

Appendix 4

Guidelines on remuneration for directors of the board, CEO and executive management

1. Introduction

This remuneration policy is recommended by the Board of Directors and is subject to approval by the general meeting of Axactor SE (“the company”) in accordance with section 6-16a of the Norwegian public limited liability companies act. It provides a framework for remuneration to the Board, CEO, and the executive personnel applicable from the financial year 2022 including specific guidelines for incentive pay.

2. Scope

This remuneration policy shall apply to the Board of Directors, the CEO and the executive management. The “Executive management” hereinafter refers to the CEO and the executives reporting directly to the CEO including country managers unless otherwise stated.

Objectives

The main objectives of the company’s remuneration of the Executive management are to:

- encourage a strong and sustainable performance-based culture which supports growth in shareholder value over time.
- attract, retain, and engage highly motivated, competent, and performance-oriented people.
- reward members of the Board and the Executive management in line with corporate and individual performance.

3. Determination

Board of Directors

The nomination committee shall, as defined in the guidelines to the nomination committee approved by the general meeting, suggest remuneration for the Board of Directors to be approved by the annual general meeting. The Board of Directors’ remuneration is approved by the shareholders as a separate item on the agenda at the annual general meeting.

Executive management

The Board of Directors shall design a remuneration policy for the Executive management, propose the policy for the annual general meeting's approval, and implement the approved policy, including determine the remuneration and other terms and conditions for the Executive management. The Board of Directors shall annually review the remuneration policy.

The Board of Directors shall act independently of the Executive management and consist solely of shareholder elected members to avoid any conflicts of interest.

The Board of Directors shall appoint a separate remuneration committee consisting of minimum two members of the Board of Directors, each of whom shall be free of any relationship that, in the opinion of the Board of Directors, would interfere with his or her exercise of independent judgement. The Chairman of the remuneration committee shall be appointed by the Board of Directors.

The remuneration committee is responsible for submitting a clear and understandable proposal to the Board of Directors on the remuneration principles for members of the Executive management. The remuneration committee shall propose, and the Board of Directors approve the annual salary adjustment, bonus level and targets as well as bonus achievement for the CEO. The annual salary adjustment, bonus level and targets as well as bonus achievement for the executives reporting to the CEO shall be determined by the remuneration committee following a proposal from the CEO. A transparent and aligned structure with clearly defined expectations in line with this policy shall be applied both when setting the targets and when assessing performance against the pre-defined targets. When determining variable remuneration awards and evaluating performance, risk and compliance conduct shall be appropriately considered. Non-compliance to the company's policies and laws and regulations should result in a reduction or annulment of the bonus depending on the severance. Financial targets shall be easily measurable and assessed towards audited financial results after year-end.

The CEO and other representatives may participate in the committee meetings except when the committee discusses issues concerning themselves.

4. Remuneration to the Board of Directors

The Chairman and each director of the Board of Directors should receive a fixed annual fee for the assignment. In addition, the Chairman and each director being a member of board committees may receive a supplemental annual fee per committee engagement. The fee may vary whether the director is the Chair of the committee or a member. Each director may be requested to take on specific ad hoc tasks outside their normal duties assigned by the Board of Directors. In each such case, the Board of Directors shall determine a fixed fee for the work carried out related to those tasks. The fixed fee will be disclosed in the annual remuneration report.

Reasonable and documented travelling costs and similar business-related expenses incurred by the directors in connection with the performance of directorship duties shall be reimbursed.

Board members are not eligible to participate in any incentive arrangements operated by the company unless approved specifically by the general meeting.

5. Remuneration to Executive management

5.1 Principles

The Board of Directors, including its remuneration committee, shall base the remuneration to Executive management on the following principles to support the company's business strategy, long-term interests and financial sustainability:

- *Market competitive:* Axactor shall offer market-competitive remuneration opportunities to attract, retain, and motivate the talents needed to achieve Axactor's vision, business strategy and other company objectives. It shall be fair, competitive compared to peer companies in the industry and sustainable for the company. The reference group for Executive management should be comparable companies considering e.g. listed companies, geographical location, financial industry, but not leading in relation to the current local labour market.
- *Pay for performance:* A proportion of the remuneration package should be performance based to motivate to high performance based on responsible business practices aligned with the company's values as it promotes sustainable development, focus on the business' goals and implementation of strategies which will provide value for Axactor's shareholder, customers, employees, and partners. Each element of the remuneration shall be weighted to ensure continuous and further positive development of the company and linked to the achievement of key financial and nonfinancial targets that are aligned with the company's strategy.
- *Transparency:* The remuneration regime shall be transparent, predictable, and easy to understand.
- *Business alignment and consistency:* The targets set for the short-term incentives shall ensure that local practices are aligned and consistent with Axactor's principles and policies and remain flexible enough to evolve as Axactor's business priorities change.
- *Shareholder and strategic alignment:* The remuneration must align the interests of all employees in driving value creation for shareholders. Axactor's main focus for the next years is to increase presence in the current core markets to harvest economies of scale, increase focus on profitability and earnings without compromising on environmental, social or governmental standards and consequently initiate dividend payments as the return on equity gradually improves. The strategic priorities set shall each consist of several defined specific financial and non-financial goals and related actions to execute on over time of which the Executive management should be measured. The remuneration shall ensure the right balance between short-term objectives creating the foundation for the long-term value and ensure that employees and shareholders interests coincide.

- *Sustainable results*: The remuneration shall support sustainable results and the long-term interests of the shareholders by including goals directly linked to the performance of Axactor and by awarding parts of variable remuneration in financial instruments. The remuneration must be aligned with efficient and responsible risk management, Axactor's values and applicable regulations. The targets set must motivate to responsible operations and business conducted in an ethical, sustainable, environmentally, and socially responsible manner, ensuring that good corporate governance is practiced, and internationally recognized human rights principles are respected.
- *Non-discrimination*: The remuneration may differ based on achievements, competences, abilities, and behaviour, but shall never discriminate on gender, sexual orientation, age, ethnicity, religion, marital status or any other identity.

5.2 Types of remuneration

Executive management's total remuneration should comprise of a market based fixed salary, standard employee benefits and variable pay in terms of short- and long-term incentives. The effect on long-term results shall be considered when determining goals and targets for variable remuneration. Awards should normally be paid out in cash, but Executive management should be encouraged to invest in the underlying share.

5.2.1 Fixed remuneration

Fixed base salary should remunerate for role and position and be affected by responsibility, job complexity, performance, and breadth of the company's operations. It shall be reviewed annually, considering a range of factors including the individual's skills, performance, and experience; increases for the broader workforce; external market data amongst peers, the size and responsibilities of the role as well as the geographical location of the role, internal relativity, and external economic environment.

Pension and Insurance aims at ensuring employees an appropriate standard of living after retirement as well as personal insurance during employment. Pension and insurance provisions shall be in accordance with local laws, regulations and market practice and may be either collectively agreed schemes or company-determined schemes, or a combination thereof. In addition, a reasonable top hat pension, subject to a cap, may be offered to Executive management as well as a compensation for illness limited to the sick leave pay from the national insurance limited to maximum 12 months.

5.2.2 Short-term incentives

The short-term incentive plan consists of annual or one-time bonuses which will be paid out based on the achievement of pre-determined goals. The following principles shall apply for the short-term incentives:

- The right to bonus shall be limited to a fixed percentage of the annual fixed base salary, and never exceed 100% of annual fixed base salary.
- All payouts shall be capped at 100% of target bonus.
- The bonus shall be based on clear, pre-defined and measurable criteria to avoid risk of “payment for failure”.
- Targets shall be set annually, include achievement of defined financial results of the company and individual performance objectives. As a main principle 70% should be related to financial targets and 30% related to individual targets.
- Levels and targets shall be aligned with the remuneration principles.
- At least one of the individual performance objectives shall support the company’s ESG targets such as but not limited to ethical business behavior, good debt collection practices, data privacy, information security, prevention of financial crimes, diversity, non-discrimination and equal opportunities, talent attraction and retention, responsible selection of customers and partners and environmental footprint.
- Individual performance shall be assessed not only on what is delivered but also on how it is delivered. The payout on financial targets shall be dependent on achievement of personal targets.
- It is a precondition for the payment of bonuses that the manager is employed and notice of termination of the employment has not been given by any party at the time of payment.
- Payment for achieved short-term incentives to Executive management shall be made annually on audited financial results after year-end.
- The Board may at any time waive the short-term incentives program to Executive management.

Business and individual goals and target-setting across Axactor shall be aligned annually with the overall strategy, budget, and predefined risk-adjusted criteria. The targets for the short-term incentives will hence be both absolute and relative financial and individual targets.

The individual targets may range from three to five personal targets, with weights ranging from 5-25% for each. The specific measures, targets and weightings may vary from year to year to align with Axactor’s strategy for each year. Executive management may in addition to the ordinary variable pay program also be granted a limited discretionary variable pay due to exceptional performance in case of initiatives that represents significant value for Axactor. The Board of Directors may grant the CEO a limited authorization to give such discretionary bonus for such initiatives.

The Board of Directors may also adjust targets and/or set different measures and weightings if the original targets or conditions are no longer appropriate, and that amendment is required so that the targets or conditions can meet the original purpose.

5.2.3 Long-term incentive plan

In order to ensure that the interests of the Executive management and shareholders coincide to a greater extent, and to ensure that key qualifications are retained in the company, a part of the incentive plan should be reflected in a share option program or program based on performance-based share units (PSU). Award of shares may be dependent on achieving specific targets and/or be linked to the company's share price.

The programs should contain clear binding guidelines related to among others vesting time, allocation- and exercise time. Vesting should normally be split up in at least three vesting periods after grant. Vesting should at least require that the holder of the rights is employed in the company. If the share settlement under a program is pending approval from the general meeting and the general meeting resolves not to renew the authority to issue shares or buy own shares, the Executive management participating in the program should be compensated according to further agreed terms determined by the Board of Directors. The programs should have a minimum duration (expiry) of approximately 5 years.

The Board of Directors may decide that specific terms shall apply for accelerated vesting or exercise as well as for adjustment of the incentive programs in the case of corporate activity e.g. a takeover in whole or in part, significant divestiture of activities, demerger, merger or other amalgamation of the company. The Board of Directors may also adjust the long-term incentive program(s) to allow for any changes to the company's capital structure or in the event of other material events provided this is in accordance with agreements entered and the authority given by the general meeting for the respective program.

Individual awards shall be determined by considering the overall performance, potential, competitiveness of the employment terms, position responsibility, need for retention, and the overall long-term organizational need.

5.2.4 Reclaiming variable pay - “clawback”

Remuneration based on variable pay granted or paid on facts that were self-evidently incorrect or as the result of misleading information supplied by the individual in question, or granted or paid despite involvement in illegal actions, may be reclaimed in full or in part. On similar grounds vested long-term incentive awards may be cancelled and unvested withdrawn.

5.2.5 Other benefits

The company may provide market competitive and cost-effective benefits such as

healthcare, life and accident insurance on customary terms, parking, support relocation. Company car benefits should in principle be avoided but may be granted due to contractual obligations or given special circumstances. Company paid benefits shall be set considering the wider workforce rate and market practice in the country in which the executive resides.

5.2.6 Work environment

Remuneration is just one factor to attract, retain, and engage highly motivated, competent, and performance-oriented people. Axactor shall also work continuously with the many non-financial elements to be an attractive place to work including succession planning, performance management and facilitate a positive, healthy, and non-discriminating work environment.

5.2.7 Recruitment

When new members to the Executive management is recruited the principles in this policy shall apply. However, the Board of Directors may grant an extraordinary bonus or other extraordinary incentives limited to an amount equal to 100 % of the individual's fixed base salary for the full calendar year, to compensate an individual for loss of incentive remuneration from a former employer or to buy out remuneration terms forfeited on leaving a previous employer. For internal promotions pre-existing arrangements may be honored.

6. Executive management contracts

Standard employment contracts aligned within applicable local law shall apply to Executive management regulating company customary benefits for employees and standard terms and conditions concerning salary, holidays, confidentiality, intellectual property rights, data privacy, conflict of interest, notice period from three to six months, non-compete and non-solicitation obligations up to twelve months.

Executive management should not receive any fee or other compensation for any director appointment on the board of subsidiaries within the group, only reimbursement of travel and other out-of-pocket expenses.

Executive management shall not be entitled to termination benefits other than ordinary pay during the agreed notice period.

If a member of Executive management waives the right to invoke the rules regarding dismissals, including the protection against dismissal without cause and the right to institute legal proceedings to challenge such dismissal, severance pay limited to six months, may be granted in exchange for such waiver. Such severance payments may be made up of salary, benefits and pension contributions and should reflect the notice period of the contract.

The Board of Directors are authorized to settle any claim with a member of the Executive management due to termination or change of employment provided that the

payment is made in good faith in discharge of an existing legal obligation or damages for breach of such an obligation. Any termination payments, including payment during the notice period, may not exceed a total value equivalent to 12 months' remuneration including fixed and variable elements.

7. Control and risk management

To secure transparency and to ensure that remuneration given each year are in line with this policy, details of measures and payments shall be outlined in the annual remuneration report in accordance with section 6-16b of the Norwegian public limited liability companies act as of 2022. Measures and payments to country managers shall not be included in the remuneration report. In addition to the control conducted by the Board of Directors, the company's auditor shall review the payments.

To ensure compliance with applicable international and local regulations, that risks are addressed properly and that the remuneration is aligned with the principles stated, an annual assessment shall be conducted by the Board's remuneration committee.

Risks shall further be addressed through the regular reviews of the remuneration structures, individual remuneration components, performance management, strategy, participants in variable remuneration plans and the potential size of potential awards.

Relevant control functions should be involved in and give input to the design of variable remuneration plans and associated processes.

8. Considerations towards employee's salaries and terms of employment

The employees are carrier of the corporate values and culture which is vital to Axactor's success. The concept of how to run a successful collection business is based on trust and respect for the individual. With the expertise and dedication of its employees, Axactor can meet stakeholder's expectations. Axactor shall strive to ensure that it remains an attractive workplace for its employees by providing challenging and meaningful work, by fostering a culture that empowers everyone to learn and grow and by offering fair remuneration practices. The company shall set clear expectations for its leaders to act as role models who promote the core values and inspire their employees to succeed by working with engagement.

Strategic goals, policies and processes coupled to recruiting, development and succession of employees shall be formulated at Group level. Compensation for next level senior executives and other managers and employees shall follow the same structure and performance measures applied to Executive management. However, employees within sales and operations may have other short-term incentives models customized to local operational needs as fit best to meet the company's strategic targets. These deviations shall be approved by the respective country manager in alignment with the group COO.

For all levels below Executive management, employees shall be entitled to fixed base salary and benefits, and may also receive a bonus, pension and other allowances which vary according to the local collective agreement, employment law and market practice. Axactor shall be a workplace with equal opportunities and prevent gender discrimination regarding salary, promotion and recruiting. The Board's remuneration committee shall review the overall remuneration principles applicable for the employees annually.

The grandfather principle shall apply for approvals of any remuneration granted or adjusted to prevent conflict of interest, ensure alignment with the company strategy and compliance with the remuneration policy. Directors or managers should never participate in decisions that could potentially create a conflict of interest between Axactor's interests and their own personal interests. All employees of Axactor must assess for themselves whether any conflicts of interest exist. If their case is not clear, or if somebody so requires, they must submit the question to their immediate superior.

9. Variations to the policy

If the principles in this policy conflict with local legislation, local legislation shall prevail.

The Board of Directors may make minor amendments to the remuneration policy set out above for regulatory, foreign exchange control, tax or administrative purposes or to take account of a change in legislation without obtaining approval from the general meeting of such amendment.

The Board of Directors may, in exceptional circumstances, and within the statutory limits, decide to temporarily derogate from the remuneration policy until a new remuneration policy is approved by the general meeting. Exceptional circumstances shall cover only situations in which the derogation from the remuneration policy is deemed critical to serve the interests and sustainability of Axactor as a whole or to assure its visibility. In the event of a derogation, the Board of Directors will present the derogation and propose a new policy to the general meeting as soon as reasonably possible where it will be subject to a binding approval vote. In situations where a derogation took place in accordance with the guidelines provided in this remuneration policy, the remuneration offered will be disclosed to the shareholders no later than at the next annual general meeting.

10. Approval and publication

This remuneration policy has been approved by the Board of Directors on 30 March 2022 and the annual general meeting on the 21 April 2022.

This remuneration policy shall be published on Axactor's website.