

## KID ASA

*In case of discrepancy between the Norwegian and the English text, the Norwegian text shall prevail*

### Innkalling til ordinær generalforsamling

Det innkalles herved til ordinær generalforsamling i Kid ASA ("**Selskapet**") torsdag den 27. mai 2021 kl. 14:00 i Selskapets lokaler i Gilhusveien 1 i Lier kommune, Norge.

Møtet vil bli åpnet av styrets leder Petter Schouw-Hansen.

### Notice of annual general meeting

Notice is hereby served that the annual general meeting of Kid ASA (the "**Company**") will be held on Thursday 27<sup>th</sup> May 2021 at 14:00 hours at the Company's headquarters at Gilhusveien 1 in Lier, Norway.

The meeting will be opened by the chairman of the board Petter Schouw-Hansen.

**Grunnet COVID-19-pandemien har norske helsemyndigheter innført strenge smitteverntiltak som blant annet innebærer at personer skal holde fysisk avstand til hverandre. Selskapets aksjonærer anmodes om å avstå fra fysisk oppmøte og isteden benytte muligheten til å avgi forhåndsstemme eller fullmakt, slik beskrevet i innkallingen. Generalforsamlingen vil bli gjennomført uten utdypende kommentarer til de ulike sakene som foreligger til behandling, og deltakelse fra Selskapets styre og ledelse vil være begrenset til et minimum. Det vil ikke være servering. Selskapet følger de til enhver tid gjeldende anbefalinger fra helsemyndighetene.**

**In response to the COVID-19 pandemic, the Norwegian health authorities have introduced strict infection control measures, including that individuals must maintain a certain physical distance from one another. The Company's shareholders are requested to refrain from physical attendance and instead vote in advance or by proxy as described below. The annual general meeting will be held without additional comments on the various agenda items, and the participation of the Company's board of directors and management will be kept to a minimum. No food or beverages will be served. The Company is following the recommendations issued by the health authorities on an ongoing basis.**

#### Dagsorden:

1. Valg av møteleder og en person til å medundertegne protokollen
2. Godkjenning av innkallingen og dagsorden
3. Godkjenning av årsregnskap og styrets årsberetning for Kid ASA og konsernet for 2020, herunder disponering av årets resultat, samt behandling av redegjørelse om foretaksstyring
4. Fullmakt til å beslutte utdeling av utbytte
5. Fastsettelse av honorar til styrets medlemmer
6. Godkjenning av honorar til Selskapets revisor

#### Agenda:

1. Election of a chairperson and a person to co-sign the minutes
2. Approval of the notice and the agenda
3. Approval of the annual accounts and directors' report of Kid ASA and the group for 2020, including allocation of the result of the year, as well as consideration of the statement on corporate governance
4. Authority to approve the distribution of dividends
5. Determination of the remuneration of the members of the board of directors
6. Approval of the remuneration of the Company's auditor

7. Valg av medlemmer til styret
8. Fastsettelse av honorar til valgkomitéens medlemmer
9. Godkjenning av nye retningslinjer for godtgjørelse til ledende personer
10. Styrefullmakt til kapitalforhøyelse
11. Styrefullmakt til erverv av Selskapets egne aksjer

Forslag til vedtak i sak 3 - 11 fremgår av Vedlegg 1.

Kid ASA har en aksjekapital på NOK 48 774 194,40 fordelt på 40 645 162 aksjer, hver med pålydende verdi NOK 1,2. Hver aksje gir rett til én stemme på Selskapets generalforsamlinger. Kid ASA eier ingen egne aksjer.

Aksjeeierne har følgende rettigheter i forbindelse med generalforsamlingen:

- Rett til å møte i generalforsamlingen, enten personlig eller ved fullmektig.
- Talerett på generalforsamlingen.
- Rett til å ta med én rådgiver og gi denne talerett.
- Rett til å kreve opplysninger av styrets medlemmer og administrerende direktør om forhold som kan innvirke på bedømmelsen av (i) godkjenningen av årsregnskapet og årsberetningen, (ii) saker som er forelagt aksjeeierne til avgjørelse og (iii) Selskapets økonomiske stilling, herunder om virksomheten i andre selskaper som Selskapet deltar i, og andre saker som generalforsamlingen skal behandle, med mindre de opplysninger som kreves, ikke kan gis uten uforholdsmessig skade for Selskapet.
- Rett til å få fremsette alternativer til styrets forslag under de saker generalforsamlingen skal behandle.

Aksjonærer som ønsker å delta i generalforsamlingen enten personlig eller via fullmektig må sende inn påmeldingsskjema (Vedlegg 2) til Selskapet slik at Selskapet har påmeldingen i hende

7. Election of members to the board of directors
8. Determination of the remuneration of the members of the nomination committee
9. Approval of new guidelines regarding remuneration for senior executives
10. Board authorisation to increase the share capital
11. Board authorisation for the acquisition of the Company's own shares

Proposals for resolutions under items 3 - 11 are set out in Appendix 1.

Kid ASA has a share capital of NOK 48,774,194.40 divided into 40,645,162 shares, each with a nominal value of NOK 1.2. Each share carries one vote at the Company's general meetings. Kid ASA does not hold any treasury shares.

The shareholders have the following rights in respect of the general meeting:

- The right to attend the general meeting, either in person or by proxy.
- The right to speak at the general meeting.
- The right to be accompanied by an advisor at the general meeting and to give such advisor the right to speak.
- The right to require information from the members of the board of directors and the chief executive officer about matters which may affect the assessment of (i) the approval of the annual accounts and directors' report, (ii) items which have been presented to the shareholders for decision and (iii) the Company's financial position, including information about activities in other companies in which the Company participates and other business to be transacted at the general meeting, unless the information demanded cannot be disclosed without causing disproportionate harm to the Company.
- The right to present alternatives to the board's proposals in respect of matters on the agenda at the general meeting.

Shareholders who wish to attend the general meeting either in person or by proxy must return the enclosed attendance form (Appendix 2) to the Company in time to be received by the Company no

senest 22. mai 2021. I henhold til vedtektenes § 7 kan aksjeeiere som ikke er påmeldt innen fristens utløp, nektes adgang til generalforsamlingen.

Påmelding kan også skje elektronisk via VPS Investortjenester eller på <http://investor.kid.no>

Dersom aksjer er registrert i VPS gjennom en forvalter, jf. allmennaksjeloven § 4-10, og den reelle aksjeeieren ønsker å delta i generalforsamlingen, personlig eller ved fullmakt, må den reelle aksjeeieren overføre aksjene til en VPS-konto i den reelle aksjeeierens navn forut for generalforsamlingsdagen.

Aksjonærer har rett til å møte og stemme ved fullmektig. Det må i så tilfelle fremlegges en skriftlig og datert fullmakt. Vedlagte fullmaktsskjema (Vedlegg 3) kan benyttes.

Det gjøres oppmerksom på at fullmakt uten stemmeinstruks kan utløse flaggeplikt etter norsk rett. Innehav av en stemmefullmakt uten stemmeinstruks likestilles etter verdipapirhandelloven § 4-2 tredje ledd med eierskap av aksjer eller rettigheter til aksjer. Dette betyr at fullmektigen vil ha plikt til å flagge fullmaktene dersom disse gjelder et antall aksjer som (sammen med fullmektigens eventuelle egne aksjer eller rettigheter til aksjer) når opp til eller overstiger tersklene for flaggeplikt i verdipapirhandelloven § 4-2 annet ledd.

Dersom det foreslåtte utbyttet blir vedtatt vil aksjen handles eks. utbytte på Oslo Børs fra og med 28. mai 2021. Utbetaling av utbytte vil finne sted 9. juni 2021.

Denne innkallingen med vedlegg er tilgjengelig på Selskapets internettside <http://investor.kid.no>.

I tråd med vedtektene § 7 sendes ikke vedleggene til innkallingen med post til aksjonærene. Enhver aksjonær kan dog kreve at vedleggene sendes vederlagsfritt til vedkommende med post. Dersom en aksjeeier ønsker å få tilsendt dokumentene, kan henvendelse rettes til Selskapet på telefon: 940 26 000, eller ved å sende en forespørsel pr e-post til [investor@kid.no](mailto:investor@kid.no).

later than 22 May 2021. In accordance with section 7 of the articles of association, shareholders who do not notify their deadline within this deadline may be denied access to the general meeting.

Notice of attendance may also be given electronically via VPS Investor Services or <http://investor.kid.no>

If the shares are held through a nominee, cf. the Norwegian Public Limited Liability Companies Act Section 4-10, and the beneficial owner wishes to attend the general meeting, whether in person or by proxy, the beneficial owner must transfer the shares to a VPS account in the name of the beneficial owner prior to the date of the general meeting.

Shareholders may appoint a proxy to attend and vote on their behalf. In this case a written and dated proxy must be provided. The enclosed proxy form (Appendix 3) may be used.

Please note that proxies without voting instructions may trigger disclosure requirements under Norwegian law. Under the Norwegian Securities Trading Act section 4-2 third paragraph the possession of a proxy without voting instructions is considered equal to ownership of shares or rights to shares. This means that a proxy is required to disclose the proxies if the number of shares to which they relate (together with any shares or rights to shares held by the proxy) reaches or exceeds the disclosure thresholds under the Norwegian Securities Trading Act section 4-2 second paragraph.

If the proposed dividend is approved the shares will trade ex. dividends on Oslo Børs from and including 28 May 2021. Payment of the dividend will be made on 9 June 2021.

This notice and the appendices are available on the Company's web pages in <http://investor.kid.no>.

In accordance with § 7 of the Company's articles of association, the appendices to the notice will not be sent by post to the shareholders. A shareholder may nonetheless demand to be sent the appendices by post free of charge. If a shareholder wishes to have the documents sent to him, such request can be addressed to the Company by way of telephone: +47 940 26 000 or by email to [investor@kid.no](mailto:investor@kid.no).

Kid ASA

6. mai 2021 / 6 May 2021

Petter Schouw-Hansen

Styrets leder / Chairman of the board of directors

**Vedlegg:**

1. Foreslåtte vedtak
2. Påmeldingsskjema
3. Fullmaktsskjema
4. Retningslinjer for godtgjørelse til ledende personer
5. Valgkomiteens innstillinger
6. Årsrapport 2020

**Appendices:**

1. Proposed resolutions
2. Attendance form
3. Proxy form
4. Guidelines regarding remuneration for senior executives
5. Statement of the nomination committee
6. Annual report for 2020

**Vedlegg 1 - Forslag til vedtak****Sak 3 - Godkjenning av årsregnskap og styrets årsberetning for Kid ASA og konsernet for 2020, herunder disponering av årets resultat, samt behandling av redegjørelse om foretaksstyring**

Styrets redegjørelse om foretaksstyring er inntatt i årsrapporten.

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*"Årsregnskapet og årsberetningen for 2020 godkjennes.*

*Det foreslåtte utbyttet på NOK 4.4 per aksje godkjennes."*

**Sak 4 - Fullmakt til å beslutte utdeling av utbytte**

Styret har som mål å ha en utbyttepolitikk som tilsier at 80-100% av justert resultat etter skatt, mot tidligere 60-80% utbetales som årlig utbytte. Styret ønsker å videreføre to utbetalinger per år, hvor styret har fullmakt til å fastsette og utbetale et halvårsutbytte i lys av resultatet per tredje kvartal 2021.

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*"Styret gis i henhold til allmennaksjeloven § 8-2 (2) fullmakt til å beslutte utdeling av utbytte på grunnlag av Selskapets årsregnskap for 2020. Fullmakten kan utøves én gang.*

*Fullmakten gjelder frem til ordinær generalforsamling i 2022."*

**Sak 5 - Fastsettelse av honorar til styrets medlemmer**

Forslaget fra valgkomiteen er inntatt i valgkomiteens innstilling, som er vedlagt innkallingen.

**Sak 6 - Godkjennelse av honorar til Selskapets revisor**

Godtgjørelsen til Selskapets revisor for 2020 er TNOK 999, hvorav TNOK 979 dekker revisjon av det konsoliderte årsregnskapet samt selskapsregnskap i konsernet til Kid ASA, og

**Appendix 1 - Proposed resolutions****Item 3 - Approval of the annual accounts and directors' report of Kid ASA and the group for 2020, including allocation of the result of the year, as well as consideration of the statement on corporate governance**

The statement of the board of directors on corporate governance is included in the annual report.

The board of directors proposes that the general meeting pass the following resolution:

*"The annual accounts and the directors' report for 2020 are approved.*

*The proposed dividend of NOK 4.4 per share is approved."*

**Item 4 - Authority to approve the distribution of dividends**

The board of directors intends to have a dividend policy of 80-100% of the adjusted results after tax, against previously 60-80%, distributed as a dividend. The board wishes to continue to carry out two dividend payments per year, where the board is authorized to approve and distribute a half-yearly dividend in light of the results of the third quarter 2021.

The board of directors proposes that the general meeting pass the following resolution:

*"The board of directors is authorized pursuant to the Public Limited Companies Act § 8-2(2) to approve the distribution of dividends based on the Company annual accounts for 2020. The authority may be used one time.*

*The authority shall remain in force until the annual general meeting in 2022."*

**Item 5 - Determination of the remuneration of the members of the board of directors**

The proposal of the nomination committee is set out in the statement of the nomination committee, which is enclosed to the notice.

**Item 6 - Approval of the remuneration of the Company's auditor**

The remuneration of the Company's auditor for 2020 is TNOK 999, of which TNOK 979 covers audit of the consolidated annual financial statements of the group and company

TNOK 20 dekker tjenester knyttet til skattemessig bistand.

#### **Sak 7 - Valg av medlemmer til styret**

Forslaget fra valgkomiteen er inntatt i valgkomiteens innstilling, som er vedlagt innkallingen. Det vil bli stemt separat over hver av kandidatene.

#### **Sak 8 - Fastsettelse av honorar til valgkomitéens medlemmer**

Forslaget fra valgkomiteen er inntatt i valgkomiteens innstilling, som er vedlagt innkallingen.

#### **Sak 9 – Nye retningslinjer for lederlønn og rapportering av lederlønn**

Forslag til Retningslinjer fra styret om godtgjørelse til ledende personer er inkludert i en egen innstilling, som er vedlagt innkallingen.

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*"Generalforsamlingen godkjenner styrets forslag til retningslinjer for godtgjørelse til ledende personer."*

#### **Sak 10 - Styrefullmakt til kapitalforhøyelse**

Styret anser at det er i Selskapets interesse at styret gis fullmakt til å forhøye Selskapets aksjekapital. Dette vil gi styret fleksibilitet til å styrke Selskapets kapital eller bruke Selskapets aksjer som vederlag der dette måtte være hensiktsmessig.

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*"Styret gis i henhold til allmennaksjeloven § 10-14 (1) fullmakt til å forhøye Selskapets aksjekapital med inntil NOK 4.877.419. Innenfor denne samlede beløpsrammen kan fullmakten benyttes flere ganger.*

*Fullmakten kan bare benyttes til å utstede aksjer som vederlag og til innhenting av ny egenkapital for å styrke Selskapets finansiering.*

statements, and TNOK 20 covers tax related services.

#### **Item 7 - Election of members to the board of directors**

The proposal of the nomination committee is set out in statement of the nomination committee, which is enclosed with the notice. There will be separate voting on each of the candidates.

#### **Item 8 - Determination of the remuneration of the members of the nomination committee**

The proposal of the nomination committee is set out in statement of the nomination committee, which is enclosed with the notice.

#### **Item 9 - New guidelines and reporting requirements for remuneration to senior executives**

The proposed Guidelines from the board of directors regarding remuneration for senior management is set out in a separate statement, which is enclosed with the notice.

The board of directors proposes that the general meeting pass the following resolution:

*"The general meeting approves the proposal of the Board of Directors regarding guidelines for remuneration for senior executives."*

#### **Item 10 - Board authorization to increase the share capital**

The board of directors believes that it is in the best interest of the Company that the Board is granted authorization to increase the Company's share capital. This will give the board of directors flexibility to strengthen the Company's capital or use the Company's shares as consideration where appropriate.

The board of directors proposes that the general meeting pass the following resolution:

*"The board of directors is authorized pursuant to the Public Limited Companies Act § 10-14 (1) to increase the Company's share capital by up to NOK 4,877,419. Subject to this aggregate amount limitation, the authority may be used on more than one occasion.*

*The authority may only be used to issue shares as consideration and to raise new equity in order to strengthen the Company's financing.*

*Fullmakten gjelder frem til ordinær generalforsamling i 2022, dog senest til 30. juni 2022.*

*Aksjeeiernes fortrinnsrett etter allmennaksjeloven § 10-4 kan fravikes.*

*Fullmakten omfatter kapitalforhøyelse mot innskudd i penger og mot innskudd i andre eiendeler enn penger. Fullmakten omfatter rett til å pådra selskapet særlige plikter, jf. allmennaksjeloven § 10-2. Fullmakten omfatter beslutning om fusjon etter allmennaksjeloven § 13-5."*

### **Sak 11 - Styrefullmakt til erverv av Selskapets egne aksjer**

Styret foreslår at generalforsamlingen gir en fullmakt til å erverve egne aksjer. Dette vil gi Selskapet fleksibilitet til å kjøpe tilbake egne aksjer dersom dette skulle anses hensiktsmessig for å optimalisere Selskapets kapitalstruktur eller skaffe Selskapet en beholdning egne aksjer som vil kunne benyttes som vederlag i transaksjoner e.l.

Styret foreslår at generalforsamlingen treffer følgende vedtak:

*"Styret gis i henhold til allmennaksjeloven § 9-4 fullmakt til på vegne av Selskapet å erverve aksjer i Selskapet ("egne aksjer") med en samlet pålydende verdi på inntil NOK 4.877.419.*

*Ved erverv av egne aksjer kan det ikke betales et vederlag pr. aksje som er mindre enn NOK 70 eller som overstiger NOK 150.*

*Styret fastsetter på hvilke måter egne aksjer kan erverves eller avhendes.*

*Fullmakten gjelder frem til ordinær generalforsamling i 2022, dog senest til 30. juni 2022."*

*The authority shall remain in force until the annual general meeting in 2022, but in no event later than 30 June 2022.*

*The pre-emptive rights of the shareholders under § 10-4 of the Public Limited Companies Act may be set aside.*

*The authority covers capital increases against contributions in cash and contributions other than in cash. The authority covers the right to incur special obligations for the Company, ref. § 10-2 of the Public Limited Companies Act. The authority covers resolutions on mergers in accordance with § 13-5 of the Public Limited Companies Act."*

### **Item 11 - Board authorisation for the acquisition of the Company's own shares**

The board of directors proposes that the general meeting grant an authorisation to acquire own shares. This will give the Company the flexibility to buy back its own shares if this should be desirable in order to optimize the capital structure of the Company or to provide the Company with a holding of own shares which could be used as consideration in transactions etc.

The board of directors proposes that the general meeting pass the following resolution:

*"The board of directors is authorised pursuant to the Public Limited Liability Companies Act § 9-4 to acquire shares in the Company ("own shares") on behalf of the Company with an aggregate nominal value of up to 4,877,419.*

*When acquiring own shares the consideration per share may not be less than NOK 70 and may not exceed NOK 150.*

*The board of directors determines the methods by which own shares can be acquired or disposed of.*

*The authority shall remain in force until the annual general meeting in 2022, but in no event later than 30 June 2022."*

**Ref no:** \_\_\_\_\_ **PIN code:** \_\_\_\_\_

**Notice of Annual General Meeting**

Meeting in Kid ASA will be held on 27 May 2021 at 14.00 CET.  
Address: Gilhusveien 1, Lier, Norway

**Record Date (Share register): 26 May 2021**  
**Registration Deadline according to bylaws: 22 May 2021**

**The Company accepts votes in advance for the Annual General Meeting. Registration Deadline for advance votes: 22 May 2021 at 14:00 CET. Advance votes may only be executed electronically, through the Company's website <http://investor.kid.no> or via VPS Investor Services.**

**Notice of attendance**

The Undersigned will attend the Annual General Meeting on the 27 May 2021 and cast votes for:

\_\_\_\_\_ own shares.

**Notice of attendance should be registered electronically through the Company's website [www://investor.kid.no](http://investor.kid.no) or via VPS Investor Services.**

For notification of attendance through the Company's website, the above mentioned pin code and reference number must be stated.

Alternatively through VPS Investor service where pin code and reference number is not needed.

If you are not able to register this electronically, you may send by e-mail to [nis@nordea.com](mailto:nis@nordea.com), or by regular mail to Nordea Bank Norge Abp Norwegian branch, Issuer Services, PO Box 1166 Sentrum 0107 Oslo, Norway. The notice of attendance must be received no later than 22 May 2021 at 14:00 CET.

If the shareholder is a Company, please state the name of the individual who will be representing the Company: \_\_\_\_\_

Place	Date	Shareholder's signature

**Proxy without voting instructions** for Annual General Meeting of Kid ASA.

*If you are unable to attend the meeting, you may grant proxy to another individual.*

**Ref no:** \_\_\_\_\_ **PIN code:** \_\_\_\_\_

**Proxy should be submitted electronically through the Company's website [www.investor.kid.no](http://investor.kid.no) or via VPS Investor Services.**

For granting proxy through the Company's website, the above mentioned pin code and reference number must be stated.

Alternatively through VPS Investor service where pin code and reference number is not needed.

If you are not able to register this electronically, you may send by e-mail to [nis@nordea.com](mailto:nis@nordea.com), or by regular mail to Nordea Bank Norge Abp Norwegian branch, Issuer Services, PO Box 1166 Sentrum 0107 Oslo, Norway The notice of attendance must be received no later than 22 May 2021 at 14:00 CET.

If you send the proxy without naming the proxy holder, the proxy will be given to the Chair of the Board of Directors or an individual authorised by him or her.

This proxy must be received no later than 22 May 2021 at 14:00 CET.

**The undersigned:** \_\_\_\_\_

hereby grants (tick one of the two)

the Chair of the Board of Directors (or a person authorised by him or her), or

\_\_\_\_\_  
(Name of proxy holder in capital letters)

proxy to attend and vote for my/our shares at the Annual General Meeting of Kid ASA on 27 May 2021.

Place	Date	Shareholder's signature (Only for granting proxy)

With regards to your right to attend and vote, reference is made to the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a company, the company's Certificate of Registration must be attached to the proxy.



## Appendix 2 and Appendix 3

**Proxy with voting instructions**

If you are unable to attend the Annual General Meeting in person, you may use this proxy form to give voting instructions to Chair of the Board of Directors or the person authorised by him or her.

Proxies with voting instructions can only be registered by Nordea, and must be sent to e-mail [nis@nordea.com](mailto:nis@nordea.com) ((scanned form) , or by regular mail to Nordea Bank Norge Abp Norwegian branch, Issuer Services, PO Box 1166 Sentrum 0107 Oslo, Norway.  
The form must be received by Nordea Bank Norge , Issuer's Department no later than 22 May 2021 at 14:00 CET.

**Proxies with voting instructions must be dated and signed in order to be valid.**

**The undersigned:** \_\_\_\_\_

**Ref no:**

hereby grants the Chair of the Board of Directors (or the person authorised by him or her) proxy to attend and vote for my/our shares at the Annual General Meeting of Kid ASA on 27 May 2021.

The votes shall be exercised in accordance to the instructions below. If the sections for voting are left blank, this will be counted as an instruction to vote in accordance with the Board's and Nomination Committee's recommendations. However, if any motions are made from the attendees in addition to or in replacement of the proposals in the Notice, the proxy holder may vote at his or her discretion. If there is any doubt as to how the instructions should be understood, the proxy holder may abstain from voting.

Agenda for the Annual General Meeting 2021	For	Against	Abstention
1. Election of a chairperson and a person to co-sign the minutes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of the notice and the agenda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of the annual accounts and directors' report of Kid ASA and the group for 2020, including allocation of the result of the year, as well as consideration of the statement on corporate governance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Authority to approve the distribution of dividends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Determination of the remuneration of the members of the board of directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval of the remuneration of the Company's auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Election of members to the board of directors – the proposal from the Nomination Committee <b>as a whole</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Or individual voting</b>			
7.1 Petter Schouw-Hansen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.2 Rune Marsdal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.3 Karin Bing Orgland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Determination of the remuneration of the members of the nomination committee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. New guidelines and reporting requirements for remuneration to senior executives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Board authorisation to increase the share capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Board authorisation for the acquisition of the Company's own shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Place

Date

Shareholder's signature (Only for granting proxy with voting instructions)

With regards to your right to attend and vote, reference is made to the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a company, the company's Certificate of Registration must be attached to the proxy.

## **KID ASA - REMUNERATION POLICY FOR THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT TEAM**

### **1 INTRODUCTION**

#### **1.1 About this Policy**

The overall aim of this remuneration policy for the Board of Directors and the executive management team (the "**Policy**") is to provide a framework for remuneration at KID ASA ("**KID**" or the "**Company**", and together with its consolidated subsidiaries, the "**Group**"), as well as specific guidelines for incentive pay, based on an understandable and comprehensive overview of the remuneration provided by KID.

The Policy and the remuneration guidelines herein shall apply to; (i) the Board of Directors (the "**Board**"), and (ii) the CEO of the Company and the senior management team of the Company (jointly, the "**Executive Management Team**"), and is subject to approval by the general meeting of the Company upon its first adoption, and later upon any material changes or at least every four years. This Policy shall, subject to approval by the general meeting, become effective immediately following the annual general meeting of the Company in 2021.

This Policy has been prepared in accordance with Section 6-16a of the Norwegian Public Limited Companies Act, and the Norwegian Regulation on guidelines and report for executive personnel (Nw: *Forskrift om retningslinjer og rapport om godtgjørelse for ledende personer*).

#### **1.2 Objectives**

The overall objectives of this Policy are to:

- Support the purpose and sustainability of KID;
- Align the remuneration components with the interests of shareholders and other stakeholders relevant to the above;
- Support delivery of KID's strategic priorities; and
- Provide guidelines for establishing remuneration to the Executive Management Team that attract, retain and motivate employees with the skills, qualifications and experience needed to maximize value creation for the Company and its shareholders.

#### **1.3 Preparation and implementation of this Policy**

The Board is responsible for preparing this Policy with regards to remuneration guidelines for the Executive Management. Further, the Board is responsible for implementing and evaluating the remuneration and other terms and conditions of appointment for the Executive Management Team pursuant to this Policy.

The Nomination Committee is responsible for preparing this Policy with regards to remuneration guidelines for the Board. Further, the Nomination Committee is responsible for implementing and evaluating the remuneration of the Board members pursuant to this Policy.

The Board is responsible for proposing the Policy for adoption at the Company's general meeting from time to time.

#### **1.4 Consideration of employee pay and employment conditions when preparing this Policy**

When making decisions about executive remuneration and setting the contents of this Policy, the Board also considered the remuneration arrangements in place for the Group's wider workforce.

Compensation for employees outside the Executive Management Team follows the same principles applied to executives, i.e. salary and employment conditions within comparable companies and within the retail sector in general.

#### **1.5 Conflicts of interest**

The Board acts independently of the Executive Management Team and the Nomination Committee acts independently of the Board, so no conflicts of interest should arise. No members of the Executive Management Team are present at the Board meeting when the remuneration of the Executive Management Team is discussed. Further, no members of the Board are present at Nomination Committee meetings the proposals for remuneration of the Board members are discussed.

## **2 REMUNERATION POLICY FOR THE BOARD OF DIRECTORS**

### **2.1 Process**

Pursuant to Article 6 of the Company's Articles of Association, the Company shall have a Nomination Committee consisting of minimum two, but no more than three members, as decided by the general meeting. The members of the Nomination Committee shall be shareholders or representatives of shareholders.

Pursuant to the Articles of Association, the Nomination Committee shall, *inter alia*, give the general meeting its recommendation regarding the remuneration of the Board members. In accordance with this, the Nomination Committee reviews Board fees at least annually. Fees are evaluated relative to companies of comparable size and complexity to KID.

The Nomination Committee prepares recommendations for remuneration of the Board of Directors, and such recommendations are presented to the general meeting for approval before they come into effect. The remuneration of the Board members is approved as a separate item on the agenda of the annual general meetings of the Company.

### **2.2 Fee levels**

The Chairperson and each member of the Board of Directors receives a fixed annual fee. In addition, the members of the Board's audit committee may receive an additional fee based on the number of meetings for such committee. The Board will utilize a similar approach if establishing additional sub-committees.

Individual Board members may be required to take on specific ad hoc tasks outside their normal duties assigned by the Board. In each such case, the Board shall determine a fixed fee (e.g. *per diem*) for the

work carried out related to those tasks. The fixed fee will be disclosed in the annual remuneration report.

### **2.3 Benefits**

Additional fees or benefits may be provided to reflect, for example, accommodation, transport and other business-related expenses incurred while carrying out their role.

### **2.4 Incentive plans**

Board members are not eligible to participate in any incentive arrangements operated by KID.

## **3 REMUNERATION OF THE EXECUTIVE MANAGEMENT TEAM**

### **3.1 Overall objective and principles**

The overall objective of the remuneration guidelines for the Executive Management is to attract, retain and motivate employees with the skills, qualifications and experience needed to maximize value creation for the Company and its shareholders.

KID shall offer competitive terms to its Executive Management Team, and consequently, the remuneration of the Executive Management Team shall as far as possible be in line with the market level for remuneration of senior management in comparable companies. However, the remuneration of the Executive Management Team shall not be of a size or nature which is liable to harm the Company's reputation.

### **3.2 Process**

The fixed salary for the CEO is proposed by the Chairperson of the Board and then subsequently approved by the Board. The fixed salary for the other members of the Executive Management Team is proposed by the CEO and subsequently approved by the Chairperson of the Board.

All remuneration elements (pension, benefits, bonus programs, long-term incentive plans etc.) for the Executive Management Team is proposed by the CEO and/or the Chairperson of the Board and subsequently approved by the Board.

### **3.3 Remuneration elements and guidelines**

Set out below are an overview of the various elements of the remuneration of the Executive Management Team.

#### **3.3.1 Fixed salary**

The fixed salary is set annually, considering a range of factors including; (i) the individual's skills, performance and experience, (ii) increases for the broader workforce, (iii) external market data amongst peer companies, (iv) the size and responsibilities of the role, and (v) the geographical location of the role, internal relativity and external economic environment.

Salary increases are set considering the factors set out on above.

**Purpose and link to strategy:** To provide fixed remuneration allowing KID to attract, retain and motivate employees with the skills, qualifications and experience needed to maximize value creation for the Company and its shareholders.

### 3.3.2 Pension

KID has a defined contribution pension plan according to the mandatory requirements under Norwegian and Swedish law. The amount of Company paid pension contributions are set considering the wider workforce rate and market practice in Norway and Sweden.

**Purpose and link to strategy:** Encourages planning for retirement and long-term saving.

### 3.3.3 Benefits

The Company may offer customary benefits in kind to its Executive Management Team, including but not limited to car allowance or company car, coverage of telephony, broadband costs and newspaper subscriptions. In-kind benefits paid by the Company are set considering the wider workforce rate and market practice in Norway and Sweden.

**Purpose and link to strategy:** Provide market competitive and cost-effective benefits.

### 3.3.4 Bonus program

KID has a bonus program for its Executive Management Team. Under the bonus program, the participants may receive a bonus of up to three- to six-months' salary. The maximum level of the bonus program and its participants are approved by the Board on an annual basis.

Maximum bonus is payable each year if the Company reaches or exceeds 110% of the budgeted annual EBITDA on a consolidated basis. No bonus will be payable if the actual annual EBITDA falls below 90% of budget. If the actual annual EBITDA is between 90% and 110% of budget will be determined based on the following table:

Actual EBITDA as percentage of budgeted EBITDA	Percentage of maximum bonus
< 90%	0.0 %
90 %	50.0 %
95 %	62.5 %
100 %	75.0 %
105 %	87.5 %
110 %	100.0 %
>110 %	100.0 %

Bonus is calculated and paid out based on audited annual accounts for the Group. Bonus will only be paid to employees who are employed with the Group (i.e. employed without having given or received notice of termination) as of the date of payment of any bonus.

KID cannot claim refund of paid out bonuses.

**Purpose and link to strategy:** To incentivize delivery of KID's short-term objectives and ensure a clear link with value creation.

### 3.3.5 Long-term incentive plan

The Board of Directors propose to implement a new long-term incentive plan following approval of this Policy, in the form of a cash bonus incentive plan for the Executive Management Team (the "**Long-Term Bonus Program**").

The Long-Term Bonus shall be earned pursuant to the same principle as the bonus program described, i.e. percentage of budgeted annual EBITDA on a consolidated basis. Under the Long-Term Bonus Program, a bonus payment will be deposited for subsequent payment in accordance with the share price development of KID. The maximum amount of the bonus deposit will be based on a pre-defined number of monthly salary payments and the actual deposit will vary based on actual EBITDA as percentage of budgeted EBITDA, as set out below:

<b>Actual EBITDA as percentage of budgeted EBITDA</b>	<b>Percentage of maximum annual bonus deposit</b>
< 100%	0.0 %
100 %	50.0 %
105 %	75 %
110 %	100.0 %
>110 %	100.0 %

The maximum bonus deposited per year shall in total be equal or less than 6 months monthly salary. The deposited amount will be adjusted according to the Company's share price development on an annual basis, based on volume weighted average share price the week following the annual general meeting. The volume weighted share price shall be adjusted for dividends. The program will commence from the financial year of 2021. The program is designed with annual payments over the 3 years following the financial year the Long-Term Bonus is earned and deposited, with 25% the two first years and 50% the last year.

No shares are issued or delivered to the participants under the Long-Term Bonus program. If KID is delisted or more than 50% of the shares are owned by one investor, all outstanding payments under the Long-Term Bonus Program shall be redeemed based on the closing price on the last day of listing or the last purchase price of the investor who surpass an ownership of 50% of the shares.

Bonus will only be paid to employees who are employed with the Group (i.e. employed without having given or received notice of termination) as of the date of payment of any bonus.

KID cannot claim a refund of paid out bonuses.

**Purpose and link to strategy:** To incentivise and reward long-term value creation and align the incentives of the Executive Management Team with shareholders' interest.

## 3.4 Employment contracts

### 3.4.1 Notice periods

KID may terminate the employment of an executive by giving 3 to 6 months' notice. Executives may terminate their employment by giving KID 3 to 6 months' notice.

#### 3.4.2 Severance payment

The Company may offer up to six months salary as a termination benefit for members of the Senior Executive Team.

### **4 BOARD DISCRETION TO DEVIATE FROM THIS POLICY**

The Board may, to ensure KID's long-term interests, resolve to temporarily deviate from any sections of this Policy in the following instances;

- Upon change of the CEO;
- Upon changes in the Group structure, organization, ownership and/ or business (for example in relation to mergers, takeovers, demergers, acquisitions etc.);
- Upon material changes in the Company's strategy;
- Upon changes in or amendments to relevant laws, rules or regulations (for example for regulatory, stock exchange control, tax or administrative purposes or to consider changes in legislation or corporate governance requirements or guidance); and
- Upon other exceptional circumstances where the deviation may be required to serve the long-term interests and sustainability of the Company as a whole or to assure its viability.

Any deviation from this Policy shall be reported in the remuneration report for the relevant year. If a deviation has continued so that it cannot be deemed temporary, the Company shall prepare an amended policy to be presented at the next possible general meeting.

## STATEMENT OF THE NOMINATION COMMITTEE IN KID ASA ("Kid")

### INTRODUCTION

The Nomination Committee of Kid is governed by the articles of the association, and the members of the Nomination Committee are elected by the General Meeting. The Nomination Committee consists of the following members:

Sten-Arthur Sælør (chair)  
Geir Moe

The Nomination Committee makes its recommendation to the General Meeting regarding the election of the shareholders' representatives to the Board of Directors, and their remuneration.

Guidelines for the Nomination Committee was adopted by the General Meeting in August 2015.

The Nomination Committee since the last General Meeting has held six meetings, including meetings with the Chairman of the Board and the Chief Executive Officer. The Nomination Committee has gathered information from the administration, the Board of Directors and other persons considered relevant. The Nomination Committee also has undertaken a review of its own performance and its Guidelines.

The Nomination Committee has taken into account the need for balancing continuity against renewal. In particular, the Committee this year has highlighted the Gjelsten Holdings sales of a major part of its shares. Contact with the shareholders has been actively maintained, and the Nomination Committee has ensured that the recommendation is anchored with the major shareholders. Information on how shareholders can make recommendations to the Nomination Committee has been communicated. The committee underlines the need for competence on e-commerce, amplified by the pandemic.

### ITEM 7 ON THE AGM AGENDA: RECOMMENDATION FOR MEMBERS TO THE BOARD OF DIRECTORS

The Nomination Committee will at the annual General Meeting on 27 May 2021 recommend the following resolution:

*Petter Schouw-Hansen, to be re-elected for a period of two years.*

*Rune Marsdal to be re-elected for a period of two years.*

*Karin Bing Orgland, to be re-elected for a period of two years.*

Petter Schow-Hansen is currently Director with Gjelsten Holding AS, the majority shareholder of KID ASA. Rune Marsdal is currently CFO with Gjelsten Holding AS. The other members of the board of directors are not associated with any major shareholders.

The Board of Directors will thereafter comprise:

<b>Name</b>	<b>Served since</b>	<b>Election period</b>	<b># shares per 01.05.21</b>
<i>Petter Schouw-Hansen</i>	<i>May 2019</i>	<i>2021-2023</i>	<i>54 808</i>
<i>Liv Berstad</i>	<i>May 2020</i>	<i>2020-2022</i>	<i>0</i>
<i>Rune Marsdal</i>	<i>May 2019</i>	<i>2021-2023</i>	<i>20 427</i>
<i>Karin Bing Orgland</i>	<i>August 2015</i>	<i>2021-2023</i>	<i>32 629</i>
<i>Gyrid Skalleberg Ingerø</i>	<i>May 2020</i>	<i>2020-2022</i>	<i>3 007</i>



**ITEM 5 ON THE AGM AGENDA: RECOMMENDATION ON REMUNERATION OF THE MEMBER OF THE BOARD OF DIRECTORS**

The Nomination Committee has based its recommendation on remuneration on the levels of remuneration for elected members of boards of directors in comparable companies.

Based on the above, the Nomination Committee unanimously recommends the following resolution:

*The members of the Board of Directors will receive the following remuneration for the period starting in May 2021 and ending at the Annual General Meeting of 2022:*

*Chairperson: NOK 400.000  
Directors: NOK 325.000  
Members of audit committee: NOK 12.000 per meeting*

The audit Committee has consisted of:

Karen Bing Orgland (chair)  
Petter Schouw-Hansen

**ITEM 8 AND 9 ON THE AGM AGENDA: NOMINATION COMMITTEE**

The Nomination Committee consists of minimum two members. The members of the Nomination Committee, including its chairperson, are elected by the General Meeting for a period of two years.

The members were elected in 2020, for a period ending in 2022.

The following remuneration is proposed for the Nomination Committee:

*The chair of the Nomination Committee will receive a remuneration of NOK 40.000 and the member of the Nomination Committee a remuneration of NOK 40.000 for the period starting in May 2020 and ending at the Annual General Meeting of 2021.*

3 May 2021

Sten-Arthur Sælør

Geir Moe

## INFORMATION ON THE BOARD OF DIRECTORS

### **Petter Schouw-Hansen**

Position: Chairman  
Appointed: May 2019  
# shares per 01.05.21: 54 808

Petter Schouw-Hansen is currently Director with Gjelsten Holding AS, the majority shareholder in KID ASA. He was the Chief Financial and Strategic Officer at Kid from 2011 to 2018. Prior to this, he served as senior consultant at Bearing Point. Schouw-Hansen is currently on the board of directors of various companies and is the chairperson of the board in Sport Holding AS. Schouw-Hansen has experience from operationalizing strategy, performance management, M&A and management coaching within several industries, including retail. Schouw-Hansen holds a M.Sc from the Norwegian School of economics, specialized in Finance. He is a Norwegian citizen, and resides in Norway.

### **Liv Berstad**

Position: Board Member  
Appointed: May 2020  
# shares per 01.05.21: 0

Liv Berstad (1961) is currently the Retail Manager for the clothing company KappAhl in Sweden, Norway, Finland, Poland and UK. Berstad has extensive experience from retail trade in the Nordic region, mainly from construction material, fashion and cosmetics. She is a Business Economist from BI Norwegian School of Management. Berstad has had several board appointments for companies both in Norway and Scandinavia. She is a Norwegian citizen and resides in Norway.

### **Rune Marsdal**

Position: Board Member  
Appointed: May 2019  
# shares per 01.05.21: 20 427

Rune Marsdal (1971) is currently CFO and member of the board of directors of Gjelsten Holding AS, the largest shareholder of Kid ASA. Marsdal has previously worked as a financial analyst in Danske Securities and as an analyst in Schøyen Finans Forvaltning and Norway Seafoods. Marsdal holds a Master of Business and Economics degree from BI Norwegian Business School, as well as a Certified Financial Analyst degree from Norwegian School of Economics. Marsdal is currently on the board of directors of various companies, including Sport Holding AS and Sport 1 Gruppen AS. Marsdal has previously served on the board of directors of Kid Interiør AS and Nordisk Tekstil Holding AS (later Kid ASA), both as a director (2012-2015) and as special advisor to the board of directors (2015-2019), and BEWiSynbra Group AB (publ). Marsdal is a Norwegian citizen and resides in Norway.

### **Karin Bing Orgland**

Position: Board Member  
Appointed: August 2015  
# shares per 01.05.21: 32 629

Bing Orgland (1959) is currently a professional board member in various companies including GIEK, Storebrand ASA and Entur AS. She has extensive experience from various management and board member positions within the DNB Group between 1985 and 2013. Bing Orgland resides in Oslo, Norway and holds a Master of Business and Economics degree from the Norwegian School of Economics.

### **Gyrid Skalleberg Ingerø**


Position: Board Member  
Appointed: May 2020  
# shares per 01.05.21: 3 007

Gyrid Skalleberg Ingerø (1967) is currently EVP & Group CFO in Kongsberg Gruppen ASA. Her previous experience includes Bank experience from Nordea, CFO / Investor Relation of Komplett Group ASA, Financial restructuring and turnaround of Expert and 1881, SVP & CFO of Telenor Norge AS and CFO at Telenor Digital Businesses AS. Prior to her CFO positions, Ingerø worked for 8 years in KPMG. She holds a Master in Accounting and Auditing from Norwegian School of Economics. Skalleberg Ingerø is currently on the board of Flytoget AS, Itera ASA, Patria Inc and various companies within Kongsberg Gruppen. Skalleberg Ingerø is a Norwegian citizen and resides in Norway.

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To save the environment and costs for the companies in which you own shares, you can choose to receive notices and other information electronically instead of in the mail.

Follow the steps below:

- Login through your bank or with Bank ID at [www.vps.no](http://www.vps.no) - my VPS - VPS Investortjenester (Private Investors) Login to VPS Investor Portal
- Click on your name in the upper right
- Select "Investor Information"
- Press the blue edit button 
- Check that your email address is correct. You can change this yourself at the same time
- Select YES to Electronic Company Announcements / Investor Announcement at all points below

### Electronic corporate messages \*

I wish to receive notification of change, notice of general meeting etc., Mutual funds

 Yes No

I wish to receive notification of change, notice of general meeting etc., Stocks

 Yes No

### Notifications for investor

I want to receive all investor messages from VPS by email.

 Yes No

- You will receive an e-mail stating that you have a message in investor services when VPS messages / summons are sent
- Log in to the same location and retrieve the VPS message / notice in the Mailbox in the upper right
- Registration, proxy or advance votes (for companies that have this) must be done in investor services under Corporate Actions - General Meeting
- Contact your VPS account manager if you have any questions or problems setting up this