/or extraordinary dividends are evaluated on a case by case basis and need to be approved by the company's Board of Directors and the General Meeting/ Extraordinary General Meeting.

For the 2018 financial year, the Board will propose a dividend of NOK 1.75 per share, equivalent to approximately NOK 469 million.

Pursuant to a resolution passed at the annual general meeting held on 3 May 2018, the Board is authorised to increase the company's share capital in connection with investments, general corporate purposes and transactions by up to NOK 64 891 063. The Board is also authorised to increase the share capital in connection with incentive programs by up to NOK 1 730 428. These authorisations are valid until the annual general meeting in 2019, but not beyond 30 June 2019. The company did not issue any new shares during 2018. The company held 1 501 744 own shares at the end of 2018.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES

EVERY ASA has only one class of shares. The Articles of Association do not impose any restrictions on voting rights and all shares have equal voting rights.

EVERY's Board and executive management are committed to treating all the company's shareholders equally. At the end of 2018, Lyngen Holdco S.A.R.L. held 54.3 percent of the share capital of EVERY ASA. The remaining share capital was spread among 4 119 private and institutional shareholders. The Board will obtain independent valuations for any material transactions between the company and its shareholders, parent companies of its shareholders, members of the Board, executive personnel or any

close associates of such parties.

In 2018 EVERY ASA purchased a total of 1 501 744 of its own shares. All such purchases were completed at the stock exchange at prevailing market prices. A total of 80 756 of these shares were used for the purpose of the EVERY ASA share matching program for board members.

The company has guidelines in place to ensure that members of the Board and executive personnel notify the Board if they have any material interest, directly or indirectly, in a pending transaction or decision.

5. SHARES AND NEGOTIABILITY

EVERY ASA does not impose any restrictions on any party's ability to own, trade or vote for shares in the company.

6. GENERAL MEETINGS

The General Meeting is the company's ultimate corporate body. The Board strives to ensure that the Annual General Meeting ("AGM") is an effective forum for communication between shareholders and the Board. The AGM is usually held before 1 June each year, and in any case no later than 30 June, which is the latest date permitted by company law.

The notice calling the AGM and any Extraordinary General Meeting is made available on newsweb.no and on the company's website (evry.com), and is sent to all shareholders no later than three weeks before the meeting. Article 8 of EVERY's Articles of Association stipulates that the supporting documents dealing with matters to be considered at a meeting can be made available on the company's website rather than being sent to shareholders by post. However, shareholders are still entitled to receive the documents by post upon request if they so wish.

The supporting documentation shall contain relevant information for shareholders to form a view on the matters to be considered. In accordance with the company's Articles of Association, shareholders wishing to attend a general meeting must notify the company by the

deadline given in the notice calling the meeting, which can be no earlier than two days before the meeting.

Shareholders must give written notice of their intention to attend a general meeting, either by post, electronic registration or e-mail. Shareholders who are unable to attend a meeting are encouraged to appoint a proxy. The arrangements for appointing a proxy allow shareholders to specify how their proxy should vote on each matter to be considered. Representatives from the Board attend general meetings. The executive management is represented at general meetings with, at a minimum, the CEO and normally also the CFO attending. The external auditor attends the AGM.

The Board decides the agenda for general meetings. The main agenda items for the AGM are determined by the requirements of the Public Limited Liability Companies Act. Each general meeting appoints a chairperson for the meeting who will chair the meeting with due attention to shareholders' rights in accordance with legislation and the company's Articles of Association. The CEO gives a presentation of the Group at each AGM. The minutes from general meetings are published on newsweb.no and on the EVERY website at evry.com.

7. NOMINATION COMMITTEE

The Nomination Committee's duties are to nominate candidates for consideration by the AGM for appointment as shareholder-elected members of the Board, including the Chair, and to nominate candidates for appointment as members of the Nomination Committee. The mandate for the Nomination Committee includes guidance on selecting suitable candidates to ensure an appropriate composition of expertise on the Board. The Nomination Committee is also responsible for carrying out an annual review of the remuneration paid to the members and deputy members of the Board and submitting specific proposals in this respect to the AGM.

The members of the Nomination Committee are:

- Francisco Menjibar, Chair
- Arthur Brothag
- Tore Mengshoel

Katharine Ostrow was appointed as a member of the Nomination Committee at the annual general meeting in 2018, but resigned from the Nomination Committee in October 2018.

No members of the Nomination Committee are members of the Board and Tore Mengshoel is independent of the Board and the executive management of EVRY ASA.

8. BOARD OF DIRECTORS - COMPOSITION AND INDEPENDENCE

With the exception of its employee-elected members, the Board of Directors of EVRY is elected by the Annual General Meeting. The Board of EVRY comprises 12 members. Eight members of the Board are elected by shareholders. The shareholder-elected members have varied and extensive experience of relevant industries and specialist areas, and the members bring experience from both Nordic and international businesses. Five of the shareholder-elected board members are considered by the company to be independent of the company (Göran Lindahl, Kristin Krohn Devold, Leif Teksum, Al-Noor Ramji and Malin Persson), its main shareholders and its material business contacts. The Board does not include any members from the company's executive personnel. Four members of the Board are elected by employees. The employee-elected members have significant experience of the Group and contribute important perspectives for the Board's work.

EVRY believes that the Board as a whole represents the best interests of all the company's shareholders.

The Board has rules on conflicts of interest to ensure that any potential conflicts are identified and handled in a professional manner. The Board's

guidelines require that members must notify the Chair if the Board is to consider any matter in which they may have a financial interest or are otherwise involved. EVRY does not have a corporate assembly by agreement between the company's trade unions, Board and executive management.

An up-to-date overview of the members of the Board of EVRY ASA is provided on the company's website at evry.com.

9. THE WORK OF THE BOARD

The Board has the ultimate responsibility for the management of the Group and for supervising its executive management and its activities in general. This includes developing the company's strategy and monitoring its implementation. In addition, the Board exercises control functions to ensure that the company manages its finances and risk exposure in a prudent and satisfactory manner.

The CEO is appointed by the Board of Directors. The Board issues a mandate for the work of the CEO. There is an appropriate division of responsibilities between the Board and the CEO. The CEO is responsible for the operational management of the Group. Per Kristian Hove was appointed as the new CEO of EVRY ASA with effect from 19 November 2018.

The Board holds regular meetings, which are held as physical meetings, although members are also able to attend using a digital conference solution. Extraordinary Board meetings are held between the ordinary meetings as and when required, and these are generally conducted as telephone conferences. In exceptional circumstances, Board decisions may be made on the basis of circulating documents. In addition, the Board has appointed an Audit Committee and a Compensation Committee to work on matters in these areas, as well as a Strategy Committee. These sub-committees prepare issues for and provide advice to the full Board in their respective areas.

Audit Committee

The Audit Committee is appointed by the Board, and its main responsibilities are to supervise the Group's systems for internal control, to ensure that the auditor is independent and to ensure that the financial statements give a fair picture of the Group's financial results and financial condition in accordance with generally accepted accounting practice. The Audit Committee has reviewed the procedures for risk management and financial controls in the key areas of the Group's business activities. The Audit Committee receives reports on the work of the external auditor and the results of the audit. The Audit Committee also supervises the activities of Group Internal Audit. (see the "Internal Audit" section).

As a part of their review of the Group's audit services, the Audit Committee initiated a tender process in the second half of 2018. Four suppliers of audit services were invited into the process. Based on the tender process, the Board reached its decision at a meeting in February 2019. The Board decided to continue with the current provider, Ernst & Young, as the company's external auditor. The committee had in total five meetings in 2018.

The members of the Audit Committee are:

- Leif Teksum, Chair
- Louise Sondergaard
- Sigve Sandvik Lærdal

Compensation Committee

The Compensation Committee makes proposals to the Board on the employment terms and conditions and total remuneration of the CEO and other executive personnel, in addition to ensuring there are succession plans for the top management levels at the company. An important part of the work in 2018 was administering the hiring of a new CEO. The committee interviewed external and internal candidates and made a proposal of a final candidate to the Board. The committee had in total five meetings in 2018. →

The members of the Compensation Committee are:

- Kristin Krohn Devold, Chair
- Göran Lindahl
- Salim Nathoo
- Bente Lennertzen

Strategy Committee

The Strategy Committee assists the Board and executive management with strategic reviews, market and trend analysis, and the early-stage assessment of M&A opportunities. In 2018, the strategy work was discussed by the Board collectively, and as such there has not been any separate meetings in the strategy committee.

The members of the Strategy Committee are:

- Göran Lindahl, Chair
- Rohan Haldea
- Al-Noor Ramji
- Malin Persson

10. RISK MANAGEMENT AND INTERNAL CONTROL

EVERY has a well-established internal control function, which is the foundation for the Group's internal control and risk management systems. EVERY's internal control and risk management systems consist of a set of policies, procedures and organisational structures and are certified in accordance with the ISO 9001 standard. The internal control and risk management systems consist of processes for EVERY's strategy, operations, business ethics, legislative and regulatory compliance, and internal and external reporting.

Internal control over financial reporting at EVERY is documented in EVERY's Governance Risk Compliance (GRC) system. The controls are tested regularly, and continual improvement work is carried out to maintain quality. The ISAE 3402 controls are audited by an external audit partner and provide a Type 2 report annually.

EVERY operates a structured risk management process that includes relevant categories of risk, including

strategic risk, financial risk, reputational risk, operational risk, technical risk, and legislative and regulatory compliance risk. EVERY's risk management process is based on ISO 31000.

EVERY is not subject to direct supervision by Finanstilsynet (the Financial Supervisory Authority of Norway), but Finanstilsynet can exercise control over the Group through the banks that are customers of the company (the ICT Regulations).

EVERY complies with GDPR, which entered into force in the EU/EEA in 2018. EVERY ensures its own personal data as well as that of its customers is protected and the company has its own designated Data Protection Officer.

Businesses and individuals across the world are facing security threats more than ever before. Cyber security has in recent years become a pressing issue. On the basis of these general negative developments, the safeguarding of information security is a high priority at EVERY, and the company is certified in accordance with ISO 27001 (incl. ISO 27002).

Certifications

Our customers often require us to be certified in accordance with specific standards. EVERY typically meets such requirements by undergoing third-party audits and obtaining certifications. For the purposes of independence, we have undergone third-party audits and obtained certifications as indicated in the table below.

Business Area	Standard		Valid until
BA Norway	ISO 9001	Quality Assurance	06.11.2021
	ISO 14001	Environment	06.11.2021
	ISO 27001	Information security	06.11.2021
BA Sweden	ISO 9001	Quality Assurance	06.11.2021
	ISO 14001	Environment	06.11.2021
	ISO 27001	Information security	06.11.2021
Digital Platform Services	ISO 9001	Quality Assurance	06.11.2021
	ISO 14001	Environment	06.11.2021
	ISO 27001	Information security	06.11.2021
Financial Service Operations	ISO 9001	Quality Assurance	06.11.2021
	ISO 27001	Information security	06.11.2021
	PCI		Yearly
EVERY Group	ISAE 3402	Type 2 report	Yearly

Business ethics

EVERY has a Compliance function, which is responsible for work on business ethics issues. The Compliance function consists of the Group Compliance Officer together with Compliance Managers who are assigned to the Group's different business areas and geographies. The key responsibility of the Compliance function is to identify risks, design and implement controls, monitor and report on the effectiveness of those controls to management, to resolve compliance difficulties as they occur, and to advise the Group on rules and controls.

The Group carries out annual processes to ensure all business areas are familiar with and comply with the Code of Conduct. All employees, including employees of wholly owned subsidiary companies, are required to re-confirm yearly that they have read and understood the Code of Conduct. All new employees are provided with an introduction to the Code of Conduct as part of their training program and must sign a declaration confirming they have read and understood it. In addition, all EVERY's suppliers and sub-contractors must accept EVERY's Supplier Conduct Principles when entering into an agreement with the company.

EVERY operates whistle-blowing channels for employees to use in the event that they wish to report serious concerns or possible breaches of EVERY's Code of Conduct, or if they require advice in relation to ethical matters. The whistle-blowing channels can be easily

accessed by all employees via EVRY's intranet and email (compliance@evry.com). The Compliance function also has entered into an agreement with an external partner under which the partner manages a whistle-blowing channel for EVRY that offers full anonymity and allows users to enter into written dialogue and to exchange information without losing their anonymity. Employees, customers, suppliers and other third parties are all able to use the whistle-blowing channel anonymously. A total of 32 cases were reported and investigated in 2018, and the requisite action was taken. The majority of the cases that were reported related to the working environment, employee relations, and compliance with internal procedures. In 2018, the company developed a new e-learning program that will seek to train all employees in EVRY's Code of Conduct and general business ethics, which will be launched in 2019.

Internal audit

The Board has established an independent and objective internal audit function, Group Internal Audit (GIA). GIA examines corporate governance, risk management and the management and control of EVRY's business processes. GIA's mandate covers all operations at EVRY and its majority-owned subsidiaries.

A risk-based audit plan is drawn up annually and approved by the Board based on recommendations from the Audit Committee. In 2018 GIA scrutinized inter alia the operations and governance processes of selected subsidiaries, the management of the transition and transformation program, CRM governance, and the management of customer contracts. A total of 13 internal audits were carried out in 2018, seven of which were carried out by EVRY's internal audit partner at EVRY India.

GIA's observations and recommendations are intended to reduce risk, increase efficiency and improve EVRY's processes. It is the responsibility of the management team concerned to put in place appropriate action plans based on the recommendations made by GIA.

An important aspect of GIA's internal audit process is reviewing these action plans until such point as all GIA's recommended remediation measures have been implemented.

GIA also coordinates its activities and relays on the work of other assurance providers to ensure proper coverage and minimize the duplication of efforts. The main responsibility for security and data privacy audits lies with Group Security, Quality & Risk. Furthermore, GIA supports Group Compliance with the investigation of whistle-blower cases to ensure the control weaknesses are identified and the processes concerned are improved.

GIA reports the results of its audit activities and the status of its action plans to the Audit Committee at least twice a year, with the Audit Committee in turn reporting to the Board. Whenever the Audit Committee deems it necessary, GIA will also attend Board meetings.

Annual review by the Board

The Board receives regular reports on risk management at its meetings, through routine financial reporting and the executive management's reports on each business area.

This reporting has not been performed as a pure annual review contemplating all major group risks and areas of exposures included in one report. In 2019 a group risk reporting routine will be implemented.

11. REMUNERATION OF THE BOARD OF DIRECTORS AND THE NOMINATION COMMITTEE

The remuneration paid to the members of the Board is decided by the AGM based on recommendations from the Nomination Committee.

The notes to the financial statements for 2018 provide information on the remuneration paid to the Board in 2018.

12. REMUNERATION OF EXECUTIVE PERSONNEL

The Board has prepared a statement on the remuneration of executive personnel

in accordance with the applicable legislation. Please refer to this statement, which is included in this annual report, for information on the remuneration of executive personnel.

13. INFORMATION AND COMMUNICATIONS

EVERY ASA has produced guidelines for its communication activities, its market reporting activities, and its communication activities in relation to shareholders outside general meetings. These guidelines emphasise the need for transparency and to provide shareholders and the market with equal access to information.

14. TAKE-OVERS

EVERY ASA has put in place guiding principles for how it will act in the event of a take-over bid. Pursuant to these principles (i), the Board shall not seek to hinder or obstruct any takeover bid for the Company's operations or shares unless there are particular reasons for it to do so; (ii) the Board shall not undertake any actions intended to give shareholders or others an unreasonable advantage at the expense of other shareholders or the Company; (iii) the Board shall not institute measures with the intention of protecting the personal interests of its members at the expense of the interests of shareholders; and (iv) the Board must be aware of the particular duty it has for ensuring that the value of the company and the interests of its shareholders are protected. The Board shall also ensure that the shareholders have sufficient information and time to assess any take-over offer.

15. EXTERNAL AUDITOR

Ernst & Young is the external auditor for the EVRY group. The auditor attends at least one meeting each year with the Board at which the company's management is not represented. The auditor participates at meetings of the Board that consider the financial statements and participates at all meetings of the Audit Committee.

The Board requests at least yearly that the auditor confirm its independence. ■