

A close-up photograph of a person in a dark suit jacket, white shirt, and light-colored tie. The person's hands are visible, adjusting the knot of the tie. The image is dimly lit, with a dark, moody atmosphere. The text is overlaid on the left side of the image.

Arribatec .

Remuneration report
2023 .



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1. Remuneration Report .

The purpose of Arribatec's management remuneration approach is to offer competitive terms to attract and retain the competences we need. This report is made according to the requirements in section 6-16a and 6-16b of the Norwegian Public Limited Liability Companies Act and Arribatec Executive Remuneration Policy approved by the GM on 29 June 2021. The report describes how the remuneration policy has been applied during 2023. The report was approved by the Board of Directors on 24 April 2024 and is presented for advisory voting for the first time by the annual general meeting on 27 May 2024. Arribatec's Group Management effort to further develop the Group is done in the best interests of customers, employees and shareholders. The Group has a clear ambition that Arribatec's remuneration scheme ensures that the Arribatec Group Management team acts in accordance with the long-term interests of the customers and owners.

1.1. Introduction

Arribatec Group ASA has been through a major structural change during the last years. Following the reverse takeover on 4 September 2020, and the acquisition of ten companies, Arribatec grew significantly in 2021: increased the workforce, doubled the number of offices, broadened the service and product portfolio and grown the customer bases. Consequently, significant changes have been made both in the composition of the board as well as in the Group Management team of the company. The Group Management team of the company was enlarged in 2021. Arribatec has applied the remuneration policy throughout 2023 as approved by the General Meeting.

The remuneration report is presented in NOK as the Group Executive Management is paid in NOK.

1.1.1. Remuneration of the Board of Directors

The Board of Directors has five directors, all are elected by the shareholders. Fees to the Board of Directors are approved by the Annual General Meeting. The Board held 9 meetings in 2023. The Company has had a Nomination committee and an Audit Committee. The Audit Committee held 6 meetings in 2023. The members of Arribatec Board of Directors are solely remunerated for their role and contribution to the board and its committees. The fixed fees are independent of the company's results and are reviewed each year and approved by the Annual General Meeting. The fees in the table below represent what has been paid during the years. The fees are to be approved at the Annual General Meeting to be held on 27 May 2024. The board members did not receive any other fees. No agreements exist which entitle the directors to any extraordinary compensation.

1.1.2. Remuneration of the Group Management team

Fixed remuneration for the Group management team members consists of their base salary. The purpose of Arribatec's management remuneration approach is to offer fair and competitive terms to attract and retain qualified leaders. The Group management team has in 2023 not had a bonus scheme, other than sales bonus scheme for EVP Business Development and a one-time compensation paid to the COO. No sales bonus was paid in 2023, but an accrual for 2023 was made and will be paid in 2024. Arribatec provides no other special benefits to the members of Group Management. The Group Management team participates in the company's defined contribution pension scheme, share option program and insurance schemes on standard terms. The Executive Officer (CEO), Geir Johansen has three months' notice period and is entitled to a severance pay for 12 months in case of termination by the company.

1.2. Total Remuneration – Board of Directors

The yearly fees set in the Annual General Meeting to the Board of Directors and the defined committee members are presented in table 1.

Table 1 – Yearly fee

Chair of the board	275 000
Member of the board	225 000
Chair of the Audit Committee	40 000
Member of the audit committee	35 000
Chair of nomination committee	35 000
Member of nominaiton committee	20 000

Table 2 – Remuneration to Board of Directors

	Period	Role in Board / her committees			Board fees			Total
		Board of Directors	Audit Committee	Nomination Committee	Board fees	Audit committee fees	Nomination Committee fee	
Martin Nes	Jan - Dec 2023	chair	chair		264 583	37 917	0	302 500
	Jan - Dec 2022	chair	chair		279 168	20 417	0	299 585
	Jan - Dec 2021	chair	chair		266 667	0	0	266 667
	Feb - Dec 2020	chair			0	0	0	0
Øystein S. Spetalen	Jan - Dec 2023	✓			214 583	0	0	214 583
	Jan - Dec 2022	✓			216 667	0	0	216 667
	Jan - Dec 2021	✓			200 000	0	0	200 000
	Feb - Dec 2020	✓			0	0	0	0
Kristin Hellebust	Jan - Dec 2023	✓			214 583	32 917	0	247 500
	Jan - Dec 2022	✓			216 667	17 500	0	234 167
	Jan - Dec 2021	✓			150 000	0	0	150 000
	Feb - Dec 2020	✓			0	0	0	0

	Period	Role in Board / her committees			Board fees			Total
		Board of Directors	Audit Committee	Nomination Committee	Board fees	Audit committee fees	Nomination Committee fee	
Henrik Lie-Nielsen	Jan - May 2023	✓			83 333	12 500	0	95 833
	Jan - Dec 2022	✓			216 667	17 500	0	234 167
	Jan - Dec 2021	✓			150 000	0	0	150 000
	Feb - Dec 2020	✓			0	0	0	0
Linn Katrine Høie	Jan - Dec 2023	✓			214 583	0	0	214 583
	May - Dec 2022	✓			116 667	0	0	116 667
Terje Mjøs	May - Dec 2022	✓			131 250	20 418	0	151 668
Yvonne Listheim Sandvold	Jan - Dec 2022	✓			100 000	0	0	100 000
	Jan - Dec 2021	✓			200 000	0	0	200 000
	Feb - Dec 2020	✓			0	0	0	0
Espen Lundaas	Jan - Dec 2023	✓		chair	0	0	20 000	20 000
	Jan - Dec 2022	✓		chair	0	0	40 000	40 000
	Jan - Dec 2021			chair	0	0	0	0
	n/a							
Øystein Tvenge	Jan - Dec 2023	✓			0	0	0	0
	Jan - Dec 2022	✓			0	0	0	0
	Jan - Dec 2021			✓	0	0	0	0
	n/a							
Total	Jan - Dec 2023				1 122 915	103 752	20 000	1 246 667
Total	Jan - Dec 2022				1 145 836	55 417	40 000	1 241 253
Total	Jan - Dec 2021				966 667	0	0	966 667
Total	Jan - Dec 2020				0	0	0	0

1.3. Total Remuneration – Group Management team

Arribatec's Group Management remuneration schemes are set to align with the company's ambitions, strategic priorities and purpose as defined in the Remuneration Policy. Group Management remuneration consists of the following two elements: Fixed Remuneration and Benefits. The below table 3 details the remuneration for the Group management team in 2023.

Table 3 – Remuneration to Group Management Team

Job Title	Period	Fixed Remuneration			Variable pay	Pension cost ²	Total Remuneration	Proportion of fixed remuneration
		Base Salary	Other Benefits ¹					
CEO	Geir Johansen	Jan - Dec 2023	4 000 000	16 951	0	99 641	4 116 592	100%
		Jan - Dec 2022	2 700 000	10 728	0	89 683	2 800 411	100%
	Per Ronny Stav	Jan - Dec 2021	3 235 366	13 356	0	89 375	3 338 097	100%
		Jan - Dec 2020	3 200 000	7 866	1 583 336	26 616	4 817 818	67%
COO	Ole Jacob Kjølvik	Jan - Dec 2023	1 558 500	16 807	136 869	99 641	1 811 817	92%
		Jan - Dec 2022	1 500 000	16 262	0	89 683	1 605 945	100%
	Jhonny Sharma ³	Jan - Dec 2021	2 439 220	10 535	0	89 375	2 539 130	100%
		Jan - Dec 2020	1 800 000	4 500	0	30 848	1 835 348	100%
CFO	Bente Brocks	Jan - Dec 2023	1 761 779	13 896	0	99 641	1 875 315	100%
		Jan - Dec 2022	1 679 736	11 250	0	89 683	1 780 669	100%
	Geir Johansen ⁴	Mar - Dec 2021	2 243 060	8 613	0	89 375	2 341 048	100%
		n/a						
CPOO	Solfrid Buø	Jan - Dec 2023	1 500 000	23 947	0	99 641	1 623 588	100%
		Nov - Dec 2022	217 308	2 667	0	15 212	235 186	100%
	Grete Thomassen	Jan - Apr 2022	400 000	3 796	0	28 000	431 796	100%
	Grete Thomassen	May - Dec 2021	846 147	12 242	0	84 000	942 389	100%
	Else Thoresen	Jan - Mar 2021	437 805	2 862	0	22 300	462 967	100%

Job Title	Period	Fixed Remuneration				Total Remuneration	Proportion of fixed remuneration	
		Base Salary	Other Benefits ¹	Variable pay	Pension cost ²			
Strategic Director	Ole Jacob Kjølvik	Dec 2021 n/a	125 000	949	0	0	125 949	100%
Group EVP Bus Dev / CCO	Pål Stueflotten	Jan - Dec 2023	1 457 500	84 324	512 560	99 641	2 154 024	76%
		May - Dec 2022	800 000	74 325	0	56 000	930 325	100%
	Espen Karlsrud	Jan - Apr 2022	500 000	3 796	0	35 000	538 796	100%
	Espen Karlsrud	Oct - Dec 2021 n/a	300 000	2 847	0	0	302 847	100%
Group IT director	Erik Sundet ⁵	Jan - Dec 2023	1 230 909	55 979	0	86 164	1 373 052	100%
		Jan - Dec 2022	992 807	21 467	48 300	69 496	1 132 070	96%
Total		2023	11 508 687	211 905	649 429	584 368	12 954 389	95%
Total		2022	8 789 850	144 292	48 300	472 757	9 455 199	99%
Total		2021	9 626 598	51 404	0	374 425	10 052 427	100%
Total		2020	5 000 000	12 366	1 583 336	57 464	6 653 166	76%

¹ Other benefits include phone and broadband allowances, travel allowances and insurances in the standard employee benefit scheme

² Pension benefits include the standard employee pension scheme and a disability pension scheme

³ Salary in 2021 includes a 150.000 NOK board fee for an Arribatec company

⁴ Geir Johansen was appointed as CEO from January 2022 (former CFO from March – December 2021), he earlier served on the board of Arribatec Solutions. As board member Geir Johansen received no compensation

⁵ Erik Sundet works 50% as Chief Technical Officer (CTO) and is member of the Group Management team. The salary stated is equivalent to 100% of his salary in 2023.

1.4. Share based remuneration model

During 2023, a long-term incentive plan in the form of a share-based remuneration program has been launched within Arribatec.

No shares have yet been vested through the program. The shares currently held by certain members of management were acquired at market conditions.

1.4.1. Long-term incentive plan

Granted and unvested share options in the reporting period.

	Plan	Award date	Exercise period	Strike price (NOK)	Fair value (NOK)	Awarded and unvested at period start	Granted	Vested in period	Awarded and unvested at period end
Geir Johansen, CEO	LTI 2023	01.11.2023	01.11.2024-01.11.2028	5.00	1.66	0	66 667	0	66 667
	LTI 2023	01.11.2023	01.11.2025-01.11.2028	5.25	1.86	0	66 667	0	66 667
	LTI 2023	01.11.2023	01.11.2026-01.11.2028	5.50	2.38	0	66 667	0	66 667
Ole Jakob Kjølvik, COO	LTI 2023	01.11.2023	01.11.2024-01.11.2028	5.00	1.66	0	50 000	0	50 000
	LTI 2023	01.11.2023	01.11.2025-01.11.2028	5.25	1.86	0	50 000	0	50 000
	LTI 2023	01.11.2023	01.11.2026-01.11.2028	5.50	2.38	0	50 000	0	50 000
Bente Brocks, CFO (interim)	LTI 2023	01.11.2023	01.11.2024-01.11.2028	5.00	1.66	0	60 000	0	60 000
	LTI 2023	01.11.2023	01.11.2025-01.11.2028	5.25	1.86	0	60 000	0	60 000
	LTI 2023	01.11.2023	01.11.2026-01.11.2028	5.50	2.38	0	60 000	0	60 000
Erik Sundet, Group IT director	LTI 2023	01.11.2023	01.11.2024-01.11.2028	5.00	1.66	0	50 000	0	50 000
	LTI 2023	01.11.2023	01.11.2025-01.11.2028	5.25	1.86	0	50 000	0	50 000
	LTI 2023	01.11.2023	01.11.2026-01.11.2028	5.50	2.38	0	50 000	0	50 000
Pål Stueflotten, CCO	LTI 2023	01.11.2023	01.11.2024-01.11.2028	5.00	1.66	0	50 000	0	50 000
	LTI 2023	01.11.2023	01.11.2025-01.11.2028	5.25	1.86	0	50 000	0	50 000
	LTI 2023	01.11.2023	01.11.2026-01.11.2028	5.50	2.38	0	50 000	0	50 000
Solfrid Buø, Chief People & Organisation Officer	LTI 2023	01.11.2023	01.11.2024-01.11.2028	5.00	1.66	0	50 000	0	50 000
	LTI 2023	01.11.2023	01.11.2025-01.11.2028	5.25	1.86	0	50 000	0	50 000
	LTI 2023	01.11.2023	01.11.2026-01.11.2028	5.50	2.38	0	50 000	0	50 000

Fair value per instrument at end of period was 1.97 (weighted average parameters at grant of instrument).

As stated in IFRS 2, Appendix B, the Black-Scholes-Merton Option Pricing Model may be used to estimate the fair value of the employee share options and is therefore used to estimate the fair value of Arribatec's employee share options granted in 2023.

2. Executive Remuneration – Comparison .

Arribatec ASA has been through a major structural change during the last three years. The company was founded in 2015, and since the reverse take-over in 2020 the company has been listed at the Oslo Exchange. Implying that the company has grown from a one-founder company to a listed company in six years.

All Group Management positions were created in 2021. The table below gives information about the development of remuneration to these executives in their role during the last five years, as well as concerning the financial performance of the company and the development of the average salary in the Group.

Table 4 – Change in remuneration from previous years

	2018 ²	2019	2020	2021	2022	2023
Remuneration						
CEO - Geir Johansen	0%	0%	0%	n/a	5%	47%
CEO - Per Ronny Stav ³	307%	14%	39%	(31%)	n/a	n/a
COO - Ole Jakob Kjølvik	0	0	0	n/a	6%	13%
COO - Jhonny Sharma	0	0	0	38%	n/a	n/a
CFO - Bente Brocks				n/a	n/a	5%
CTO - Erik Sundet				n/a	n/a	21%
CCO - Pål Stueflotten				n/a	n/a	n/a
CPOO - Solfrid Buø				n/a	n/a	n/a
Key figures in '000 NOK						
Turnover	74 416	113 660	154 024	413 938	504 968	572 981
Result after tax	3 051	3 189	(55 620)	(48 858)	(83 393)	(23 416)
Employees						
(weighted) Average FTE	49	82	121	331	364	332
change in average salary	0	(8%)	(16%) ⁴	(3%) ⁵	11% ⁶	16% ⁶

¹ Due to the size and growth of the company, it is not relevant to present figures before 2018.

² Figures are derived from the non-IFRS consolidated accounts of Group Arribatec AS.

³ Former CEO has been the founder and main shareholder of the company before the reverse takeover in 2020.

⁴ The decrease is partly due to the fact that Innit was acquired. Innits employees had a lower average base salary than the average salary for other employee groups, due to the nature of the business.

⁵ The decrease is partly due to the international acquisitions with 77 employees, who had a lower average base salary than the average salary.

⁶ The increase is due to restructuring/decrease of FTEs in low cost countries and hire of senior consultants in high cost countries.

Oslo, 24 April 2024

Signed

Martin Nes Chairman
of the board

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Arribatec is a global supplier of digital business solutions that help our customers achieve competitive advantage through innovative use of IT.

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