

Remuneration guideline for senior executives

1 Applicability and scope

This guideline is applicable for senior executives in Wilh. Wilhelmsen Holding ASA (WWH), defined as members of the group management team (GMT).

The main principles below are also used when recommending remuneration for senior leaders in the Wilhelmsen group.

2 Purpose and overall principles

This guideline is developed to ensure that senior executive remuneration complies with relevant regulatory requirements, shareholder expectations, and is aligned with the group's strategy, ambition, and governing elements. Remuneration should be performance-based and easy to understand and assess by the group's various stakeholders.

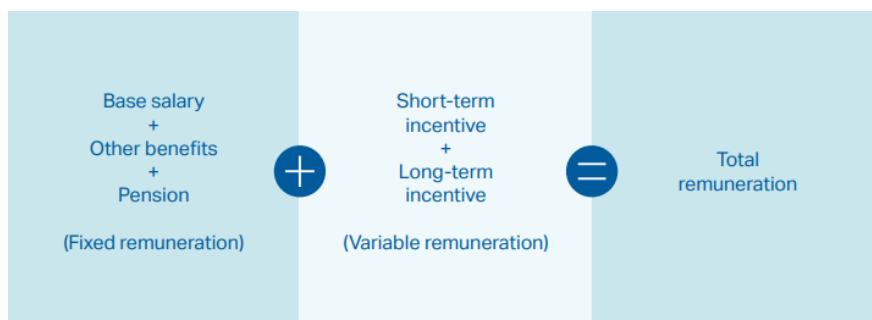
Below list includes the key remuneration principles:

- Remuneration is designed to retain and attract the right employees with the skills and expertise necessary to deliver on the group's short- and long-term ambitions, including financial and non-financial targets.
- Remuneration is designed to ensure the group achieves the right results, the right way. In addition to actual financial and business results, performance related to the group's governing elements, including values, leadership expectations, ESG, and business standards will also be measured.
- Compensation should be competitive, but not market leading, in the relevant labour market(s). It should be fair, reflect the complexity, and responsibility for each position as well as the performance of the individual, and it should reflect the group's overall performance and financial results.
- Remuneration should be aligned with and strengthen the common interests of the company and the group's shareholders.

The guideline should be clear, transparent, and give a comprehensive overview of how the group compensates senior executives and how the different elements are believed to contribute to realising the group's strategic ambitions, long-term interests, and profitability.

3 Main remuneration elements

Total remuneration consists of a combination of fixed and variable remuneration as described below:



Variable remuneration is linked to three elements:

1. To ensure a tighter bond between the interests of senior executives and shareholders, long term variable pay is linked to **total shareholder return** (including share price development and dividend). In addition, senior executives are encouraged to use part of their long-term incentive settlement to buy shares in the company.
2. Development of **value adjusted equity** (VAE) is deemed to be a sound financial measurement for the portfolio of companies and investments in the Wilhelmsen group, and clearly linked to the group's ambition of creating value over time. Sustainable business models include being financially profitable short- and longer-term and taking the needs of future generations and society at large into account. To further strengthen the group's focus on supporting the sustainable development goals, believed to increase VAE over time, specific targets linked to environment, social and/or governance targets might be included in the short- and long-term incentive schemes. VAE is measured using a sum-of-the-parts method: non-listed entities are valued using earnings multiples less debt and minorities or at net asset value, while listed entities are valued at market price. Changes in value methodology will be disclosed in the annual Remuneration report if applicable.
3. **ESG related target(s)**.

Below table outlines the remuneration elements for senior executives in the Wilhelmsen group:

Remuneration element	Objective	Award level	Performance criteria
Annual base salary	Retain and attract the right employees with the right experience and skills.	<p>Wilhelmsen offers competitive, but not market leading base salaries aligned with the markets in which the group operates.</p> <p>The base salary should consider responsibilities, complexities, exposure, and performance related to the individual positions.</p> <p>Senior executives have a six months' notice period.</p> <p>For other matters related to the employment contract, see severance remuneration and pension and insurance schemes.</p>	<p>The base salary is assessed annually based on the individual's performance, normally in June with effect from 1 July.</p> <p>The assessment includes financial and non-financial elements. It is also based on the general development of salaries in the local market in which the individual operates.</p> <p>Other adjustments might occur because of new role and/or responsibilities.</p>
Pension and insurance	Offer competitive post-employment and other benefits.	<p>Wilhelmsen offers general occupational pension and insurance schemes aligned with local markets. The company also offers a health insurance, disability, and dependents' benefits in accordance with the company's general pension plan.</p> <p>The senior executives can be offered individual early retirement agreements as part of their remuneration package.</p>	Not applicable

Benefits in kind	<p>Offer supplements the base salary to be competitive in local markets.</p>	<p>Wilhelmsen might offer benefits in kind including newspapers, electronic communication, and car salary as part of senior executive remuneration.</p>	<p>Not applicable</p>
Severance	<p>Offer a competitive remuneration package.</p>	<p>Senior executives might be offered pre-agreed severance pay should a resignation be requested by the board or the company.</p> <p>After a six months' notice period, income during the severance pay period might be deducted from the severance pay by up to 50%.</p>	<p>A severance payment is normally offered if a senior executive is asked to leave the company due to mergers, substantial changes in ownership, or if deemed necessary by the board and/or the group CEO.</p> <p>Generally, the senior executive's own notice will not instigate severance payment.</p> <p>Entitlement to severance payment is also conditional on the senior executive not being guilty of gross misconduct, gross negligence, disloyalty, or other material breach of his/her duties.</p>
Annual variable remuneration (short-term incentive - STI)	<p>Senior executives are participants in the short-term incentive scheme in force for WWH.</p> <p>The aim is to encourage a strong performance culture, reward individuals for annual achievements, and to be an attractive employer.</p>	<p>Maximum opportunity for annual variable settlement for a senior executive is six months' salary.</p> <p>The board may reduce or withhold variable remuneration if the company delivers net loss to equity holders of the company, if the group has or foresees severe financial constraints, and/or if agreed performance criteria are not fulfilled.</p> <p>The STI carries no pension or benefit rights, and it is the base salary at the point of payment, which makes up the foundation for potential settlement.</p> <p>Between the threshold and stretch targets, there will be an adjusted/prorated payment, based on achievement.</p> <p>The settlement is further prorated in line with the employment time throughout the year.</p>	<p>Achievement of annual performance goals including both financial and non-financial business achievements. While senior executives have a common responsibility for delivering on the short-term targets, the annual variable remuneration also includes an element of individual performance.</p> <p>A list of performance criteria is made public as part of the annual Remuneration report, available on the company's webpage.</p>

		<p>The employee may not be entitled to settlement if the employee at the time of the actual settlement has given notice of resignation or been given such notice.</p> <p>In case of documented individual underperformance, misconduct or similar, the board (for the group CEO) and the group CEO (for other senior executives) have the right to withhold variable remuneration.</p>	
Other variable remuneration (long-term incentive - LTI)	<p>Senior executives are participants in the long-term incentive scheme in force for WWH.</p> <p>The aim is to strengthen the alignment of the company's, senior executives', and shareholders' long-term interests.</p> <p>A long-term incentive scheme also contributes to being an attractive employer for senior executives.</p>	<p>Maximum opportunity for potential earnings through the long-term incentive schemes is capped at six to 12 months of annual base salary per year, maximum 12-24 months per settlement, depending on role.</p> <p>Senior executives are expected to use 20% of their net LTI settlement after tax to buy shares in WWH, until the accumulated shareholding of the individual senior executive is equal to, or exceeds, 50% of his/her/their gross annual base salary.</p> <p>The other award limiting principles are equal to the short-term incentive scheme.</p>	<p>The LTI settlement is based on joint responsibility for delivering on the group's strategic ambitions and is not directly linked to individual performance.</p> <p>A list of performance criteria for each long-term incentive scheme is made public as part of the annual Remuneration report, available on the company's webpage.</p>
Threshold	<p>To ensure no or reduced variable remuneration is granted if the company's financial performance is weak, financial thresholds for payment of variable remuneration is established for the short- and long-term incentive schemes.</p>	<p>See short- and long-term incentive schemes for details and the latest Remuneration report available on wilhelmsen.com.</p>	<p>See short- and long-term incentive schemes for details and the latest Remuneration report available on wilhelmsen.com.</p>
Employee share programme financially supported by "The foundation for shares and cabins in the Wilhelmsen (WW) group"	<p>Align and strengthen employee and shareholders' interest</p>	<p>Offered to all employees who are tax residents in Norway and employed in Wilh. Wilhelmsen Holding ASA and Norwegian subsidiaries owned more than 90% by Wilh. Wilhelmsen Holding ASA.</p>	<p>Not applicable</p>

Board compensation	Compensation for sitting on internal and external boards	Board compensation is used to award directors for time spent, responsibility following a directorship, and to attract relevant board members. Senior executives do, as a rule, not receive compensation as chair of or board members on internal boards. Board remuneration if sitting on external, stock listed boards may occur.	Not applicable
---------------------------	--	---	----------------

The decision-making process

The **Annual General Meeting** is responsible for approving the Remuneration guideline, every four-year as a minimum. Minutes from the Annual General Meeting must include how the Annual General Meeting voted regarding the guideline.

The Annual General Meeting also votes on the Remuneration report. The vote is advisory.

The Remuneration report the following year should include the vote from the previous year and how the board has integrated feedback from the Annual General Meeting.

Material changes in the guideline, award levels and/or performance criteria must be approved by the Annual General Meeting, while the Annual General Meeting will be made aware of minor changes.

The **board** is responsible for developing and executing the Remuneration guidelines. The board has established a separate Remuneration and people committee to prepare and propose remuneration and people related topics to the board.

In addition to the guideline, the committee is responsible for preparing and proposing to the board an annual Remuneration report which must include an overview of how the board has executed the guideline. The report is made public as part of the group's annual report and proposed as a separate item to the Annual General Meeting for an advisory vote.

The Remuneration report will be as exhaustive as possible, but consider GDPR, stock sensitive information and/or facts regarded as trade secrets. A reason for not including specific details will be included in the report.

In addition to annually set and assess the key performance indicators for the short- and long-term incentive programmes for all senior executives, the board decides on the annual base salary and other employment terms for the group CEO. The board has delegated the authority to decide the annual base salary and employment terms for remaining senior executives to the **group CEO**.

The Remuneration and people committee makes an annual performance evaluation of the variable incentive schemes based on agreed targets and proposes a recommendation to the board.

Despite fulfilling the agreed short- and long-term performance indicators, the board can at any given time decide to cancel the schemes or cancel the payment under the scheme to safeguard the short- and long-term interests of the group and shareholders. The board can also cancel the scheme for one or more senior executives or require a postponement or repayment of variable payments. A reason for any deviation should be clearly stated in the Remuneration report.