



GUIDELINES ON REMUNERATION FOR EXECUTIVE PERSONNEL AND BOARD OF DIRECTORS OF NORSE ATLANTIC ASA

(adopted by the annual general meeting on 14 June 2024)

1 INTRODUCTION

1.1 General

In accordance with the Norwegian Public Limited Liability Companies Act Section 6-16a, the board of directors (the "**Board**") of Norse Atlantic ASA ("**Norse**" or the "**Company**") has prepared these guidelines to provide the framework for the remuneration of the Company's executive personnel (the "**Guidelines**"). The term "executive personnel" includes members of the Company's executive management team (the "**Executive Management**") and other key employees, as well as members of the Board.

These Guidelines are presented to the Company's annual general meeting on 14 June 2024. In accordance with the Norwegian Public Limited Liability Companies Act Section 5-6 (3), the Guidelines shall be reviewed and approved by the Company's annual general meeting at least every fourth year and upon any material change, see section 3 below. The Guidelines and the result of the voting and date of the general meeting shall be published on the Company's website once they have been approved by the general meeting.

The Board shall prior to the annual general meeting each year prepare an annual report on remuneration to executive personnel for the preceding financial year in accordance with the Norwegian Public Limited Liability Companies Act Section 6-16b. The report shall be subject to an advisory vote by the annual general meeting and shall be made available on the Company's website.

1.2 Purpose and alignment with the Company's business strategy

Norse operates in a competitive and international industry and the Board deems it vital that the Company is able to attract, develop and retain motivated executive personnel with relevant competence, expertise, and advanced leadership skills. In respect of the Executive Management and other key employees, it is important that the Company offers terms that provide motivation and are in line with the market levels for the international aviation industry and stimulate a lasting performance-oriented culture, in all cases reasonably based on each executive's competence, responsibility, and performance. At the same time, it is fundamental for the Company that the Guidelines ensure financial sustainability and that the overall level of remuneration does not entail an unreasonable burden on the Company's liquidity and equity.

The Board seeks to entertain a performance-oriented culture, where the individual achievement is clearly aligned with the Company's overall strategy and long-term objectives, and executives are rewarded fairly for their contribution.

When preparing these Guidelines, considerations have also been given to the components and terms of remuneration of other employees of the Company, as well as the increase in remuneration over time, to assess whether these Guidelines are reasonable. The purpose of these Guidelines is to set a framework for remuneration to executive personnel in accordance with the Company's business strategy and long-term interests, including in relation to sustainability and profitability, and which contributes to aligning the interests of executive personnel with the interests of the Company's shareholders, and thereby increasing shareholder value.

1.3 Process

The Board has not established a remuneration committee and the responsibility to evaluate and recommend principles and strategy for the remuneration of the Executive Management, lies with the Board.

The Board shall evaluate and assess the total remuneration of the CEO, which is then approved by the Board. The same applies to any subsequent adjustments to the remuneration. The performance and remuneration of the CEO shall be evaluated annually by the Board.



The remuneration of other members of the Executive Management and other key employees, including any subsequent adjustments, is agreed between the respective executive and the CEO, in consultation with the chair of the Board, based on recommendations by the Board. An overview of remuneration to members of the Executive Management shall be presented to the Board on an annual basis.

The fixed annual remuneration to any members of the Board is recommended by the nomination committee and resolved by the Company's annual general meeting each year.

2 COMPONENTS IN REMUNERATION OF EXECUTIVE PERSONNEL

2.1 Remuneration to the members of the Executive Management and other key employees

2.1.1 General

In line with other employees of Norse, members of the Executive Management and other key employees are offered standard employment contracts with terms and conditions consistent with industry standard. The total remuneration for members of the Executive Management and other key employees consists of a base salary, standard employee pension and insurance coverage, benefits in kind and potentially participation in a share option program. The mix between remuneration incentives is set to support optimal value creation for the Company's shareholders.

2.1.2 Fixed annual base salary

Providing a fair and competitive base salary as part of the total remuneration package is key for the continued company success and continuity in the Executive Management. The fixed annual base salary for members of the Executive Management and other key employees is determined based on the level of the position in the organization (defined through detailed job evaluations) and area of responsibility, local labour market conditions, individual conditions including performance and budget. The fixed compensation shall be reasonable, fair, market-aligned, and competitive.

The level of fixed annual base salary for the Executive Management is to be reviewed on a regular basis, normally once a year, using relevant benchmark data and internationally recognized job evaluation methodology.

2.1.3 Variable remuneration

The company seeks to incentivise strong performance and alignment with short and long-term company strategy and objectives through the use of variable remuneration. The variable remuneration shall be based on a combination of financial results and strategic targets and is determined both by the achievement of individual and companywide goals.

2.1.3.1 *Bonus scheme*

The Company has not established a bonus scheme for members of the Executive Management and certain other key employees. The Board will consider establishing a bonus scheme in the future.

2.1.3.2 *Long-term share option program*

The Company has established a long-term share option program (the "**Share Option Program**") for members of the Executive Management and selected key employees. The purpose of the program is to further strengthen the ownership culture in the group to ensure alignment between executive personnel and shareholders. The program is also considered to be an important tool to attract and retain high calibre executive management.

It is intended that share options will be granted annually. The Board determines who will be eligible to participate together with the individual number of share awarded based on an overall consideration of the Company's strategic goals. The total number of share options that may be issued under the program shall not exceed 6,426,192, equal to 5% of the total number of shares currently outstanding.

The share options will gradually vest over a period of 5 years, in equal parts yearly, and will lapse 2 years after the expiry of the vesting period.



All outstanding share options (vested and unvested) held by an option holder will terminate automatically without compensation if they have not been exercised by the earlier of (i) the end of the vesting period; or (ii) the day the option holder ceases to be an employee of the Norse Group.

As of the date of these Guidelines, a total of 3,093,750 non-forfeited share options have been issued under the Share Option Program.

2.1.4 Other benefits

There are no special restrictions on the type of other benefits that can be agreed on, but costs related to such benefits shall be “reasonable” and in line with usual practice in comparable companies or situations. Relevant benefits awarded to members of the Executive Management may be coverage of health insurance, telephone expenses, a laptop, free broadband connection and newspapers.

2.1.5 Pensions

Members of the Executive Management participate in the same pension plans as other employees within the unit in which they are employed.

The Company has established an occupational pension scheme with a defined contribution pension for members of the Executive Management and other employees in Norway, in accordance with the Mandatory Occupational Pension Act. Under the scheme, employer contribution is set at 5% of base salary up to 7G (G =national insurance base amount) and 15% between 7.1 and 12G, with no contribution for any base salary in excess of 12G, for each year. For Executive Management and other employees in the UK, the Company has established a pension scheme whereby it contributes between 3% and 8% of base salary depending on the employee contribution levels. The Company’s employees in the US are enrolled in a 401k pension scheme.

The remuneration committee shall yearly address that the Company practice is within market standards for pensions and insurance schemes.

The Company may establish early retirement agreements with members of the Executive Management.

2.1.6 Severance pay

The CEO is entitled to severance pay in the amount of 6 months' base salary upon termination of his/her employment. Other arrangements for severance pay upon termination of employment by members of the Executive Management will, if any, be set in conjunction with confidentiality and non-compete clauses in each individual's employment contract to ensure that only limitations in the individual's opportunity to obtain new employment are compensated. Severance pay agreements shall in principle include deductions for income received from other sources.

2.1.7 Overview of compensation elements for Executive Management

	Description and purpose	Process and governance	Estimated relative share (range) of total reward
Base salary	Fixed cash remuneration paid monthly. Provides predictable remuneration to attract and retain people with the right competence.	Agreed annually between the respective executive and the CEO, in consultation with the chair of the Board, based on recommendations by the Board.	75 - 90%
Long term share-option program	Designed to strengthen the ownership culture and to attract and retain high calibre executive management	The Board will determine the individual number of shares awarded based on an overall consideration of the Company's strategic goals.	10 - 30%*
Benefits	Predictable benefits to cover ordinary work-related expenses.	The Company reviews benefits and contractual terms regularly to ensure that the Company does not	5 - 10%

		fall behind the market. Benefits are set with reference to external market practices, internal practices and position.	
Total			100%

* Value dependent on strike price set based on market price at the time of grant

2.2 Remuneration to members of the Board

The annual remuneration of members of the Board shall be resolved by the Company's annual general meeting, based on a recommendation by the Company's nomination committee. The nomination committee's duties and responsibilities are governed by separate instructions adopted by the general meeting.

It is an overall aim that the remuneration to members of the Board should be competitive to similar listed companies in Norway and other companies operating within the same industry and segments. Furthermore, the remuneration level should reflect the Board's responsibilities, expertise, and use of time and the complexity of the business. On this basis, and in light of the Company's current position and development, it is considered appropriate to offer the shareholder-elected Board members a fixed remuneration amount subject to certain investment requirements in shares of the Company. Granting a fixed remuneration amount, subject to certain investment requirements up to a shareholding equal to two times the gross annual remuneration amount for each Board member, is believed to be an attractive measure to retain and attract Board members with relevant skill sets, supporting continuity in the Board.

3 DEVIATIONS FROM THE GUIDELINES

The Board may, at its sole discretion, temporarily resolve to deviate from the Guidelines on a case-by-case basis, in whole or in part, if a deviation is deemed necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. For instance, it may be used variable elements in the remuneration or awarded other special benefits than those mentioned above, if this is considered expedient for attracting and/or retaining an executive. No special limitations have been placed on the type of benefits that can be agreed, but costs related to such benefits shall not normally exceed 25% of the employee's base salary.

The reason for any deviation shall be clearly documented in the minutes from the relevant Board meeting. Deviations shall also be described in the remuneration report prepared in accordance with the Norwegian Public Limited Liability Companies Act Section 6-16b each year.

Material changes to the Guidelines shall be presented and explained by the Board and approved by the Company's general meeting.

4 DISCLOSURE

These Guidelines shall be dated on the day the annual general meeting approved the Guidelines, and shall be published on the Company's website together with the result of the vote.

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