Norske Skog ASA

Guidelines for salary and other remuneration to leading personnel

Approved by the Annual General Meeting held on 10 April 2025 with the following voting result:

Votes for	%	Votes against	%	Votes withheld	Votes total	% issued voting shares voted	No votes in meeting
44,717,681	100.00	1,116	0.00	17,200	44,735,997	52.73	303,639

INTRODUCTION

These guidelines (the "**Guidelines**") govern the determination of remuneration to leading personnel in Norske Skog ASA ("**Norske Skog**" or the "**company**"). The changes in the guidelines from previous version have been assessed by the remuneration committee which provided its recommendation to the board of directors for determination. The guidelines were determined by the board of directors at the board meeting on 18 March 2025. The guidelines will be presented to the Annual General Meeting (AGM) 2025 for approval.

Remuneration to the company's leading personnel is vital for harmonizing the interests of the leading personnel with the interests of the company. The main purpose of these guidelines is to allow shareholders to influence the parameters of the salary and other kinds of remuneration, creating a culture for remuneration that promotes the company's long-term interests and business strategy, while ensuring shareholders' influence and the company's financial sustainability.

The Guidelines have been prepared in accordance with the provisions of Section 6-16 a of the Norwegian Public Limited Liability Companies Act, supplemented by the Regulation on guidelines and reports on remuneration for leading personnel.

The Guidelines are of a guiding nature for the board of directors. The board of directors may, however, only deviate from the Guidelines in the circumstances and in accordance with the procedure set out in the Guidelines.

Business strategy, long-term interests and financial sustainability

The Guidelines support the strategic direction and the financial sustainability of Norske Skog and reflect the long- term interests of the company and its shareholders. The company will continue to optimise its current core business. At the same time, it will enter new business areas that will change the strategic positioning of the company and significantly diversify its revenues. The execution of this strategy is firmly embedded in the total remuneration of leading personnel in Norske Skog. Financial performance, cost of capital optimisation, continuous improvement programs and project execution are the cornerstones for management compensation and incentives.

The company's leading personnel

The company defines leading personnel to comprise of its corporate management team and the board of directors.

Remuneration of board of directors

The chair and other board members receive remuneration as board members and members of committees. The remuneration of the board of directors is decided by the annual general meeting based on the nomination committee's proposal.

There is no agreement between the chair and other members of the board and the company, should there be changes in position as board member or termination from the board.

Remuneration of corporate management

The CEO's fixed remuneration is assessed by the remuneration committee and approved by the board of directors on an annual basis. Corresponding assessments are made by the CEO for other members of the corporate management. An overview of the members of the corporate management is included in the Employee benefit expenses note in the annual consolidated financial statements.

The remuneration for the members of the corporate management comprises the following elements:

- Fixed remuneration
    - Base salary
    - Other fixed compensation
- Variable remuneration
    - Short-term incentive plan
    - Long-term incentive plan
- Pension benefits

FIXED REMUNERATION

Base salary and other fixed compensation

The board has not established upper or lower limits to the fixed salary that can be paid to leading personnel in the company. The fixed salaries for the CEO and other members of the corporate management are subject to annual evaluation and are determined by, among other parameters, general salary levels in the labour market and on remuneration levels for comparable positions.

The company may grant other customary fixed payments and near-cash allowances to the corporate management. These currently comprise fixed car allowance, life insurance, newspaper subscription, mobile phone and coverage of costs for broadband communication at home. Fixed payments and near-cash allowances components shall be granted according to the company's internal standards.

Salary and terms of employment

The level of salary and certain terms of employment for the corporate management deviate from the salary and terms of employment of other employees of the company as a consequence of the significant responsibility and complexity of such roles and are furthermore subject to evaluation on the basis of general salary levels in the labour market and remuneration levels for comparable positions. These factors have been taken into account in the determination of the Guidelines, to ensure that the Guidelines adequately address the salary and terms of employment of the corporate management.

VARIABLE REMUNERATION

Short-term incentive plan

The company has operated short-term incentive plans for executives and other employees for more than two decades, to ensure that financial, commercial, operational and sustainability targets receive adequate priority.

The company may offer leading personnel short-term incentive plans according to the at any time prevailing Norske Skog standard for incentive plans and programs.

The current short-term incentive plans of the company consist of annual performance contracts with a maximum bonus opportunity reflecting the relevant employee's position in the company. For the corporate management, the annual performance contracts provide for a maximum bonus opportunity corresponding to 50% of annual base salary.

The current performance targets pursuant to which bonus achievement is measured are based on a combination of financial, operational and individual criteria. The financial targets shall amount to minimum 50% of the maximum bonus opportunity. The operational and individual targets are set to reflect the company's priorities for the relevant financial year and typically include strategic projects and improvement programs, as well as safety and environmental performance.

For certain key projects, major transactions and other strategically important goals for the group, the company may award project specific bonuses reflecting the criticality of the projects, the level of success achieved, the increased workload in the project period and the exposure of project team members. The board of directors must approve any project bonus payments to the corporate management, and such payments may not exceed the annual base salary.

The CEO's performance and achievements related to the annual performance contract are assessed by the remuneration committee and approved by the board of directors. Corresponding assessments are made by the CEO for the other members of the corporate management.

An annual performance contract under the short-term incentive plan will be cancelled if the employee gives notice or resigns before year-end.

Long-term incentive program

The purpose of the company's long-term incentive programme is to secure a continued strong focus on the development of shareholder value. The long-term incentive programme is based on a scheme with awards of synthetic options targeting a positive share price development over a three to five-year period from the date of award of the relevant synthetic options. Within the frames of the programme, the board of directors may grant synthetic options to the corporate management and other leading personnel. The frame of the long-term incentive program is 5% of the total number of shares outstanding, which currently equals 4 241 911 synthetic options. The exercise date of the synthetic options is the date on which the first quarterly financial reporting is made following three years after the award date, and each date on which a subsequent quarterly financial report is made in the period up to five years after the award date.

The long-term incentive plan will be cancelled if the employee gives notice or resigns.

Share saving program

The board of directors may implement a share saving program applicable for all employees, including the corporate management. The maximum number of shares that can be saved through this program per year shall be limited to the equivalent of the value of the relevant employee's base salary for one month. The share saving program may include a discount element for employees, such as entitlement to one bonus share for each second share saved through the program and held for a period of two years or, limited to the same annual value, another discount element customary for the structure of the relevant share saving program. There is currently no share saving program in effect in the company.

PENSION BENEFITS

The corporate management is included in the company's defined contribution plan which applies to all employees of the company. The defined contribution plan is based on customary terms for pension schemes in Norway and market based contribution rates for earnings up to 12G (12 times the base amount in the Norwegian national insurance scheme) and between 7.1G and 12G, respectively.

The company has a supplementary pension scheme with a contribution of 20% for the part of salary exceeding 12G. This plan has historically applied for all employees of the company, including the corporate management, but was closed for new members from 15 March 2024. The upper retirement age for employees on Norwegian employment contracts is 70 years. The company can, however, decide to start monthly payments of the supplementary earned pension from the age of 62 if the member leaves the company. If a member leaves the company before the age of 62, the company has the right to pay the former employee the total accumulated balance.

The corporate management is also covered by the company's group life insurance policy with compensation limited to three times the annual salary and a maximum of 80G.

DURATION AND PROCESS

Duration of agreements that provide leading personnel remuneration from the company

The mutual period of notice for the CEO and other members of corporate management is six months. If circumstances arise in which the company and the CEO, by mutual agreement, terminate the contract of employment in the best interests of the company, the CEO is entitled to severance pay equivalent to payment of base salary for nine months after the end of the notice period. The amount receivable by other members of the corporate management under the same circumstances is severance pay equivalent to payment of base salary for six months.

CHANGES TO AND DEVIATION FROM THE GUIDELINES

Any proposed changes to the Guidelines shall be assessed by the remuneration committee, following which the remuneration committee shall provide its recommendation to the board of directors for determination. Changes to the Guidelines determined by the board of directors shall be presented to the following Annual General Meeting in accordance with Section 6-16 a of the Norwegian Public Limited Liability Companies Act.

The board of directors may deviate from the Guidelines in the determination of salary and other remuneration to leading personnel if special or unforeseen circumstances occur. Any deviation from the Guidelines shall in such event be addressed by the board of directors in a board meeting, and a justification for the deviation shall be included in the minutes of the board meeting. Furthermore, the deviation shall be reported to the Annual General Meeting in accordance with Section 6-16 b of the Norwegian Public Limited Liability Companies Act.

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