

THE BOARD OF DIRECTORS' STATEMENT OF EXECUTIVE COMPENSATION

Pursuant to section 6-16a of the Public Limited Liability Companies Act, the Board of Directors must draw up a special statement of guidelines for the pay and other remuneration of senior executives. According to section 5-6 (3) of the same Act, the Annual General Meeting shall hold an advisory vote on the Board of Directors' guidelines for the remuneration of the executive management for the coming financial year (section 1 below), and a binding vote on guidelines concerning share-related incentive programs (section 2 below).

The Board of Directors has appointed a dedicated Compensation Committee in order to ensure thorough consideration of matters relating to the CEO's remuneration. In addition, the Committee advises the Board Director's and CEO in the work on the philosophy, principles and strategy for the compensation of senior executives in the Schibsted Group.

1. Guidelines for determination of salary and other remuneration for the financial year 2019

The Board of Directors considers the employees as the Group's most important resource, and aims to have reasonable, well balanced, and competitive remuneration packages that attract and retain talented employees that are crucial to our business. The fixed salary shall form the basis for the total compensation in addition to both short- and long-term incentive schemes to align and motivate the executives' efforts in continuous business development and value creation. The compensation of executives is regularly assessed relative to both the market and the positions' responsibilities and complexity.

The Group has established policies that cover several human resource aspects, including terms related to pay and pension, working environment, development programs, and more traditional employee benefits. Guidelines have been developed for the use of variable pay and other incentive schemes in the Group.

1.1 Fixed salary

The fixed salary (the gross annual salary before tax and before variable pay and other additional benefits are calculated) shall be reasonable, balanced, competitive and represent a significant component of executive compensation.

1.2 Directors' fees

Employees do not receive directors' fees for board appointments when they serve as board members as part of their position. Employee representatives are exempted from this rule.

1.3 Benefits in kind and other special schemes

Senior executives will normally be given benefits in kind in line with common market practice, such as mobile phone, laptop, broadband, newspapers, company car or car allowance, and parking. There are no specific restrictions on what other benefits may be agreed upon. Selected executives have some outstanding subsidized loans from a previous scheme.

1.4 Variable pay – short term incentive scheme

Senior executives participate in an annual bonus scheme linked to achievements of both financial criteria, and strategic and operational objectives. Annual bonus is limited to a maximum of six months' salary for the CEO and varies from three to six months' salary for other members of Schibsted's

Executive Team. Other Group employees may also participate in such schemes. In such cases the maximum annual bonus is normally limited to three to four months' salary.

1.5 Pension schemes

The CEO and other senior executives in the Group have individual pension plans which mainly entitle them to disability pension, early retirement pension from the age of 62 and thereafter a lifelong retirement pension. As from 2012, the Group's pension scheme for new executives in Norway is a defined contribution scheme in line with established market practices.

Most of the Group senior executives based in Sweden belong to pension schemes entitling them to benefits in line with those offered to Norwegian senior executives from the age of 62 years. The Board of Directors is of the opinion that the current schemes for senior executives based in Sweden are adapted to the market, and these schemes will continue without any major changes.

Pension schemes for senior executives outside Norway and Sweden must be viewed in connection with the individual manager's overall salary and employment conditions, and should be comparable to the overall compensation package offered to executives in Norway and Sweden. Local rules governing pension entitlement, social security entitlement and taxation are taken into account when designing individual pension plans.

1.6 Severance pay

The CEO is entitled to severance payment equivalent to 18 months' salary in addition to pay during the six-month notice period. Members of Schibsted's Executive Team and other senior executives are normally entitled to severance pay equivalent to 6–18 months' salary, depending on their position. A non-compete clause and provisions governing reduction in the severance pay normally apply during the severance pay period.

2. Guidelines for share based programs for the financial year 2019

2.1. Long-term incentive schemes for executives

The long-term incentive plan (the "LTI Plan"), proposed by The Board of Directors and approved on the Annual General Meeting of 2018, continues to roll during 2019. Purpose of the LTI Plan is to align shareholder and management interests to ensure long term value creation in Schibsted Media Group.

The LTI Plan uses total shareholder return ("TSR") relative to a peer group to measure the performance-based part of the plan. TSR is an objective long-term performance measure for value creation as it considers the share price change over time plus respective years' dividends, and as it is less exposed to changes in market conditions than certain other financial metrics. Further, TSR aligns shareholders' interests with participants' interests as it links the rewards to participants directly to the returns shareholders make on their investment in the company.

The LTI Plan is an annual 3-year rolling plan, part delivered in restricted shares and part delivered in performance shares, with fulfillment in Schibsted B-shares. It is proposed to be offered to the CEO, the members of Schibsted's Executive Team, the members of management teams in the business areas News Media, Next and Nordic Marketplaces, as well as other key employees. Under the LTI Plan the participants will be granted an Award equivalent to a percentage of their base salary at the time of granting. The CEO shall receive a grant equal to 100% of her base salary, whereas other members of Schibsted's Executive Team will receive grants between 50% and 100%. Other participants will receive grants ranging from 10% to 50% of their base salary. The Award will consist of two separate elements; a fixed base (the "Fixed Base") comprising Restricted Stock equal to 1/2¹ of the grant value and a performance-related grant (the "Performance Base") equal to 1/2¹ of the grant value.

¹ See details under 2.1.1 Transition year with Adevinata IPO.

The Fixed Base is converted into B-shares based on the share price at the program start and transferred to participants at the end of the 3-year program period.

The Performance Base shall vest at the end of the 3-year program period subject to performance and be delivered to participants in B-shares. The value of any vesting is proposed to be a factor of Schibsted's Total Shareholder Return ("TSR") performance over a 3-year performance period relative to a predefined peer group. Vesting of the Performance Base is subject to a minimum performance threshold whereby Schibsted's TSR performance must be at or above the 25th percentile when compared to the peer group. Subject to the performance threshold being met, the Performance Base shall vest as follows:

- At the 25th percentile, the face value of the Performance Base shall vest at 50%
- At the 50th percentile, the face value of the Performance Base shall vest in full
- At or above the 75th percentile, the face value of the Performance Base shall vest at 300% (3 times the face value)
- Vesting in-between the above performance milestones shall be on a straight-line basis

The composition of the peer group is intended to reflect the underlying values in Schibsted in a balanced matter, and to ensure that the different parts of the Schibsted organization are incentivized to create stable and value-creating businesses in line with Schibsted's long-term strategy.

Detailed general conditions have been developed to ensure a fair and consistent governance of the Plan; these include change of control provisions, and "good leaver"/"bad leaver" provisions related to employment. The LTI Plan also includes a claw-back mechanism which would permit Schibsted to cancel unvested shares and/or to require already transferred shares to be delivered back to the Company. Such a claw-back scenario would include any event whereby Schibsted is required to restate financial statements during a program period, for example due to material non-compliance with applicable accounting rules. A claw-back might also be enforced in the event of fraud or criminal activity, a breach of a non-competition clause or a breach of Schibsted's Code of Conduct by the participant.

As both the Fixed Base and the Performance Base are subject to absolute caps, the maximum cost of the LTI Plan will be equal to the Awards for all participants multiplied by the maximum pay-out of 2.03.

The LTI Plan has replaced the previous LTI plans: the Senior Executive Plan ("SEP") and the "Key Contributor Plan" from 2018. Agreements entered into with employees under these LTI plans up until 2017, will remain in force for the duration of these plans. Details of KCP and SEP are included in note 10 of the financial statements

2.1.1 Transition year with Adevinta spin-off

The spin-off of Adevinta induces a change (decrease) of control over TSR-performance for the LTI Plan participants. This decrease in control will post-spin-off be mitigated by adjusting the post-spin-off part of the 2019 LTI Plan's Performance Base down to 50% (from previous 67%) of the total LTI Base, and correspondently raise the Fixed Base to 50% (from previous 33%). Further the pre-spin-off part of the rolling 2018 and 2019 LTI Plans' Performance Base will be "locked in", meaning an accelerated performance measurement will be conducted immediately pre-spin-off and a new measurement period will begin post-spin-off. This will ensure a consistent approach for the time leading up to the spin-off, as well as a clean break between the "old" and the "new" Schibsted at the spin-off date. It will also function as a recognition and isolation of the performance of LTIP-participants leading up to the spin-off of Adevinta. No changes will be made to vesting dates of the LTI Plans for 2018 and 2019.

2.2 Mandatory shareholding requirements

To ensure additional alignment between the interests of senior executives and shareholders, the Board of Directors has broadened shareholding requirements for the senior executives, meaning the senior executives may not sell or otherwise transfer Schibsted shares below the defined requirements.

The requirements are set out as follows:

- CEO: 4 x base salary
- Members of Schibsted's Executive Team: 2-3x base salary
- Other LTI participants: between 10% and 100% of base salary.

2.3 Share-saving program for all Group employees

In order to motivate and retain employees, all Group employees are invited annually to save up to 5 percent of their basic annual salary, subject to a maximum of NOK 50,000, through payroll deductions in order to purchase shares in Schibsted. The share purchase is made on market terms four times a year, after the release of Schibsted's quarterly results. Employees who choose to hold their shares for two years (the "Holding Period") and who are still employed by the Group at the end of the Holding Period, are entitled to receive one free bonus share from Schibsted per two shares purchased and held during the Holding Period.

3. Remuneration principles and implementation in the previous fiscal year ending 31 December 2018

The implementation of executive remuneration principles during 2018 have overall been in line with the described principles in the Statement of Executive Compensation for 2018, previously approved by Schibsted's Annual General Meeting.

4. Agreements entered into or amended in 2018 and their impact on the company and the shareholders

In 2018 Schibsted entered into agreements with selected executives regarding participation in the share-based long-term incentive plan (the LTI Plan). The Board of Directors believes that share-based remuneration promotes value creation in the Group and that the impact these agreements have on the company and shareholders is positive.