



Remuneration Report 2022

Introduction

This Remuneration Report has been prepared in accordance with the Norwegian Public Limited Liability Companies Act section 6-16b and describes the principles for and the actual remuneration vested by the executive management in Aker Horizons ASA (“Aker Horizons” or the “Company”) during 2022. The report is presented for advisory vote by the Company’s annual general meeting to be held on 21 April 2023. Following the vote, the Remuneration Report will be made available at the Company’s website www.akerhorizons.com.

The principles and framework for remuneration to the executives are set out in the Executive Remuneration Guidelines for Aker Horizons (“the Guidelines”), which was approved at the Company’s annual general meeting on 22 April 2022 and is also available on the [Company’s website](#). The Guidelines are designed to attract and retain executives, to align interests between executives and the Company’s shareholders, and to encourage a strong and sustainable performance-based culture, which supports the Company’s overall strategic ambitions and goals over time.

Highlights

The key events for the financial year 2022 and Aker Horizons' overall performance is summarized in the [Board of Directors' Report](#) of the Annual and Sustainability Report 2022. The Annual and Sustainability Report is available on the [Company's website](#).

The financial year 2022 was a transformative year for Aker Horizons, characterized by a volatile and uncertain macro environment. The Company took significant steps to reduce the complexity of its portfolio and increase its robustness in the face of such uncertainty, e.g. through the sale of all its shares in REC Silicon to Hanwha, the delisting of and mergers with Aker Clean Hydrogen and Aker Offshore Wind, and the subsequent combination of Aker Offshore Wind with Mainstream Renewable Power. Further, Aker Horizons secured Mitsui as a long term strategic investor and partner in Mainstream Renewable Power.

Throughout the year, Aker Horizons continued to drive forward prioritized projects, maintain focus and financial discipline, and develop industrial partnerships, thereby strengthening the Company's position as an early mover in key Net Zero segments including CCUS, offshore wind and hydrogen.

The Company closed the year with a cash position of NOK 4.1 billion and total available corporate liquidity of NOK 9.4 billion.

There were no changes to the executive management in 2022 and the executives pertinent to the Guidelines include Chief Executive Officer (CEO) Kristian M. Røkke and Chief Financial Officer (CFO) Nanna Tollefsen (the "Executive Management" or separately as each "Executive"). The remuneration to the Executive Management for 2022 is in accordance with the principles set out in the Guidelines. No deviations have been made from the approved Guidelines and no remuneration was recovered from any of the Executive Management during 2022.

Total remuneration of the Executive Management

The total remuneration package for the Executive Management consists of a fixed salary, variable pay and other benefits such as standard employee pension and insurance coverage.

The remuneration to the CEO is recommended by the Chairman of the Board and approved by the Board of Directors on an annual basis, while the remuneration to the CFO is approved by the CEO, in consultation with the Chairman, and informed to the Board of Directors on an annual basis.

The table below shows the total remuneration awarded or due to the Executive Management for 2022.

<i>Amounts in NOK thousand</i>	Base salary	Fringe benefits¹	Variable pay	Total remuneration	Pension expense²	Proportion fixed vs variable
Kristian Røkke, CEO	6,287	17	3,594	9,897	189	64/36
Nanna Tollefsen, CFO	2,620	42	2,246	4,908	193	54/46
Total	8,907	59	5,840	14,805	382	

1) Fringe benefits include membership in the standard employee benefit scheme and disability insurance.

2) The executive management team participates in the standard pension and insurance schemes applicable to all employees.

Executive Management received no remuneration for directorships or membership of nomination committees of other Aker companies. In 2022, Aker Horizons Holding AS invoiced a total of NOK 3.0 million for Kristian Røkke's directorship on other Aker companies.

Standard terms and remuneration components

In line with other Aker Horizons personnel, the Executive Management is offered standard employment contracts with terms and conditions consistent with industry standards. The CEO's employment contract can be terminated on three months' notice. In accordance with statutory law, the Company may request the resignation of the CEO at its own discretion against a severance payment equal to three months' salary from the expiry of the notice period. The CFO has a standard notice period of three months and no severance payment.

Fixed salary

The fixed salary to the Executive Management shall be in line with the market level for corresponding jobs in the industry and be based on responsibilities, expertise, and performance. The level of fixed salary is reviewed regularly, usually annually to ensure that it is set at the right level. The fixed salary for the Executive Management in 2022 consisted of base pay and is included in the table above. The base salary development for the Executive Management in 2022 was in line with the salary development of regular employees.

Variable salary

Variable remuneration to the CEO is recommended by the Chairman of the Board and approved by the Board of Directors on an annual basis. The remuneration to the CFO is approved by the CEO, in consultation with the Chairman of the Board, and informed to the Board of Directors of Aker Horizons on an annual basis.

In 2022, the Executive Management participated in an annual variable pay program. The annual variable pay program applicable to employees in the Company including the Executive Management in 2022, comprised of two components;

- a. 50 percent related to delivery of certain key financial, operational, and strategic targets (Company objectives)
- b. 50 percent related to delivery of personal performance objectives during the year

The annual variable remuneration is discretionary and for the CEO, the total variable pay from the various schemes shall not exceed two thirds of the annual base salary. For the CFO, the total variable pay from the various schemes shall not exceed 100 percent of the annual base salary.

The definition of the Company objectives and fulfillment assessment is subject to the Chairman and Board of Directors' approval and discretionary assessment. For the CEO, individual objectives are approved and assessed by the Chairman. For the CFO, the individual objectives are set and assessed by the CEO.

The main Company objectives used in assessing variable remuneration for the Executive Management in 2022 included:

- a. A streamlining of the portfolio and group structure, including the sale of the shareholdings in REC Silicon and a combining of portfolio companies Aker Offshore Wind and Mainstream Renewable Power
- b. Securing funding for Mainstream
- c. Securing value-enhancing partnerships for portfolio companies and projects
- d. Net asset value development in 2022

Based on an overall assessment of the responsibilities, expertise and performance of the CEO, and with a particular view to his role in the portfolio restructuring and the partnership entered into with Mitsui, the 2022 variable remuneration for the CEO was set to NOK 3,208,500 excluding holiday pay, which equates to 78% of the total maximum variable pay. The variable remuneration for the CFO was set to NOK 2,005,313 excluding holiday pay, which equates to 78% of the total maximum variable pay.

Executives may be paid additional remuneration in extraordinary circumstances, provided that such extraordinary arrangements are made only at an individual level and with the view to either recruit or retain an executive, as compensation for extraordinary work beyond individual usual duties or as part of a termination settlement. No such additional remuneration was awarded to the Executive Management for 2022.

Share based remuneration

Executive Management may be offered to purchase shares in the Company or in affiliated companies. Shares may be offered at maximum of 30 percent price reduction or additional shares may be awarded, in exchange for accepting a defined lock-up period on the acquired shares. No such share program was offered in 2022.

The Company does not offer the Executive Management any share options and has not granted remuneration in the form shares, subscription rights, options, and other forms of remuneration linked to shares or the development of the share price in the Company or in other companies within the group in 2022.

Other benefits

The Executive Management participates in the collective pension and insurance scheme open to all employees in the Company. Pension is based on a defined contribution plan and is capped at 12G for all employees including the Executive Management.

None of the Executive Management have performance-based pension plans, prepayments or other forms of credit or guarantees from the Company except for the loans described below. The Executive Management receives non-monetary benefits such as phones, broad band etc. aligned with company practice. The Executive Management has loans from the Company related to the share program offered in 2021. As of 31 December 2022, the loan balance was NOK 15.5 million for Kristian Røkke and NOK 3.1 million for Nanna Tollefsen. Interest rates on the loans are equal to the prevailing interest rate for loans from an employer to employees as determined by the Norwegian Ministry of Finance ("normrente"), and the loans are due on 1 March 2024.

Comparative information on the change of remuneration and company performance

The below table shows comparative information on the change of remuneration for each executive since the Company was established in August 2020 in comparison with some selected company performance measures and average remuneration for all employees (excluding Executives). Total remuneration includes fixed and variable salary (including calculated holiday pay) in each year for the relevant individuals and/or all employees. However, with some of the variable salary being based upon individual achievement, and a variation of number of employees over time, the information below is not directly comparable.

Change of remuneration for each executive

Amounts in NOK thousand	2020 ²		2021 ²		2022	
	Fixed	Total	Fixed	Total ³	Fixed	Total
Kristian Røkke, CEO	3,921	3,921	6,123	24,834	6,303	9,897
Change			56.2%	533.4%	2.9%	-60.1%
Nanna Tollefsen, CFO ¹	n.a.	n.a.	2,597	5,120	2,662	4,908
Change					2.5%	-4.1%
Ola B. Fosse, CFO ¹	2,065	2,065	2,131	3,997		
Change			3.2%	93.5%		

1) Ola Beinnes Fosse was CFO until 1 May 2021 and Nanna Tollefsen has been CFO from 1 May 2021.

2) Annualized for Kristian Røkke and Ola Beinnes Fosse in 2020. Annualized for Ola Beinnes Fosse and Nanna Tollefsen in 2021. Comparatives for 2020 and 2021 have been restated to reflect holiday payment on an accrual basis.

3) Total includes extraordinary items of NOK 14.9 million to Kristian Røkke that was used to acquire shares in Aker Horizons Holding AS as part of the incentive program described below.

Group performance

Amounts in NOK million	2020 ¹	2021	2022
Net asset value (NAV)	12,790	16,923	15,079
Change		32.0%	-11.0%

1) Net asset value (NAV) of NOK 12,790 million is per 1 February 2021 (time of listing of Aker Horizons).

Average remuneration for all employees (excluding Executives)

Amounts in NOK thousand	2020	2021	2022
Aker Horizons ASA employee	1,703	2,133	2,144
Change		25.2%	0.5%

Compensation to the Board of Directors

The general meeting determines the compensation to the Board of Directors based on a proposal from the Nomination Committee. At the 2022 ordinary general meeting, the Nomination Committee proposed the compensation payable for the period between the 2022 ordinary general meeting and the 2023 ordinary general meeting.

No agreements exist which entitles the Directors to any extraordinary compensation, except for a consultancy agreement with Auke Lont. The consultancy agreement with Lont can be terminated by either party by serving 30 days written notice. Lont receives a fixed annual fee of NOK 2,000,000 (excluding VAT) based on approximately two working days per week, which is invoiced monthly. The consultant provides general advice related to the development of the Company and its portfolio companies. Lont does not have signature rights and no authority to sign any third-party agreements on behalf of the Company.

The fees in the table below represent expenses recognized in the income statement based on assumptions about fees to be approved at the general assembly rather than actual payments made. Unless explicitly stated below, members of the Board of Directors did not receive any other fees than those listed in the table.

		2022		2021 ⁴	
		Audit Committee fees	Board fees	Audit Committee fees	Board fees
<i>Amounts in NOK thousand</i>					
Øyvind Eriksen ^{1,2}	Chairperson	285,714	—	—	—
Kjell Inge Røkke ^{1,3}	Director	—	—	—	—
Lone Fønss Schrøder	Director	187	320	120	207
Lise Kingo	Director	108	320	69	207
Auke Lont	Director	—	320	—	129
Lene Landøy ¹	Deputy	—	—	—	—
Total		294	960	189	543

1) The fees allocated to Øyvind Eriksen, Kjell Inge Røkke and Lene Landøy will, as per Aker policies, be paid to their respective employer companies. Fee for Chairperson Øyvind Eriksen is NOK 620 thousand in 2022 (2021: NOK 400 thousand), for Director Kjell Inge Røkke is NOK 320 thousand (2021: 207 thousand) and for Deputy Lene Landøy (NOK 159 thousand) (nil in 2021)

2) Owns shares in Aker Horizons ASA through Erøy AS

3) Kjell Inge Røkke's minor son, Normann Eidsvig Røkke, owns 2,500 shares

4) Period in 2021 is from May to December (August to December for Auke Lont)

Aker Horizons' Board of Directors does not include any employee representatives.

Audit Committee

Aker Horizons has an Audit Committee comprising two of the directors, which held seven meetings in 2022. As of 31 December 2022, the Audit Committee comprises Lone Fønss Schrøder (chair) and Lise Kingo.

Nomination committee

Current members of the nomination committee are Svein Oskar Stoknes (chair) and Ingebret Hisdal. The chair of the nomination committee receive an annual compensation of NOK 52,000 and other members receive NOK 42,000.



To the General Meeting of Aker Horizons 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 Aker Horizons ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2022 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, 17 March 2023
PricewaterhouseCoopers AS

Thomas Fraurud
State Authorised Public Accountant