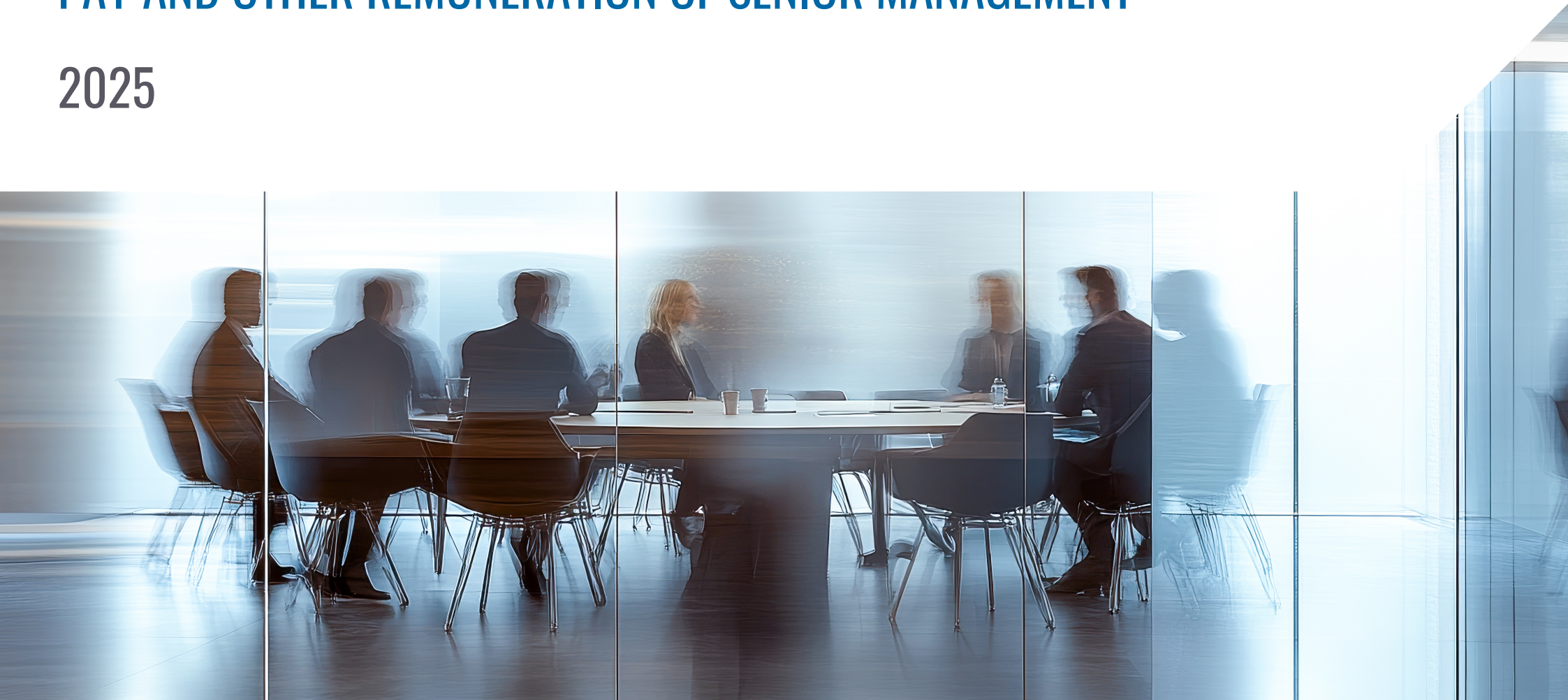
Borregaard

REMUNERATION REPORT

PAY AND OTHER REMUNERATION OF SENIOR MANAGEMENT

2025



1 INTRODUCTION

1.1 INTRODUCTION

This report describes Borregaard's remuneration of senior management during the financial year 2025. The report shall provide relevant information in accordance with the requirements of the Public Limited Liability Companies Act (§6-16 a and b) and be presented to the Annual General Meeting.
The report is also available on the company's website under "Sustainability documentation".

The report covers Borregaard's Executive Management team, which in addition to the CEO, consists of nine people as of 1 August 2025. As of this date, Tom Erik Foss-Jacobsen assumed the position of CEO, while Knut-Harald Bakke took up the role of Executive Vice President BioSolutions. Ole Gunnar Jakobsen assumed the position of Executive Vice President Manufacturing and Technology, while Kari Strande assumed the position of Senior Vice President HR and became a member of the Executive Management Team.

An overview of nomination committee and board fees (including employee-elected members) is also provided. See item 10 regarding remuneration of the Board and Nomination Committee.

1.2 SUMMARY OF THE FINANCIAL YEAR

Borregaard delivered good financial results in 2025. Return on capital employed (ROCE) was 15.6%, which is above the minimum target level (15%). The profit (EBITDA) increased somewhat (0,2%) to an all-time high for the Group as a whole. The EBITDA increased in BioSolutions and BioMaterials, while Fine Chemicals had a decrease.

In 2025, the total recordable injury frequency (TRIF) was lower and the sick leave had also a decrease compared with 2024. Furthermore, the company has delivered on important strategic measures such as a high degree of specialisation and received good ratings in sustainability valuations such as CDP (2023), EcoVadis (improved score in 2025 within Gold level) and Sustainalytics (2025).

All of these factors are important measurement parameters for Borregaard and are also included as criteria for management's remuneration.

1.3 CASE PROCESSING AND FOLLOW-UP OF GUIDELINES FOR MANAGEMENT REMUNERATION

The Annual General Meeting (AGM) has adopted the company's remuneration policy for senior management in accordance with laws and regulations.
The guidelines have been revised and refined in recent years, and include guidelines for base salary, pension, annual bonus and long-term incentives (LTIs)/options. During the development of the guidelines, there has been a dialogue with several owner groups and their representatives.

The present guidelines were approved by the AGM on 18 April 2023 with effect from the year 2024 (attached)

Comparable remuneration data is obtained from an independent, external company and are used in the assessment of the compensation level. Thorough benchmark analysis is conducted every second year, latest for the year 2024. For the year 2025, the fixed salaries for the management team were adjusted by the same percentage as the general wage settlement for Borregaard's employees in Norway. (See Section 6, page 10).

LTI/option allocations take place in accordance with a more comprehensive regulation that is included in the overall guidelines and which the board has thus been authorised by the General Meeting to implement.

It is the board's responsibility to follow up the remuneration guidelines and make decisions accordingly. The board has a separate Remuneration Committee that follows up, discusses and makes recommendations to the board in specific cases concerning the various remuneration elements.

The Nomination Committee follows up matters related to the board's fees and rules related to these. The Nomination Committee's assessments are based on available benchmark and statistics for remuneration and practices in comparable listed companies in Norway. Salary inflation for Borregaard's employees is also a relevant basis for comparison for determining remuneration.

1.4 THE BOARD'S FOLLOW-UP OF REMUNERATION POLICY IN 2025

The board, including through the Remuneration Committee, has based the remuneration of senior executives on the adopted guidelines. The board has also confirmed that the exercise of share options and bonus payments are in line with the guidelines and intentions for these schemes.

The board declares that the company's remuneration guidelines have been followed through 2025.

This report was dealt with in the board meeting on March 18, 2026

2 TOTAL REMUNERATION OF EXECUTIVE MANAGEMENT

Name and position of manager	Municipality of residence	Year	Fixed remuneration				Variable remuneration			Total remuneration
			Fixed salary 1)	Salary paid 2)	Benefits in kind 3)	Pension cost 4)	Bonus/STI (one year variable) 5)	Share options/LTI (multi-year variable) 6)	Variable remuneration in % of total remuneration	
Tom Erik Foss-Jacobsen 7)	Sarpsborg	2025	4,700,000	3,738,510	264,460	618,891	1,053,017	2,327,908	42.2%	8,002,786
CEO		2024	2,854,400	2,877,459	240,620	454,229	1,427,200	859,104	39.0%	5,858,612
Knut-Harald Bakke 7)	Halden	2025	2,800,000	2,069,373	194,985	279,686	484,643	397,646	25.8%	3,426,333
EVP BioSolutions										–
Gisle Løhre Johansen	Sarpsborg	2025	2,341,700	2,330,032	311,274	327,091	859,638	715,920	34.7%	4,543,955
EVP Speciality Cellulose and Fine Chemicals		2024	2,223,800	2,208,533	291,209	310,176	570,627	668,192	30.6%	4,048,737
Ole Gunnar Jakobsen	Sarpsborg	2025	2,750,000	2,658,188	247,891	404,104	801,075	715,920	31.4%	4,827,178
EVP Manufactoring and Technology		2024	2,423,400	2,426,469	208,491	368,710	621,921	668,192	30.0%	4,293,783
Per Bjarne Lyngstad	Fredrikstad	2025	2,679,700	2,672,649	246,557	395,946	638,305	715,920	29.0%	4,669,377
CFO		2024	2,541,000	2,519,249	243,252	376,118	829,382	668,192	32.3%	4,636,193
Kristin Misund	Sarpsborg	2025	2,089,700	2,109,144	221,192	295,365	497,767	620,464	29.9%	3,743,932
SVP R&D and Business development		2024	1,984,500	2,000,528	180,799	283,752	647,741	572,736	33.1%	3,685,556
Liv Longva	Vestby	2025	2,010,200	2,020,819	193,996	281,034	478,830	620,464	30.6%	3,595,143
SVP Strategic Sourcing		2024	1,905,200	1,908,077	228,176	267,028	621,857	572,736	33.2%	3,597,874
Kari Strande 7)	Hvaler	2025	1,900,000	1,701,607	219,227	206,213	339,185	405,688	25.9%	2,871,920
SVP HR										
Dag Arthur Aasbø	Sarpsborg	2025	2,010,600	2,024,139	274,519	266,980	478,925	620,464	30.0%	3,665,027
SVP Public Affairs and Sustainability		2024	1,909,400	1,919,797	266,361	255,087	623,228	572,736	32.9%	3,637,209
Sveinung Heggen	Bærum	2025	2,725,800	2,744,155	204,145	292,014	438,309	620,464	24.6%	4,299,087
General Counsel		2024	2,588,600	2,604,852	245,514	387,559	345,319	572,736	22.1%	4,155,980
Per A. Sørlie 8)	Fredrikstad	2025	4,950,000	4,875,887	209,743	1,264,058	884,318	2,863,680	37.1%	10,097,686
President and CEO until 31 July 2025		2024	4,700,000	4,685,881	281,918	1,294,415	1,534,080	2,625,040	39.9%	10,421,334

1. Fixed salary is agreed annual salary.
2. Salary paid is actual salary paid plus paid holiday pay earned on salary the previous year.
3. Benefits in kind are taxable benefits such as car arrangement, insurance, telecommunication etc.
4. Pension cost is contribution to the defined contribution pension schemes that specify a contribution of 5% of fixed salary up to 7.1G and 20% of fixed salary above 7.1G ("G" is the basic amount in the National Insurance scheme) Premiums for the early retirement scheme, "AFP", are not included in the pension costs. Premiums amount to 2.7% of salary between 1G and 7.1G up to and including the year the employee turns 61 years of age.
5. Bonus/STI is accrued bonus earned in the reporting year and includes holiday pay.
6. Remuneration related to share options/LTI is the value of stock options at the time of allocation and is not an actual paid remuneration
7. Assumed the position on 1 August 2025. The fixed salary reflect the new position, while the salary paid represents a combination of remuneration from both the previous and new position.
8. Was employed until end of September 2025. Final pay is included in Salary paid.

3 CRITERIA RELATED TO THE ANNUAL BONUS/STI SCHEME:

The company's Short-term incentive (STI) scheme is linked to performance in relation to the financial goals of the company and economic value added. Additionally, there are personal goals related to safety, health and sustainability/ESG. There are three main criteria for annual bonuses:

Criterion A: ROCE for the Group as a whole.
The financial goal for the company (Group) is to have a ROCE above 15% over a business cycle. This criterion gives a bonus payment from 11% ROCE, increasing to the maximum bonus (37.5% of base salary) at 23% ROCE. The target bonus (12.5% of base salary) is given at 15% ROCE

Criterion B: Improvement of EBITDA within own area of responsibility.
Bonus starts when improvement is achieved compared to the previous year, increasing to a maximum bonus (30% of base salary) at 22.5% EBITDA improvement. A target bonus (10% of base salary) is awarded at an EBITDA improvement of 7.5%. For the EVPs of the business areas, the improvement target is linked to their respective business area. For the CEO and heads of group staff, the bonus i based on the Group's overall improvement.

Criterion C: ESG/other conditions.
There are mandatory criteria related to safety (injuries), health (sick leave) and at least one goal related to other ESG/sustainability factors.

For the CEO, the sustainability goal is linked to maintaining high scores from independent rating companies' assessment of Borregaard.
These assessments include climate and environmental factors, social conditions and governance criteria.

In addition, other defined individual goals may relate to relevant factors within an individual's area of responsibility (productivity, innovation, employee development, projects). Targeted bonus is 7.5% of base salary. The maximum bonus linked to this criterion is 17.5% of base salary.

Maximum total bonus
The target bonus ("Good performance") over time for all criteria combined is set at 30% of base salary. The maximum payment for the individual areas can be summed up to 85% of base salary. However, the maximum annual Bonus/STI is capped at 50% of base salary.

BONUS PERFORMANCE CRITERIA FOR EXECUTIVE MANAGEMENT

Name of manager	Description of performance criterias	Relative weighting of performance criterias	Measured performance before cap / max limit	Accrued bonus earned in 2025 1) after potential cap / max limit		Actual paid bonus in 2025 2)
			In percent	In percent	In NOK	In NOK
Tom Erik Foss-Jacobsen 4)	ROCE	18%	6.1%	6.1%		
	EBITDA improvement	15%	0.1%	0.1%		
	ESG (health, safety, sustainability)/Other	9%	3.8%	3.8%		
	SUM		10.0%	10.0%	1,053,017	1,418,950
Knut-Harald Bakke 4)	ROCE	18%	6.1%	6.1%		
	EBITDA improvement	15%	2.2%	2.2%		
	ESG (health, safety, sustainability)/Other	9%	3.8%	3.8%		
	SUM		12.0%	12.0%	484,643	254,375
Gisle Løhre Johansen	ROCE	44%	14.6%	14.6%		
	EBITDA improvement	35%	13.2%	13.2%		
	ESG (health, safety, sustainability)/Other	21%	9.0%	9.0%		
	SUM		36.7%	36.7%	859,638	640,567
Ole Gunnar Jakobsen	ROCE	44%	14.6%	14.6%		
	EBITDA improvement	35%	5.6%	5.6%		
	ESG (health, safety, sustainability)/Other	21%	9.0%	9.0%		
	SUM		29.1%	29.1%	801,075	649,451
Per Bjarne Lyngstad	ROCE	44%	14.6%	14.6%		
	EBITDA improvement	35%	0.3%	0.3%		
	ESG (health, safety, sustainability)/Other	21%	9.0%	9.0%		
	SUM		23.8%	23.8%	638,305	891,307
Kistin Misund	ROCE	44%	14.6%	14.6%		
	EBITDA improvement	35%	0.3%	0.3%		
	ESG (health, safety, sustainability)/Other	21%	9.0%	9.0%		
	SUM		23.8%	23.8%	497,767	681,092
Liv Longva	ROCE	44%	14.6%	14.6%		
	EBITDA improvement	35%	0.3%	0.3%		
	ESG (health, safety, sustainability)/Other	21%	9.0%	9.0%		
	SUM		23.8%	23.8%	478,830	669,772

Name of manager	Description of performance criterias	Relative weighting of performance criterias	Measured performance before cap / max limit	Accrued bonus earned in 2025 1) after potential cap / max limit		Actual paid bonus in 2025 2)
			In percent	In percent	In NOK	In NOK
Kari Strande 4)	ROCE	18%	6.1%	6.1%		
	EBITDA improvement	15%	0.1%	0.1%		
	ESG (health, safety, sustainability)/Other	9%	3.8%	3.8%		
SUM			10.0%	10.0%	339,185	225,910
Dag Arthur Aasbø	ROCE	44%	14.6%	14.6%		
	EBITDA improvement	35%	0.3%	0.3%		
	ESG (health, safety, sustainability)/Other	21%	9.0%	9.0%		
SUM			23.8%	23.8%	478,925	655,534
Sveinung Heggen	ROCE	24%	9.4%	9.4%		
	EBITDA improvement	36%	0.2%	0.2%		
	ESG/Other	40%	6.5%	6.5%		
SUM			16.1%	16.1%	438,309	378,394
Per A. Sørlie 5)	ROCE	33%	10.9%	10.9%		
	EBITDA improvement	26%	0.2%	0.2%		
	ESG (health, safety, sustainability)/Other	16%	6.7%	6.7%		
SUM			17.9%	17.9%	884,318	1,639,148

1) Earned and accrued bonus in 2025 including vacation pay.
2) Actual paid bonus in 2025plus paid vacation pay in 2025 earned on bonus paid in 2024.
3)The General Counsel has a different annual bonus/STI scheme than the other members of the Executive Management team.
4) New position as of 1 August 2025. “Relative weighting of performance criterias” is for the new position (5 months). The accrued 2025 bonus is a combination of bonus earned in both the previous and new position.
5) Employed until end of September 2025

4 SHARE-BASED REMUNERATION

Borregaard's share-based remuneration is a long-term incentive scheme (LTI), which consists of an option or cash-based scheme, linked to developments in the share price. The allocation criteria for options are generally complementary to the criteria for the annual bonus system (Short-term incentives, STI), so that no criteria directly provide "double remuneration" through both STI and LTI.

Members of Executive Management are expected, including through the share option scheme, to build up and retain a holding of Borregaard shares corresponding to two annual base salaries for the CEO and one annual base salary for the other members.

Allocation criteria
Options may be allocated to leading employees at certain position levels where the company recognises a special need to form a long-term attachment.

The CEO and other members of Executive Management have options as a part of the total compensation package with the intention that the Executive Management shall jointly deliver on the company's and the owners' long-term goals and strategy.

This presupposes that the management, jointly as a team, contributes to optimising the operation of the company as a whole and thereby creates long-term value for the company and its owners. Borregaard is by nature a company with complex and integrated businesses. The biorefinery concept, where one production system provides many products to several business areas, requires overall optimisation. Borregaard's size and structure have made it appropriate to have a large degree of matrix organisation, where coordination and management across functions is important. Thus, Borregaard's Executive Management, as a group and collegium, has a common function in contributing to the overall optimisation of the business. Furthermore, a long-term perspective is one of Borregaard's core values because the company's development depends on long lasting processes, namely innovation projects, process optimisation, market introductions of new products and investments, where gains and value realisations come after several years. This coincides well with the term of the options and the expectations that management builds up a portfolio of own shares. These conditions, and senior management's overall role in this, justify that options are a suitable and complementary compensation element in line with the owners' goals.

There are a number of restrictions in the allocations and gains criteria. The restrictions on allocations are partly related to the maximum number of options that can be granted (in total and on an annual basis) and that the value of annual option allocations at individual levels should not be more than approximately 30% of the maximum gains (2 annual base salaries for the CEO and 1 annual base salary for the others), given that the share price increases 10% annually for 4 years. Thus, the allocation size is also related to the size of the salary.

As the strike price is set 10% above the share price at the time of allocation, there is a built-in performance criterion in the scheme as the share price must actually increase by at least 10% for the options to have value.

Allocation of options in February 2025 followed criteria given by the AGM in 2023 which adjusted the criteria for allocations to include performance criteria for parts of the allocations, requiring that the company has delivered above minimum criteria for sustainability, innovation and return on capital employed.
See an overview of the regulations in the appendix to this report.

EXECUTIVE MANAGEMENT'S HOLDINGS OF STOCK OPTIONS AND SHARES

Name	Options - Allocaton criteria for share options				Options - Information related to the fiscal year - 2025							
					Begin.balance	Throughout 2025			Ending balance			
	Share options granted year *	Number of granted share options	Value of share options at grant date	Strike price of the share adjusted for dividend after grant date	Number of share options held at the beginning of the year	Granted share options in 2025	Exercised share options in 2025	Gross profit on exercised share options in 2025	Number of granted, not exercised share options	Value of share options held at end of year (share price NOK 199.40)	Number of share options in vesting period	Shareholding as of 31 December **
Tom Erik Foss-Jacobsen	2025 (Aug)	30,000	1,392,270	219.31	–	30,000	–	–	30,000	–	30,000	
	2025 (Feb)	20,000	935,638	216.97	–	20,000	–	–	20,000	–	20,000	
	2024	18,000	859,104	191.10	18,000	–	–	–	18,000	149,400	18,000	
	2023	15,000	742,320	182.75	15,000	–	–	–	15,000	249,750	15,000	
	2022	10,000	483,340	212.50	10,000	–	–	–	10,000	–	10,000	
	2021	15,000	535,335	164.45	15,000	–	–	–	15,000	524,250	–	
	2020	30,000	798,870	87.60	20,000	–	-20,000	2,173,400	–	–	–	
SUM					78,000	50,000	-20,000	2,173,400	108,000	923,400	93,000	31,274
Knut-Harald Bakke	2025	8,500	397,646	216.97	–	8,500	–	–	8,500	–	8,500	
	2024	8,000	381,824	191.10	8,000	–	–	–	8,000	66,400	8,000	
	2023	5,000	247,440	182.75	5,000	–	–	–	5,000	83,250	5,000	
	2022	5,000	241,670	212.50	5,000	–	–	–	5,000	–	5,000	
	2021	–	–	164.45	–	–	–	–	–	–	–	
SUM					18,000	8,500	–	–	26,500	149,650	26,500	1,954
Gisle Løhre Johansen	2025	15,000	715,920	216.97	–	15,000	–	–	15,000	–	15,000	
	2024	14,000	668,192	191.10	14,000	–	–	–	14,000	116,200	14,000	
	2023	10,000	494,880	182.75	10,000	–	–	–	10,000	166,500	10,000	
	2022	8,000	386,672	212.50	8,000	–	–	–	8,000	–	8,000	
	2021	10,000	356,890	164.45	10,000	–	–	–	10,000	349,500	–	
SUM					42,000	15,000	–	–	57,000	632,200	47,000	22,475
Ole Gunnar Jakobsen	2025	15,000	715,920	216.97	–	15,000	–	–	15,000	–	15,000	
	2024	14,000	668,192	191.10	14,000	–	–	–	14,000	116,200	14,000	
	2023	10,000	494,880	182.75	10,000	–	–	–	10,000	166,500	10,000	
	2022	8,000	386,672	212.50	8,000	–	–	–	8,000	–	8,000	
	2021	10,000	356,890	164.45	10,000	–	–	–	10,000	349,500	–	
SUM					42,000	15,000	–	–	57,000	632,200	47,000	34,022
Per Bjarne Lyngstad	2025	15,000	715,920	216.97	–	15,000	–	–	15,000	–	15,000	
	2024	14,000	668,192	191.10	14,000	–	–	–	14,000	116,200	14,000	
	2023	10,000	494,880	182.75	10,000	–	–	–	10,000	166,500	10,000	
	2022	8,000	386,672	212.50	8,000	–	–	–	8,000	–	8,000	
	2021	10,000	356,890	164.45	10,000	–	–	–	10,000	349,500	–	
SUM					42,000	15,000	–	–	57,000	632,200	47,000	62,455
Kristin Misund	2025	13,000	620,464	216.97	–	13,000	–	–	13,000	–	13,000	
	2024	12,000	572,736	191.10	12,000	–	–	–	12,000	99,600	12,000	
	2023	8,000	395,904	182.75	8,000	–	–	–	8,000	133,200	8,000	
	2022	6,500	314,171	212.50	6,500	–	–	–	6,500	–	6,500	
	2021	8,000	285,512	164.45	8,000	–	–	–	8,000	279,600	–	
SUM					34,500	13,000	–	–	47,500	512,400	39,500	70,223
Liv Longva	2025	13,000	620,464	216.97	–	13,000	–	–	13,000	–	13,000	
	2024	12,000	572,736	191.10	12,000	–	–	–	12,000	99,600	12,000	
	2023	8,000	395,904	182.75	8,000	–	–	–	8,000	133,200	8,000	
	2022	6,500	314,171	212.50	6,500	–	–	–	6,500	–	6,500	
	2021	8,000	285,512	164.45	8,000	–	–	–	8,000	279,600	–	
SUM					34,500	13,000	–	–	47,500	512,400	39,500	12,938

Name	Options - Allocaton criteria for share options				Options - Information related to the fiscal year - 2025							
					Begin.balance	Throughout 2025			Ending balance			
	Share options granted year *	Number of granted share options	Value of share options at grant date	Strike price of the share adjusted for dividend after grant date	Number of share options held at the begnning of the year	Granted share options in 2025	Exercised share options in 2025	Gross profit on exercised share options in 2025	Number of granted, not exercised share options	Value of share options held at end of year (share price NOK 199.40)	Number of share options in vesting period	Shareholding as of 31 December **
Kari Strande	2025	8,500	405,688	216.97	–	8,500	–	–	8,500	–	8,500	
	2024	–	–	191.10	–	–	–	–	–	–	–	
	2023	–	–	182.75	–	–	–	–	–	–	–	
	2022	–	–	212.50	–	–	–	–	–	–	–	
	2021	–	–	164.45	–	–	–	–	–	–	–	
SUM					–	8,500	–	–	8,500	–	8,500	4,171
Dag Arthur Aasbø	2025	13,000	620,464	216.97	–	13,000	–	–	13,000	–	13,000	
	2024	12,000	572,736	191.10	12,000	–	–	–	12,000	99,600	12,000	
	2023	8,000	395,904	182.75	8,000	–	–	–	8,000	133,200	8,000	
	2022	6,500	314,171	212.50	6,500	–	–	–	6,500	–	6,500	
	2021	8,000	285,512	164.45	8,000	–	–	–	8,000	279,600	–	
SUM					34,500	13,000	–	–	47,500	512,400	39,500	56,755
Sveinung Heggen	2025	13,000	620,464	216.97		13,000	–	–	13,000	–	13,000	
	2024	12,000	572,736	191.10	12,000	–	–	–	12,000	99,600	12,000	
	2023	8,000	395,904	182.75	8,000	–	–	–	8,000	133,200	8,000	
	2022	6,500	314,171	212.50	6,500	–	–	–	6,500	–	6,500	
	2021	8,000	285,512	164.45	8,000	–	–	–	8,000	279,600	–	
SUM					34,500	13,000	–	–	47,500	512,400	39,500	26,863
Per A. Sørlie	2025	60,000	2,863,680	216.97	–	60,000	–	–	60,000	–	60,000	
	2024	55,000	2,625,040	191.10	55,000	–	–	–	55,000	456,500	55,000	
	2023	40,000	1,979,520	182.75	40,000	–	–	–	40,000	666,000	40,000	
	2022	30,000	1,450,020	212.50	30,000	–	–	–	30,000	–	30,000	
	2021	40,000	1,427,560	164.45	40,000	–	-40,000	1,043,600	–	–	–	
SUM					165,000	60,000	-40,000	1,043,600	185,000	1,122,500	185,000	165,351

*Shareholdings include shares owned by related parties

DURATION OF OPTION PROGRAMMES

Granted year	Grant date	Vesting period	Exersise period	Expiry date
2025	01.08.2025	01.08.2025-01.08.2028	01.08.2028-01.08.2030	01.08.2030
2025	14.02.2025	14.02.2025-14.02.2028	14.02.2028-14.02.2030	14.02.2030
2024	27.02.2024	27.02.2024-27.02.2027	27.02.2027-27.02.2029	27.02.2029
2023	01.03.2023	01.03.2023-01.03.2026	01.03.2026-01.03.2028	01.03.2028
2022	17.02.2022	17.02.2022-17.02.2025	17.02.2025-17.02.2027	17.02.2027
2021	16.02.2021	16.02.2021-16.02.2024	16.02.2024-16.02.2026	16.02.2026
2020	13.02.2020	13.02.2020-13.02.2022	13.02.2023-13.02.2025	13.02.2025

5 THE COMPANY'S RIGHT TO RECOVER VARIABLE REMUNERATION

The regulations for the annual bonus programmes for senior management stipulate that if during a period of three years after the annual bonus has been paid out, it turns out that the basis for the bonus calculation was incorrect, the company has the right to make corrections in the form of reduced future bonus payments.

The corrections shall be reviewed by the Group's auditor.

There have been no such circumstances or cases in 2025.

6 INFORMATION ON HOW THE REMUNERATION COMPLIES WITH THE REMUNERATION GUIDELINES AND HOW PERFORMANCE CRITERIA WERE USED

The remuneration paid to senior management is in line with the guidelines adopted by the Annual General Meeting in 2023:

Base salary is based on the content of the position and is dimensioned in line with benchmark surveys (up to the median). Every second year, a comprehensive benchmark analysis is conducted for all members of the Executive Management Team. The most recent review was carried out for the year 2024, and the next update will therefore be conducted for the year 2026.

For the year 2025 the fixed salaries for the Executive Management Team were adjusted in line with the general wage settlement for Borregaard's employees in Norway. Members who assumed new positions as of 1 August 2025 consequently received a salary adjustment reflecting their new roles.

The Bonus/STI criteria are strongly based on performance criteria that are consistent with the company's long-term goals and results; ROCE, profit improvement compared to the previous year for the area for which the manager is responsible for, as well as ESG/other criteria that correspond to the company's stated goals and strategies. See further details under section 3.

The scheme has been compared through a benchmark and shows that the company's STI schemes are on a par with comparable companies.

The Options/LTI criteria are long-term in nature and require value development of the company before the options pay off. No gain is achieved until the share price has increased by 10% and the options can only be exercised after 3 years, but with the option to wait up to 5 years from allocation. Options can be allocated to the Executive Management team with the intention that the team shall jointly deliver on the company's and the owners' long-term goals and strategy.
Up to half of the frame (option value of 15% of maximum annual gain) is given on the condition that minimum performance results have been achieved related to factors (profitability, sustainability and innovation) that are important for the company's results, strategy and development. In addition, up to half of the frame (option value of 15% of maximum annual gain) is a fixed part of the LTI and part of the overall remuneration package.

The scheme emphasises compliance with ownership interests in the company, both in connection with results, the share price, but also in that half of the gain after tax must be used to purchase shares in the company, until the holding reaches 2 annual base salaries for the CEO and 1 annual base salary for the rest of senior management.

Section 4 shows how a long-term incentive scheme with a 3-8-year horizon (3-5 years' vesting period followed by share purchases with a 3-year commitment) supports the long-term value creation processes in Borregaard (innovation, market introduction, investment programmes).

It is expected that the current LTI scheme is in line with benchmarks

7 EXCEPTIONS AND DEVIATIONS FROM THE REMUNERATION POLICY AND THE PROCEDURE FOR IMPLEMENTATION

The guidelines have been followed and there have been no exceptions regarding remuneration of senior management.

8 ANNUAL CHANGES IN REMUNERATION AND THE COMPANY'S PROFIT

	Actual 2020	Actual 2021	2021 vs 2020 in percent	Actual 2022	2022 vs 2021 in percent	Actual 2023	2023 vs 2022 in percent	Actual 2024	2024 vs 2023 in percent	Actual 2025	2025 vs 2024 in percent	Actual 2024 without pension/ LTI/Benefit	Actual 2025 without pension/ LTI/Benefit	2025 vs 2024 in percent
Tom Erik Foss-Jacobsen 1)	4,142,668	4,995,206	20.6%	4,941,418	(1.1)%	5,505,578	11.4%	5,858,612	6.4%	8,002,786	36.6%	4,304,659	4,791,527	11.3%
Knut-Harald Bakke										3,426,333			2,554,016	
Gisle Løhre Johansen	3,764,010	3,358,233	(10.8)%	3,901,877	16.2%	4,162,275	6.7%	4,048,737	(2.7)%	4,543,955	12.2%	2,779,160	3,189,670	14.8%
Ole Gunnar Jakobsen	3,513,478	3,686,035	4.9%	4,012,403	8.9%	3,950,940	(1.5)%	4,293,783	8.7%	4,827,178	12.4%	3,048,390	3,459,263	13.5%
Per Bjarne Lyngstad	3,441,240	3,720,813	8.1%	4,184,887	12.5%	4,376,977	4.6%	4,636,193	5.9%	4,669,377	0.7%	3,348,631	3,310,954	(1.1)%
Kristin Misund	3,067,239	3,398,413	10.8%	3,505,011	3.1%	3,567,660	1.8%	3,685,556	3.3%	3,743,932	1.6%	2,648,269	2,606,911	(1.6)%
Liv Longva	2,544,587	3,193,782	25.5%	3,339,262	4.6%	3,479,206	4.2%	3,597,874	3.4%	3,595,143	(0.1)%	2,529,934	2,499,649	(1.2)%
Kari Strande										2,871,920			2,040,792	
Dag Arthur Aasbø	2,877,661	3,194,136	11.0%	3,325,497	4.1%	3,460,665	4.1%	3,637,209	5.1%	3,665,027	0.8%	2,543,025	2,503,064	(1.6)%
Sveinung Heggen	3,511,315	3,600,781	2.5%	3,747,608	4.1%	3,833,837	2.3%	4,155,980	8.4%	4,299,087	3.4%	2,950,171	3,182,464	7.9%
Per A. Sørlie 2)	7,435,825	8,218,786	10.5%	8,451,927	2.8%	9,542,549	12.9%	10,421,334	9.2%	10,097,686	(3.1)%	6,219,961	5,760,205	(7.4)%

Borregaard Group results

Sales revenues (in NOK thousand)	5,227,000	5,715,000	9.3%	6,776,000	18.6%	7,024,000	3.7%	7,502,000	6.8%	7,580,000	1.0%	7,502,000	7,580,000	1.0%
Profit before tax, depreciation, amortization and other income and expenses (in NOK thousand)	1,132,000	1,372,000	21.2%	1,643,000	19.8%	1,781,000	8.4%	1,874,000	5.2%	1,878,000	0.2%	1,874,000	1,878,000	0.2%
Average number of man-years (excluding executive mamagment)	1,074	1,053	(2.0)%	1,073	1.9%	1,107	3.2%	1,126	1.7%	1,156	2.7%	1,126	1,156	2.7%
Average remuneration pr man-years, without pension and LTI (exluding executive management)	800,140	821,290	2.6%	864,029	5.2%	936,543	8.4%	985,460	5.2%	1,021,714	3.7%	985,460	1,021,714	3.7%

1) Assumed position as CEO on 1 August 2025
2) Was employed until end of September 2025.

The actual remuneration column for the management includes pension costs, benefits and value of options/LTI, which not are included in the corresponding column for the employees' average pay. The increase in the CEO's remuneration from 2024 to 2025 is due to his new position as CEO from 1 August 2025. Before that, he was paid as EVP BioSolutions.

The increase in average remuneration from 2024 to 2025 for all employees (excluding Group Executive Management) was 3.7%.

In order to compare the same compensation elements between all employees and the management, columns have been created (2024 and 2025) where fixed salary and bonus/STI are summed up (i.e. pension/LTI/benefits in kind are not included).

9 INFORMATION REGARDING SHAREHOLDER VOTES

Borregaard's guidelines for management remuneration were last revised and presented to the Annual General Meeting in April 2023 and have been effective from 2024. The guidelines were approved by 97% of the votes cast.

10 REMUNERATION OF THE BOARD OF DIRECTORS AND THE NOMINATION COMMITTEE

The following fee structure and rates were approved at the AGM on 10 April 2025 and apply until the next AGM in 2026

Remuneration – Board of Directors	
Chair	NOK 732,000 (NOK 695,000 last period)
Board member, shareholder-elected	NOK 408,000 (NOK 387,000 last period)
Board member, employee-elected	NOK 314,000 (NOK 314,000 last period)
Observer (employee-elected) [1)]	NOK 105,000 (NOK 105,000 last period)
Deputy for observer[2)]	NOK 8,100 per meeting (NOK 8,100 last period)
Chair of the audit and sustainability committee	NOK 118,000 (NOK 112,000 last period)
Member of the audit and sustainability committee[3)]	NOK 77,000 (NOK 73,000 last period)
Chair of the remuneration committee	NOK 69,500 (NOK 66,000 last period)
Member of the remuneration committee[3)]	NOK 53,500 (NOK 50,900 last period)

It is recommended that remuneration is paid in rates throughout the period.
[1)] An observer is also a permanent deputy for an employee-elected board member and remuneration for an observer also covers any function as an acting board member.
[2)] The same remuneration rate also applies in a situation where a deputy for an observer acts as a board member because both the employee-elected board member and the observer are absent.
[3)] Remuneration for an employee-elected board member also covers participation in board committees.

Requirement to purchase shares for part of the remuneration

- The Board's shareholder-elected members must use 20% of the gross board remuneration (excl. remuneration for committee work) to purchase shares in the company until their shareholding (including their personal close associates/companies under their control) corresponds to 1 year's gross board remuneration (excluding remuneration for committee work).
- The purchase of shares shall take place in accordance with applicable statutes and the Regulations for Primary Insiders at Borregaard and the company's Instructions for Inside Information.
- It is recommended that purchases should be made during the first week following the publication of quarterly figures. The purchase may be distributed over time, but must be carried out no later than by the end of the year and involve at least 20% of the gross remuneration for the calendar year in question.
- The shares must be retained for as long as the board member serves on the board. A shareholding exceeding one year's board remuneration is not covered by this requirement.
- The nomination committee shall monitor compliance with the share purchase scheme, and this will be a part of the committee's assessment of candidates for election to subsequent periods

REMUNERATION OF THE BOARD OF DIRECTORS

Board members	Year	Fixed board remuneation	Chair Audit & Sustainability Committee	Member Audit & Sustainability Committee	Chair Compensation Committee	Member Compensation Committee	Total board remuneration decided by AGM	Actual board remuneration paid	Number of shares at year-end
Shareholder-elected Board members									
Helge Aasen, Chair Board	2025	732,000			69,500		801,500	791,375	4,500
	2024	695,000			66,000		761,000	747,825	4,500
Terje Andersen	2025	408,000	118,000				526,000	519,250	4,371
	2024	387,000	112,000				499,000	491,600	4,371
Tove Andersen	2025	408,000		77,000			485,000	478,750	11,100
	2024	387,000		73,000			460,000	453,500	9,100
Margrethe Hauge	2025	408,000				53,500	461,500	455,600	4,077
	2024	387,000				50,900	437,900	431,700	4,077
John Arne Ulvan	2025	408,000		77,000			485,000	478,750	5,500
	2024	387,000		73,000			460,000	453,300	3,500
Employee-elected Board members									
Ragnhild Anker Eide	2025	314,000					314,000	314,000	3,850
	2024	314,000					314,000	314,000	3,850
Arundel Kristiansen	2025	314,000					314,000	314,000	1,948
	2024	314,000					314,000	314,000	906
Employee-elected Board observers									
Bente Seljebakken Klausen	2025	105,000					105,000	105,000	2,201
	2024	105,000					105,000	105,000	1,735
Roy Kåre Appelgren	2025	105,000					105,000	105,000	3,173
	2024	105,000					105,000	105,000	2,259

Remuneration - Nomination committee
Chair of the Nomination Committee: NOK 77,800 (NOK 73,800 last term) + NOK 12,400 (NOK 11,800 last term) per meeting beyond 4 full meetings.
Member of the Nomination Committee: NOK 54,200 (NOK 51,400 last term) + NOK 10,100 (NOK 9,600 last term) per meeting beyond 4 full meetings.

The Nomination Committee has applied a strict practice when calculating the number of meetings. The number consists of meetings convened and held with the entire committee present. Conversations, correspondence and meetings conducted by the Chair or individual members as part of the committee's work are not considered as full meetings.

For the period from the 2025 AGM to the 2026 AGM, committee work did not exceed 4 full meetings.

Actual remuneration paid for the year will be somewhat below the fee adopted by the AGM, as part of the fee consists of the fee rate from the previous AGM period.

Nomination Committee	Year	Remuneration decided by AGM	Actual remuneration paid for meetings beyond 4	Actual remuneration paid
Mimi Kristine Berdal, Chair	2025	77,800		76,800
	2024	73,800		72,575
Erik Must	2025	54,200		53,500
	2024	51,400		50,675
Rune Selmar	2025	54,200		53,500
	2024	51,400		50,675
Atle Hauge	2025	54,200		53,500
	2024	51,400		50,675

Borregaard

APPENDIX

THE COMPANY'S REMUNERATION POLICY AND SHARE-RELATED REMUNERATION, ADOPTED AT THE ANNUAL GENERAL MEETING ON 18 APRIL 2023

Guidelines for determining pay and other remuneration to senior management

The company's general guidelines for policies on remuneration and associated conditions:

- Overall, the conditions shall be competitive and suitable for the company's need to attract and retain employees.
- Remuneration schemes shall contribute to consistency between the company's and the owners' goals and results and the various elements of the individual terms and conditions. The criteria for the various elements of the remuneration schemes must be complementary.
- The schemes must be simple, long-term and sufficiently flexible.

In the guidelines for annual bonuses and the option scheme, criteria that correspond to the communicated financial and long-term objectives and strategies for the company have been selected. There are also limitations in the schemes to ensure that payments are at a reasonable level, also when taking into consideration the financial sustainability of the company.

The schemes shall also be designed to motivate and attract the expertise required by the company. The remuneration schemes include balanced criteria to ensure that employees contribute to delivery of good results at company level, while also focusing on matters within their individual areas of responsibility.

Follow-up and changes to the guidelines

It is the Annual General Meeting that adopts the remuneration policy, following a recommendation from the board. The board has a separate compensation committee that follows up the individual schemes and guidelines. The compensation committee presents its recommendations to the board for consideration. In specific cases, such as when recruiting new senior managers, it may be appropriate to deviate from the guidelines. In such cases, the compensation committee and the board must justify the changes and they must be documented and mentioned in the report presented to the Annual General Meeting.

THE MAIN ELEMENTS OF THE REMUNERATION SCHEMES

Base salary - The level should be close to the median for comparable companies and positions. Base salary is determined based on the responsibility, complexity, expertise requirements and scope associated with the role.

Pension - Based on the established defined contribution pension schemes, with the intention that the relative pension contributions, including the Norwegian National Insurance Scheme, are independent of income level. The defined contribution pension schemes specify a contribution of 5% of fixed salary up to 7.1G and 20% of salary above 7.1G.

Annual bonus scheme - Based on pre-defined criteria that are based on positive results and progress.
The criteria include return on capital employed (ROCE) for the Group, economic value added (EBITDA) for the area in question, safety and sick leave for the Group, as well as personal targets, including criteria related to sustainability and growth/improvement. The target bonus level for delivery of "good performance" is approximately 30%. The maximum annual bonus is 50% of annual base salary. The criteria and calculation basis are reviewed annually by the board of directors' compensation committee and adopted by the board. If errors have occurred for bonuses paid during the past three years, the company has the right to correct this in future bonus payments.

Long-term incentive scheme - Option or cash-based scheme linked to movements in the share price. The scheme primarily has complementary objectives and criteria to the annual bonus scheme.

Other benefits - The company's management employees also have access to a car scheme (company car/mileage), a free mobile phone and newspapers, as well as access to insurance schemes available to all employees in Borregaard's Norwegian operations.

Other matters - Management employees are subject to the same retirement age as other employees in line with Norwegian laws and regulations (adjusted between 62 and 72 years of age). There is a mutual notice period of six months for executive management employees, without severance pay. A separate agreement applies to the CEO; the maximum retirement age is two years lower (70 years of age), and a mutual notice period of nine months and six months' severance pay. (See note 9 of the Annual Report for details).

FURTHER INFORMATION ABOUT THE GUIDELINES FOR BORREGAARD'S SHARE-RELATED OPTION SCHEME

General information about the scheme

Borregaard's long-term incentive (LTI) scheme is an option scheme related to the share price and forms part of an overall remuneration package for senior management. The option scheme implies that employees in the scheme can obtain share options that entitle them to purchase a defined number of shares at a given value for a fixed period of time. When options are exercised, the sale of shares will realise a gain. In order to adapt the scheme to its objectives, the allocations and potential maximum gains are subject to a number of restrictions.

The board will consider on an annual basis whether to allocate options and can provide recommendations for such allocation within the framework of these guidelines. The board can decide whether the options will be physical or synthetic. The board and its compensation committee will ensure that the allocation of options and the administration of the scheme comply with the intentions. The strike price has been set at 10% above the share price on the date of allocation.

The purpose of the scheme

There are two main reasons behind the scheme:

- Strengthening the ownership perspective and supporting the company's long-term objectives in that the development of shareholder value (share price)
- and investment in shares are the criteria for this remuneration.
- Providing senior managers and key employees with an incentive to make a long-term commitment to the company.

The allocation criteria for options (long-term incentives, LTI) are to a considerable extent complementary to the criteria for the annual bonus scheme (short-term incentives, STI).

Members of the executive management team are expected, including through the share option scheme, to build up and retain a holding of Borregaard shares corresponding to two annual base salaries for the CEO and one annual base salary for the other members.

Restrictions on allocations

- The total annual allocation of new options may be no more than 0.8% of the company's shares. The total number of outstanding options may be no more than 2.0% of the company's shares.
- The number of options allocated shall be dimensioned so that the value of the options at the time of allocation, calculated according to the Black Scholes model, may amount to no more than 30% of the maximum gain.

Allocation criteria

Options can be allocated to two groups of senior personnel at certain job levels who have achieved good results and where the company sees a particular need to ensure that they make a long-term commitment to the company

1. The CEO and other members of the executive management team

Members of the executive management team have options with the intention that the executive management team shall jointly deliver on the company's and the owners' long-term goals and strategy.

- Up to half of the frame (option value of 15% of maximum annual gain) is a fixed part of the LTI and part of the overall remuneration package.
- Up to half of the frame (option value of 15% of maximum annual gain) is given on the condition that minimum results have been achieved related to factors that are important for the company's results, strategy and development.
  - Financial targets: minimum 10% ROCE
  - Sustainability/ESG: Results among the top 10% in at least two recognized 3rd party assessments (e.g. CDP and Ecovadis)
  - Innovation rate (proportion of sales from new products) of at least 10% on average over the last two years
  - If any of the performance-based criteria are not met, the award is reduced by 1/3 for each of the areas ROCE, sustainability/ESG and innovation.
- The scheme/rights are only valid as long as the option holder is employed (not given notice/resigned) in the Group. Exceptions apply when the person concerned is retired and does not move to another permanent position.

2. Management and key personnel/specialists in the business areas and corporate staff

Candidates from this group may be awarded options based on the following criteria:

- The employee has, in line with the company's culture and values, over time, delivered positive results within at least two of the following areas, anchored in the company's long-term objectives and strategy:
  - Organic growth/specialisation
  - Continuous improvement
  - Innovation
  - Sustainability/ESG
  - Development of talent/managers

- The employee/position is particularly important/critical for achievement of the company's goals. The employee is considered difficult to replace, and there may be a risk that he/she will leave the company.
- The scheme does not automatically follow a particular position, and one or more allocations do not entitle the holder to subsequent allocations.
- The scheme/rights are only valid as long as the option holder is employed (not given notice/resigned) in the Group.

Restrictions on gains

- The options have a strike price 10% above the market price of the shares on the allocation date, which in itself constitutes a result criterion and requires a (substantial) increase in the share price before the options gain value. The strike price is adjusted for dividends and other factors relevant to share capital (e.g. buy-backs, write-downs and new share issues).
- The total pre-tax gain per calendar year from exercise of options may not exceed two annual base salaries for the CEO and one annual base salary for other employees.

Time limits

The options may not be exercised earlier than three years after their allocation, and must be exercised within two years of the first opportunity.

Requirement to purchase shares

Employees must use at least 25% of the gain before tax to purchase Borregaard shares, with a lock-in period of three years.
This requirement will remain in place for senior management until a shareholding equivalent to two annual base salaries for the CEO and one annual base salary for the other members has been achieved.