



AKASTOR

REMUNERATION REPORT 2024

FOR AKASTOR ASA



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Remuneration of the executive management and directors of Akastor ASA

(subject to advisory vote at the annual
general meeting on April 24, 2025)

1. Introduction, scope and purpose

This remuneration report (the “Remuneration Report”) provides details on the fixed and variable components of compensation for Akastor’s executive management applicable for 2024. It also outlines how Akastor’s remuneration policy, adopted by the annual general meeting in 2022 (the “Remuneration Policy”), has been implemented in 2024¹.

The Remuneration Policy is designed to align with Akastor’s overall business strategy, long-term interests, and financial sustainability. It acknowledges the critical role of experienced corporate personnel in maintaining key corporate functions and ensuring effective oversight of portfolio companies and assets. Akastor aims to offer remuneration that fosters a strong and sustainable performance-based culture, while also supporting long-term shareholder value creation. Furthermore, the remuneration scheme is structured to provide competitive terms that help

retain key personnel and executive management, mitigating the risk of losing essential qualifications and experience.

The total remuneration for executive management consists of a combination of fixed salary and variable compensation. The fixed salary is set at a competitive level to ensure Akastor can attract and retain top talent. The variable compensation is designed to incentivize value-enhancing investment decisions and drive exceptional performance.

The Remuneration Policy is available at www.akastor.com.

The Remuneration Report has been prepared by the board of directors of Akastor ASA (“Akastor” or the “Company”) in accordance with the Norwegian Public Limited Liability Companies Act (the “Act”) section 6-16b.

This report regards remuneration of the following executive management of 2024:

- Chief Executive Officer (CEO) – position held by Karl Erik Kjelstad
- Chief Financial Officer (CFO) – position held by Øyvind Paaske

(Hereinafter collectively referred to as the “Executive Management” or separately as each “Executive” or the “CEO”/“CFO”.) There have been no changes to the composition of the Executive Management in 2024 compared to 2023.

In addition to remuneration to the Executive Management, section 3 of this report contains information on compensation to the board of directors and the nomination committee of Akastor for 2024 based on the assumption that the general assembly approves the proposal from the nomination committee.

¹) Note that the Remuneration Policy is subject to certain adjustments and that an updated policy is proposed as item 7 on the agenda for the ordinary general meeting.



2. Akastor performance in 2024 – Key achievements

As outlined in the Remuneration Policy, variable remuneration for executive management is performance-based and linked to specific company targets set annually. Accordingly, Akastor's performance in 2024 is a key factor in assessing how the Remuneration Policy has been implemented in relation to executive management remuneration for the year.

A summary of Akastor's financial and operational performance for 2024 is provided in the Board of Directors' report in the Annual Report 2024. During the year, Akastor made significant progress in executing its strategic initiatives, focusing on portfolio optimization and enhancing shareholder value. Key achievements included substantial cash

realization through the DRU arbitration award, strategic transactions, progress toward a public listing of HMM, and improvements in the backlog of several investments.

The following key performance indicators were particularly relevant in determining variable remuneration, as further detailed in Section 4.4:

- Akastor's share price increased by 11% in 2024, following a 26% increase in 2023, outperforming the OBX Energy Index.
- Akastor's financial position improved significantly, primarily due to the successful DRU arbitration award, which resulted in total cash proceeds of USD 176 million in 2024.
- Net interest-bearing debt decreased from a net debt position of NOK 0.7 billion at year-end 2023 to a net cash position of NOK 0.8 billion by year-end 2024. Total equity increased by NOK 1.9 billion, reaching NOK 5.9 billion by the end of 2024.
- HMM, Akastor's largest asset (50% ownership), delivered a record-high EBITDA and announced its intention to pursue a U.S. listing, with an initial draft registration statement submitted to the U.S. Securities and Exchange Commission.
- Akastor entered into agreements with Mitsui and MOL to increase its ownership in AKOFS Offshore from 50% to 66.7% on attractive terms, providing a strong platform for future development.
- Both DDW Offshore and AKOFS Offshore secured important contracts, most notably a three-year contract extension with Equinor for AKOFS Seafarer, adding approximately USD 300 million to the AKOFS Offshore backlog.
- Akastor received more than 3 million shares in Odfjell Drilling under a warrant agreement established in 2018.

3. Compensation to the Board of Directors and the Nomination Committee

The general meeting determines the compensation to the board of directors based on a proposal from the nomination committee. At the 2025 ordinary general meeting, the nomination committee proposes the compensation payable for the period between the 2024 ordinary general meeting and the 2025 ordinary general meeting. This is item 8 on the agenda.

The board of directors did not receive any other fees than those listed in the table below, except for employee representatives who has market-based salaries. The members of the board of directors have no agreements that entitle them to any extraordinary remuneration from the Company.

As of December 31, 2024, the members of the nomination committee were Ingebret G. Hisdal (chairperson), Charlotte Håkonsen, Kjetil E. Stensland and Hilde K. Ramsdal (deputy member). The annual compensation for the nomination committee for 2024 is proposed to be NOK 57 000 for the chair and NOK 46 000 for the members.

The fees in the table below represent expenses recognized in the income statement based on assumptions about fees to be approved at the general meeting.

<i>Amounts in NOK thousands</i>	Role	2024		2023	
		Audit Committee	Board fees	Audit Committee	Board fees
Frank O. Reite	Chairperson		704		672
Lone Fønss Schrøder ¹	Deputy Chair	238	624	227	634
Svein Oskar Stoknes	Director		394		377
Kathryn Baker	Director	135	394	129	377
Luis Antonio G. Araujo ¹	Director		464		412
Stian Sjølund	Director, elected by employees		197		189
Henning Jensen	Director, elected by employees	135	197	129	189
Asle Christian Halvorsen	Director, elected by employees		197		189
Total		508	3 173	485	3 038

¹⁾ Board fees include an allowance of NOK 35 000 per meeting per physical attendance for board members residing outside the Nordic countries

According to Aker group policy, fees earned by a director employed in any of the Aker group companies are paid to such company, not to the director in person. Therefore, board fee for Svein Oskar Stoknes was paid to the company he is employed in.

4. Compensation to the Executive Management

4.1 Implementation of the Remuneration Policy in 2024

The remuneration of the Executive Management in 2024 was in accordance with the Remuneration Policy. No deviations from the guidelines as such have been decided and no derogations from the procedure for implementation of the guidelines have been made. No remuneration has been reclaimed.

Under the corporate variable pay program, the retention mechanism includes a contingent bonus element (called “Company Matching”) which may be payable two years after ordinary bonus has been earned, subject to that the manager still is employed by the Company (see section 4.4.2).

4.2 Remuneration awarded or due in 2024

4.2.1 Elements of remuneration

Compensation to the Executive Management is comprised of four main components: two fixed elements and two variable elements. The fixed elements include a base salary, which pursuant to Akastor’s benchmarking is competitive with other investment companies, as well as customary benefits. The variable elements include a short-term incentive program (the “variable pay program”) and a long-term incentive program (“Company Matching”). The maximum award under the variable pay program is capped at 100% of the fixed salary. In addition, each Executive can receive up to 50% maximum annual award under the long-term contingent bonus program. The Company currently has no share purchase programs.

In 2024, the remuneration to Executive Management consisted in average of 51% fixed salary and 49% variable remuneration and was in line with the guidelines set out in the Remuneration Policy. The annual variable remuneration was distributed based on performance in the financial year 2024, which again was mainly based on the specific achievements achieved for Akastor in 2024, see section 2 above.

4.2.2 Overview of remuneration awarded or due in 2024

The figures below represent the remuneration that has been earned and expensed for the respective financial year.

<i>Amounts in NOK thousands</i>	Year	Base salary	Other benefits	Annual variable pay¹	Pension expense	Total remuner- ation³	Proportion of fixed and variable remuneration
Karl Erik Kjelstad, CEO	2024	5 362	38	5 643	387	11 430	51% / 49%
	2023	5 112	38	5 767 ²	343	11 260	49% / 51%
Øyvind Paaske, CFO	2024	2 461	38	2 700	242	5 441	50% / 50%
	2023	2 206	33	2 488 ²	223	4 951	50% / 50%

1) Represents annual variable pay earned for the financial year indicated, including holiday pay.

2) The annual variable pay for 2023 restated to include subsequent adjustment for the annual variable pay award increased from 50% to 100%, see more information under section 4.4.1. This subsequent adjustment was expensed in 2024.

3) Exclusive contingent bonus (“Company Matching”), see section 4.4.2 below.

4.3 Fixed remuneration

4.3.1 Base salary

The Executive Management's fixed remuneration consists of the annual salary paid in monthly instalments and benefits that follow normal practice. The board of directors undertakes regular reviews of all terms to ensure that all elements of the individual package, including both fixed and variable remuneration, are determined according to the Remuneration Policy to contribute to reasonable and market appropriate total reward opportunities.

The fixed base salaries are based on the following objective criteria:

- Total remuneration opportunity;
- External pay market;
- Scope and responsibilities of the position;
- Skills, experience and performance of the individual;
- Akastor's performance, affordability of reward and general market conditions; and
- Levels and increases in remuneration, as well as other terms of employment, for other positions within Akastor.

External benchmarks for total remuneration are found from companies that compete with Akastor for talent, taking into consideration factors like size, complexity, geography, and business profile when determining such peer groups.

The exact amount payable to the CEO is approved annually by the board. For the other members of the Executive Management, the exact amount is approved annually by the CEO, in consultation with the chairman of the board, and informed to the board on an annual basis. The fixed salary is determined during the second quarter of the new fiscal year and valid from 1 July the same year.

The base salary may be increased annually in line with the range of increases awarded to other employees in Akastor.

In 2024, the increase in base salary for CEO and CFO is normal inflation index adjustment in line with increases awarded to other employees in Akastor. The base salary for the

CEO constitutes 47% of the total remuneration, and 45% for the CFO, which complies with the guidelines set out in the Remuneration Policy.

4.3.2 Benefits

The Executive Management participates in the standard employee, pension and insurance plan applicable to all employees in the Company. No executive personnel in Akastor have performance-based pension plans and there are no current loans, prepayments or other forms of credit from the Company to its Executive Management. No members of the Executive Management are part of any option- or incentive programs other than what is described in the Remuneration Policy.

In 2024, the benefits for the CEO constituted 4% of the total remuneration and 5% for the CFO, which complies with the guidelines set out in the Remuneration Policy.

4.4 Variable remuneration scheme

4.4.1 Annual variable remuneration – variable pay program

The annual variable remuneration under the variable pay program for the Executive Management is assessed against annual performance targets that signal and reward the strategic and operational results and performance expected for the year, contributing to the long-term, sustainable value creation of Akastor. Payments under the program are recommended by the CEO and approved by the board on an annual basis. The final payment is subject to a discretionary assessment based on three components:

- Achievement of key financial, operational, and strategic targets for Akastor;
- Delivery on individual performance objectives during the year; and
- Development of Akastor ASA's share price.

The objective of the variable pay program is to incentivize performance by linking bonuses to both financial results and non-financial achievements, thereby motivating management to drive improved outcomes in the company's most critical areas. Additionally, the program is designed to encourage management to contribute to strong financial results, attract and retain key personnel, and demonstrate leadership in line with the company's values and business ethics. The maximum potential payment under the program is individually determined, with a cap set at 100% of the annual base salary.

For 2024, the variable pay was set at 90% of the maximum potential, resulting in a bonus payment equivalent to 90% of the annual base salary for both the CEO and the CFO. This assessment was primarily based on the achievements outlined in section 2. As a result, annual variable remuneration for 2024 constituted 49% and 50% of total remuneration for the CEO and CFO, respectively.

For 2023, the board of directors decided that the maximum payment potential would be subject to review based on the final outcome of the DRU award, with a minimum payment potential set at 50%. In the 2023 remuneration report, annual variable remuneration was initially reported at 50% of the annual base salary. However, following the actual DRU award received in April 2024, this was revised to 100%. The 2023 figures have therefore been adjusted accordingly.

For further information about the variable remuneration, please refer to section 4.4.3 Application of performance criteria.

4.4.2 Contingent bonus – Company Matching

As mentioned above, the CEO and CFO are part of the Akastor corporate variable pay program and involves an element called Company Matching, a contingent bonus payable two years after ordinary bonus has been earned, subject to the Executive still being employed with the Company. The contingent bonus is expensed over the three-year vesting period. The expenses recognized in 2024 were NOK 3 480 thousand for the CEO and NOK 1 546 thousand for the CFO, representing the sum of one third (vested rights) of the contingent Company Matching bonus for the three years period 2022-2024.

The primary objective of the contingent bonus is to strengthen retention of key personnel. The relatively small group of experienced corporate personnel is essential for the maintenance of Akastor's key corporate functions. The Company is therefore vulnerable to personnel turnover and retention mechanisms are considered important mitigating measures to avoid key personnel leaving the Company.

Further, the objective of the contingent bonus is also to stimulate the Executive to create value for all shareholders by creating an interdependence between the financial results of the Company, the performance of the individual Executive and such Executive's personal economic interests.

The Company Matching may be paid partly or fully in shares in Akastor. Specific terms on payment of Company Matching in shares, including such a minimum % proportion, discount and lock-up, is at the full discretion of Akastor and will be advised to the participants well in advance of payment of the Company Matching. The potential payment under Company Matching is equal to 50% of the annual variable payment awarded. The total award earned under the retention program cannot exceed 50% of the annual base salary (for the avoidance of doubt, the vesting mechanism and deferred payments method may cause the actual payment under any year to exceed 50% of annual base salary).

For 2024, the Company Matching is estimated to 45% of the annual base salary at the end of the year for both CEO and CFO, based on the calculation method described above. The payment of Company Matching for the year 2024 is subject to employment with the Company in January 2027.

Further information on the adjusted variable pay program can be found in the remuneration policy on www.akastor.com.

4.4.3 Application of performance criteria

The performance measures for the variable remuneration of the Executive Management are constructed to meet Akastor's overall purpose, execute the strategy, drive share value creation, practice engaged long-term ownership and safeguard the development of the Company.

In 2024, as described in Section 2, Akastor achieved several key milestones and delivered on the majority of its defined KPIs. A key factor in determining the total variable remuneration for management was the successful transition to a net cash position, which significantly improved financial flexibility. Additionally, the considerable increase in book equity value, driven by strong net profit for the year, played an important role.

Further contributing to the assessment were the solid performances of most portfolio companies, with revenues and margins exceeding budget expectations, as well as the positive share price development throughout the year. Based on these achievements, a bonus of 90% of the maximum potential was recommended for both the CEO and CFO.

Name and position	Variable remuneration scheme	Performance criteria	Earning period	Maximum bonus cap (% of Base Salary)	Actual award outcome (% of Base Salary)
Karl Erik Kjelstad, CEO	Variable pay program	<ul style="list-style-type: none"> • Delivery of certain key financial, operational and strategic targets for Akastor. • Delivery of personal performance objectives during the year. • Development of Akastor ASA's share price. 	1 year (annually)	100%	90% (9/10 of max)
	Company Matching	<ul style="list-style-type: none"> • Continued employment 	3 years (subject to employment in January 2027)	50%	45% (based on 2024)
Øyvind Paaske, CFO	Variable pay program	<ul style="list-style-type: none"> • Delivery of certain key financial, operational and strategic targets for Akastor. • Delivery of personal performance objectives during the year. • Development of Akastor ASA's share price. 	1 year (annually)	100%	90% (9/10 of max)
	Company Matching	<ul style="list-style-type: none"> • Continued employment 	3 years (subject to employment in January 2027)	50%	45% (based on 2024)

5. Comparative information on the change of remuneration and company performance

Remuneration and company performance over the last five reported financial years

The table below shows annual changes in executive management's total remuneration and company performance. The percentage-wise development is annualized for the period shorter than a 12-month period.

Annual change	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023
Chief Executive Officer (CEO):					
Karl Erik Kjelstad	1%	27%	-2%	23%	2%
Chief Financial Officer (CFO):					
Øyvind Paaske ¹	n/a	32%	-5%	23%	10%
Leif Borge ²	-21%	n/a	n/a	n/a	n/a
Akastor Group Performance:					
Net profit (loss)	-728%	258%	-128%	-2%	731%
Equity ratio	-2%	43%	5%	10%	32%
Share price	-29%	-25%	73%	26%	11%
Average remuneration per FTE (excl. executive management):					
Employees of the company Akastor AS	32%	21%	-24%	22%	7%

1) Øyvind Paaske was appointed to CFO from March 1, 2020. Consequently, 2020 was the first reporting period that included remuneration for a 10-month period. For year-to-year comparison, the salary for 2020 has been annualised.

2) Leif Borge was appointed to CFO until February 29, 2020. Consequently, the 2020 reporting included remuneration for a 2-month period. For year-to-year comparison, the salary for 2020 has been annualised.

6. Board of Directors' and executive management's shareholding

The following number of shares in Akastor ASA is owned by the directors and the members of the executive management (and/or their related parties) as of December 31:

	Title	2024	2023
Karl Erik Kjelstad	CEO	700 000	700 000
Øyvind Paaske	CFO	135 083	135 083
Frank Ove Reite	Chairperson	200 000	200 000
Lone Fønss Schrøder	Deputy chairperson	4 400	4 400
Svein Oskar Stoknes	Director	1 297	1 297
Kathryn Baker	Director	45 683	45 683
Luis Antonio G. Araujo	Director	-	-
Asle Christian Halvorsen	Director, elected by employees	10 000	10 000
Stian Sjølund	Director, elected by employees	10 000	10 000
Henning Jensen	Director, elected by employees	-	-

Independent auditor's report



To the General Meeting of Akastor 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 Akastor ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2024 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.

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Oslo, 25 March 2025
PricewaterhouseCoopers AS



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