



Remuneration report 2021

B2HOLDING®

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1. Introduction

The Remuneration report provides a comprehensive overview of remuneration of executive management and Board of Directors in B2Holding ASA for the financial year 2021. B2Holding ASA (“the Company”) is the parent company of the B2Holding consolidated group of companies (together “the Group” or “B2Holding”).

In 2021, the business strategy set out in 2020 remained unchanged. The main pillars continue to be profitable growth through focused investments in core markets and strengthening the Group’s servicing capabilities through a focus on efficiency over footprint.

The Group achieved good performance in most markets in 2021, with visible improvements in those markets most affected by the first waves of the pandemic. The performance was driven by an overall improvement in economic activity in Europe together with improvements in the Group’s collection processes and increased use of data and analytics.

The Group’s focus on scalability and maintaining costs at a sustainable lower level continued, both through general cost discipline as well as via targeted optimization actions implemented in selected markets. The Group’s commitment to continuous innovation in strategy development, automation of contact channels and optimization of processes continued to deliver tangible results in terms of unsecured collection efficiency and effectiveness.

The Group recorded a full year operating profit of NOK 1,308 million for the year 2021, compared to NOK 1,224 million in 2020. The combination of lower investments and stable collection levels in the Group has resulted in a strengthened liquidity reserve, increased headroom to financial covenants and refinancing part of the debt. At the end of 2021, the Group has a healthier debt maturity profile and a more flexible capital structure.

Towards the end of the year, the Group observed increased activity in the European NPL markets and a greater supply of portfolios and continues to see a positive development in expected returns for new portfolio investments.

The 2021 Remuneration report is the first independent Remuneration report published by B2Holding.

Previously in B2Holding ASA, the remuneration for executive management and the Board of Directors (“the Board”) has been included in the Annual report. B2Holding has therefore not had any advisory vote on any previous remuneration report.

Please see www.b2holding.no/Governance/General-meetings/Remuneration-Policy for B2Holding ASA’s Remuneration policy. Find more details about B2Holding’s financial performance in the Annual report 2021.

1.1 Highlights summary

The Group has a target driven organization supported by a remuneration model based on various KPI’s.

The Remuneration Policy is a tool for the Board that shall contribute to Group profit and increased shareholder value by attracting, retaining, and developing qualified people with the right managerial and professional competencies. Remuneration includes all the instruments the Board, the organization and its managers have at hand and utilize, to encourage and reward performance.

The fundamental principle for determination of fixed remuneration (salary) and other elements of remunerations for the Management, is that the terms are to be competitive with terms in positions with similar responsibility, workload, and complexity in the local markets. The Group will adapt to the local market practices to the extent the Group find expedient.

The Remuneration Policy approved by the Annual General Meeting on 20 May 2021 will apply for all Managers and Directly Reporting Business Unit Managers, who are considered to constitute the senior executives or leading personnel in B2Holding. The Managers comprises the Chief Executive Officer and senior executive managers, and the Directly Reporting Business Units Managers means other managers employed by the group who report directly to the Chief Executive Officer.

There have been no deviations from the Remuneration policy during the financial year of 2021.

The remuneration of the Board of B2Holding ASA is decided by the Annual General Meeting based on a recommendation from the Nomination Committee.

1.2 Key facts and developments in performance and business environment

Considering the Covid-19 pandemic, 2021 was yet another extraordinary year for individuals, businesses and for society in general. The Group focused on effectiveness and efficiency during the pandemic and have sustained a lower cost base than before the Covid-19 break-out. This is also reflected in the remuneration development.

Development in remuneration of Board of Directors 2021

At the Annual General Meeting 20 May 2021, Thale Kuvås Solberg was elected (new) and Adele Bugge Norman Pran was re-elected as members of the Board of Directors until the Annual General Meeting in 2023, while Kari Skeidsvoll Moe had informed the Nomination Committee that she was not available for re-election after having served as board member in the first five years since the Company was listed on the Oslo Stock Exchange in 2016.

Total remuneration to Board members increased 6%

from 2020 to 2021. Please see Table 1 for a specification of remuneration of the individual Board members.

Development in remuneration of Executive Management

The composition of Group Executive Management was changed during Q4 2021, with a new employee Chief Investment Officer assuming duties in the Executive Management team. This was previously the responsibility of the Chief Risk Officer.

A study from 2020, comparing compensation and benefits for executive managers in the industry among peers in the Nordics, showed that the total compensation package B2Holding offers to their executive managers was in the lower end. As a result of this study, the Board approved an increase of the pension scheme to the executive managers employed in B2Holding ASA, valid from 1 March 2021.

See Table 2 for a specification of remuneration of the Executive Management for the financial year.

2. Remuneration of the Board of Directors

Table 1: Remuneration of Board of Directors expensed in the financial years 2020 and 2021

Board member	Directors Fee 2021	Directors Fee 2020
Harald L. Thorstein	818	467
- Chairman of the BoD		
Niklas Wiberg	300	315
Adele Bugge Norman Pran	377	340
Grethe Wittenberg Meier	329	300
Trond Kristian Andreasen	377	175
Trygve Lauvdal	347	175
Thale Kuvås Solberg	204	-
Kari Skeidsvoll Moe	125	315
Former members of the Board of Directors		623
Total fee to the Board of Directors, NOK'000s	2 876	2 710

Directors' fee includes any additional fees for members of Audit Committee and Remuneration Committee

The remuneration to the Board of Directors is set by the Annual General Meeting on a yearly basis for a period between two Annual General Meetings, usually in April or May, and the figures above are based on full calendar years.

3. Remuneration of Executive Management

Table 2: Remuneration of Executive Management for the reported financial years 2020 and 2021

NOK'000s	Year	Base salary ⁶⁾	Benefits ⁷⁾	Short term incentive ⁸⁾	Long term incentive ⁹⁾	Pension ¹⁰⁾	Total	Proportion of fixed and variable remuneration ¹¹⁾	
Executive management									
Erik Just Johnsen - Chief Executive Officer	2021	4 175	25	1 402	1 839	403	7 843	59%	41%
	2020	4 015	25	1 092	1 962	175	7 269	58%	42%
André Adolfsen ¹⁾ - Chief Financial Officer	2021	2 934	20	952	478	299	4 683	69%	31%
	2020	449	4	649	154	29	1 286	38%	62%
Cecilie Kjelland - Chief Legal and Compliance Officer	2021	2 560	24	863	401	278	4 126	69%	31%
	2020	2 326	26	772	124	175	3 423	74%	26%
Endre Solvin-Witzø ²⁾ - Chief Investment Officer	2021	676	4	312	289	65	1 345	55%	45%
	2020	NA	NA	NA	NA	NA	NA	NA	NA
Rasmus Hansson, - Head of Commercial Strategy and Investor Relations	2021	2 294	19	773	408	257	3 750	69%	31%
	2020	2 208	20	602	225	175	3 230	74%	26%
Jeremi Bobowski - Chief Risk Officer ³⁾	2021	2 519	403	817	439	167	4 345	71%	29%
	2020	2 489	467	649	287	169	4 062	77%	23%
Tore Krogstad - Head of Personnel, Improvement & Restructuring	2021	2 444	20	827	489	270	4 049	67%	33%
	2020	1 778	33	560	454	175	3 001	68%	32%
Adam Parfiniewicz - Head of Unsecured Asset Management	2021	2 806	226	898	506	286	4 722	70%	30%
	2020	2 607	-	1 058	334	-	3 999	65%	35%
George Christoforou - Head of Secured Asset Management ⁴⁾	2021	1 735	91	972	655	982	4 436	63%	37%
	2020	1 823	97	1 089	676	858	4 543	61%	39%
Maria Haddad - Head of Corporate Development ⁵⁾	2021	2 622	104	840	508	-	4 074	67%	33%
	2020	2 467	-	691	472	-	3 630	68%	32%
Executive management in total, NOK'000s	2021	24 764	935	8 655	6 013	3 008	43 376	66%	34%
	2020¹²⁾	20 162	672	7 162	4 689	1 757	34 442	66%	34%

1) André Adolfsen, took up the position as Chief Financial Officer with effect from 1 November 2020

2) Endre Solvin-Witzø, took up the position as Chief Investment Officer with effect from 10 October 2021

3) Employed in and remunerated by Ultimo Portfolio Investment S.A, Luxembourg

4) Employed in and remunerated by B2Kapital SA, Greece

5) Employed in and remunerated by Confirmacion de Solicitudes de Credito Verifica S.A, Spain

6) The agreed fixed base salary, and if applicable holiday allowance. No additional fees for participation in administrative, management or supervisory bodies have been paid

7) Include mainly telecom and insurance. A few executives also have company car and housing allowances

8) Yearly bonus awarded to the executive based on specific Group and individual targets. Provision for holiday allowance, if any, is not included. See section 5 for detailed information

9) Share option plan, see section 4 for detailed information

10) Contributions to pension funds for future pension pay-out

11) The proportion of fixed remuneration is calculated as (Base Salary + Benefits + Pension) divided by total remuneration multiplied by 100 %. The proportion of variable remuneration is calculated as (short term incentive + Long term incentive) divided by total remuneration multiplied by 100 %

12) Not including Johannes Raschke, who held the position as Chief Investment Officer until 11 November 2020 or J. Harald Henriksen who held the position as Chief Governance Officer and was member of the Executive Management Group until 19 February 2020

The total outcome of Variable remuneration for 2021, referred to as short term incentives in Table 2, was 99.4 % of Target.

Except for three executives specified in footnotes above, all executives have been employed by and remunerated by B2Holding ASA. None of the executives have

received remuneration from other companies in the B2Holding Group than where they were employed. 2021 is the first financial year the company issues a remuneration report, however 2020 is prepared based on the same principles.

Other benefits

B2Holding provides a limited number of benefits to the executive managers, including pension contribution and insurance schemes. One of the executive managers received temporary benefits in 2021 related to accommodation due to relocation to Norway.

- **Pension:** The executive managers participate in the company's defined contribution pension plans which are pension plans under which the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual, or voluntary basis. The contributions are recognised as employee benefit expense when they are due. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods, and therefore does not record a pension liability in the statement of financial position.
- **Insurances:** The executive managers participate in the company's insurance schemes, both statutory and company specific, on standard terms.

Loans

No loans or guarantees have been given to members of the Management, the Board of Directors, or other elected corporate bodies.

Early retirements or termination of working contract

The employment agreements of the CEO and the executive Management have a mutual 6-month period of notice from the last day of the month/the day in which the written notice is received by the other party. If the Company terminates the employment agreement, the CEO/Manager is entitled to ordinary salary and agreed benefits throughout the period of notice and the right to severance pay from the date of termination corresponding to 12 months' base salary without the addition of holiday pay and other benefits (such as pension costs, car schemes, telephone etc.).

For the CEO the severance is paid in 12 monthly rates starting from the time of ended 6-month notice period.

Same for Management, but there is an option that it could instead be paid in one total amount at the time of ended 6-months' notice period. The right to severance pay is conditional upon the CEO/Manager not committing a serious breach of duty or other material breach of his/her duties.

4. Long term incentive: Share option plan

To promote long-term value creation, create a strong common interest between shareholders and senior executives, and create a strong retention element that enables B2Holding to retain the best leaders, senior executives will be rewarded to participate in a long-term incentive program (LTIP).

The intention is to grant new share options on an annual basis, awarded on the same date unless in the opinion of the Board there are circumstances that should indicate otherwise. The Board shall on an individual basis consider and determine the number of share options, if any, to be granted to each share option candidate that year. When making its decision, the Board shall inter alia take into consideration the potential impact the option candidate may have on the value creation for the shareholders and the Group's earnings performance over time.

The Board will not in any single calendar year grant share options representing in total more than 0.75% of the share capital of B2Holding ASA as at the date of the Annual General Meeting in that year.

Granted share options shall vest with one-third on each of the first, second and third anniversary of the grant unless otherwise resolved by the Board. The share options shall expire no later than on the fifth anniversary of the grant.

Please refer to Table 3 for a specification of share options awarded or due to the Executive Management.

Table 3: Share options awarded or due to the Executive Management for the financial year

The main conditions of share option plans						Information regarding the reported financial year				
						Opening balance	During the year		Closing balance	
Name of Director, position	Specification of plan	Performance period	Award date	Exercise period	Strike price of the share	Share options awarded at the beginning of the year	Share options awarded	Share options vested	Share options awarded and unvested	Share options subject to a holding period
Erik Just Johnsen Chief Executive Officer	Share option program June 2019	25.06.2019 - 25.06.2022	25/06/2019	25.06.2020 - 25.06.2024	9.990	90 000		90 000		90 000
				25.06.2021 - 25.06.2024	9.990	90 000		90 000		
				25.06.2022 - 25.06.2024	9.990	90 000		90 000		
	Share option program February 2020	04.02.2020 - 25.06.2023	04/02/2020	25.06.2021 - 25.06.2024	8.887	700 000		700 000		700 000
				25.06.2022 - 25.06.2024	8.576	700 000		700 000		
				25.06.2023 - 25.06.2024	8.576	700 000		700 000		
Long term incentive program June 2021	30.06.2021 - 30.06.2024	30/06/2021	30.06.2022 - 30.06.2026	10.080		86 666		86 666	86 666	
			30.06.2023 - 30.06.2026	10.080		86 667		86 667	86 667	
			30.06.2024 - 30.06.2026	10.080		86 667		86 667	86 667	
André Adolfsen Chief Financial Officer	Share option program June 2020	01.07.2020 - 30.06.2023	01/07/2020	30.06.2021 - 30.06.2025	4.4183	166 666		166 666		166 666
				30.06.2022 - 30.06.2025	4.4183	166 667		166 667		
				30.06.2023 - 30.06.2025	4.4183	166 667		166 667		
	Long term incentive program June 2021	30.06.2021 - 30.06.2024	30/06/2021	30.06.2022 - 30.06.2026	10.080		80 000		80 000	80 000
				30.06.2023 - 30.06.2026	10.080		80 000		80 000	80 000
				30.06.2024 - 30.06.2026	10.080		80 000		80 000	80 000
Cecilie Kjelland Chief Legal & Compliance Officer	Share option program June 2020	01.07.2020 - 30.06.2023	01/07/2020	30.06.2021 - 30.06.2025	4.4183	133 333		133 333		133 333
				30.06.2022 - 30.06.2025	4.4183	133 333		133 333		
				30.06.2023 - 30.06.2025	4.4183	133 334		133 334		
	Long term incentive program June 2021	30.06.2021 - 30.06.2024	30/06/2021	30.06.2022 - 30.06.2026	10.080		70 000		70 000	70 000
				30.06.2023 - 30.06.2026	10.080		70 000		70 000	70 000
				30.06.2024 - 30.06.2026	10.080		70 000		70 000	70 000
Endre Solvin-Witzø Chief Investment Officer	Long term incentive program September 2021	30.09.2021 - 30.06.2024	30/09/2021	30.06.2022 - 30.06.2026	10.080		150 000		150 000	150 000
				30.06.2023 - 30.06.2026	10.080		150 000		150 000	150 000
				30.06.2024 - 30.06.2026	10.080		150 000		150 000	150 000
Rasmus Hansson Head of Commercial Strategy and Investor Relations	Share option program June 2019	25.06.2019 - 25.06.2022	25/06/2019	25.06.2020 - 25.06.2024	9.990	63 333		63 333		63 333
				25.06.2021 - 25.06.2024	9.990	63 333		63 333		
				25.06.2022 - 25.06.2024	9.990	63 334		63 334		
	Share option program June 2020	01.07.2020 - 30.06.2023	01/07/2020	30.06.2021 - 30.06.2025	4.4183	83 333		83 333		83 333
				30.06.2022 - 30.06.2025	4.4183	83 333		83 333		
				30.06.2023 - 30.06.2025	4.4183	83 334		83 334		
Long term incentive program June 2021	30.06.2021 - 30.06.2024	30/06/2021	30.06.2022 - 30.06.2026	10.080		70 000		70 000	70 000	
			30.06.2023 - 30.06.2026	10.080		70 000		70 000	70 000	
			30.06.2024 - 30.06.2026	10.080		70 000		70 000	70 000	
Jeremy Bobowski Chief Risk Officer	Share option program June 2019	25.06.2019 - 25.06.2022	25/06/2019	25.06.2020 - 25.06.2024	9.990	90 000		90 000		90 000
				25.06.2021 - 25.06.2024	9.990	90 000		90 000		
				25.06.2022 - 25.06.2024	9.990	90 000		90 000		
	Share option program June 2020	01.07.2020 - 30.06.2023	01/07/2020	30.06.2021 - 30.06.2025	4.4183	83 333		83 333		83 333
				30.06.2022 - 30.06.2025	4.4183	83 333		83 333		
				30.06.2023 - 30.06.2025	4.4183	83 334		83 334		
Long term incentive program June 2021	30.06.2021 - 30.06.2024	30/06/2021	30.06.2022 - 30.06.2026	10.080		70 000		70 000	70 000	
			30.06.2023 - 30.06.2026	10.080		70 000		70 000	70 000	
			30.06.2024 - 30.06.2026	10.080		70 000		70 000	70 000	
Tore Krogstad Head of Personnel, Improvement & Restructuring	Share option program April 2018	01.04.2018 - 01.04.2021	01/04/2018	01.04.2019 - 31.12.2021	19.700	150 000		150 000		150 000
				01.04.2020 - 31.12.2021	21.200	150 000		150 000		
				01.04.2021 - 31.12.2021	22.850	150 000		150 000		
	Share option program June 2019	25.06.2019 - 25.06.2022	25/06/2019	25.06.2020 - 25.06.2024	9.990	90 000		90 000		90 000
				25.06.2021 - 25.06.2024	9.990	90 000		90 000		
				25.06.2022 - 25.06.2024	9.990	90 000		90 000		
Share option program June 2020	01.07.2020 - 30.06.2023	01/07/2020	30.06.2021 - 30.06.2025	4.4183	100 000		100 000		100 000	
			30.06.2022 - 30.06.2025	4.4183	100 000		100 000			
			30.06.2023 - 30.06.2025	4.4183	100 000		100 000			
Long term incentive program June 2021	30.06.2021 - 30.06.2024	30/06/2021	30.06.2022 - 30.06.2026	10.080		70 000		70 000	70 000	
			30.06.2023 - 30.06.2026	10.080		70 000		70 000	70 000	
			30.06.2024 - 30.06.2026	10.080		70 000		70 000	70 000	
Adam Parfiniewicz Head of Unsecured Asset Management	Share option program June 2019	25.06.2019 - 25.06.2022	25/06/2019	25.06.2020 - 25.06.2024	9.990	90 000		90 000		90 000
				25.06.2021 - 25.06.2024	9.990	90 000		90 000		
				25.06.2022 - 25.06.2024	9.990	90 000		90 000		
	Share option program June 2020	01.07.2020 - 30.06.2023	01/07/2020	30.06.2021 - 30.06.2025	4.4183	133 333		133 333		133 333
				30.06.2022 - 30.06.2025	4.4183	133 333		133 333		
				30.06.2023 - 30.06.2025	4.4183	133 334		133 334		
Long term incentive program June 2021	30.06.2021 - 30.06.2024	30/06/2021	30.06.2022 - 30.06.2026	10.080		70 000		70 000	70 000	
			30.06.2023 - 30.06.2026	10.080		70 000		70 000	70 000	
			30.06.2024 - 30.06.2026	10.080		70 000		70 000	70 000	

Table 3, continued: Share options awarded or due to the Executive Management for the financial year

The main conditions of share option plans						Information regarding the reported financial year				
						Opening balance	During the year		Closing balance	
Name of Director, position	Specification of plan	Performance period	Award date	Exercise period	Strike price of the share	Share options awarded at the beginning of the year	Share options awarded	Share options vested	Share options awarded and unvested	Share options subject to a holding period
George Cristoforou Head of Secured Asset Management	Share option program September 2018	01.09.2018 - 01.09.2021	01/09/2018	01.09.2019 - 31.12.2021	16.860	150 000		150 000		150 000
				01.09.2020 - 31.12.2021	18.170	150 000		150 000		150 000
				01.09.2021 - 31.12.2021	19.580	150 000		150 000		150 000
	Share option program June 2019	25.06.2019 - 25.06.2022	25/06/2019	25.06.2020 - 25.06.2024	9.990	90 000		90 000		90 000
				25.06.2021 - 25.06.2024	9.990	90 000		90 000		90 000
				25.06.2022 - 25.06.2024	9.990	90 000		90 000		90 000
	Share option program June 2020	01.07.2020 - 30.06.2023	01/07/2020	30.06.2021 - 30.06.2025	4.4183	133 333		133 333		133 333
				30.06.2022 - 30.06.2025	4.4183	133 333		133 333		133 333
				30.06.2023 - 30.06.2025	4.4183	133 334		133 334		133 334
	Long term incentive program June 2021	30.06.2021 - 30.06.2024	30/06/2021	30.06.2022 - 30.06.2026	10.080		80 000		80 000	80 000
				30.06.2023 - 30.06.2026	10.080		80 000		80 000	80 000
				30.06.2024 - 30.06.2026	10.080		80 000		80 000	80 000
Maria Haddad Head of Corporate Development	Share option program October 2018	01.10.2018 - 01.10.2021	01/10/2018	01.10.2019 - 31.12.2021	14.620	150 000		150 000		150 000
				01.10.2020 - 31.12.2021	15.770	150 000		150 000		150 000
				01.10.2021 - 31.12.2021	16.990	150 000		150 000		150 000
	Share option program June 2019	25.06.2019 - 25.06.2022	25/06/2019	25.06.2020 - 25.06.2024	9.990	90 000		90 000		90 000
				25.06.2021 - 25.06.2024	9.990	90 000		90 000		90 000
				25.06.2022 - 25.06.2024	9.990	90 000		90 000		90 000
	Share option program June 2020	01.07.2020 - 30.06.2023	01/07/2020	30.06.2021 - 30.06.2025	4.4183	83 333		83 333		83 333
				30.06.2022 - 30.06.2025	4.4183	83 333		83 333		83 333
				30.06.2023 - 30.06.2025	4.4183	83 334		83 334		83 334
	Long term incentive program June 2021	30.06.2021 - 30.06.2024	30/06/2021	30.06.2022 - 30.06.2026	10.080		70 000		70 000	70 000
				30.06.2023 - 30.06.2026	10.080		70 000		70 000	70 000
				30.06.2024 - 30.06.2026	10.080		70 000		70 000	70 000
						8 010 000	2 450 000	4 173 330	6 286 670	10 460 000

The recognised expense related to the share option plan are included in Table 2 in column "Long term incentive".

5. Right to reclaim

The Board has considered it inappropriate to practice a general right to demand the repayment of any performance-related remuneration of granted variable remuneration for a single year unless when follows by regulations. In addition to financial targets, the senior executive's performance related key performance indicators for 2021, include certain non-financial sustainability targets as such measures are considered strategically important for the Company and for its shareholders.

6. Remuneration policy and weighting of performance criteria

All Managers subject to the Reward Policy are eligible for a variable remuneration (annual bonus) subject to achievement of a pre-agreed set of targets. The annual variable remuneration is established to incentivise the executive managers to deliver on the annual strategic objectives. Performance level related to the set of targets will be the criterion determining the size of the annual

bonus. The target structure will comprise of Group targets, Business Unit targets and individual targets when appropriate.

A target level expressed with a maximum of 35 % of fixed remuneration (fixed base salary), will be defined for each executive manager and for manager subject to the Reward Policy. Determination of the targets for local managers will be based on local market standard for each individual managerial position.

For 2021, there was not paid any annual bonus for 2021 other than of the Variable remuneration model described below. All variable remunerations are on a yearly incentive basis. Predetermined and measurable criteria are fixed for the bonus year and adopted to the situation.

6.1 Group targets (weight 60 %)

Group targets, set by and approved by the Board, was for 2021 related to both financial and non-financial objectives reflecting the strategy and being revised annually. The main objectives used in 2021 was related to financial objectives like EBIT after cost of capital (weighted 30 %), Cash ROIC (15 %) and collection performance (10 %), and non-financial objectives

related to strengthening the Groups work within the area of sustainability and ESG rating (5 %). The outcome of the objectives for 2021 was 93 % for the collection performance and 100 % for the other objectives.

The main objectives (KPIs) and their achievements for 2021 is described below:

- **EBIT after Cost of Capital:** Strong collections and low operating costs led to performance well ahead of Target
- **Cash ROIC:** Strong cash generation following higher than expected collections and sustained low cost base
- **Portfolio performance:** Unsecured performance maintained in line with the curves during the year despite the challenging economic conditions and the various waves of Covid
- **ESG:** Sustainability Awarded best in industry rating and in the top 1 % of rated companies globally by Sustainalytics ESG Rating of 9.3 «Negligible Risk»

Based on these results, the total outcome of the Group Targets was 99 % for the financial year 2021.

6.2 Individual targets (weight 40 %)

The Board has set the variable remuneration targets for the CEO weighting 40 %. The Board has furthermore decided the overall bonus level for the other executive managers following a recommendation of the CEO. The target structure for the Group CEO and the direct reporting managers will include 2-3 independent components.

Individual targets (weight 40 %) are decided and assessed by the CEO and reflect the annual objectives for each individual executive manager and is not directly reflected in the common Group targets. The individual objectives for the key executives will vary significantly depending on their function and responsibilities, but all have a common goal that they will incentivize the individual functional manager to deliver on the company's strategic goals and direction.

The outcome of the individual performance assessments of the predetermined set of operational- and functional criteria adopted to the situation for 2021, is set to target and the total amount of variable remuneration per position for 2021 is reflected in Table 2 and Table 4.

Table 4: Performance of Executive Management in the reported financial year

Name of director and position	Description of the performance criteria and type of applicable remuneration	Relative weighting of the performance criteria	Information on Performance Targets	
			Maximum award	Actual award outcome
Erik Just Johnsen Chief Executive Officer	Group financial KPI's	60%	846 027	837 567
	Individual KPI's	40%	564 018	564 018
André Adolfsen Chief Financial Officer	Group financial KPI's	60%	574 865	569 116
	Individual KPI's	40%	383 243	383 243
Cecilie Kjelland Chief Legal and Compliance Officer	Group financial KPI's	60%	520 632	515 426
	Individual KPI's	40%	347 088	347 088
Endre Solvin-Witzø Chief Investment Officer (from 10 October 2021)	Group financial KPI's	60%	188 300	186 417
	Individual KPI's	40%	125 533	125 533
Rasmus Hansson, Head of Commercial Strategy and Investor Relations	Group financial KPI's	60%	466 400	461 736
	Individual KPI's	40%	310 933	310 933
Jeremi Bobowski Chief Risk Officer	Group financial KPI's	60%	485 150	480 299
	Individual KPI's	40%	323 434	323 434
Tore Krogstad Head of Personnel, Improvement & Restructuring	Group financial KPI's	60%	498 939	493 950
	Individual KPI's	40%	332 626	332 626
Adam Parfiniewicz Head of Unsecured Asset Management	Group financial KPI's	60%	542 325	536 902
	Individual KPI's	40%	361 550	361 550
George Christoforou Head of Secured Asset Management	Group financial KPI's	60%	577 500	571 725
	Individual KPI's	40%	385 000	385 000
Maria Haddad Head of Corporate Development	Group financial KPI's	60%	498 939	493 950
	Individual KPI's	40%	332 626	332 626

There has been no deviation from the Remuneration Policy in the 2021 remuneration for Executive Management.

7. Comparative information on the change of remuneration and company performance

Table 5: Comparative table over the remuneration and company performance over the last five reported financial years

Annual change in remuneration of Executives and average change in remuneration of average FTEs ex Executives						Total remuneration¹⁾ FY 2021, NOK'000s
NOK'000s except otherwise stated						
	2017 vs. 2016	2018 vs. 2017	2019 vs. 2018	2020 vs. 2019	2021 vs. 2020	
Executive Manager						
Erik Just Johnsen, Chief Executive Officer ²⁾	1 359 58%	-91 -2%	445 12%	3 231 80%	574 8%	7 843
Andre Adolfsen, Chief Financial Officer	NA NA	NA NA	NA NA	NA NA	1 166 33%	4 683
Cecilie Kjelland, Chief Legal and Compliance Officer	NA NA	NA NA	NA NA	931 37%	702 21%	4 126
Endre Sovin-Witzøe, Chief Investment Officer	NA NA	NA NA	NA NA	NA NA	NA NA	3 543
Rasmus Hansson, Head of Commercial Strategy and Investor relations	-11 0%	3 0%	96 3%	381 13%	520 16%	3 750
Jeremi Bobowski, Chief Risk Officer	-3 649 -56%	406 14%	-86 -3%	824 25%	284 7%	4 345
Tore Krogstad, Head of Personnel, Improvement & Restructuring	NA NA	NA NA	392 15%	49 2%	1 049 35%	4 049
Adam Parfiniewicz, Group Head of Unsecured Asset Management	NA NA	1 185 66%	-239 -8%	1 251 46%	723 18%	4 722
George Christoforou, Head of Secured Asset Management	NA NA	NA NA	1 380 58%	792 21%	-107 -2%	4 436
Maria Haddad, Head of Corporate Development	NA NA	NA NA	1 355 82%	622 21%	444 12%	4 074
Group performance						
Net profit / (loss)	283 056	167 501	-541 581	201 400	264 070	572 621
Change in %	143%	35%	-83%	188%	86%	
ESG Rating Improvement						yes
Average remuneration on a full-time equivalent basis of employees						
Change average remuneration of FTEs ex Group Executives	-2	33	34	29	23	305
Change in average remuneration, %	-1%	18%	15%	11%	8%	

1) The base salary and pension expense included in total remuneration are annualised for key managers starting during a financial year.

2) Erik Just Johnsen took up the position as Chief Executive Officer with permanent effect from 5 February 2020, after having the position as interim CEO from 15 August 2019. Until 1 November 2020 he also held the position as Chief Financial Officer, which he held from 16 January 2017. In 2016 he had the role as Chief Group Controller. No adjustments/annualization of the actual remuneration for the individual years have been made.

8. Governance

The Board has the overall responsibility for reviewing the Remuneration Report. The Remuneration Committee is a sub-committee of the Board reviewing and proposing changes to the Remuneration Report.

9. Authorisation for the Board

In accordance with Section 6-16a of the Norwegian Public Limited Liability Companies Act, the Board is authorised to approve temporary deviations from the Remuneration Policy on any element of remuneration described in this Policy.

Deviations shall be considered by the Remuneration Committee and shall be presented to the Board for approval. Deviations may only be made in specific cases if there are special reasons outside of normal business

that make it necessary to increase reward to help secure the Company's long-term interests, financial viability and/or sustainability by recognising exceptional contributions.

In 2021, B2Holding's remuneration of the CEO, the executive managers and other senior managers have been in accordance with the Remuneration Policy and related guidelines.

The Board has as of today approved the report for remuneration to senior executives of B2Holding ASA for the financial year 2021. The report has been prepared in accordance with § 6-16 b) of the Public Limited Liability Companies Act and regulations issued pursuant to this provision. The remuneration report will be presented to the Annual General meeting on 24 May 2022 for an advisory vote.

Oslo, 28 April 2022

/sign/
Harald Thorstein
Chair of the Board

/sign/
Adele Bugge Norman Pran
Board Member

/sign/
Niklas Wiberg
Board Member

/sign/
Trond Kristian Andreassen
Board Member

/sign/
Trygve Lauvdal
Board Member

/sign/
Thale Kuvås Solberg
Board Member

/sign/
Grethe Wittenberg Meier
Board Member

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON REMUNERATION REPORT

To the General Meeting of B2Holding ASA

Opinion

We have performed an assurance engagement to obtain reasonable assurance that B2Holding ASA's report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2021 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

Our independence and quality control

We are independent of the company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. Our firm applies International Standard on Quality Control 1 (ISQC 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 28 April 2022
ERNST & YOUNG AS

The auditor's assurance report is signed electronically

Kjetil Rimstad
State Authorised Public Accountant (Norway)

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