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# REPORT ON REMUNERATION OF SENIOR EXECUTIVES 2023



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AF Gruppen needs to recruit, develop and retain the best people in order to achieve its strategic goals. The principles for remuneration and other benefits to senior executives will contribute to this. Remuneration is performance-based in order to safeguard the overall objective of creating value.

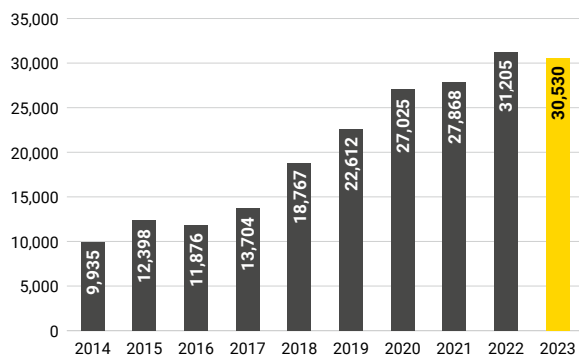
## INTRODUCTION

This report on remuneration of senior executives has been prepared by the Board of Directors of AF Gruppen ASA in accordance with Section 6-16b of the Norwegian Public Limited Liability Companies Act and the regulations on guidelines and reporting on remuneration to senior executives. Senior managers are persons as mentioned in section 7-31b of the Accounting Act, i.e. senior executives and Board members. In AF Gruppen, senior executives refer to the CEO and the Executive Vice Presidents.

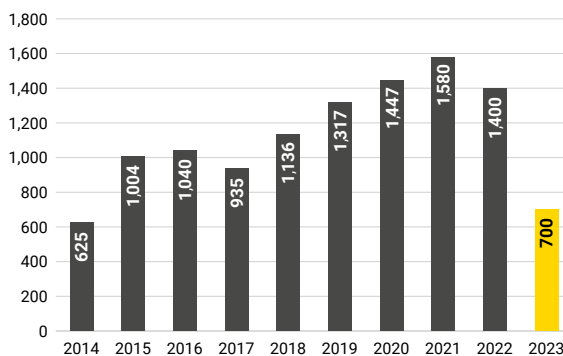
## FINANCIAL YEAR 2023

AF Gruppen reported operating revenues and other revenues of NOK 30,530 million (31,205 million) for 2023. Profit before tax (EBT) was NOK 700 million (1,400 million) and profit after tax was NOK 515 million (1,151 million). Operating profit (EBIT) was NOK 749 million (1,409 million), which corresponds to an operating margin of 2.5 per cent (4.5 per cent).

### REVENUE (MNOK)

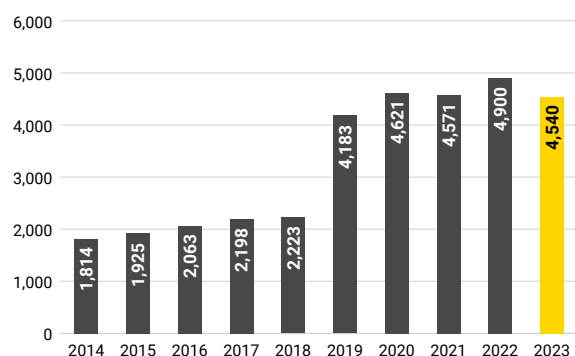


### PROFIT BEFORE TAX (MNOK)

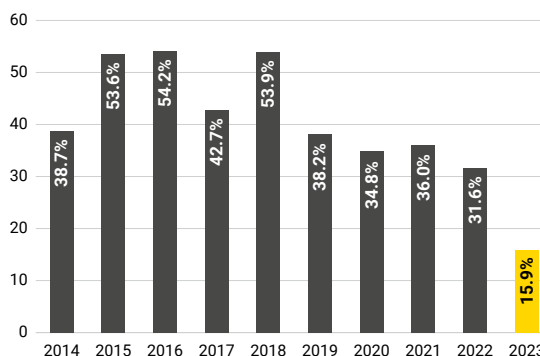


As of 31 December 2023 capital employed <sup>1)</sup> was NOK 4,540 million and as of 31 December 2022 NOK 4,900 million. The return on average capital employed <sup>2)</sup> was 15.9 per cent in 2023 (31.6 per cent).

CAPITAL EMPLOYED (MNOK)



RETURN ON CAPITAL EMPLOYED



The global economy has undergone significant changes in recent years and the uncertainty in macroeconomic conditions has been significant. War in Europe and geopolitical unrest have led to high inflation, energy crisis and supply challenges. Despite this, most projects have managed to maintain good operations. The price level of materials has stabilised at a high level in 2023. Increased prices impact all our projects, and the business areas Property and Construction have been particularly affected.

Civil engineering had a high level of activity in 2023 with increased revenues compared to 2022. The year was characterized by high production on several major projects. Several projects in the final phase contributed overall to very good results for Civil engineering in 2023. The Construction business area had a turnover reduction of 8 per cent compared to the previous year. Varying performances overall resulted in a result below expectation in 2023. Betonmast had reduced activity compared to the previous year and had a weak result for the year. The weak result is due primarily to significant write-downs in the project portfolio of Betonmast Boligbygg. Betonmast Sweden was transferred from the Betonmast business area to the Sweden business area with effect from 2022 and the comparative figures have been restated accordingly. In Property, the year's result was characterized by low housing sales and write-downs of MNOK 21 in the development portfolio. AF Eiendom, together with a partner, has entered into an agreement to purchase the plot Ullevålsveien 114 and the transaction was carried out at the beginning of 2024. Energy and Environment had a turnover growth of 33 per cent compared to the previous year and delivered good results both within demolition, recycling and in the energy business. Sweden had a turnover at the level of 2022. Despite some units delivering very well, the overall result of the business area is weak. This is due to major downward adjustments of the profit expectations for several projects in the portfolio of the former Betonmast Sweden units. Offshore has had a decrease in activity and a weak result for the year. This is entirely due to downward adjustments of the project estimate on one project in AF Offshore Decom.

<sup>1)</sup> Capital employed: Sum of total equity and gross interest-bearing debt.

<sup>2)</sup> Return on average capital employed: Profit before tax and interest expenses divided by average capital employed over the last four quarters.

## SENIOR EXECUTIVES

AF Gruppen did not implement changes to the Corporate Management Team in 2023. As of 31 December 2023, the Corporate Management Team consisted of the following persons with associated responsibilities:

Name	Position	Business area
Amund Tøftum	CEO	
Anny Øen	Executive Vice President/CFO	Finance
Bård Frydenlund	Executive Vice President	Sweden and Betonmast
Eirik Wraal	Executive Vice President	Energy and Environment, Construction and CSR
Geir Flåta	Executive Vice President	Civil engineering and Property
Tormod Solberg	Executive Vice President	Construction
Lars Myhre Hjelmeset	Executive Vice President	Offshore

The Board of Directors of AF Gruppen is made up of seven shareholder-elected members and three employee-elected representatives. At the general meeting on 12 May 2023, Morten Grongstad was elected new Chairman. He replaces Pål Egil Rønn. Marianne Gjertsen Ebbesen was elected as a shareholder-elected board member replacing Arne Baumann. There have been no changes in employee-elected board members in 2023.

As of 31 December 2023, the Board of Directors consists of the following members:

Name	Position	Committee
Morten Grongstad	Board Chairman	Chairman of the compensation committee
Kristian Holth	Board member	Chairman of the audit committee
Hege Bømark	Board member	Audit committee
Marianne Gjertsen Ebbesen	Board member	Compensation committee
Saloume Djoudat	Board member	Compensation committee
Hilde Kristin Herud	Board member	Audit committee
Erik Tømmeraas Veiby	Board member	Compensation committee
Hilde Wikesland Flaen	Employee-elected board member	
Arne Sveen	Employee-elected board member	
Espen Jahr	Employee-elected board member	

## REMUNERATION OF SENIOR EXECUTIVES

### Remuneration of executive personnel

The salaries of senior executives are made up of a fixed salary and a bonus based on the EVA (Economic Value Added) model. AF Gruppen uses EVA as a management and governance tool. Incentive systems based on the EVA model have been introduced for executives in large parts of the Group. EVA is an indicator for value creation and the aim of the tool is to ensure that every part of AF works to increase value creation. Senior executives may invest up to 25 per cent of their gross bonus after tax in shares in AF Gruppen ASA. Shares are purchased at a discount of 20 per cent from the average share price in a given week after the annual results have been presented. The lock-in period for the shares is one year.

Remuneration for the CEO is determined by the Chairman of the Board in consultation with the Compensation Committee. The Board of Directors establishes guidelines for the remuneration of executive personnel in consultation with the CEO. The General Meeting approves the guidelines. The Compensation Committee of the Board of Directors will review the principles and framework for the AF Gruppen bonus programme.

AF Gruppen has two programmes for share-based remuneration, a share programme and an option programme. The General Meeting has authorised the Board of Directors to make a private placement to the company's employees to manage the company's share programme for employees. Shares can be sold to employees at a discount of 20 per cent from the prevailing share price, subject to the approval of the Board of Directors. The offer to purchase shares made to the CEO and Executive Vice Presidents is the same as the offer made to other employees.

The option programme has been established by the Board of Directors, and it is to provide an incentive for all the employees in the Group. The purpose of the scheme is to encourage long-term commitment and greater involvement in the Group's activities. It is believed that the Group's future objectives will best be achieved if the interests of the Group and its employees coincide. The Corporate Management Team and employee-elected Board members take part in the same option programme as the Group's other employees.

The Corporate Management Team participates in the general retirement benefit scheme for AF Gruppen's employees. A defined-contribution pension scheme has been established for the company's employees in Norway. The contribution rates are 5 per cent of salary up to 7.1G and 13.5 per cent of salary >7.1G<12G (G is the basic amount in the Norwegian National Insurance Scheme). The employee will pay a contribution of 2 per cent of the base salary up to a maximum limit of half of the contribution.

Other benefits include benefits in kind in the form of allowances for work travel, internet connection and mobile phone. This is on a par with benefits in kind available to other employees. The CEO and Executive Vice Presidents receive no other benefits, including no company cars.

#### REMUNERATION OF THE BOARD OF DIRECTORS

Members of the Board of Directors will receive a fixed remuneration determined by the General Meeting. Board members who are leaders or members of a board committee receive a fixed annual compensation for this. AF Gruppen has had an agreement with NTNU to cover the costs of a 15 per cent Professor II position at NTNU for the former Chairman of the Board. This agreement expired on 1 August 2023. The Board members do not receive any other form of remuneration from the company.

Remuneration of the Board of Directors is determined and partially paid in the year after they are earned, i.e. remuneration paid in 2023 refer to 2022/2023.

Name, position (TNOK)	2023	2022
Morten Grongstad, Board Chairman <sup>1)</sup>	-	-
Pål Egil Rønn, Board Chairman <sup>2)</sup>	653	622
Kristian Holth, board member	424	404
Hilde Kristin Herud, board member <sup>3)</sup>	408	-
Hege Bømark, board member	408	389
Erik Tømmeraas Veiby, board member <sup>3)</sup>	408	-
Saloume Djoudat, board member	408	389
Marianne Gjertsen Ebbesen, board member <sup>1)</sup>	-	-
Arne Baumann, board member	408	389
Kjetel Digre, board member <sup>4)</sup>	-	389
Kristina Alvendal, board member <sup>4)</sup>	-	389
Hilde Wikesland Flaen, employee-elected board member	288	275
Arne Sveen, employee-elected board member	288	275
Espen Jahr, employee-elected board member <sup>3)</sup>	288	-
Kenneth Svendsen, employee-elected board member <sup>4)</sup>	-	275
<b>Total</b>	<b>3,981</b>	<b>3,792</b>

<sup>1)</sup> Morten Grongstad and Marianne Gjertsen Ebbesen joined the Board of Directors on 12 May 2023. The remuneration is determined and paid partially the year after the earning year. Thus, new board members have not received board remuneration in 2023.

<sup>2)</sup> In addition to the Board Chairman's remuneration of NOK 653,000 (NOK 622,000) that was paid in 2023, AF Gruppen has had an agreement with the Department of Civil and Environmental Engineering at NTNU that AF Gruppen was to cover the costs related to Pål Egil Rønn's employment as an adjunct professor at NTNU. The agreement expired 1 August 2023 and concerned 15 per cent of a full-time position that was covered by NOK 250,000 per year, in addition to consulting hours beyond the fixed position for up to NOK 150,000 per year. Costs of NOK 146,000 incurred in connection to this agreement in 2023 and NOK 250,000 in 2022.

<sup>3)</sup> Hilde Kristin Herud, Erik Tømmeraas Veiby and Espen Jahr joined the Board of Directors on 13 May 2022.

<sup>4)</sup> Kjetel Digre, Kristina Alvendal and Kenneth Svendsen stepped down from the Board of Directors on 13 May 2022.

## OTHER CONDITIONS

There are no agreements with the Corporate Management Team or Chairman of the Board regarding severance pay or early retirement if their employment is terminated or modified.

The CEO and Executive Vice Presidents otherwise have the same employment terms and notice period as other employees. The notice period is three months. No loans nor guarantees have been granted to the Board of Directors or Corporate Management Team.

The Board receives directors' fees from AF Gruppen ASA. The Corporate Management Team is employed by AF Gruppen Norge AS and receives all its remuneration from this company. Employee-elected Board Members are employed by companies within AF Gruppen and receive remuneration as employees of the company. Senior executives do not receive remuneration from other companies in the Group.

## TOTAL REMUNERATION

Name of director, position (TNOK)	Year	Fixed remuneration		Variable remuneration		Pension	Total remuneration	Portion	
		Base salary	Other benefits	Bonus	Share-based payment			Fixed remuneration	Variable remuneration
Amund Tøftum, CEO	2023	4,164	33	2,656	105	90	7,049	61%	39%
	2022	4,060	88	6,805	182	84	11,219	38%	62%
Anny Øen, EVP/CFO <sup>1)</sup>	2023	1,878	27	1,482	70	91	3,548	56%	44%
	2022	545	19	1,181	74	30	1,850	32%	68%
Sverre Hærem, EVP/CFO <sup>2)</sup>	2022	1,464	42	3,798	136	85	5,525	29%	71%
Bård Frydenlund, EVP	2023	1,985	63	1,230	63	92	3,433	62%	38%
	2022	1,885	58	3,335	122	86	5,487	37%	63%
Eirik Wraal, EVP	2023	1,964	25	1,409	26	91	3,516	59%	41%
	2022	1,877	29	3,253	24	85	5,269	38%	62%
Geir Flåta, EVP	2023	1,967	74	1,863	3	91	3,998	53%	47%
	2022	1,877	73	3,805	33	87	5,874	35%	65%
Tormod Solberg, EVP	2023	1,774	31	1,596	74	91	3,565	53%	47%
	2022	1,666	32	3,201	108	85	5,093	35%	65%
Lars Myhre Hjølmeset, EVP <sup>3)</sup>	2023	1,878	88	1,112	26	91	3,195	64%	36%
	2022	607	28	1,098	24	30	1,787	37%	63%
Ida Aall Gram, EVP <sup>4)</sup>	2022	1,354	64	-	-	54	1,472	100%	0%

<sup>1)</sup> Anny Øen has been Executive Vice President/CFO since 1 September 2022.

<sup>2)</sup> Sverre Hærem was Executive Vice President/CFO until 31 August 2022.

<sup>3)</sup> Lars Myhre Hjølmeset has been Executive Vice President since 1 September 2022.

<sup>4)</sup> Ida Aall Gram was Executive Vice President until 30 September 2022.

Salary and other remunerations, including bonus, earned in the reporting year are included in the statements. This is a change from previous years, where paid remuneration was presented. Comparative figures have been restated. Accrued bonus including holiday pay for the reporting year is presented in the bonus column. The change in principle is in accordance with best practice, and it brings out the correlation between AF Gruppen's performance and the management's earned remuneration for the same year.

## FIXED SALARY AND BONUS

The Board of Directors in consultation with the Compensation Committee has determined the remuneration for the CEO. The Board of Directors has established guidelines for the remuneration of the Executive Vice Presidents in collaboration with the CEO. Fixed pay is adjusted annually as of 1 July, based on an individual assessment.

Bonuses to the CEO and Executive Vice Presidents are paid exclusively according to the Economic Value Added (EVA)<sup>1)</sup> model. EVA is a method of calculating and analysing value creation in the Group and in economic units below group level. Bonuses based on the EVA model paid to the CEO and Executive Vice Presidents are linked to value creation for the Group and the individual business area through the financial year. The EVA model shows the ratio between profit and average invested capital. The return requirement for average capital employed in the bonus model is set at 12 per cent. EVA will be positive when the return on average capital employed is over 12 per cent. Bonus payments to the CEO and to the Executive Vice Presidents is calculated as annually determined percentages of EVA for the Group as a whole and for the business areas for which the individual Executive Vice President is responsible. If EVA is negative, no bonus will be paid.

## BONUS PERFORMANCE CRITERIA

Name of director, position	Performance criteria	Weighting of performance criteria	Minimum threshold of performance	Maximum performance	Actual award outcome (TNOK)
Amund Tøftum, CEO	EVA AF Gruppen	100%	Positive EVA	Share of EVA	2,656
Anny Øen, EVP/CFO	EVA AF Gruppen	100%	Positive EVA	Share of EVA	1,482
Bård Frydenlund, EVP	EVA AF Gruppen, Sweden, Betonmast	100%	Positive EVA	Share of EVA	1,230
Eirik Wraal, EVP	EVA AF Gruppen, Energy and Environment, Construction	100%	Positive EVA	Share of EVA	1,409
Geir Flåta, EVP	EVA AF Gruppen, Civil Engineering, Property	100%	Positive EVA	Share of EVA	1,863
Tormod Solberg, EVP	EVA AF Gruppen, Construction	100%	Positive EVA	Share of EVA	1,596
Lars Myhre Hjelmeset, EVP	EVA AF Gruppen, Offshore	100%	Positive EVA	Share of EVA	1,112
<b>Total</b>					<b>11,348</b>

The actual award outcome is bonus including holiday pay.

<sup>1)</sup> Economic Value Added (EVA): Return on capital employed less required rate of return before taxes multiplied by i) one, minus the effective tax rate, ii) average capital employed.

## SHARE-BASED REMUNERATION

### OPTION PROGRAMME

#### Option programme 2020–2023

The General Meeting adopted an option programme for all the employees of AF Gruppen in May 2020. The maximum number of options that could be allocated was 4,000,000 over three years, and the programme entailed annual allotments for the years 2020-2022 and exercise of the options in March 2023. The subscription price for the shares was based on the average market price during the last week before the three respective subscription periods, no lower, however, than the price from the first subscription period. The subscription price was reduced by the portion of the dividend paid that exceeded 50 per cent of the earnings per share for the previous year. The option premium was NOK 1.00 per option. Option holders had to be employed by AF Gruppen, or one of its subsidiaries as at 1 March 2023 in order to exercise the options. AF Gruppen issued 3,850,000 options to 1,584 employees in 2020, 150,000 options to 184 employees in 2021 and 151,669 options to 142 employees in 2022. The total number of outstanding options adjusted for employees who had left the company was 3,505,712 as at 31 December 2022. As at 1 March 2023, the number of outstanding options was 3 501 449. Market price for the AF share was at the time of exercise 1 March 2023 less than the strike prices. 1 361 options were exercised. Remaining options lapsed. Remaining options after the exercise was 0.

#### Option programme 2023–2026

The General Meeting adopted a new option programme for all the employees of AF Gruppen in May 2023. The maximum number of options that can be allocated is 5,000,000 over three years, and the programme entails annual allotments for the years 2023-2025 and exercise of the options in March 2026. The subscription price for the shares will be based on the average market price during the last week before the three respective subscription periods, no lower, however, than the price from the first subscription period. The subscription price will be reduced by the portion of the dividend paid that exceeds 50 per cent of earnings per share for the previous year. The option premium is NOK 1.00 per option. Option holders must be employed by AF Gruppen, or one of its subsidiaries as at 1 March 2026 in order to exercise the options. AF Gruppen issued 4,850,000 options to 1,364 employees in 2023. In total 70,553 options lapsed because of employees leaving the company in 2023. The total number of outstanding options adjusted for employees who have left the company was 4,779,447 as at 31 December 2023.

#### Main terms and conditions for the option programme

Specification of plan	Performance period	Award date	Vesting period	Strike price at the point of subscription (NOK per share) <sup>1)</sup>	Exercise price as at 31 December 2023 (NOK per share)
Option programme 2023	2023-2026	22/6/2023	1/3/2026	139.40	139.40

<sup>1)</sup> Dividends in excess of 50 per cent of the previous year's earnings per share reduce the strike price.

#### Options owned by senior executives

Name, position (TNOK)	Options held as at 31 December 2022 related to option programme 2020–2023	Options held as at 31 December 2023 related to option programme 2023–2026
Amund Tøftum, CEO	20,833	40,477
Anny Øen, Executive Vice President/CFO	10,445	23,708
Bård Frydenlund, Executive Vice President	20,833	24,437
Eirik Wraal, Executive Vice President	20,660	24,327
Geir Flåta, Executive Vice President	20,488	24,327
Tormod Solberg, Executive Vice President	14,513	22,796
Lars Myhre Hjelmeset, Executive Vice President	13,962	23,708
Total	121,734	183,780

Shareholder-elected Board members are not employed by AF Gruppen and do not participate in the option programme. Employee-elected Board members are included in the option programme as employees of AF Gruppen, and are therefore not included in the table above.



## SHARE PROGRAMME AND BONUS SHARES

The Corporate Management Team and employee-elected members of the Board of Directors may participate in the AF Gruppen share programme. Shares can be sold to employees based on an annual approval by the General Meeting, subject to the approval of the Board of Directors, at a 20 per cent discount on the prevailing share price. Senior executives may also use up to 25 per cent of their accrued bonus to purchase shares at a discount of 20 per cent from the prevailing share price. The lock-in period for the shares is one year.

### Main terms and conditions for share programmes

Specification of plan	Award date	Market price during subscription period (NOK per share)	Selling price with 20% discount
Share programme 2023	12/10/2023	121.8	97.4
Bonus shares 2023	10/3/2023	153.4	122.7

### Shares owned by senior executives and the Board of Directors

Name of director, position	Shares owned as at 31 December 2022	Shares owned as at 31 December 2023
Amund Tøftum, CEO	126,044	138,911
Anny Øen, Executive Vice President/CFO	26,299	31,683
Bård Frydenlund, Executive Vice President	179,385	188,090
Eirik Wraal, Executive Vice President	38,679	40,590
Geir Flåta, Executive Vice President	1,591	2,487
Tormod Solberg, Executive Vice President	49,853	58,286
Lars Myhre Hjelmeset, Executive Vice President	35,600	37,511
<b>Total</b>	<b>457,451</b>	<b>497,558</b>

Name of director, position	Shares owned as at 31 December 2023	Shares owned by related parties as at 31 December 2023
Morten Grongstad, Chairman of the Board	25,000	-
Marianne Gjertsen Ebbesen, board member <sup>1)</sup>	-	17,459,483
Kristian Holth, board member <sup>2)</sup>	-	16,359,521
Hege Bømark, board member	-	-
Saloume Djoudat, board member	-	-
Hilde Kristin Herud, board member <sup>3)</sup>	-	3,075
Erik Tømmeraas Veiby, board member <sup>4)</sup>	-	2,224,240
Hilde Wikesland Flaen, employee-elected board member	29,016	-
Arne Sveen, employee-elected board member	-	-
Espen Jahr, employee-elected board member	6,586	-
<b>Total</b>	<b>60,602</b>	<b>36,046,319</b>

<sup>1)</sup> Represents OBOS BBL which owns 17,459,483 shares.

<sup>2)</sup> Represents Constructio AS and Flygind AS, which own 15 338 012 and 1 021 509 shares, respectively.

<sup>3)</sup> Represents Hilma Invest AS, which owns 3,075 shares.

<sup>4)</sup> Represents Vito Kongsvinger AS and KB Gruppen Kongsvinger AS, which own 1,911,676 and 312,564 shares respectively.

Shareholder-elected board members are not employees of AF Gruppen and do not participate in the share programme. Employee-elected board members are included in the share programme as employees of AF Gruppen, not because of board positions.

**THE COMPANY'S RIGHT TO RECLAIM VARIABLE REMUNERATION**

The company does not have the authority to reclaim variable remuneration from senior executives.

**INFORMATION ON HOW REMUNERATION COMPLIES WITH THE GUIDELINES**

The Board of Directors has submitted guidelines to the General Meeting in accordance with Section 6-16a of the Norwegian Public Limited Companies Act. These guidelines have been used as a basis for the remuneration of senior executives.

The total remuneration is in accordance with the guidelines adopted. AF Gruppen's model for total remuneration, with a base salary, bonus model based on set financial objectives and share and option programmes, provides the overall basis for competitive remuneration. Salary and other remuneration are determined based on an overall objective that AF Gruppen should realise its business strategy, safeguard its long-term interests and maintain and develop its financial sustainability. To achieve these objectives, AF Gruppen relies on recruiting and retaining the best people. AF Gruppen's principles for pay and other remuneration to senior executives are intended to contribute to this.

Remuneration of the Board of Directors was adopted by the General Meeting on 12 May 2023 for the previous year.

**EXCEPTIONS AND DEVIATIONS FROM THE REMUNERATION POLICY**

The remuneration of senior executives in 2023 has been in accordance with the guidelines adopted by the General Meeting in 2023.

**INFORMATION REGARDING SHAREHOLDER VOTING**

At the General Meeting on 12 May 2023, an advisory vote was conducted regarding the report on remuneration of senior executives for 2022. Of the voting shares represented at the General Meeting, 96.3 per cent voted in favour, 3.1 per cent voted against and 0.6 per cent abstained from voting. Accordingly, the general meeting supported the report on remuneration of senior executives for 2022.

## ANNUAL CHANGES IN REMUNERATION PAID AND THE COMPANY'S PROFIT FOR THE YEAR

Annual change		2019 vs. 2018	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021	2023 vs. 2022
AF Gruppen's result prior year which is the basis for bonus paid out (percentage change)						
Earnings before tax (EBT)		15.9%	9.9%	9.2%	-11.4%	-50.0%
Remuneration to the corporate management team (percentage change)						
Amund Tøftum, CEO <sup>1)</sup>	Fixed pay incl. holiday pay			1.8%	4.3%	2.6%
	Bonus			5.1%	-14.4%	-61.0%
	Share-based compensation			-11.6%	27.8%	-42.1%
	Total			3.7%	-7.3%	-37.2%
Amund Tøftum, EVP <sup>1)</sup>	Fixed pay incl. holiday pay	3.0%	1.7%			
	Bonus	37.0%	6.7%			
	Share-based compensation	10.9%	-14.7%			
	Total	23.4%	3.7%			
Anny Øen, EVP/CFO <sup>2)</sup>	Fixed pay incl. holiday pay					4.9%
	Bonus					-58.2%
	Share-based compensation					-5.6%
	Total					-35.0%
Bård Frydenlund, EVP	Fixed pay incl. holiday pay	3.0%	3.0%	3.7%	4.3%	5.3%
	Bonus	18.0%	6.1%	0.3%	-14.5%	-63.1%
	Share-based compensation	-23.2%	-12.7%	69.3%	-42.5%	-48.7%
	Total	11.4%	4.6%	2.8%	-9.4%	-37.4%
Eirik Wraal, EVP	Fixed pay incl. holiday pay	3.1%	3.7%	4.5%	3.8%	4.7%
	Bonus	18.4%	1.4%	15.6%	-17.4%	-56.7%
	Share-based compensation	-32.8%	-32.5%	-	-11.1%	7.7%
	Total	12.1%	2.0%	11.8%	-10.6%	-33.3%
Geir Flåta, EVP <sup>3)</sup>	Fixed pay incl. holiday pay		2.7%	5.4%	3.8%	4.8%
	Bonus		11.8%	11.8%	-7.8%	-51.0%
	Share-based compensation		-100.0%	-	-	-92.2%
	Total		8.9%	9.9%	-3.5%	-31.9%
Tormod Solberg, EVP <sup>4)</sup>	Fixed pay incl. holiday pay			2.1%	4.0%	6.5%
	Bonus			9.1%	-15.5%	-50.2%
	Share-based compensation			-	-28.3%	-31.9%
	Total			11.5%	-9.9%	-30.0%
Lars Myhre Hjølmeset, EVP <sup>2)</sup>	Fixed pay incl. holiday pay					4.9%
	Bonus					-66.2%
	Share-based compensation					7.7%
	Total					-38.2%

<sup>1)</sup> Amund Tøftum was Executive Vice President until 21 August 2020. He has been CEO since 24 August 2020. The fixed salary and bonus for the period as Executive Vice President and CEO in 2020 has been annualised to achieve comparability.

<sup>2)</sup> Anny Øen and Lars Myhre Hjølmeset have been Executive Vice Presidents since 1 September 2022. The first year's fixed salary and bonus have been annualised to achieve comparability.

<sup>3)</sup> Geir Flåta has been Executive Vice President since 1 March 2019. The first year's fixed salary and bonus have been annualised to achieve comparability.

<sup>4)</sup> Tormod Solberg has been Executive Vice President since 21 September 2020. The first year's fixed salary and bonus have been annualised to achieve comparability.

Annual change cont.		2019 vs. 2018	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021	2023 vs. 2022
Remuneration to the corporate management team (percentage change)						
Sverre Hærem, EVP/CFO <sup>5)</sup>	Fixed pay incl. holiday pay	1.5%	1.5%	2.6%	3.5%	
	Bonus	15.5%	1.2%	5.1%	-14.4%	
	Share-based compensation	19.1%	-18.0%	50.8%	-33.0%	
	Total	10.6%	0.9%	5.2%	-9.2%	
Ida Aall Gram, EVP <sup>6)</sup>	Fixed pay incl. holiday pay		1.1%	3.3%	3.6%	
	Bonus		16.6%	0.6%	-100.0%	
	Share-based compensation		40.0%	60.7%	-100.0%	
	Total		11.8%	2.4%	-65.8%	
Morten Grongstad, CEO <sup>7)</sup>	Fixed pay incl. holiday pay	0.7%	0.7%			
	Bonus	15.7%	1.2%			
	Share-based compensation	45.1%	-63.9%			
	Total	10.7%	-1.1%			
Arild Moe, EVP <sup>8)</sup>	Fixed pay incl. holiday pay	1.6%	1.2%			
	Bonus	19.7%	-2.5%			
	Share-based compensation	2.7%	-37.4%			
	Total	12.4%	-2.8%			
Andreas Jul Røsjø, EVP <sup>9)</sup>	Fixed pay incl. holiday pay	1.7%				
	Bonus	-100.0%				
	Share-based compensation	-				
	Total	-65.7%				
Henning Olsen, EVP <sup>9)</sup>	Fixed pay incl. holiday pay	2.5%				
	Bonus	-100.0%				
	Share-based compensation	-100.0%				
	Total	-67.9%				

<sup>5)</sup> Sverre Hærem stepped down as Executive Vice President/CFO on 31 August 2022. Fixed salary for the final year as Executive Vice President has been annualised to achieve comparability.

<sup>6)</sup> Ida Aall Gram became Executive Vice President on 1 March 2019 and stepped down on 30 September 2022. The first and last year's fixed salary and bonus have been annualised to achieve comparability.

<sup>7)</sup> Morten Grongstad stepped down as CEO on 21 August 2020. Fixed salary and bonus in his last year as CEO have been annualised to achieve comparability.

<sup>8)</sup> Arild Moe stepped down as Executive Vice President on 18 September 2020. The last year's fixed salary and bonus have been annualised to achieve comparability.

<sup>9)</sup> Andreas Jul Røsjø and Henning Olsen stepped down as Executive Vice Presidents on 28 February 2019. The last year's fixed salary and bonus have been annualised to achieve comparability.

Annual change cont.	2019 vs. 2018	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021	2023 vs. 2022
Remuneration to the board of directors (percentage change)					
Morten Grongstad, Board Chairman <sup>10)</sup>					-
Pål Egil Rønn, Board Chairman <sup>11)</sup>	16.3%	0.0%	5.3%	3.7%	5.0%
Kristian Holth, board member <sup>12)</sup>	24.6%	0.0%	5.6%	7.7%	5.0%
Hilde Kristin Herud, board member <sup>13)</sup>					-
Hege Bømark, board member <sup>14)</sup>	23.3%	0.0%	5.4%	-0.4%	5.0%
Erik Tømmerraas Veiby, board member <sup>15)</sup>					-
Marianne Gjertsen Ebbesen, board member <sup>16)</sup>					-
Arne Baumann, board member <sup>17)</sup>		0.0%	5.6%	3.6%	5.0%
Kjetel Digre, board member <sup>18)</sup>			5.6%	3.6%	
Kristina Alvendal, board member <sup>19)</sup>			5.6%	3.6%	
Saloume Djoudat, board member <sup>20)</sup>					5.0%
Borghild Lunde, board member <sup>21)</sup>	24.6%	0.0%	5.6%		
Gunnar Bøyum, deputy board member <sup>22)</sup>	24.6%				
Hilde Wikesland Flaen, employee-elected board member <sup>23)</sup>		0.0%	6.0%	3.6%	4.9%
Arne Sveen, employee-elected board member	28.2%	0.0%	6.0%	3.6%	4.9%
Espen Jahr, employee-elected board member <sup>24)</sup>					-
Kenneth Svendsen, employee-elected board member <sup>25)</sup>	28.2%	0.0%	6.0%	3.6%	
Average remuneration to all employees in AF Gruppen					
Percentage change in average remuneration <sup>26)</sup>	1.9%	4.3%	3.3%	2.8%	1.6%

<sup>10)</sup> Morten Grongstad has been the Chairman of the Board since 12.05.2023.

<sup>11)</sup> Pål Egil Rønn has been the Chairman of the Board until 12.05.2023

<sup>12)</sup> Kristian Holth has been the Chairman of the Audit Committee on 26.08.2021.

<sup>13)</sup> Hilde Kristin Herud has been a member of the Board of Directors since 13.05.2022.

<sup>14)</sup> Hege Bømark has been the Chairman of the Audit Committee until 26.08.2021.

<sup>15)</sup> Erik Tømmerraas Veiby has been a member of the Board of Directors since 13.05.2022.

<sup>16)</sup> Marianne Gjertsen Ebbesen has been a member of the Board of Directors since 12.05.2023.

<sup>17)</sup> Arne Baumann has been a member of the Board of Directors from 9.5.2018 until 12.05.2023.

<sup>18)</sup> Kjetel Digre has been a member of the Board of Directors from 15.5.2019 until 13.05.2022.

<sup>19)</sup> Kristina Alvendal has been a member of the Board of Directors from 15.5.2019 until 13.5.2022.

<sup>20)</sup> Saloume Djoudat has been a member of the Board of Directors since 11.05.2021.

<sup>21)</sup> Borghild Lunde stepped down from the Board of Directors on 11.05.2021.

<sup>22)</sup> Gunnar Bøyum has been an alternate member of the Board of Directors from 9.5.2018 until 15.5.2020.

<sup>23)</sup> Hilde Wikesland Flaen has been an employee-elected Board Member from 9.5.2018.

<sup>24)</sup> Espen Jahr has been an employee-elected Board Member from 13.05.2022.

<sup>25)</sup> Kenneth Svendsen has been an employee-elected Board Member until 13.05.2022.

<sup>26)</sup> The average remuneration has been calculated as total payroll costs less employer's national insurance contributions divided by the average number of full-time equivalents. The average remuneration of AF Gruppen employees is affected by many elements, especially the acquisition of companies, the percentage of skilled workers/salaried employees/apprentices, costs associated with share and option programmes, pension costs and foreign currency exchange rate trends. This figure is not directly comparable with the average pay adjustment.

## STATEMENT FROM THE BOARD OF DIRECTORS

The Board of Directors has today processed and approved the remuneration report of AF Gruppen ASA for the 2023 financial year. The remuneration report has been prepared in accordance with Section 6-16b of the Public Limited Liability Companies Act and the accompanying regulations.

The remuneration report will be presented to the General Meeting on 15 May 2024 for an advisory vote.

Oslo, 10 April 2024

**Morten Grongstad**  
*Board Chairman*

**Hilde Kristin Herud**

**Saloume Djoudat**

**Kristian Holth**

**Hege Bømark**

**Erik Tømmeraas Veiby**

**Amund Tøftum**  
*CEO*

**Marianne Gjertsen Ebbesen**

**Espen Jahr**

**Arne Sveen**

**Hilde Wikesland Flaen**



To the General Meeting of AF Gruppen ASA

## Independent auditor's assurance report on report on salary and other remuneration to directors

### Opinion

We have performed an assurance engagement to obtain reasonable assurance that AF Gruppen ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2023 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 Management

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We apply the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly, maintain 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, 10 April 2024  
**PricewaterhouseCoopers AS**

Thomas Whyte Gaardsø  
State Authorised Public Accountant

*Note: This translation from Norwegian has been prepared for information purposes only.*