DOF Group ASA

REPORT ON REMUNERATION TO SENIOR EXECUTIVES AND BOARD MEMBERS[1] FOR 2023

GUIDELINES

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FOR 2023

1. Introduction

This report **("the Report**") on remuneration for senior executives and the board of directors is prepared for DOF Group ASA **("the Company**" [and together with its subsidiaries **"the Group**"]). The Report has been prepared in accordance with the Norwegian Public Limited Liability Act 1997 section 6-16 b, the Norwegian Regulation on Guidelines and Report on Remuneration of Leading Employees of 2020 section 6 and the Norwegian Accounting Act section 7-31b.

The Report comprises remuneration to the Company's CEO, CFO and other members of the corporate management who report directly to the CEO ("**Senior Executives**"), and the members of the board of directors who are or have been employed by, or held office in, the Company for the financial year 2023. The purpose of the Report is to provide a comprehensive, clear and understandable overview over awarded and due gross salary and remuneration to Senior Executives and board members for the last financial year and how the remuneration is in accordance with the guidelines for remuneration of Senior Executives adopted by the annual general meeting in 2023 of the Company (**"the Remuneration Guidelines**") and to what extent the remuneration is linked to the performance of the Company. The Report provides details, both in total and individualised, on the remuneration of the Company's Senior Executives as well as the remuneration received by members of the Company's board of directors in their capacity as board members of the Company.

Remuneration for the members of the board of directors of the Company is covered in section 6 of this Report.

2. Company highlights in 2023

Overall company performance in 2023

The Group has after completion of a financial restructuring in March and thereafter the listing of the Company at the Oslo Stock Exchange in June, delivered strong results throughout the year and achieved a sustainable balance sheet by end of 2023.

The Group's revenue (based on management reporting) was NOK 13,365 million (NOK 10,702 million) and the EBITDA was NOK 4,949 million (NOK 3,764 million). The EBIT of NOK 5,217 million (NOK 3,043 million) and the net profit of NOK 4,185 million (NOK 854 million) was impacted by reversal of previous impairments due to an improved market. The Group's total assets (based on management reporting) by year-end was NOK 30,894 million (NOK 26,277 million). The equity ratio was 34% (1%) and the net interest-bearing debt was NOK 13,884 million (NOK 19,915 million).

The Group has maintained a strong focus on ESG and sustainable operations and has achieved several high HSE performance scores with the main clients and retained its Carbon Disclosure Project's (CDP) A- score in 2023.

For further details on the Company's and the Group's performance in 2023, reference is made to the Annual Integrated Report 2023.

The Company's Remuneration Guidelines

The Remuneration Guidelines apply to the CEO and the other members of the corporate executive management team of the Company and have been prepared in accordance with the provisions of Section 6-16a of the Norwegian Public Limited Companies Act.

The Remuneration Guidelines were adopted in the general meeting in 2023 and can be found on the Company's website. The auditor's report regarding the Company's compliance with the Remuneration Guidelines is attached to this report.

The remuneration Guidelines, adopted by the general meeting last year, have been fully implemented. No deviations from the Remuneration Guidelines have been decided and no derogations from the procedure for implementation of the Remuneration Guidelines have been made.

3. Total remuneration of Senior Executives in the Company

Table 1 below sets out total remuneration, split by component, paid and due to each current or previous Senior Executive in the Company for the last financial year.

Table 1 – Total remuneration of Senior Executives in the Company in 2023 and 2022 (amounts in NOK 1,000)

		Fixed remuneration				Variable remuneration					
Name and position	Year	Base salary		Fees	Fringe benefits	One-year variable	Multi-year variable	Extra ordinary items	Pension expenses	Total remune-ration	Proportion variable remune-ration
Mons Aase - CEO	2023	4 993			116		6 500		125	11 735	56 %
	2022	4 736			116		6 445		105	11 401	57 %
Hilde Drønen - CFO	2023	2 623			275	2 750			126	5 774	49 %
	2022	2 452			264	1 000			106	3 822	27 %
Petter Pharo - Group General Counsel	2023	1 867			211	1 650			128	3 856	44 %
Toril Træen - EVP People & Organisation	2023	2 017			188	300			129	2 634	12 %
Marianne Møgster - EVP Sustanability	2023	2 046			179	300			124	2 648	12 %
Gary Kennedy - EVP Assets & Operations	2023	2 411			112	100			229	2 852	4 %
John Loughrigde - EVP Conventional & Subsea Service	2023	1 501			140	-			-	1 641	0 %
Jan-Kristian Haukeland - EVP Renewable	2023	2 636			87	500			150	3 372	16 %

1) The Senior Executives in corporate management (excluding the CEO and CFO) became part of the corporate management in 2023 as part of changes in the corporate organization.

2) The remuneration for the regional executives for the Group's four regions, North America, South America, Atlantic and Asia Pacific is not included in table 1 above.

4. Compliance with the remuneration guidelines and application of performance criteria

The main principles for the Company's Remuneration Guidelines regarding remuneration to Executives are to offer terms and conditions which are competitive when fixed remuneration, payment in kind, bonuses and pension schemes are considered. That does not necessarily imply that the remuneration shall be market leading. The Company will offer a remuneration level which is competitive compared to similar companies and businesses, where the need for qualified personnel in all parts of the business is also considered.

The main principles are suitable for contributing to the Company's business strategy, long-term interests, and financial sustainability – where the long-term focus is crucial. To maintain these considerations, it is essential to offer competitive remuneration to be able to retain and possibly recruit leading personnel.

The remuneration package for Executives may consist of the following elements:

- Fixed base salary
- Variable remuneration
- Share option programs
- Pension and insurance
- Other benefits

In accordance with the Remuneration Guidelines, the variable remuneration for 2023 has been determined by the achievement of key performance indicators (KPIs) and goals at both individual and Company/Group level.

In accordance with the Remuneration Guidelines, the Company has paid out bonuses for the reported financial year pursuant to a bonus scheme for Senior Executives which is based on the Company's financial and operational results as well as the individual Senior Executive's personal goals, see summary in table 1 above.

5. Shared-based option program

The Company's executives may be offered to participate in share programs and/or share option programs in the Company. Shares might be offered at a reduced price, or additional shares might be offered, in exchange for accepting a defined lock-up period for the awarded shares. The options can only be exercised in two tranches, with vesting periods of two, three and four years. The options may be exercised during the subsequent year. Any options not exercised in the first two tranches can be rolled forward to the next tranches and any options not exercised by the end will be terminated. This program links directly to the creation of value for shareholders through increased share price.

A share-based option program has not been established in 2023.

6. Remuneration to the board of directors

The proposal for remuneration of the board of directors is, pursuant to the Company's articles of association, prepared by the Company's nomination committee. The remuneration for the Company's board members is then resolved by the Company's general meeting.

Below is a specification of remuneration to the board of directors.

Table 2 - Remuneration to the board of directors (amounts in NOK 1,000)

Name of board member	Type of remuneration	Yearly fee
Svein Harald Øygard	Regular board remuneration	1 526
	Remuneration for observer of the Remuneration Committee	-
	Remuneration for observer of the Audit Committee	-
Harald Thorstein	Regular board remuneration	1 017
	Remuneration for director of the Remuneration Committee	-
Christine Morris	Regular board remuneration	1 017
	Remuneration for chair of the Audit Committee	-
Daniela Davila	Regular board remuneration	1 017
	Remuneration for chair of the Remuneration Committee	-
Henry Knox	Regular board remuneration	1 017
	Remuneration for director of the Audit Committee	

1) The Board was elected in the extraordinary general meeting held on the 22nd of March 2023.
The annual remuneration shall be adjusted pro rata based on a board member's term of service for part of a year.

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

Table 3: Comparative table on the change of remuneration and company performance over the last five reported financial years (RFY)

Annual change	2019 vs 2018		2020 vs 2019		2021 vs 2020		2022 vs 2021		2023 vs 2022	
	Fixed	Total remune-ration	Fixed	Total remune-ration	Fixed	Total remune-ration	Fixed	Total remune-ration	Fixed	Total remune-ration
Leading personnel's remuneration 1)										
Mons Aase - CEO	3 %	-4 %	2 %	-13 %	3 %	-29 %	4 %	147 %	5 %	3 %
Hilde Drønen - CFO	4 %	8 %	2 %	-15 %	1 %	-24 %	4 %	24 %	7 %	52 %
Average remuneration of a full-time equivalents basis of employees	**2019**		**2020**		**2021**		**2022**		**2023**	
Employees Corporate (DOF & DOF Subsea) 2,3)	3 %	6 %	4 %	8 %	-7 %	-3 %	-9 %	-22 %	-1 %	13 %
Employees DOF Group		4 %		1 %		-4 %		26 %		14 %
Average numbers of employees	**2019**		**2020**		**2021**		**2022**		**2023**	
Total other employees Corporate	35		32		34		38		39	
Total other employees Group	3 516		3 253		3 534		3 787		3 956	
Groups performance	**2019**		**2020**		**2021**		**2022**		**2023**	
EBITDA (NOK mill)	1 815		2 477		2 081		3 129		4 110	
EBIT (NOK mill)	-387		-1 588		639		2 685		4 759	
Technical operational uptime fleet 4)	99,4%		99,7%		99,0%		98,4%		97,7%	
Recordable incidents 5)	2,20		2,51		2,05		2,17		0,73	

1) New leading personnel from 2023 do not have comparable figures and are excluded in the comparable information.
2) Changes in remunerations to employees Corporate is due to turnover in the period 2021-2023.
3) The calculation does not include severance package to previous CFO in DOF Subsea, paid in 2021.
4) Target = 99%
5) Target = <1.1

To the General Meeting of DOF Group 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 DOF Group 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.

Bergen, 2 May 2024
PricewaterhouseCoopers AS

Marius Kaland Olsen
State Authorised Public Accountant
(electronically signed)