

## GUIDELINES ON EXECUTIVE REMUNERATION

(approved by the general meeting of Ice Group ASA on 27<sup>th</sup> May 2021)

### **Purpose and principles**

In accordance with section 6-16a of the Norwegian Public Limited Liability Companies Act, the Board of Directors of Ice Group ASA (the “Company”) has prepared these guidelines on the determination of salary and other remuneration to the Chief Executive Officer (“CEO”) and executives of the Company.

The executives of the Company consist of the Board of Directors, including subcommittees, and the Senior management. The senior management is defined as the CEO and executives that report to the CEO and are part of executive management team.

The basis of remuneration of the Senior management has been developed in order to create a performance-based system which is aligned with the Company’s values and strategies. This system of reward is designed to contribute to the achievement of the company’s strategy, financial results and increased shareholder value, both medium - and long-term

The Company’s path to medium- and long-term value creation for the shareholders through customer growth strategy, network expansion and cost efficiency, is depending on its ability to attract, retain and incentivise the right/best employees and leaders, which is substantiated by the Company’s incentives and remuneration.

Remuneration to the CEO and other senior management consists of base salary, variable remuneration, other benefits and share-based compensation, with the purpose of a sufficient floor compensation through base salary and other benefits, and incentive based compensation through bonus and share-based compensation aligned with company strategy and targets, as well as long-term shareholder interests. Distribution between basic salary and variable compensation shall be proportionate to the executive's responsibility and authority.

Base salary shall secure a market competitive salary depending on respective position, role and level of responsibility.

Variable compensation serves to incentivise both medium - and long-term company performance.

Annual bonuses are measured against company financial and operational targets as well as individual targets to support these, where the combination of targets secures a holistic measure of performance.

Option programs and other share-based compensation incentivises alignment of performance with long term shareholder value creation.

### **Compensation**

#### ***Board of directors - including committees***

At the time of approval of these guidelines, the Company does not have any employee representation in the board of directors or any committees and does not have a Corporate assembly. Accordingly, remuneration to such representatives is not covered in these guidelines.

**Senior management**

*General*

Remuneration to the CEO and other members of the Senior management consists of base salary, variable remuneration, other benefits and share-based compensation. Distribution between basic salary and variable compensation shall be proportionate to the executive's responsibility and authority.

The total remuneration shall be at a level to retain and attract senior management. The proportionate share of the components of compensations shall be within the following:

	Base salary	Bonus	Pension	Other benefits	Share based compensation*
Share of total remuneration	25% - 99%	0% - 50%	1% - 10%	0% - 10%	0% - 75%

*Base salary*

Base salary shall be at market-competitive terms relevant to the individual position, role and level of responsibility, to support the general aim to retain and attract senior management as part of the total compensation offered.

The base salary shall make up 40% - 99% of total remuneration.

*Variable compensation*

*Bonus*

Distribution between base salary and variable compensation shall be proportionate to the executive's responsibility and authority. For the Senior management, eligible bonus is ranged between 0% and 100% of their base salary.

Criteria for bonus is a combination of financial KPIs, including but not limited to revenue, EBITDA and other financial company targets, and non-financial targets relevant to the individual position to support the company targets, including, but not limited to, sales targets, technical KPIs and governance matters. The criteria are set against the key targets defined to support the company strategy of customer and revenue growth, network expansion and cost efficiency to enable EBITDA targets, in order to align the incentives of the senior management with the company's strategy and long-term interest, as described under "purpose and principles above"

The total bonus evaluation for each executive consists of a combination of company financial targets and individual non-financial targets, to incentivise both individual performance and the overall company results. The company financial targets make up 25 - 100% and the individual targets make up 0% - 75% of the total maximum bonus, dependent on the executive's role and responsibility.

Criteria for bonus, measure of performance and award of bonus is performed on a quarterly or an annual basis on all criteria. Each criteria have predefined minimum and maximum threshold performance and corresponding award, measured and awarded individually after all results relating

to the criteria are final. As bonus is awarded retrospectively based on actual targets, no recall of bonus is regulated. Furthermore, the majority of the Company's revenue is based on subscription revenue, and significant proportions of costs are recurring. The company financial targets are based on absolute results by criteria period, hence the risk of short term optimisation is limited.

Bonus shall make up 0% - 50% of total remuneration.

### *Options*

The company has long-term incentive (LTI) programs for senior management and certain key employees through awarding options, aimed to align the long-term interests of the participating employees with those of the Company's shareholders, by supporting the strategy as described under "purpose and principles" above. The programs are discretionary based on decision by the board of directors, and participants are invited on an annual basis. Size of award of options is amongst other based on the relevant position and responsibility, and is assessed by the remuneration committee and the board of directors. The programs include caps on profit proportionate to the annual salary per participant and have annual vesting periods over 1-5 years. Strike price of options are set equal to or higher than market value at the time of issue. The programs include regulation of termination of non-exercised options in case of the participant leaving the Company.

As LTI programs have regulation of termination of non-exercised options in case of the participant leaving the Company, and any gain is based on actual share performance with a cap on profit, no further recall of options is regulated.

### *Clawback*

*Based on the nature of the bonus and options structures, the Company does not have clawback mechanisms aside from that any options issued and not exercised lapses on termination of employment and a right to clawback on any payments based on incorrect calculations.*

### *Pension*

The CEO and the members of the executive management team are members of the standard defined contribution pension plans and insurance plans applicable to all employees in the group. In addition, certain members of the executive management team can have additional individual defined contribution pension plans to support the overall aim to attract and retain talents.

Pension shall make up 1% - 10% of total remuneration.

### *Other benefits*

Certain members of the executive management have company car benefits.

All members of the executive management can participate in company-wide share programs. Such share programs can be in the form of performance shares based on the Company's share price development and the employees' number of shares bought on participation or offer to purchase shares with a discount on an annual basis.

In addition, all members of executive managements participate in the general company benefits, such as phone- and broadband subscriptions, health insurance etc.

Other benefits shall make up 0% - 10% of total remuneration.

### *Termination of employment*

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The senior management has termination periods of three to six months. The CEO is entitled to a severance pay of 6 months base salary in case of notice based on Company circumstances. The Company has no difference in retirement benefits for executives compared to other employees.

### *Extraordinary compensations*

In the event of recruiting new members of the executive management, extraordinary compensation in form of sign-on fee, grant of options or similar can on an exceptional and individual basis be awarded. Such compensation must be reasonable and justified.

### **How compensation and terms for company employees are considered in the guidelines**

#### *Base salary*

The Company's policy regarding base salary is based on offering market-based competitive salary, relevant to position, role and level of responsibility.

Salary levels are aligned with market wages for corresponding positions in other companies in Norway. The Company furthermore refers to National statistics bureau salary index and to statistics from key unions relevant for the employees in the Company. The Company aims to give employees the right salary for the right job, and will pay for the competence, skills and experience required to be competitive.

In addition to being considerate to market wages and the existing base salary level in the company, regulation of salary is based on individual performance, competence and experience.

The same principles are applied to senior management.

#### *Bonus*

The Company's employee bonus program is an individual program, where distribution between basic salary and variable compensation shall be proportionate to the employees' responsibility and authority.

The following guidelines apply for all employees in the Company, regardless of role and position:

- All bonus criteria are to substantiate the Company's long-term strategy and financial targets
- The criteria are divided between company financial targets, team targets and individual targets
- The team- and individual targets are quantitative and qualitative
- Regardless of level, the individual goals are always related to the goals of the respective department or the goals of the respective director.
- The bonus program is a performance-oriented model, and the target salary (base salary + bonus) is based on the terms in the employee agreement.

The same principles are applied to the Senior management.

## **Decision process**

### *Roles, responsibility and involvement of the company bodies*

- *General assembly*

The general assembly decides and approves this policy, any material amendment and at a minimum every fourth year.

- *Board (remuneration committee)*

The remuneration committee is a preparatory and advisory committee for the board of directors. The members of the company's remuneration committee are appointed by and among the members of the board of directors and shall be independent of the company's executive management, to avoid conflict of interest

The remuneration committee prepare:

- Guidelines on remuneration for the executive management, including amendments to such guidelines
- The board of directors' report on salaries and other remuneration for the executive management
- Other matters relating to remuneration and other material employment issues in respect of the Senior management

The board of directors makes decisions relating to Senior management in matters of:

- Any base salary, bonus levels and any adjustments of these
- Overall bonus model for the company employees and senior management, including company financial targets and their share of total bonus
- Evaluation of performance vs all bonus criteria for CEO and CFO, including bonus award
- Allocation of any options
- Any extraordinary compensation
- Recommendations from the remuneration committee

No members of the Senior management are members of the board. When matters relating remuneration to the Senior management are discussed and for decision, the Senior management shall not be present in the board meeting, to avoid conflict of interest.

- *CEO*

- Evaluation of performance vs all bonus criteria for senior executives excluding CEO and CFO, based on bonus model approved by the board of directors.

## **Deviation from guidelines**

When deemed in the best interest of the company to secure long-term interest and financial sustainability to terminate the employment of a member of the Senior management, the board of directors may exceptionally and on an individual basis deviate temporarily from these guidelines in matters relating to:

- Termination of employment
- Extraordinary compensation

In the event of such deviations, the decision by the board of directors shall be included in the minutes of meeting, including the evaluation and reasoning of the deviation. Any deviation from the guidelines shall be specified in the annual remuneration report to the general assembly.

**Publication of the guidelines**

These guidelines, together with the date and result of the vote at the general meeting, shall be published on the Company's website ([www.icegroup.com](http://www.icegroup.com)) without delay.