



Guidelines for remuneration of senior executives

Remuneration guidelines

The Board of Directors (the “Board”) proposes the following guidelines for remuneration of Komplett Group’s (the “Group” or the “Company”) Senior Executives (the “Senior Executives”) to be approved by the 2022 Annual General Meeting, pursuant to the Norwegian Public Limited Liability Companies Act, section 6-16 a and supplementing regulations.

This document (the “Policy”) describes the remuneration principles for Senior Executives in the Group, which include:

- The Chief Executive Officer (CEO) and the Executive Management team
- Members of the Group’s Board, both shareholder elected and employee elected

This guidelines is subject to approval by the annual general meeting at every material change and, in any case, at least every fourth year.

The proposed Guidelines replaces the guidelines approved by the General Meeting in May 2021. They were resolved by the Board of Directors on 23 March 2022, and subsequently submitted for final approval by the Company’s shareholders on 2 June 2022.

The decision-making process

The Board of Directors has appointed a designated Remuneration Committee (the “Committee”) consisting of three of the Board’s members, which main objective is to assist the Board in its work relating to the terms of employment for Komplett Group’s Chief Executive Officer (CEO).

Key responsibilities are:

- Give recommendations to the Board in all matters relating to principles and the framework for executive rewards, remuneration strategies and concepts, hereunder the CEO’s contract and terms of employment
- In addition the Remuneration Committee will also be involved in drawing up appropriate remuneration policies for Senior Executives

The Board makes all decisions related to the CEO’s remuneration. The decisions are based upon material and advice prepared by the remuneration committee.

This guidelines for remuneration to the Senior Executives is reviewed annually by the committee, and the committee prepares and recommends any changes to the Board for approval.

Remuneration principles and purpose

The main principle for the Group’s remuneration guidelines is to offer Senior Executives in the Group competitive terms when considering the totality of the remuneration package. The total remuneration package comprises fixed elements such as base salary, pension arrangements and benefits in kind and may also comprise variable elements such as annual bonus payment(s), share and option scheme(s).

The Group shall seek to offer a remuneration level that is considered to be competitive and on market terms, compared to the level offered by its peers (companies of similar complexity and industry), and which seeks to satisfy the Group’s need to recruit and retain highly qualified personnel.

The remuneration payable to the Senior Executives is important in order for the Group to retain and attract qualified, competent and talented Senior Executives. An important purpose of these Guidelines, is therefore to allow shareholders to influence the principles for determination of salary and other remuneration to Senior Executives, in such manner that it creates a remuneration culture that promotes the Company’s long-term interests, business strategy and financial sustainability, and that this is aligned with the shareholders’ interests.

Board of Directors

Each member of the Board receives a fixed fee determined by the Corporate Assembly on an annual basis.

Members of the Board's committees (Remuneration Committee and Audit Committee) receives an additional fixed fee. The Corporate Assembly determines, on an annual basis, the committee member fees.

Travel expenses are reimbursed on account.

The members of the Board does not receive variable remuneration from the Company. Board members elected from among the employees may participate in the Group's variable incentive schemes. Neither pension contributions nor vacation pay are not paid on the fees of the Board members.

Executive Management team

The remuneration of the executive management team shall reflect the responsibility of each role, taking into account the complexity and breadth of the Group.

The remuneration for the executive management team consists of the following core elements

- Fixed remuneration: base salary, pension and benefits-in-kind
- Variable remuneration: a short-term (annual, performance bonus) incentive scheme and a long-term incentive scheme



The table below set out how the remuneration guidelines is translated into the core remuneration elements.

Remuneration element	Operation	Award and opportunity level
Base Salary	<p>Base salary is the foundation of the remuneration package for the Senior Executives, and shall constitute the main portion of their total remuneration.</p> <p>To attract and retain the right individuals the salary level shall competitive, but not market leading.</p> <p>When determining the base salary, the Remuneration Committee (typically) takes the following into account:</p> <ul style="list-style-type: none"> - The Senior Executives' individual performance, experience and scope of business - Business performance and market conditions - The median market pay in the context of companies of a similar complexity to Komplet <i>as well as</i> - The competitiveness in the work market and the Group's salary budget and general base salary movements across the Group 	<p>Salaries are typically reviewed annually in January of each year.</p> <p>Base salary shall be competitive against the median market pay.</p> <p>However, the Remuneration Committee may undertake an out-of-cycle review if it determines this to be appropriate.</p>
Pension	<p>Senior Executives participates in the Group's defined contribution pension scheme. The scheme is which is structured pursuant to mandatory law.</p> <p>Senior Executives may also receive cash in lieu of pension.</p> <p>Contributions to defined contribution schemes or cash in lieu of pension are linked to base salary only.</p>	<p>The Group operates with a defined contribution scheme with an employer contribution equal to 2% of base salary, up towards 12G.</p> <p>The Head of Webhallen participates in a ITP1 pension scheme, with an employer contribution of 4,5% up towards SEK 44 375 and 30% above SEK 44 375.</p> <p>Any future pension arrangement will be considered in connection with the overall base salary and employment conditions.</p> <p>Further, it will be aligned with market practice in the relevant country.</p> <p>Local rules governing pension entitlement, social security entitlement and taxation are taken into account when designing individual pension plans.</p>
Other benefit sin-kind	<p>Senior Executives may be offered other benefits and contributions in kind as part of their remuneration package.</p> <p>This may include coverage of phone and mobile subscriptions, private broadband, newspapers, company health services, insurances, fixed car allowance, coverage of travel expenses, company car arrangements and employee discount with purchase of products at the Group's website.</p>	<p>The total net benefit is upwards limited to NOK 15,000 per year (not including company car arrangements).</p>

Remuneration element	Operation	Award and opportunity level
Short-term Incentives (Annual performance bonus)	<p>For the purpose of implementing the Group's business strategy, long-term interests and financial sustainability, Senior Executives in the Group may participate in an annual, performance based bonus scheme.</p> <p>The scheme shall encourage the Group's pay for performance culture and each individual's contribution to the Group's business strategy and reward individuals for annual achievement of business objectives.</p> <p>Performance based bonus shall be agreed upon on an individual bases, if applicable.</p> <p>The criteria for any performance based bonus shall be determined by the Board and shall be linked to measurable factors, such as pre-defined performance measures or KPIs.</p> <p>The purpose of the Group's current bonus scheme is primarily to create a viable connection between the remuneration and the Group's business strategy, to</p>	<p>For Senior Executives receiving bonus, such is, as at the date of this guidelines, measured based on the following pre-determined performance measures:</p> <ul style="list-style-type: none"> – Budgeted EBIT 50% – Net Revenue 30% – Individual performance 20% <p>The above mentioned targets will be included in the bonus payment, which is determined on a discretionary basis.</p> <p>With respect to the individual performance component, the targets for the employee's business area, which will reflect the focus for the relevant financial year, will be considered, and the employee's own development will also be emphasized.</p> <p>The maximum opportunity level for Senior Executives varies between 50% and 100% of salary.</p> <p>Performance based remuneration is not pensionable, and a prerequisite for payment of performance based remuneration is that the relevant employee is in a non-terminated position at the payment date.</p> <p>Further, the Group cannot demand repayment of variable remuneration unless it is unlawful or there are any material breaches of the employment contract.</p>
Long-term incentives	<p>To strengthen the alignment of top management and shareholders' long-term interests, Senior Executives may be offered to participate in the Group's long-term incentive scheme.</p> <p>Pursuant to the LTI Program, Senior Executives, other key employees and younger talents will be granted share options.</p> <p>It is intended that the options will be granted annually. Participants in the option program will receive options valued as a percentage of their respective base salary.</p>	<p>Options granted will be subject to performance evaluations prior to grant.</p> <p>The strike price for the options will have a premium of 3% annually until the options are vested.</p> <p>The options will vest gradually over three years after grant, whereas 20% of the options will vests after one year, 20% will vests after two years, and the remaining 60% will vests after three years.</p> <p>All options will expire five years after the date of grant. Gains from the option program will be capped at maximum three times the participants' respective base salary, based on base salary in the year of grant.</p> <p>The number of options granted annually pursuant to the LTI Program shall not exceed 1% of the issued shares at the time of grant. The total availability under the LTI Program is limited to 5% of the issued shares.</p>

Deviations from the Policy

The Board may, upon recommendation from the remuneration committee and at its sole discretion, temporarily deviate from any section of these Guidelines in order to ensure the Company's long term interests, financial sustainability and sustainability in the following circumstances:

- Changes of Senior Executives;
- Changes to the Company's group structure, organization, ownership or business (e.g. merger, takeover, demerger, acquisition, etc.), hereunder related to the recent acquisition of NetOnNet;
- Material changes to the Company's strategy;
- Changes in or amendments to relevant laws, rules or regulations; and
- Other exceptional circumstances where a deviation may be required to serve the long-term interests of and sustainability of the Company as a whole, or to ensure its viability.

If the board of directors deviates from these Guidelines, a justification shall be given in the relevant board meeting minutes and the deviation shall be reported on in the remuneration report to be presented at the next annual general meeting of the Company. In the event that a deviation is continued so that it cannot be deemed temporary, the board of directors shall update these Guidelines and propose that the updated guidelines are resolved by the general meeting as soon as practically possible.

Management remuneration

Pursuant to the changes in the Public Limited Liability Companies Act, i.e. addition of a new section 6-16 (b), and associated new regulations, Komplet Group will publish a separate, detailed report on remuneration to the Executive Management team for the reporting year 2021.

The remuneration report will be presented to the Annual General Meeting on 2 June 2022, and will be subsequently made available on the Group's webpages.



The nomination committee's recommendation to the ordinary general meeting in Komplett ASA on 2 June 2022**1 BACKGROUND**

The nomination committee of Komplett ASA ("**Komplett**") comprise the following persons:

- Sverre R. Kjær (chair);
- Karin Bing Orgland; and
- Nina Camilla Hagen Sørli.

At the extraordinary general meeting 16 March 2022 certain changes were made to the board composition. Fabian Bengtsson was elected as board member and Carl Erik Hagen and Roland Veidemo were elected as observers. Jo Olav Lunder (board member) resigned from his directorship in its entirety. The changes were effective as of 4 April 2022.

Nil Kloumann Selte has taken on the position as CEO of Orkla ASA and has notified the nomination committee that he will resign from his directorship and his position as chair of the board effectively from the general meeting on 2 June 2022.

In connection with preparing a proposal for Selte's successor, the nomination committee has considered the work to be performed by the board of directors and the overall composition of the board, being especially mindful of the need for industry knowledge, familiarity with the relevant markets and other relevant expertise, Komplett's operations, future opportunities and potential challenges. Applicable requirements and recommendations concerning board independence, including the Norwegian Code of Practice for Corporate Governance of 14 October 2021 (NUES), have been carefully considered. The nomination committee has also been in contact with Canica Invest AS and Siba Invest Aktiebolag, the company's two largest shareholders, in connection with its work.

2 ELECTION OF A MEMBER TO THE BOARD OF DIRECTORS AND CHAIR

For the ordinary general meeting to be held on 2 June 2022, the nomination committee issues the following recommendation:

The general meeting resolves to replace Nils Kloumann Selte with Jo Olav Lunder as a board member for Komplett ASA and as the chair of the board for a period until the annual general meeting in 2024.

Subject to, and conditional on, decision of the general meeting, the board of directors will have the following composition:

Name	Position	Year elected	Period
Jo Olav Lunder	Chairperson	2022 ¹	2024
Jennifer Geun Koss	Board member	2020	2023
Lars Bjørn Thoresen	Board member	2019	2023
Sarah Cathrine Jensseter Willand	Board member	2021	2023
Fabian Bengtsson	Board member	2022	2024
Anders Odden	Employee representative	2021	2023
Nora Elin Eldås	Employee representative	2021	2023

Name	Position	Year elected	Period
Roland Vejdemo	Board observer	2022	2024
Carl Erik Hagen	Board observer	2022 ²	2024
1	<i>Lunder was a member of the company's board from 2018 to 4 April 2022.</i>		
2	<i>Hagen has been a board member and deputy board member since 2013, and a board observer since 4 April 2022.</i>		

Biography

Jo Olav Lunder

Jo Olav Lunder has more than 25 years of directorial and executive experience from multiple private and public companies.

Lunder has held positions such as COO of Telenor Mobile AS, CEO of Ementor ASA, President of Ferd Capital, CEO of Vimpelcom Ltd and CEO of John Fredriksen Group. Lunder has an MBA from Henley Business School, and a bachelor's degree from Oslo Business School. He is a Norwegian citizen, residing in Norway.

Jo Olav Lunder currently serves amongst other as chair of the board of Elopak ASA, Deep Ocean Group Holding AS, Axxelerator Capital AS and Element Logic Holding AS, and as director of the board of Stenshagen Invest AS and Canica AS. Lunder served as a director of the board of Komplett ASA from 2018 to 4 April 2022.

Lunder is nominated by Canica invest AS, a wholly owned subsidiary of Canica AS.

Jo Olav Lunder owns a total of 245 332 shares in Komplett ASA through Cigalep AS, a company of which he holds 100 per cent of the shares.

Information about the existing board members is available on the company's website (www.komplettgroup.com).

3 REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE NOMINATION COMMITTEE

The current fees were approved by the annual general meeting 2021 and are effective until annual general meeting 2022. The nomination committee is of the opinion that the fees should be adjusted annually in line with general pay growth unless special circumstances dictate otherwise. The committee recommends this year a slightly higher increase of certain fees due to the company's new status as a listed company and the recent completion of the acquisition of NetOnNet AB.

The nomination committee proposes the following fees to the general meeting 2 June 2022:

		Current period	Proposal for next period
<i>Board of directors</i>			
Board chair	NOK	500 000	575 000
Shareholder-elected board member	NOK	275 000	325 000
Employee-elected board member	NOK	150 000	150 000

Audit committee

Committee chair	NOK	125 000	150 000
Member	NOK	75 000	90 000
<i>Remuneration committee</i>			
Committee chair	NOK	100 000	120 000
Member	NOK	50 000	60 000
<i>Nomination committee</i>			
Committee chair	NOK	75 000	75 000
Member	NOK	40 000	40 000
Additional fee to shareholder-elected board members and observers residing outside of Norway for each board meeting attending			
	NOK	0	20 000

It is proposed that these fees rates apply until annual general meeting 2023.

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Oslo, 12 May 2022

Sverre R. Kjær, Chair