

## GUIDELINES FOR REMUNERATION TO THE SENIOR EXECUTIVES

These guidelines regarding remuneration to the senior executives have been prepared by the board of directors of NORBIT ASA's ("NORBIT" or the "Company") in accordance with the Norwegian Public Limited Liability Companies Act Section 6-16a and related regulations. The guidelines have been prepared for approval by the Company's annual general meeting in 2021, and will apply until the Company's annual general meeting in 2025, unless amended or replaced earlier.

### **Members of executive management**

These guidelines apply to remuneration to senior executives in the Company. For the purposes of these guidelines, senior executives include the CEO and certain other executives who, from time to time, are members of the group management and directly report to the CEO. As of the date of these guidelines, the Company's senior executives comprise of the CEO, the CFO, the CTO, the Group COO and Business Unit Director PIR, the Business Unit Director Oceans and the Business Unit Director ITS.

### **Purpose and general remuneration principles**

These guidelines constitute a framework for which remuneration to senior executives may be decided by the board of directors during the period for which the guidelines are in force. NORBIT is a global provider of tailored technology to carefully selected niches and has an international operation with 14 offices and subsidiaries around the world. Consequently, NORBIT competes for senior management talent within the technology industry internationally. Therefore, these guidelines attempt to ensure NORBIT's competitiveness as an employer in all of the geographies and domains it operates. For further information regarding the Company's strategic priorities, please refer to the Company's annual report and the Company's website, [www.norbit.com](http://www.norbit.com).

The Company's remuneration principles shall be designed to ensure responsible and sustainable remuneration decisions that support the Company's business strategy, long-term interests, and sustainable business practices. To this end, salaries and other employment terms shall enable the Company to retain, develop and recruit skilled senior executives with relevant experience and competence. The remuneration shall be on market terms, competitive, and reflect the performance and responsibilities of individual senior executives.

In the preparation of the board of directors' proposal for these guidelines, remuneration and employment conditions for employees of the Company have been taken into account by including information on the employees' total income, the components of the remuneration, and its conditions in the remuneration committee's and the board of directors' basis of decision when evaluating whether the guidelines and limitations set out herein are reasonable.

Remuneration for senior executives must be duly adjusted to comply with any local mandatory rules in the jurisdiction of their employment and may be duly adjusted to comply with established local practice, taking into account, to the extent possible, the overall purpose of the guidelines.

## **Process for determination of remuneration**

The board of directors has established a separate remuneration committee. The remuneration committee functions as an advisory body for the board of directors and the CEO and is primarily responsible for:

- Making recommendations to the board of directors with respect to guidelines and principles underlying the remuneration of the executive management team
- Evaluating and proposing the remuneration of NORBIT's CEO to the board of directors
- Assisting the CEO in determining the remuneration of the other members of the executive management
- Providing general compensation related advice to the board of directors

## **Elements of remuneration**

The remuneration to the senior executives covered by these guidelines may consist of fixed cash salary, variable cash salary, payment in kind, and participation in a long-term incentive program and general share purchase programs open to all employees.

### *Principles for fixed cash salary*

The fixed cash salary shall be in line with market conditions, be competitive, and shall take into account the scope and responsibility associated with the position, as well as the skills, experience, and performance of each senior executive.

### *Principles for variable cash salary*

Variable cash salary (i.e., cash bonuses) shall be based on a set of predetermined and measurable performance criteria that reflect the key drivers for pursuing the Company's business strategy, long-term interests, and sustainable business practices. Such performance criteria shall consist of key performance indicators both for the Company's overall and financial performance as well as individual performance. To which extent the criteria for awarding variable cash salary have been satisfied shall be determined when the relevant measurement period of the performance criteria has ended. Such variable cash salary shall be evaluated and documented on an annual basis. Variable cash remuneration may amount to a maximum of 40 per cent of the fixed annual cash salary for each senior executive. The targets for the CEO are set by the Board of Directors. The targets for the other executive personnel are set by the CEO.

The Company believes that the performance-based bonus agreement for executive personnel has a motivational effect and therefore is beneficial for the Group and its shareholders in order to reach the Company's business strategy, long-term interests, and sustainable business practices.

The Company can demand the variable cash salary refunded to the same extent that they can demand the fixed cash salary refunded, following the employment contract.

### *Principles for pension benefits*

Executive personnel participate in the relevant local pension schemes in their countries of residence on the same terms as other employees. Pension benefits shall be based on local practices and applicable law. Any deviations to local common practice in pensions are to be separately approved by the remuneration committee and documented in its report to the board of directors. Pension benefits may not amount to more than 10 per cent of the annual fixed cash salary of each senior executive, provided that mandatory provisions of applicable laws do not require a higher pension provision.

*Principles for non-financial benefits*

The executive personnel are eligible for the following benefits: a mobile phone with subscription, laptop, internet, newspapers, and car allowance in certain and specific situations. Furthermore, executive personnel have insurance coverage and other non-financial benefits in line with what is offered to other employees.

Non-financial benefits shall be based on market terms and shall facilitate the duties of senior executives. The Company aims to have a sufficiently competitive salary and incentive programs and minimize additional non-financial benefits. Any non-financial benefits, beyond what is offered to the entire workforce of NORBIT, shall be reviewed and approved by the remuneration committee. Premiums and other costs related to non-financial benefits may not exceed 2 per cent of the annual fixed cash salary of each senior executive.

*Synthetic option program*

The board of directors aim to get in place a synthetic option program for the senior executives. In the board of directors' view, an attractive long-term incentive program forms a critical part of the total compensation for senior executives, and allows the Company to retain and hire the talent it needs for further growth.

The program will be structured as an award of synthetic options. Such synthetic options are awarded based on the Group's achievements of certain quantitative and qualitative goals determined by the board of directors and are formally awarded following the Company's annual general meeting each year. The synthetic options may be exercised at any time after their award. When exercised, the synthetic options will give the holder a monetary claim toward the Company, which shall be used to subscribe for or purchase shares in the Company at their prevailing market value less 20 per cent reduction. Such shares will be subject to a three-year lock-up period. Under certain circumstances and criteria as determined by the board of directors, the Company can demand part of the monetary benefit refunded. The maximum amount which may be exercised by any employee under any award under the synthetic option program is an amount equal to 100 per cent of the employee's annual fixed salary.

*Participation in share purchase plans*

Members of the executive management group are eligible to participate fully in any of NORBIT's employee share purchase plans. The level of participation shall be approved by the board of directors.

*Board compensation for company management*

Members of the executive management team shall not receive remuneration for directorships in group companies.

*Termination of employment*

Upon termination of employment by the Company or the executive, the notice period may not exceed twelve months. Fixed cash salary during the notice period and severance pay (if any) may not together exceed an amount corresponding to the annual fixed cash salary for two years.

### **Preparation and review of these guidelines**

These guidelines have been prepared by the board of directors' remuneration committee. The remuneration committee shall have a preparatory function, in relation to the board of directors, in respect of principles for remuneration and other terms of employment regarding the senior executives. With the recommendation of the remuneration committee as the basis, when the need arises for significant changes in the guidelines, but at least every fourth year, the board of directors shall prepare a proposal for guidelines for resolution by the annual general meeting. The annual general meeting shall decide on such proposals. Resolved guidelines may also be amended by way of resolution by general meetings other than annual general meetings.

Within the scope and based on these guidelines, the board of directors shall every fourth year decide on the general principles and structure of the remuneration of the executive team and specific remuneration terms for the CEO and make such other resolutions in respect of remuneration for the CEO that may be required.

The members of the remuneration committee are independent in relation to the Company and the senior executives. The CEO and the other senior executives do not participate in the board of directors' handling of and resolutions regarding remuneration-related matters if they are affected by such matters.

### **Derogations from these guidelines**

The board of directors may temporarily resolve to derogate from these guidelines, in whole or in part, if in a specific case there is a special cause for such derogation and a derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability.

### **Remuneration in 2020**

Determination of remuneration of the executive management team has been carried out in accordance with the statement presented to the annual general meeting in May 2020. Further information is provided in the Company's annual report.

**The Board of Directors of NORBIT ASA**  
Trondheim, April 8, 2021