

Board of Directors' Guidelines on Executive Remuneration for 2021

In accordance with section 6-16a of the Norwegian Public Limited Liability Companies Act, the Board of Directors (the "Board") of Norwegian Energy Company ASA ("Noreco" or the "Company") has prepared guidelines related to the determination of salary and other benefits for the executives of the Company (the "Policy"). It is the view of the Board that this Policy supports the Company's strategy and long-term interests.

The Policy is presented for approval by the Company's annual general meeting to be held on 19 May 2021 to apply for a four-year period, or until the general meeting resolves changes to the Policy if earlier.

The Company's annual report provides details on remuneration to the executives in 2020, which has also been in line with the Board's statement on remuneration to the managing director and other key executive officers as approved by the annual general meeting held in 2020. The Board shall for each financial year from 2022 and prior to the annual general meeting, prepare a remuneration report in accordance with the Norwegian Public Limited Liability Companies Act section 6-16b.

Introduction and alignment with strategy

The Policy is designed to be in line with the Company's overall business objectives, long-term interests and financial sustainability. The total compensation for the executives of the Company shall be competitive, reflect the accountabilities and effort required, reward success and not the opposite, and ensure alignment of interest with shareholders and the Company's strategy. The remuneration Policy is intended to attract and retain qualified executives with the right attitude, skills and ability to deliver strong performance in accordance with Noreco's Code of Conduct and with the aim of elevating the Company's strategy and adding value to the Company's shareholders.

The total remuneration for executives consists of three main elements: fixed salary, benefits and variable pay. The fixed salary forms the basis for the total compensation together with variable pay in order to align and motivate the executives' efforts in continuous business development and value creation to shareholders. The Company has established policies and practices that cover terms related to pay and pension, and more traditional employee benefits.

Most executives of the Company have multinational positions and may be offered employment contracts through the Company or a subsidiary when immigration, taxation, corporate and employment legislation make such relevant and the Company finds it of importance to have executives present on other locations outside Norway. The employment contracts offered is for permanent employment and in line with local jurisdiction.

Remuneration to the CEO and CFO shall be recommended by the Remuneration Committee to the Board for approval. The CEO may decide on remuneration to other executives, which shall be informed to the Remuneration Committee and the Board.

New executives will be appointed with a package in line with this Policy. The fixed salary might deviate from the previous incumbent. Remuneration forfeited on resignation from a

previous employer may be compensated if deemed beneficial to the Company. This will be considered on a case-by-case basis.

Decision-making process and deviations

Decision-making process

The Board is responsible for adopting the Policy with elements to be included in the executive's compensation plans and guidelines for the determination of the actual annual compensation.

The Board shall assess each element of the compensation plan jointly as a whole. The Board shall receive an overview of the aggregate value of the agreed remuneration to the executives on an annual basis. As a main rule, the performance for the past year and the assessment of any adjustment in fixed salary, is reviewed and managed no later than during the first half of the new fiscal year.

Variable salary is based on metrics set by the Board annually. Variable salary elements for the executives shall partly be linked to the Company's results and partly determined at the discretion of the Board. The Board's discretion shall, inter alia, consider achievements on financial, operational and organisational targets as further explained in this Policy.

Wider workforce considerations

When setting remuneration for executives, wider remuneration across the Noreco group, including salary increases, bonus awards, share plan participation and pay ratios between executive and other employees shall be considered. In depth-reviews to develop a deeper understanding of demographics across the organisation, the differences in total reward across various employee groups and geographies and key areas of focus on culture and reward could be considered. This also to safeguard non-discrimination and equal treatment.

Noreco is committed to sharing business success across the organisation, with all employees participating in an incentive plan based on aligned principles.

Deviations from the Policy

The Board may decide to deviate entirely or partly from the guidelines in individual cases, provided that there are circumstances which make such deviation necessary, this could be to serve the long-term interests of the Company, for recruitment or for retention purposes. Such adjustment may include granting a cash bonus to one or more executives for an extraordinary performance, which could not be taken into account when setting the targets at the beginning of the year.

Any such deviation shall be approved by the Board and be described in the remuneration report produced each year.

Upon proposing material changes during the Policy period, the Company will either seek approval in an annual general meeting or call for an extraordinary general meeting to solicit approval. The Company will in the calling notice describe the proposed changes, and take note of shareholders' voting over the Company's remuneration policy and remuneration report for the previous fiscal year.

Otherwise, the Board will ensure that the Policy is reviewed and presented for approval by the annual general meeting at least every fourth year.

Overview of remuneration components

Fixed salary

The fixed salary (the gross annual salary before tax and before variable pay and other additional benefits are calculated) shall be reasonable, balanced and represent a significant component of executive compensation.

The Company is to provide competitive fixed salaries suitable to attract and retain individuals of the right calibre to develop and execute the business strategy.

The fixed salary should upon commencement of employment reflect the role's accountabilities and impact on business performance and results, experience and expertise required and be determined based on market and industry benchmarking. The fixed salary is to be assessed regularly and depending on the industry and Company context considered for annual adjustment based on contribution to business results, individual performance and capabilities demonstrated.

Benefits in kind and other special schemes

Executives will be given benefits in kind in line with common market practice and company policies, which currently include mobile phone, laptop and broadband at home.

As part of the Company's aim to reduce its carbon footprint, neither company car or car allowance is offered as part of executives' terms.

When relevant and based on the Company's need to have executive capabilities on different locations which will imply permanent or temporary relocation for a recruited candidate or a current executive, relocation and/or accommodation allowance as part of employment or relocation terms can be offered.

Additional benefits or remuneration may be offered under certain circumstances if deemed necessary, provided that such extraordinary benefit or remuneration is made at an individual level.

The Company has no policy or practice for offering executives or any of its employees any loans, guarantees or other forms of credit from the Company and no executive has been given such.

No executive receives any additional remuneration for board appointments in any of the Company's subsidiaries.

Pension schemes

The executives are members of the defined contribution pension and insurance schemes applicable to all employees in the Company and its affiliates. Pension and insurance schemes are set in line with local rules governing pension entitlement, social security entitlement and taxation and local market practices.

In Norway, disability pension is included in the pension scheme according to market practice. However, no top hat pension above 12 times the general amount has been established for executives and no early retirement pension plan is nor will be established. Outside Norway, pension programmes also include employee contributions.

Variable pay

The Company shall offer a variable pay program as part of its total remuneration to executives in order to incentivise the execution of the business strategy, delivery of financial targets and to ensure long-term value creation. The variable pay program shall consist of at least a potential payment of cash bonus based on (i) the Company's performance, which shall include financial, strategic and operational results, as assessed by the Board and/or (ii) the individual's personal performance, including overall contribution to the Company.

The cash-based element of the variable pay program may in total be maximum 100% of fixed salary. For work on special projects, other achievements or if deemed necessary or beneficial to the Company, an executive may be awarded additional cash bonus.

In addition to this, the Company has implemented a share option programme to ensure additional alignment with shareholders and the business strategy of the Company, and to further facilitate recruitment of key personnel. The Board was on 8 November 2018 (and later amended) authorized to grant options to acquire shares in the Company. The options may be granted to the members of the board, key personnel and employees of the Company ("Participants"). Grant of options is done by the Board, usually as a one-time award, e.g. upon commencement of a new employment. The number of options granted is determined by the Board and considered on an individual basis.

Options awarded to Participants have a three-year vesting period, with 1/3 vesting for each of the three years, unless otherwise approved by the general meeting of the Company. After awarded, the options must be exercised within 5 years after which they expire. There is no lock-up period for the shares acquired as a result of exercising options.

Notice and Severance pay

The employment contracts of executives can be terminated by a mutual six months' period of notice, which give the Company sufficient time to implement a continuity plan for transfer or reallocation of responsibilities and critical tasks.

In accordance with applicable law, the employer may request the resignation of the CEO at its own discretion but will be obliged to pay salary in lieu of notice equal 12 months.

A severance pay is applicable upon a change of control of the Company if the executive resigns subject to instructions from the Company. A total payment up to 12 months' fixed salary including notice period could be entitled.

A confidentiality clause is included in all the Company's and its affiliates' employment contracts. Additionally, for executives as they are considered having highly trusted positions being involved and with access to confidential and sensitive information, a 6 months' non-compete clause can be invoked. A compensation corresponding a pro rata payment equals the fixed salary applies if the Company invokes the clause. Provisions

governing reduction based on other remuneration or income accrued in the non-compete period pertain.

In case of termination initiated by the Company the funding of reasonable outplacement program for an executive will be considered where appropriate, as for any other employee.