EUROPRIS ASA

THE BOARD OF DIRECTORS' DECLARATION ON DETERMINATION OF SALARIES AND OTHER REMUNERATION FOR THE EXECUTIVE MANAGEMENT 2016

1. General

This declaration is prepared by the board of directors in Europris ASA ("**Europris**") in accordance with the Norwegian Public Limited Liability Companies Act (the "**Companies Act**") section 6-16a, for consideration at the annual general meeting on 13 May 2015.

Principles in this declaration regarding allocation of shares, subscription rights, options and any other form of remuneration stemming from shares or the development of the official share price in the company or in other group companies are binding on the board of directors when approved by the general meeting. Such guidelines are described in section 3.2. Other guidelines are precatory for the board of directors. If the board of directors in an agreement deviates from these guidelines, the reasons for this shall be stated in the minutes of the board of directors' meeting.

Europris was converted from a private to a public limited liability company on 27 May 2015. Prior to the conversion, the board of directors was not required to prepare a declaration on determination of salaries and other remuneration for the executive management. The principles set out for determination of salaries and other remuneration for the executive management in this declaration shall apply for the financial year 2016 and until new principles are resolved by the general meeting in accordance with the Companies Act. The annual general meeting in 2017 will review how the principles set out in this declaration have been pursued in 2016 and deal with the principles for 2017 in accordance with the Companies Act.

2. The main principles of the company's remuneration policy for executive management personnel

Executive management salaries in Europris and group companies shall be determined based on the following main principles:

2.1 Management remuneration shall be competitive, but not leading

Executive management remuneration shall, as a general guideline, be fitted to attract and retain skilled leaders. Salaries (the sum of all salaries and benefits received) should normally be approximately the average for management salaries for comparable executive management in similar businesses in the country in which the individual manager resides.

2.2 Management remuneration should be motivational

Executive management remuneration should be structured to motivate such employees to strive to achieve improvements in operations and the company's results. The main element of management salaries should be the regular salary, although additional variable incentives should be available to motivate the executive management's efforts on behalf of the company. The variable benefits should be reasonably proportional to the company's results during the year in question. For the variable benefits to provide incentives for additional efforts, the criteria must be linked to factors which the individual manager is able to influence. Europris aspires to have a wage plan based on solidarity within the group which encourages efforts that brings results beyond the individual manager's sphere of responsibility. A part of the total remuneration may also be related to the price of the company's shares in accordance with section 3.2 of this declaration.

2.3 The salary system should be flexible, allowing adjustments as needs change

To be able to offer competitive salaries, the company, must have a flexible salary system that can accommodate special solutions.

3. Principles regarding benefits that can be offered in addition to regular salary

The basis for fixing executive management salaries is the aggregate level of a manager's regular salary and other benefits. This level is to be competitive, but not leading. The regular salary should normally be the main element of the manager's salary. With respect to any variable remuneration, specific maximum amounts for the relevant remuneration should be fixed at the time it is granted.

The following refer to the individual benefits which may be granted in addition to the regular salary. Unless specifically mentioned, no special terms, conditions or allocation criteria apply to the benefits mentioned.

3.1 Additional benefits

3.1.1 Bonus scheme

The company may establish a bonus scheme for the executive management. Any such schemes should be reviewed at least annually. Bonus schemes should be tied to the financial performance of Europris and other factors which the individual manager is able to influence.

Europris has established a bonus scheme for executive management, which is based on financial and operational performance. Maximum bonus under this scheme is eleven months gross base salary for the CEO and six months gross base salary for other executive personnel. Bonus payment is included in the basis for calculation of holiday payment, but not in the basis for pension.

Bonus schemes related to shares or share price trends are dealt with under section 3.2.

3.1.2 Pension plans and insurance

The company shall establish a service pension scheme in accordance with the Norwegian Occupation Pension Act. Executive management may have an additional individual pension scheme with an annual cost contribution.

The company may sign early retirement agreements for executive management.

3.1.3 Severance schemes

The company's Chief Executive Officer ("**CEO**") should normally have an agreement that takes into account the company's possible need to ask the CEO to leave immediately if this is considered to be in the company's best interest. The severance scheme must be attractive enough for the CEO to accept an agreement involving a reduction in protection against dismissal.

Agreements may be signed regarding severance pay for other members of the executive management in order to attend to the company's needs, at all times, to ensure that the selection of managers is in commensuration with the company's needs. Severance schemes shall be sought set up so that they are acceptable internally and externally. In addition to salary and other benefits during the term of notice, such schemes are not to give entitlement to severance pay for more than 12 months.

3.1.4 Benefits in kind

Executive management may be offered the benefits in kind that are common for comparable positions, e.g. free telephone service, home PC, free broadband service, newspapers, company car/car scheme and parking. No particular limitations apply on the type of benefits in kind that can be agreed.

3.2 Binding principles for options and other types of benefits related to shares or share price trends

The company may grant the executive management remuneration related to the price of the company's shares. The board of directors are authorised to determine further terms and conditions for such remuneration.

With effect from 1 January 2016 the bonus described in section 3.1.1 is linked to development of the share price of Europris during 2016 and the payment will be adjusted accordingly by the end of the fiscal year. For example, the payment for 2016 will be increased by 20% if the share price is increased by 20% during 2016.

4. Statement on executive salary policy and consequences of agreements on remuneration in the previous financial year

It is a policy of the group to offer the executive management competitive remuneration based on current market standards, company and individual performance. The remuneration for 2015 is in accordance with this policy and the principles as further described above. The Company was not required to prepare a declaration on determination of salaries and other remuneration for the executive management in 2015, and hence no review of such previous principles has been prepared. For further information on executive remuneration, please refer to the annual report note 7.

The board of directors has not identified any significant negative consequences resulting from agreements on salaries and remuneration in 2015.

Oslo, March, 9 2015
The Board of Directors of Europris ASA