

GUIDELINES FOR REMUNERATION OF EXECUTIVE MANAGEMENT OF REC SILICON ASA

These guidelines regarding remuneration to the executive management have been prepared by the board of directors of REC Silicon ASA ("**REC**" or the "**Company**") in accordance with the Norwegian Public Limited Liability Companies Act Section 6-16a and related regulations. The guidelines have been prepared for approval by the Company's annual general meeting in 2021 and will apply until the Company's annual general meeting in 2025, unless amended or replaced earlier.

Process for development of the guidelines, role of compensation committee

The board of directors has taken an active role in establishing and executing these guidelines.

The compensation committee is a subset of the board of directors which has a preparatory function, in relation to the board of directors, for principles for remuneration and other terms of employment of the senior executives. This includes future versions of these guidelines.

The board of directors shall prepare a proposal for guidelines for resolution by the annual general meeting at least every fourth year. Guidelines approved by a general meeting may be amended in subsequent annual or extraordinary general meetings, also within an original term.

The board of directors shall approve remuneration to the CEO. Other senior executives' remuneration shall be prepared by the CEO and resolved upon by either the board of directors or the compensation committee. In order to reduce the risks of conflict of interests, no senior executive shall participate in the resolution of remuneration matters which they are directly affected by.

Purpose and general principles for remuneration

For the purposes of these guidelines, senior executives include the CEO and CFO. This is the same group of executives as are covered by the Norwegian accounting act section 7-31 b for the Company.

These guidelines constitute a framework for which remuneration to senior executives may be decided by the board of directors or the compensation committee during the period for which the guidelines are in force. REC has a leading role within the silicon industry, and as such competes for senior management talent within the industry in all its locations. These guidelines aim to support REC's competitiveness as an employer in all locations.

The Company's remuneration principles are designed to ensure responsible and sustainable remuneration practices that support the Company's business strategy, long-term interests, and sustainable business practices. To this end, salaries and other employment terms shall enable the Company to recruit, develop and retain skilled senior executives with relevant experience and competence. The remuneration shall be on market terms, be competitive, and reflect the performance and responsibilities of the individual senior executives. Principles for incentives and performance are designed to be aligned with the interests of the Company's shareholders and to ensure the most capable execution of defined business strategies, short and long-term, while ensuring the Company's going concern.

Remuneration and employment conditions for employees of the Company have been taken into account in the preparation of these guidelines by including information on employees' total income, forms of remuneration and other salary components in the basis for decision when evaluating whether the Company's remuneration practices, and the guidelines and limitations set out herein, are reasonable.

The Company's policy is for remuneration of senior executives to be adapted to comply with established local practice and mandatory rules in the jurisdiction and location of their employment, taking into account, to the extent possible, the overall purpose of the guidelines.

Elements of remuneration

The remuneration to the senior executives covered by these guidelines may consist of fixed cash salary, variable cash salary, benefits, and stock-based incentive programs as further described below.

Principles for fixed cash salary

Fixed cash salary allows REC to attract and recruit senior executives that are necessary for the long-term profitability and sustainability of the Company. Fixed cash salaries shall reflect the individual's position and degree of responsibility. The size of the fixed cash salary shall reflect market rates at the relevant location. The salary shall be competitive with comparable businesses within the industry and shall take into account inter alia the scope and responsibility associated with the position, as well as the skills, experience, and performance of each senior executive. The fixed cash salaries have no specified maximum levels.

Principles for variable cash salary /bonuses

The success of REC is dependent on the competencies, performance and dedication of our employees. Performance bonuses are considered and provided for employees whose achievement of performance objectives can be measured through clearly established result parameters or Key Performance Indicators (KPIs). KPIs should include both financial performance and operational performance tied to each operating facility. Maximum performance bonus pay-outs are defined in the bonus plan document and range from 15 percent to 20 percent of an employee's annual salary. Bonus pay-outs are contingent upon the company's financial performance. Maximum performance bonus pay out for REC Silicon Management varies between 33 percent and 100 percent of their established annual salary.

The Company's policy is to ensure that contractual grounds exist to require salaries, whether fixed or variable, to be refunded if the basis for the payment later proves incorrect, in case of erroneous payments, or in the event of breach of contractual obligations.

Principles for pension benefits

The Company's overall policy is that pension arrangements shall reflect local practices and applicable law at each location. Therefore, the Company's pension schemes may vary between locations.

Leading employees are members of the Company's pension and insurance scheme that applies to all employees in the respective country. For any Norwegian executive, the Company's policy is that other than [as regards a limited supplementary pension scheme not exceeding what is customary under Norwegian practices for the relevant category of executive], no leading employee has or shall have a pension scheme beyond what is supported in the Norwegian Occupation Pension Act. In the US, the Company's policy is that leading employees shall be entitled to elect to participate in the Company's 401(k) retirement plan, subject to certain eligibility requirements. Participants shall have the option of contributing up to 25% of their annual compensation. The Company shall make matching contributions to the 401(k) plan at 50% of the first 6% of the eligible employees' contributions.

Principles for non-financial benefits (other than pensions)

Members of the executive management are eligible for a mobile phone with subscription and broadband internet.

The Company aims to have sufficiently competitive salary and incentive programs to minimize the need for additional non-financial benefits. Any such shall always be based on market terms, local practices and shall facilitate the duties of senior executives. Non-financial benefits that are not insignificant and which go beyond what is offered to the entire workforce of Group, shall be reviewed and approved by the compensation committee or the board of directors.

Share based remuneration / option plans

The Company may continue previous practices with synthetic options. Share option programs align the interests of the employees with those of the shareholders and thereby contributes to the Company's strategies, long term interests and financial sustainability.

Grants will have a six year duration, where the first three years is a lock up period and the next three years will be the period over which the incentive payments will become payable, provided always that the share price is above the strike price. The strike price will be set at the time of grant to the market price at such time + 10%. There will be a maximum gain in each calendar year for each employee under the program, equal to the base salary for the employee for the calendar year. The entitlements under the program will be lost if the employee's employment is terminated.

Employment agreements

Senior executives, depending on geography and applicable laws and practice, will typically have between 3 to 6 months' notice periods. The notice period in leading employees' employment agreements shall not exceed 12 months.

Any severance agreements shall be connected to confidentiality and anti-competitive clauses in the individual's employment contract, so that they compensate for restrictions in respect of his or her ability to take new work. Income from other sources shall be deducted from such arrangements.

Deviations from these guidelines

The board of directors may temporarily resolve to deviate from these guidelines, in whole or in part, if in specific circumstances there is a particular cause for such deviation, and a deviation is deemed necessary to serve REC's long-term interests, sustainability, or financial viability.

When determining whether to resolve to deviate from these guidelines the board of directors has full discretion, and shall consider all relevant factors, including but not limited to:

- changes in or amendments to the relevant laws, rules or regulations (for example for regulatory, stock exchange control, tax or administrative purposes or to consider change in legislation or corporate governance requirements or guidance);
- changes of the CEO;
- changes of REC's capital structure or ownership, inter alia by way of mergers, demergers or acquisitions;
- other events that cause the targets or conditions for remuneration to no longer be appropriate; and
- other exceptional circumstances where the deviation may be required to serve the long-term interests or sustainability of the Company, or to assure its financial viability.

Deviations from these guidelines and the background of any such deviation shall be included in the annual report to be prepared by the board of directors in accordance with Norwegian Public Limited Liability Companies Act Section 6-16b.