



# Frøy ASA

---

Remuneration report  
2022

## Table of contents

I.	INTRODUCTION.....	3
II.	REMUNERATION OF THE EXECUTIVE MANAGEMENT .....	3
A.	REMUNERATION PRINCIPLES .....	3
B.	TOTAL COMPENSATION .....	5
C.	SHARE BASED COMPENSATION.....	6
D.	THE COMPANY’S RIGHT TO RECOVER VARIABLE REMUNERATION.....	6
E.	INFORMATION REGARDING HOW THE REMUNERATION POLICY HAS BEEN APPLIED.....	6
F.	ANNUAL CHANGES IN REMUNERATION AND THE COMPANY’S PROFIT .....	7
III.	REMUNERATION OF THE BOARD OF DIRECTORS .....	7
IV.	THE BOARD OF DIRECTORS’ STATEMENT ON THE REMUNERATION REPORT .....	9

## i. Introduction

In line with the Norwegian Public Limited Liability Companies Act section § 6-16b, the Board of Directors of Frøy ASA ("Frøy" or the "Company") shall prepare a report on salaries and other remuneration to the management and Board of Directors in the Company. The guidelines apply to executive personnel in the Company as defined in the Norwegian Public Limited Liability Companies Act section § 6. For Frøy, this includes the management team and the board members. The management team in the Company consists of the CEO, CFO, Head of Service and sea transport, Head of Wellboats, Head of sales, Head of operational support, Director of maritime staffing and Director HR. The Group's remuneration policy for the management team is determined by the compensation committee lead by chairman of the board Svein Sivertsen and member of the board Rune Juliussen.

During 2020 Frøy ASA was formed through a two-step business combination between Frøy Gruppen AS and Norsk Fisketransport AS, Frøy Shipping AS and NTS Management AS. The Company was listed on Oslo Stock Exchange in March 2021. Hence, the Company has not prepared historical figures beyond 2021 on remuneration and historical financial performance, as they are regarded to have limited relevance as comparative figures.

## ii. Remuneration of the Executive Management

### a. Remuneration principles

The main principle for determining salary for each executive management member has been a fixed annual salary with the addition of fringe benefits. The fixed salary has been determined on the basis of the following factors: competitive salary level, scope of work and responsibilities, as well as an assessment of the business and individual performance.

The management's fringe benefits mainly consist of coverage of electronic communication in accordance with standard regulations, insurances schemes and company car.

The Company intends to establish a share-based long-term incentive program in line with the guidelines approved at the extraordinary general meeting September 30 2021. This to support the Company's strategy of ensuring profitable growth. In addition, the Company wants to encourage key employees to engage in long-term value creation, rewarding good performance and committing employees to long-term persistent work, as well as aligning the employees and shareholder's interest.

CEO has a bonus agreement that consists of two parts:

1. Short-term incentive bonus based on performance/profit.
2. Long-term share-based incentive bonus

The short-term incentive bonus based on performance/profit KPIs is an annual agreement where the requirements are set annually. This incentive bonus also depends on non-financial KPIs and is limited to 6 monthly salaries.

The long-term share-based incentive bonus depends on the development of the stock price of Frøy ASA. The bonus is calculated on the basis of the difference between the calculation rate and base value. The CEO is obliged to use the bonus to buy shares in Frøy ASA at the time of calculation, and does not have the opportunity to sell the shares until after 12 months. Definition of base value and calculation rate is summarized below:

- Base value: Volume weighted average stock price of the 10 first stock exchange days in 2022.
- Calculation rate: Volume weighted average stock price calculated based on the 10 days after publication of Q4 2022.

The CEOs incentive bonus for the fiscal year 2022 is summarized below:

<b>Short term incentive bonus (KPI)</b>	<b>Amount</b>
Back-log, Turnover and Profit before tax	0,42 MNOK
<b>Long-term share based incentive bonus</b>	<b>Amount</b>
Share-based incentive bonus	1,4 MNOK

## b. Total compensation

Executive management 2022	Year	1 Fixed remuneration			2 Variable remuneration	4 Pension	5 Total remuneration		6 Share fixed and variable remuneration	
		Fixed salary	Fees	Fringe benefits						
Tonje Foss, CEO Frøy ASA	2022	2 531		11	1 820	51	4 413		58,8	41,2 %
	2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Helge Gåsø, CEO Frøy ASA	2021	2 113			8	40	2 153	8	100 %	0 %
Anders Gåsø, Head of Service and Sea transport	2022	1 795		238		36	2 069	0	100 %	
	2021	1 651		241	4	32	1 928	4	100 %	0 %
Sondre Vevstad, CFO 01.07.2022 ->	2022	n/a	1 650	n/a	n/a	n/a	1 650	n/a		
Arne J. Rødsjø, CFO 01.01.2021 - 30.11.2021	2021	2 184			9	39	2 223	9	100 %	0 %
Tore Helgesen, interim CFO 01.10.2021 – 30.06.2022	2021		347				347	0	100 %	0 %
Oddleif Wigdahl (Head of Wellboat)	2022	1 344		95		27	1 467	0	100 %	
	2021	1 326		85	13	24	1 448	13	99 %	1 %
Eirin Ervik, Head of Service vessel	2021	1 193			9	20	1 213	9	99 %	1 %
Bjarne Johannessen, Head of Shipping	2021	1 151			9	21	1 172	9	99 %	1 %
Tove Torstad, Director HR	2022	1 140		11		57	1 208	0	100 %	
Kristin Sugustad, Director of maritime staffing	2022	1 140		11		57	1 208	0	100 %	
Andreas Krogstad, Head of sales	2022	1 222		11		24	1 257	0	100 %	
Linn Holmen, Head of Operational staffing	2022	1 379		11		80	1 470	0	100 %	

### c. Share based compensation

No share-based remuneration has been agreed in 2022. CEO has a share-based incentive bonus, see section a.

### d. The Company's right to recover variable remuneration

The Company has not made use of the right to recover variable remuneration in 2022.

### e. Information regarding how the remuneration policy has been applied

The main principle for salary and remuneration for the executive management team in Frøy has been and is an individual fixed salary. The fixed salary is based on the main principles that the salary must be competitive and motivating. The fixed salary in 2022 for the executive management is regarded to be competitive and in line with the remuneration policy.

## f. Annual changes in remuneration and the Company's profit

The Company has not prepared historical figures beyond 2021 on remuneration and historical financial performance. These figures are regarded to have limited relevance as comparative figures since the Company was formed during 2020 and listed during 2021. Development in the remuneration of the executive managers over financial years 2021 and 2022 is summarized in the table below. Performance indicators for the group and FTE remuneration are also included in tables below.

Comparison of remuneration, executive managers	2021		2022	
	NOK 1,000	Δ YoY	NOK 1,000	Δ YoY
Fixed remuneration	10,484	n/a	12,922	23,3 %
Variable remuneration	52	n/a	1 820	3,400 %
<b>Total remuneration</b>	<b>10,536</b>		<b>14,742</b>	<b>39,9 %</b>
Number of executive managers	6		8	

Performance indicator	2021	2022
Group EBITDA	601	663
Change		10,3 %
Group profit before tax (NOK million)	299,5	221,3
Change		-26,1 %

Average remuneration of FTE	2021	2022
Average remuneration of employees at Frøy-gruppen, as disclosed in annual report (NOK million)	0,61	0,66
Change		7,0 %

### iii. Remuneration of the Board of Directors

Remuneration to the Board of Directors is determined annually by the general meeting on the recommendation of the Company's nomination committee. Frøy's remuneration guidelines for the Board of Directors states that the board shall receive a fixed fee, and none of the board members shall have any form of incentive scheme or performance-based remuneration.

In connection with its recommendation of board fees, the nomination committee will look at the development in the market as well as the scope of work and effort of the respective board member. Certain board members are also members of the audit committee and the compensation committee and shall receive remuneration for this. Such remuneration is also proposed by the nomination committee and approved by the general meeting.

The compensation to the Board of Directors and sub-committees to the board for the preceding period will be decided by the annual general meeting on June 6th 2023. The nomination committee will recommend remuneration for the Board of Directors, and sub-committees of the board both for the preceding year and for the period from the annual general meeting in 2022 and up until the annual general meeting of 2023.

Board of directors	Year	Variable remuneration
Svein Sivertsen, chairman of the board	2022	450
	2021	375
Morten Loktu, member of the board (20.12.22 ->)	2022	n/a
Karen Pernille Skarsten Christensen, member of the board (20.12.22 ->)	2022	n/a
Linda Johnsen, member of the board (10.05.22 ->)	2022	202
Rune Juliussen, member of the board (20.12.22 ->)	2022	n/a
Paul Birger Torgnes, member of the board (23.03.22 – 19.12.22)	2022	202
Ivar Sigmund Wiliksen, member of the board (23.03.22 - 19.12.22)	2022	199
Dagfinn Eliassen, member of the board (<- 22.03.22)	2022	102
	2021	256
Hege Aasen Veiseth, member of the board (<- 19.12.22)	2022	290
	2021	202
Anne Sofie Utne, member of the board (<- 22.03.22)	2022	102
	2021	256
Harry Asmund Bøe, member of the board (<- 22.03.22)	2022	94
	2021	236



#### iv. The Board of Directors' statement on the remuneration report

The Board of Directors has today considered and adopted the Remuneration Report of Frøy ASA for the financial year 2022.

The Remuneration Report is prepared in accordance with section 6-16b of the Norwegian Public Limited Liabilities Companies Act.

The Remuneration Report will be presented to the Annual General Meeting June 6th 2023.

Board of Directors  
Frøya, May 10 2023



---

Linda Anita Johnsen  
Board Member



---

Svein Sivertsen  
Chairman of the Board



---

Morten Loktu  
Board Member



---

Karen Pernille Skarstein Christensen  
Board Member



---

Tonje Foss  
CEO



---

Rune Andre Jultussen  
Board Member