

Group Related Party Transactions Policy



REVISION HISTORY

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1. DEFINITIONS

Arm's length principle – means that transactions between Related Parties shall be agreed on the same terms and conditions as they would be between non-related Parties for comparable transactions.

Board – the Board of Directors, respectively the Management Board or the Supervisory Board (if any).

Compliance Function – function to assist the Business Unit in managing its compliance risk, which can be defined as the risk of legal or regulatory sanctions, financial loss, or loss of reputation a Business Unit may suffer as a result of its failure to comply with all applicable laws, regulations, codes of conduct and standards of good practice.

Directors/Managers – members of the Board of Directors, respectively of the Management Board and/or the Supervisory Board.

Finance Function – function to manage and report on activities and risks related to finance in the Business Unit.

Four eyes principle – means for B2Holding that key decisions must be taken by at least two independent executives or appropriate larger body (segregation of various functions, cross-checking, etc.).

Grandfather principle – means for B2Holding that key decisions must be taken with involvement of (or information to) relevant higher authority.

Immediate Family Member – a person's child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law and any person (other than a tenant or employee) sharing the household of such person.

Related Party – means:

1. a Director/Manager of B2Holding,
2. an executive officer of B2Holding,
3. a Shareholder owning in excess of 5% of B2Holding's outstanding common stock,
4. a person who is an Immediate Family Member of a Director/Manager (1.), an executive officer (2.) or a Shareholder (3.) of B2Holding, or
5. an entity that is owned or controlled by someone listed above, an entity in which someone listed above has a substantial ownership interest or control of the entity, or an entity in which someone listed above is an executive officer or holds a similar position.

Related Party Transaction – any transaction, arrangement or relationship or series of similar transactions, arrangements, or relationships in which B2Holding is a participant and any Related Party has or will have a direct or indirect interest.

2. INTRODUCTION

B2Holding ASA and its subsidiaries (jointly referred to as "**B2Holding**" or the "**Group**" and individually referred to as "**Business Unit**") understand and appreciate the risks associated to **Related Party Transactions** (referred to as "**Transactions**"), not only as they carry actual or potential risks of conflict of interest, but also as their misuse could result in corporate fraud and major financial and reputational damages for all parties involved.

3. PURPOSE, SCOPE AND APPLICATION

The Related Party Transactions Policy (referred to as the “**Policy**”) outlines the principles, the duty to notify and information to be provided, the review and assessment, the approval or ratification process, as well as the disclosure and reporting requirements applicable, across the Group, to all Related Party Transactions as defined herein.

This Policy, which shall be read in conjunction with the **Code of Conduct** and the **Group Conflict of Interests Policy** is covered by the Compliance Management System and more particularly by the Compliance Program.

4. B2HOLDING OBJECTIVES

With the implementation of this Policy, B2Holding aims to ensure that the local **Finance Functions**, the local **Compliance Functions**, the local **Boards**, and all **Related Parties** in the event where they are engaged in Related Party Transactions with B2Holding, are aware of, understand and comply with:

- The principles applicable to Related Party Transactions,
- The duty to notify and information to be provided to the local Finance Function and the local Compliance Function,
- The factors to be considered during the review and assessment,
- The approval and ratification process by the local Board and
- The disclosure and reporting requirements.

5. B2HOLDING PRINCIPLES

B2Holding’s guiding principles, which shall apply to all Related Party Transactions, are the following:

- The **Arm’s length principle**, which requires Related Party Transactions to have the same terms and conditions as the ones that would have been agreed between non-related Parties for comparable transactions,
- The **Four eyes principle**, which requires at least two independent executives or appropriate larger body to be involved in the assessment and the decision-making of Related Party Transactions, and
- The **Grandfather principle**, which requires higher authority to be involved or at least informed of the assessment and decision-making of Related Party Transactions.

6. NOTIFICATION, REVIEW, APPROVAL AND REPORTING PROCESS

All Related Party Transactions are subject to the process defined herein.

6.1. Notification and Information

If a Related Party or B2Holding is considering a transaction that could reasonably be a Related Party Transaction, the Related Party or B2Holding, as applicable, shall promptly notify the local Finance Function and the local Compliance Function, in order for them to review and assess the material facts of the Transaction and whether it would constitute a Related Party Transaction requiring approval or ratification.

In particular, the Related Party or B2Holding shall provide the local Finance Function and the local Compliance Function with the following information:

- When it comes to the Transaction:
 - a general description of the Transaction,
 - the material terms and conditions,
 - the benefit and purpose,
 - the total value,

- the pricing method used and the rationale,
- documented benchmarks/comparable pricing of similar/comparable transactions between non-related parties, where applicable,
- When it comes to the Related Party:
 - the identity/name of the Related Party,
 - the nature/basis on which such person or entity is a Related Party,
 - the Related Party's interest in the Transaction,
 - the Related Party's position or relationship with, or ownership of, any entity that is a party to or has an interest in the Transaction,
- Whether the proposed Transaction includes/may result in any potential reputational risk issues, and
- Any other relevant information regarding the Transaction or the Related Party.

6.2. Review and Assessment

Based on this information, the local Finance Function together with the local Compliance Function shall review and assess, among others, the following factors:

- Whether the terms and conditions of the Transaction are at Arm's length and fair to B2Holding,
- The nature and extent of the Related Party's interest in the Transaction,
- The material terms and conditions of the Transaction,
- The purpose and timing of the Transaction,
- The importance of the Transaction both to B2Holding and to the Related Party,
- In the case of a transaction involving a Director/Manager or an executive officer, whether the Transaction would interfere with the performance of such person's duties towards B2Holding, and
- The existence of a conflict of interests and if any, whether it can be sufficiently/appropriately mitigated and accepted. The assessment of potential conflicts of interests should be made following the **Group Conflict of Interests Policy**.

Should the local Compliance Function be in doubts, they should consult the Group Compliance Function, respectively should the local Finance Function be in doubts, they should consult the Group Finance Function.

Based on this review and assessment, the local Finance Function together with the local Compliance Function shall report the proposed Related Party Transaction together with all information/documentation, and make a recommendation to the local Board.

6.3. Approval or Ratification

Based on the recommendation of the local Finance Function together with the local Compliance Function, the local Board shall decide whether to approve, reject, amend or terminate the Related Party Transaction. The local Board shall inform the local Finance Function and the local Compliance Function of its decision.

If B2Holding or a Related Party becomes aware that any Related Party Transaction exists that has not been previously approved, it shall promptly inform the local Finance Function and the local Compliance Function and provide them with the necessary information outlined therein for consideration. The local Finance Function together with the local Compliance Function shall review and assess the Transaction in the light of the factors set out herein and make a recommendation to the local Board, which shall consider all options, including ratification, amendment, or termination of the Related Party Transaction. The local Board shall inform the local Finance Function and the local Compliance Function of its decision.

A Director/Manager shall not participate in any Related Party Transaction's review, assessment, recommendation, approval or ratification process for which he or she is a Related Party, except if requested to provide the material information concerning the Transaction at stake to the local Finance Function and the local Compliance Function, or to the local Board.

6.4. Disclosure and reporting

To the extent required, B2Holding shall ensure that the Related Party Transaction is disclosed in accordance with applicable laws and regulations.

The local Finance Function shall report all Transactions which amount exceeds EUR 10,000 to the Group Finance Function, in the Financial Reports. The Group Finance Function shall report the relevant Transactions in B2Holding ASA's annual- and half year financial Reports. Please refer to **Appendix 1 "B2Holding ASA - Related Party Transactions Standard"** for further details. Without undue delay, the local Finance Function shall provide the Group Finance Function with all supporting information/documentation on the assessment and approval.

The local Compliance Function shall report all Related Party Transactions which have been reviewed and assessed in the quarterly Compliance Reports. Without undue delay, the local Compliance Function shall provide the Group Compliance Function with all supporting information/documentation on the assessment and approval.

7. ROLES AND RESPONSIBILITIES

The Group Chief Financial Officer (CFO) together with the Group Chief Legal, Compliance and HR Officer (CLC & HRO) are the owners of this Policy.

Each local CEO is responsible for ensuring the local implementation and application of this Policy in its Business Unit.

8. REVIEW

To ensure continuing suitability, adequacy and effectiveness of this Policy, the Group CFO together with the Group CLC & HRO shall review, update and/or revise it, as appropriate, on a yearly basis.

9. APPENDIX

9.1. Appendix 1 – B2HOLDING ASA – Related Party Transactions Standard

1. INTRODUCTION

B2Holding ASA shall comply with the Norwegian laws and regulations concerning Related Party Transactions for listed companies in Norway. In order to ensure proper routines and transparency with respect to all aspects of such Transactions to the Board and the CEO of B2Holding ASA, it is important for B2Holding ASA to bring awareness of such rules and regulations to the board members/directors and employees of all Business Units. Therefore, a brief summary of the relevant rules, including the most important obligations, are set out below.

2. THE NORWEGIAN PUBLIC LIMITED LIABILITY COMPANIES ACT

As a Norwegian public limited liability company listed on the Oslo Stock Exchange, B2Holding ASA is subject to Sections 3-10 to 3-19 of the Norwegian Public Limited Liability Companies Act (the "**Public Companies Act Related Party Provisions**"). The Public Companies Act Related Party Provisions will apply to *material transactions* between B2Holding ASA and a *related party* and, to some extent, material transactions between B2Holding's subsidiaries and B2Holding ASA's related parties:

- **Material transaction:** For the purpose of the Public Companies Act Related Party Provisions, a transaction will be material if the consideration by B2Holding ASA (or the subsidiary, if applicable) has a fair value that exceeds 2.5% of the total assets in B2Holding ASA's latest approved financial statements. When assessing whether a transaction is material (i.e. exceeds 2.5% of the total assets), transactions entered into with the same related party during the same financial year shall be accumulated. The same applies for transactions entered into by another company in the Group or any entity that has determinative influence over B2Holding ASA or a subsidiary of such entity.
- **Related party:** For the purpose of the Public Companies Act Related Party Provisions, what constitutes as a related party is determined on the basis of the Norwegian accounting legislation and the international accounting standards implemented on the basis of the EU legislation (IAS 24). The definition of related parties is comprehensive and will, *inter alia*, include shareholders that represent 20% or more of the shares in B2Holding ASA, board members/directors and leading employees (senior executives) of B2Holding ASA as well as companies controlled by such persons or their close associates.

Transactions *between B2Holding ASA and a related party* that falls within the scope of the Public Companies Act Related Party Provisions are subject to several stringent procedural rules and must be approved by the general meeting of B2Holding ASA. Such procedural rules include:

- **Approval by the general meeting:** Material transactions between B2Holding ASA and a related party must be approved by the general meeting of B2Holding ASA. Any agreement that is subject to the Public Companies Act Related Party Provisions and which is entered into without approval from the general meeting is not binding for B2Holding ASA.
- **Statements of the Board:** The Board shall ensure that a report concerning the transaction, explaining *inter alia* the assumptions the transactions is based upon together with the methods used for valuation, is prepared by an independent auditor. In addition, the Board shall issue a statement assessing that i) the transaction is in the best interest of B2Holding ASA, ii) there is a fair balance between the value of the consideration to be paid by B2Holding ASA and the value of the consideration to be received by B2Holding ASA and iii) the requirement in the Public Companies Act section 3-4, saying that B2Holding ASA at all times shall have an equity and liquidity which is adequate in terms of the risk and scope of B2Holding ASA's business, will be fulfilled. Both the report and the

statement shall be enclosed to the notice to the general meeting and also be submitted to the Norwegian Register of Business Enterprises.

- **Public disclosure:** Material transactions with a related party shall be publicly disclosed by B2Holding ASA. The announcement shall as a minimum contain information regarding the nature of the relationship, the name of the related party, the date and the value of the transaction and other information necessary to assess whether or not the transaction is in B2Holding ASA's best interest and is fair and reasonable from the perspective of the shareholders who are not a related party. The announcement shall be published at B2Holding ASA's website or through the Oslo Stock Exchange information system, as soon as possible after the transaction has been concluded. In cases where a transaction is subject to the Public Companies Act Related Parties Provisions due to an accumulation of transactions (as described above), the announcement shall contain information regarding all the accumulated transactions, provided that such information has not already been disclosed in a previous announcement.

There are certain exemptions to the Public Companies Act Related Party Provisions, meaning that not all material transactions between B2Holding ASA and a related party will be subject to the procedural rules. These includes, but are not limited to:

- **Transactions entered into in B2Holding ASA's ordinary course of business and which are based on customary business terms and principles:** This implies that the transaction must be concluded on market terms and otherwise be fair and reasonable from the perspective of B2Holding ASA. The exemption will typically apply to transactions which, by B2Holding ASA's standards, are not of unusual kind or of major importance and which it is reasonable to assume that also would have been concluded regardless of the related party relationship. However, the Board shall for such transactions establish an internal procedure to periodically assess whether the conditions for the exemption are still fulfilled. If the conditions are no longer fulfilled, information about this shall be included in B2Holding ASA's annual- and half yearly financial report, cf. Sections 5-5 and 5-6 of the Norwegian Securities Trading Act. The transaction in question will, however, not have to be brought in consecutive compliance with the procedural rules of the Public Companies Act Related Party Provisions, except if additional related party transactions are concluded in that same year, cf. the accumulation requirement mentioned above.
- **Transactions having a fair value of less than NOK 250,000:** However, such transactions may nevertheless be comprised due to the accumulation requirement mentioned above.

The Public Companies Act Related Party Provisions also requires that B2Holding ASA publicly disclose material transactions concluded between B2Holding ASA's subsidiaries and related parties of B2Holding ASA:

- Such transactions will be material if the fair value for the subsidiary's consideration exceeds 2.5% of the total assets in B2Holding ASA's (parent) latest approved financial statements, and the accumulation requirement and the exemptions described above will apply accordingly.
- The announcement shall as a minimum contain information on the nature of the related party relationship, the name of the related party, the date and the value of the transaction and other information necessary to assess whether or not the transaction is in B2Holding ASA's best interest and is fair and reasonable from the perspective of B2Holding ASA's shareholders who are not a related party. The announcement shall be published at B2Holding ASA's website or through the Oslo Stock Exchange information system, as soon as possible after the transaction has been concluded.
- Although the Public Companies Act Related Party Provisions does not apply to B2Holding ASA's subsidiaries, the Board shall ensure that routines for reporting on related party transactions between the subsidiaries and Company's related parties are established. Further, the Board shall ensure compliance with relevant laws and regulations for

that particular subsidiary (i.e. the Norwegian Private Limited Liability Companies Act Section 3-8 for the Group's Norwegian subsidiaries).

3. OTHER RELEVANT LAWS AND REGULATIONS

Other relevant laws, regulations and codes relevant for B2Holding ASA with respect to related party transactions includes:

- **The Norwegian Corporate Governance Code** (the "**Code**"): According to the Code, for any not immaterial transactions between B2Holding ASA and shareholders, a shareholder's parent company, members of the Board, executive personnel, or close associates of any such parties, the Board shall arrange for a valuation to be obtained from an independent third party. The Code's requirements do not apply where the general meeting considers the transaction pursuant to the Public Companies Act Related Party Provisions described above. The Code's requirements will thus only be relevant if the transaction is below the threshold described above or falls within the scope of an exemption pursuant to the Public Companies Act Related Party Provisions, but is still considered not immaterial for either B2Holding ASA or the related party involved.
- **The Norwegian Accounting Act**: B2Holding ASA's financial statements shall include information on significant related parties transactions. Such information shall include the transaction amount, a description of the related party-relation and other information about the transaction that is necessary to understand the position of B2Holding ASA and the Group.
- **The Norwegian Securities Trading Act**: Related party transactions that falls outside the scope of the Public Companies Act Related Party Provisions may nevertheless constitute inside information. In such case it shall be handled and disclosed in accordance with the procedures described in the Norwegian Securities Trading Act and accompanying regulation, including B2Holding ASA's procedures for handling of inside information.