

Guidelines for remuneration of senior personnel

In accordance with the Public Limited Liability Companies Act § 6-16a, the board of North Energy ASA has proposed guidelines for the determination of salaries and other remuneration of senior personnel, including senior executives and board members in the company. The guidelines described in this document will be put forward to the general meeting for final endorsement and approval. The guidelines will be presented to the general meeting for approval every fourth year, as a minimum, and when essential changes are proposed. The board will on an annual basis report on actual remuneration in comparison to the guidelines.

The purpose of the salary system is to stimulate a strong and sustainable result-oriented culture that contributes to increasing share values. The remuneration scheme shall promote and provide incentives for good management and control of the company's risk and counteract excessive risk-taking. Remuneration for all employees consists of fixed salary, benefits in kind, variable remuneration and pension and insurance schemes.

The board is responsible for the salary of the senior executives and the remuneration is determined on the basis of an overall assessment where the main emphasis in the variable part of the remuneration is based on achieved results and implementation of the strategy plan based on the company's values and ethical guidelines.

- The salary scheme for the senior executives includes a fixed annual salary, standard pension and insurance scheme for employees and variable salary (bonus). The company is obliged to have an occupational pension scheme under the Mandatory Occupational Pensions Act.
- The company practices standard employment contracts and standard employment conditions regarding pension system, insurance scheme and the bonus system, applying also for the senior executives.
- The senior executives can terminate their contract on a 3 months' notice.
- The board may use severance pay as a tool to ensure continuity and stability, but also to provide opportunities for renewal among senior executives. In return, the senior executives will have to waive the rights under the Working Environment Act, including the protection against dismissal.

North Energy's board members are nominated by the Nomination Committee and elected by the General meeting. The Nomination Committee shall emphasize that the proposed board candidates have the necessary experience, competence, and capacity to perform the relevant positions in a satisfactory manner. Emphasis shall also be placed on reasonable representation with regard to gender and background as well as the board members' independence in relation to the company's main shareholders, business associates and the company's management. The board fees and remuneration are determined by the general meeting following a proposal from the Nomination Committee. The Nomination Committee shall propose a market-based compensation for board candidates with relevant background.

17 March 2021

Board of North Energy ASA