GUIDELINES ON THE DETERMINATION OF SALARIES AND OTHER REMUNERATION OF SENIOR EXECUTIVES AND BOARD OF DIRECTORS

Approved by the Annual General Meeting on 23 April 2024

These guidelines (the "Guidelines") have been prepared in accordance with section 6-16a of the Norwegian Public Limited Liability Companies Act and provides the framework for the remuneration of Senior Executives, defined as the CEO and other members of the management team, and the Board of Directors (the "Board") in Entra ASA (the "Company").

1. Guidelines for management remuneration

Remuneration of Senior Executives is based on the following general principles:

- Entra shall be a professional organisation that attracts and retains skilled personnel and develops the competence of its staff. Entra thus needs to use remuneration, including competitive salaries, in order to ensure that the Group can recruit and retain competent and attractive expertise
- Moderation in the level of salaries of the Group's employees
- Management remuneration shall be competitive, but not leading
- The fixed salary shall be the main element of the remuneration, but all remuneration elements shall be considered in total
- The targets for any performance-related pay scheme shall be objective, measurable and definable, and there should be a clear correlation between the Group's business goals and the targets in such a performance-related pay scheme
- Senior Executive remuneration shall be transparent and in line with the principles of good corporate governance

2. Process for determination of remuneration

The Board has established a separate Remuneration Committee. The Remuneration Committee functions as an advisory body for the Board and the CEO and is responsible primarily for:

- Making recommendations to the Board based on the committee's evaluation of the principles and systems underlying the remuneration of the CEO and other Senior Executives
- Making recommendations to the Board based on the committee's evaluation of the overall remuneration of the CEO, including the annual basis for bonus payments and bonus payments actually made
- Assisting the CEO in determining the remuneration of the other Senior Executives
- Advising the Board and the CEO in compensation matters that the committee finds to be of material or principle importance for Entra
- Assisting the Board in ensuring that the remuneration of the CEO and other Senior Executives are in line with the Guidelines

The CEO or other Senior Executives shall not participate in the Remuneration Committee and the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

3. Determination of remuneration

The guidelines for management remuneration set forth above form the basis for all remuneration of Senior Executives. The Board furthermore proposes that the following principles shall apply for 2024 and until new principles are resolved by the General Meeting.

The total remuneration of the CEO and other Senior Executives consists of a fixed package of salary and benefits supplemented by performance-related pay schemes, including cash-based variable pay schemes and share-based long-term incentive plans, employee share plans, pension and insurance arrangements.

3.1 Fixed remuneration

The fixed remuneration provided to Senior Executives includes a base salary (which is the main element of remuneration) and benefits in kind such as a car allowance, mileage agreements and telephone. The Senior Executives also have insurance coverage and other benefits in line with what is offered to the other employees in the Company in accordance with collective agreements, legislation and normal practice in Norwegian companies.

3.2 Performance-related pay

The Group operates performance-related pay schemes for Senior Executives. For the Group's Senior Executives, performance-related pay includes a cash-based variable pay scheme ("STI" – Short-Term Incentive) and a share-based variable incentive program ("LTI" – Long-Term Incentive).

3.2.1 STI scheme

The STI scheme is based on set targets at Group level in accordance with Board approved scorecards, as well as predefined personal targets. The scorecards shall align the interests of management and shareholders and be based on Entra's three strategic pillars: Profitable growth, high customer satisfaction and environmental leadership. The scorecards shall be disclosed in the annual executive remuneration report to be presented at the Annual General Meeting.

For the CEO and the Deputy CEO the STI scheme has a maximum limit of 50 per cent of base salary and for other Senior Executives the maximum limit is 30 per cent of base salary.

3.2.2 LTI scheme

The LTI scheme is based on two Key Performance Indicators (KPIs); Return on Equity before tax (RoE) and Total Shareholder Return (TSR), each weighting 50 per cent. The Board believes that these KPIs align the interest of Senior Executives and shareholders in a beneficial manner, even though both KPIs are also influenced by external factors beyond the control of management.

Actual performance is determined on a linear target scale between a hurdle at 100 per cent and a cap at 120 per cent for both KPIs.

1. Return on Equity: three-year average RoE before tax compared to a target determined by the Board.
2. Total Shareholder Return: three-year Entra TSR performance compared to the performance of the FTSE EPRA/NAREIT index.

Overview of remuneration scale for LTI scheme

			Maximum LTI outcome CEO and Deputy CEO (%)*	Maximum LTI outcome Senior Executives (%)*
Target achieved	100	120		
RoE	5.5	6.6	30	20
TSR	100 % of index	120 % of index	30	20
Outcome LTI	0	100	60	40

** Calculated as actual achieved RoE & TSR divided by target RoE & TSR ("Result"). This Result is compared to the applicable target scale and if between 100 and 120 per cent, the linear percentage achievement is multiplied with the maximum annual result. I.e., if the Result is 110 per cent on the target scale, the remuneration for that particular year is calculated by 50 per cent multiplied by maximum result of 40 per cent and 60 per cent for Senior Executives and CEO/Deputy CEO, respectively.*

To make the LTI award cash-neutral for the Senior Executives, the Company awards restricted shares with a market value of an amount corresponding to the percentages of base salary as stated in the table above, less an amount equal to the Senior Executives' tax effect of the total LTI award, which is settled in cash directly to the tax authorities (the cash-settled component). The restricted shares (the equity-settled component) are transferred to the Senior Executives in the year following the grant date, and 1/3 of the share allotment is restricted for three years after the transfer of the shares, another 1/3 is restricted for four years and the remaining 1/3 is restricted for five years. The three tranches of the equity-settled component are fully vested at the end of the respective restriction periods. The cash-settled component is fully vested on settlement in the year following the grant date. There is a cap on share price increase under the LTI scheme at 200 per cent share price increase.

In the event of the occurrence of a Change of Control[1], each share distributed under the LTI scheme will become fully transferable immediately.

3.2.3 Reclaiming performance-related pay

The Company shall have the right to demand the repayment of any performance-related remuneration that has been paid on the basis of facts that were self-evidently incorrect, or as the result of misleading or incorrect information supplied by the individual in question. If the employment contract is terminated, the Company has the right to reclaim unvested shares awarded under the LTI scheme.

[1] "Change of Control" shall be deemed to have occurred if: (a) a tender offer is made and consummated for the ownership of more than 50% or more of the outstanding voting securities of the Company; (b) the Company is merged or consolidated with another corporation and as a result of such merger or consolidation less than 50% of the outstanding voting securities of the surviving or resulting corporation are owned in the aggregate by the persons or entities who were shareholders of the Company immediately prior to such merger or consolidation;or (c) the Company sells more than 50 % of its assets to another corporation, partnership or other entity that is not a wholly owned subsidiary of the Company.

3.3 Share purchase scheme

The CEO and other Senior Executives are eligible to participate fully in Entra's discounted employee share purchase scheme on the same terms as all other employees.

3.4 Pension benefits

The CEO and other Senior Executives have a contribution-based service pension on the same terms as other employees. The contributions are 6 per cent of salaries between 0 G and 7.1 G and 16 per cent of salaries from 7.1 G to 12 G. No contributions are made for salaries over 12 G.

3.5 Board compensation for Senior Executives

The CEO and certain other Senior Executives have a number of internal directorships in subsidiaries and partly owned companies. They do not receive any remuneration for these directorships.

3.6 Severance package arrangements

The CEO has the right to six months' severance pay based on the base salary in cases where the Board takes the initiative to terminate the employment. No other Senior Executives have pre-agreed severance pay agreements.

4. Board remuneration

The Annual General Meeting determines the remuneration of the Board based on the Nomination Committee's proposal. The Board's remuneration shall reflect the Board's responsibilities, expertise, and use of time and the complexity of the business. Remuneration is not dependent on results and no share options are issued to Board members.

Board members or companies to which they are connected shall not normally undertake separate assignments for the Group in addition to the Board appointment. If they nevertheless do, the whole Board is to be informed, and the fees for such assignments are to be approved by the Board. If remuneration is paid above the normal Board fee, this is to be specified in the annual report.

Employee-elected members of the Board receive fees in line with shareholder-elected Board members.

5. Deviation from the Guidelines

The Board may decide to deviate entirely or partly from the Guidelines in individual cases provided that there are special circumstances that make such deviation necessary in order to satisfy the long-term interests of the Company or to ensure the financial viability of the Company.

6. Approval of the Guidelines

These Guidelines will be presented to the General Meeting for consideration and approval at least every fourth year and in the event of any significant modifications. The approved Guidelines will be made available on the Company's website.

7. Annual remuneration report

Pursuant to Section 6-16b of the Norwegian Public Limited Liability Companies Act, a report on salaries and other remuneration covered by these Guidelines will be presented at the Annual General Meeting.

The report will be made available on the Company's website at least three weeks prior to the Annual General Meeting.