



Remuneration to the Chief Executive Officer (CEO) and other senior executives report

The Board of Directors are required to, in accordance to the Public Limited Liability Companies Act § 6-16 a and b and regulation 11.12.2020 no. 2730, prepare principles and report on remuneration to the Chief Executive Officer (CEO) and other senior executives.

StrongPoint Remuneration Policy

The guidelines for remuneration of StrongPoint's executive management team (EMT), as proposed by the Board of Directors, were approved by the 2021 annual general meeting, pursuant to the Norwegian Public Limited Liability Companies Act, section 6-16 a, and supplementing regulations.

The policy is subject to approval by the annual general meeting at every material change and, in any case, at least every fourth year. The Board of Directors has not proposed any changes to the existing policy in 2022 (the policy can be found on [StrongPoint.com/investor](https://www.strongpoint.com/investor)).

StrongPoint's remuneration policy and terms are aligned with the company's overall strategy, values, performance-oriented framework, long-term interests, and sustainability of the company. The Board is committed to ensuring that executive compensation is fair and in line with shareholders' best interests.

Our compensation and benefits programmes for executives are designed to attract and retain the right people: people who are committed to deliver on our business strategy and able to adapt to a changing business environment. The

remuneration policy is an integrated part of our values-based performance framework. The reward should reflect the company's overall performance and financial results, and recognise "what" we deliver and "how" we deliver it.

The decision-making process

The decision-making process for implementing or changing our remuneration policy, and the determination of salaries and other remuneration for the executive management, are in accordance with the provisions of the Norwegian public limited liability companies act sections 5-6 and 6-16 a, and the Board's rules of procedure.

The Board of Directors has appointed a designated Compensation Committee to support in the development of policies. The committee prepares a proposal for new guidelines at every material change and, in any case, every fourth year and submit it to the general meeting for resolution. The guidelines shall be in force until new guidelines have been adopted by the general meeting. The Committee also proposes changes in remuneration for executive management to the Board of Directors that concludes on such matters.

The financial year 2022

In 2021 and 2022 StrongPoint delivered solid profitability, despite the turmoil caused by the Covid pandemic, war in Ukraine, high inflation, and supply chain disturbances. In 2022 StrongPoint has strengthened its market position during the year. StrongPoint holds a strong portfolio of solutions and a solid order backlog. During the year, several new and important contracts have been awarded within all of our business segments. Looking ahead, with a foundation of a highly skilled workforce and solid client base, StrongPoint is well positioned for long-term profitable growth based on sustainable solutions. There has been no deviation or derogation from the remuneration policy.

Shareholder feedback in 2022

The report on remuneration for senior management was approved by the general meeting in 2022. The general meeting also approved prolongation of the Long Term Incentive Program, and approved the employee share purchase programme for the StrongPoint group.

Remuneration of the Board of Directors

The annual general meeting of StrongPoint ASA, held on 28th April 2022, re-elected Morthen Johannessen as chairperson of the Board. Klaus De Vibe, Peter Wirén, and Ingeborg Molden Hegstad were re-elected as directors. Camilla AC Tepfers was replaced by Cathrine Laksfoss as elected director. The total number of board members was maintained at five shareholder-elected members throughout the financial year.

The annual general meeting in 2022 resolved the remuneration for the board members for the period between the annual general meeting in 2022 and the annual general meeting in 2023. There was an increase in the fixed base from NOK 280,000 to NOK 290,000 for board members, and from NOK 560,000 to NOK 580,000 for the chair of the board. Remuneration for committee meetings was increased by 4.0% to NOK 12,900 for the committee chair and NOK 6,450 for other members.

Total board remuneration has increased from KNOK 1,777 in 2021 to KNOK 1,834 in 2022.

All shareholder elected directors shall purchase shares in StrongPoint for a minimum of 20 per cent of the total gross directors' fixed base fees. The shares are purchased at market terms without any discount.

No board members have loans from the company. The directors have not been awarded share options or any other form of incentive-based remuneration for the fiscal year 2022. The directors do not receive performance-based remuneration. None of the directors have undertaken any special assignments for the group other than their Board work.

All remuneration in 2022 to the Board has been in line with the resolution from the general meeting.

Board fee (NOK)	2022	2021	Change
Chairman of the Board (fixed)	580 000	560 000	3,6%
Board Director (fixed)	290 000	280 000	3,6%
Committee chairperson (per meeting)	12 900	12 400	4,0%
Committee member (per meeting)	6 450	6 200	4,0%

Table: Board and committee fee level 2021 and 2022.

Director's total fee incl committee remuneration (KNOK)	2022	2021
Morthen Johannessen, Chairman	592	568
Camilla Tepfers, former Director	90	270
Klaus de Vibe, Director	334	326
Cathrine Laksfoss, Director	193	-
Ingeborg Hegstad, Director	303	295
Peter Wirén, Director	322	319
Total Board of Directors	1 834	1 777

Table: Remuneration to board members in 2021 and 2022.



Remuneration of the Executive Management

StrongPoint's executive remuneration schemes are designed to align with the company's ambitions, strategic priorities and purpose as defined in the Remuneration Policy. Executive remuneration consists of the following elements: A) Fixed remuneration (salary, car and pension) B) Variable pay (STI and LTI) C) Other benefits.

The below table details the remuneration for the Executive Management Team in 2022.

KNOK		2022						2021				
Executive Management Team	Title	Joined EMT during the period	Salary	Bonus	Company car	Other remuneration	Pension expenses	Salary	Bonus	Company car	Other remuneration	Pension expenses
Jacob Tveraabak	CEO	04/2018	2 928	862	180	14	157	2 841	392	193	10	161
Hilde Gilen	CFO	02/2019	2 083	612	170	18	157	2 013	267	-	10	160
Knut Olav Nyhus Olsen	SVP People and Organization, Marketing and Communication	05/2020	1 661	415	132	16	157	1 547	187	107	9	161
Gisle Elvebakken	SVP Norway	05/2020	1 507	538	142	44	82	1 401	364	158	9	88
Göran Thörn (to 30.11.22)	SVP Sweden (incl E-com)	01/2018	872	-	28	-	75	1 108	252	120	-	233
Julius Stulpinas	SVP Technology & supply chain	01/2016	1 304	433	-	-	-	1 246	364	-	-	-
Rimantas Mažulis	SVP Baltics	01/2019	1 059	460	-	-	-	947	237	-	-	-
Lorena Gómez	SVP Spain	02/2021	1 165	313	42	18	26	978	121	78	18	5
Chris Mackie	SVP E-commerce	01/2022	2 272	522	114	992	142					
Magnus Rosén	SVP Sweden	02/2022	1 743	411	71	-	494					
Steve Smith	SVP UK & Ireland	06/2022	829	336	41	-	9					
Total Group management			17 424	4 902	919	1 102	1 298	12 082	2 183	655	56	809

*) Bonus to Executive Management in 2022 is based on the achieved revenue and EBITDA compared to budget in 2022, growth ambitions and individual performance, and will be paid in 2023. The bonus is not related to the development in the stock-price. As at 31 December 2022, no loans or loan collateral have been given on behalf of members of the management team or board of directors.

Pay Mix for the Executive Management

The diagram below shows the composition of the 2022 remuneration of members of the Executive Management Team by category, i.e. fixed remuneration, variable pay* and other benefits.

Pay Mix for the Executive Management	CEO	CFO	CPO	SVP Norway	SVP Sweden	SVP Baltics	SVP Spain	UK & Ireland	SVP E-commerce	SVP Technology & supply chain
Fixed	79%	79%	82%	75%	85%	70%	79%	72%	63%	75%
Variable	21%	20%	17%	23%	15%	30%	20%	28%	13%	25%
Other benefits	0%	1%	1%	2%	0%	0%	1%	0%	24%	0%

* The possible outcome of the Long Term Incentive Option Program is not included under the variable remuneration.

Fixed remuneration in 2022

Fixed remuneration for the Executive Management Team members consists of their base salary and any fixed allowance paid during the period they serve on the executive team. The Board of Directors and the Compensation Committee reviews fixed salaries for the executive directors annually, taking into account a number of relevant factors, including market data, the individual's performance, role and responsibilities.

Variable pay in 2022

Short term incentive program (STI)

The Executive Management Team had an annual variable pay scheme during 2022 with a maximum potential of 50 percent of the fixed remuneration. The annual variable pay is established to incentivize the executive directors to deliver on the annual short term performance objectives. The bonus award is tied to a clause that the executives are required to invest 30% of the gross bonus in StrongPoint ASA shares, with 20% discount and a 3 years lock-in period

All members of the Executive Management Team are measured on the same set of key performance indicators (KPI's). In order to ensure collaboration and joint deliveries the earning for the executives is based 45% on the corporate performance objectives, 30% on performance objectives of their specific business unit, and 25% on individual performance.

Bonus is rewarded linearly from 90% to 120% of budget performance, and with 50% payout when on budget. StrongPoint has in 2022 no bonus KPI's directly linked to ESG or environmental sustainability, but it is assessed as part of the individual KPI.

The bonus payments are calculated based on the actual performance on these objectives. Minor discretionary adjustments have been made where the KPIs were not seen to reflect the performance due to unforeseen circumstances. Payments to the Executive Management Team have been endorsed by the Compensation Committee and approved by the Board of Directors. The executives' compensation from the annual scheme for 2022 had a total value of MNOK 4.902. On average, the executives had a performance of 56% vs the targets for the performance objectives.

Bonus KPI's	Weight	CEO	CFO	CPO	SVP Norway	SVP Sweden	SVP Baltics	SVP Spain	SVP UK & Ireland	SVP E-commerce	SVP Technology & supply chain
Group Revenue	15%	17%	19%	19%	13%	21%	12%	18%	12%	21%	17%
Group EBITDA	15%	18%	20%	20%	7%	11%	6%	10%	6%	11%	9%
Business Unit EBITDA*	15%	0%	0%	0%	21%	0%	19%	0%	19%	0%	15%
Group Annual Recurring Revenue	15%	20%	22%	22%	16%	25%	15%	22%	14%	25%	20%
Customer Satisfaction	15%	24%	15%	15%	11%	16%	18%	14%	19%	16%	13%
Qualitative Individual performance/CSI	25%	22%	25%	25%	32%	27%	29%	36%	31%	27%	26%

* For CEO, CFO, SVP People & Organization the business unit is equal to StrongPoint Group.

Long term incentive program (LTI)

StrongPoint ASA had a Long Term Incentive Stock Option Program in 2022. The program has the ambition to both motivate and retain executive management and key personnel, and to achieve the overall long-term strategic ambitions of the company.

The limits for the allocation of share options to the participants is determined by the Board, within the board authorisation approved at the Annual General Meeting. The total number of options shall never exceed 10% of outstanding shares.

The option scheme was granted with a strike price equal to the average market price at time of the grant. The options vest over three years, with 1/4 vesting after one year, 1/4 after two years, and the remaining 2/4 after three years. The split in vesting underpins the retention ambition of the program. Any non-exercised options expire five years after grant.

In 2022 management was granted 775,000 options under the LTI program.

The table below shows the awarded options under the 2020, 2021, and 2022 LTI programs.

	LTI granted options 01.11.2020	LTI year1 vesting date 01.11.2021	LTI year 2 vesting date 01.11.2022	LTI year 3 vesting date 01.11.2023	Exercise price	LTI granted options 05.05.2021	LTI year1 vesting date 05.05.2022	LTI year 1 vesting date 05.05.2023	LTI year 1 vesting date 05.05.2024	Exercise price	LTI granted options 11.05.2022	LTI year1 vesting date 11.05.2023	LTI year 1 vesting date 11.05.2024	LTI year 1 vesting date 11.05.2025	Exercise price	Sum granted LTI options
Jacob Tveraabak	300 000	75 000	75 000	150 000	17.31	150 000	37 500	37 500	75 000	31.13	150 000	37 500	37 500	75 000	22,81	600 000
Hilde Gilen*)	150 000	37 500	37 500	75 000	17.31	75 000	18 750	18 750	37 500	31.13	75 000	18 750	18 750	37 500	22,81	300 000
Knut Olav Nyhus Olsen	100 000	25 000	25 000	50 000	17.31	50 000	12 500	12 500	25 000	31.13	75 000	18 750	18 750	37 500	22,81	225 000
Chris Mackie	-	-	-	-	-	-	-	-	-	-	75 000	18 750	18 750	37 500	22,81	75 000
Gisle Elvebakken	100 000	25 000	25 000	50 000	17.31	50 000	12 500	12 500	25 000	31.13	100 000	25 000	25 000	50 000	22,81	250 000
Lorena Gómez	-	-	-	-	-	50 000	12 500	12 500	25 000	31.13	75 000	18 750	18 750	37 500	22,81	125 000
Julius Stulpinas	100 000	25 000	25 000	50 000	17.31	50 000	12 500	12 500	25 000	31.13	75 000	18 750	18 750	37 500	22,81	225 000
Rimantas Mažulis	100 000	25 000	25 000	50 000	17.31	50 000	12 500	12 500	25 000	31.13	75 000	18 750	18 750	37 500	22,81	225 000
Magnus Rosén	-	-	-	-	-	-	-	-	-	-	75 000	18 750	18 750	37 500	22,81	75 000
Steve Smith	-	-	-	-	-	-	-	-	-	-	75 000	18 750	18 750	37 500	22,81	75 000
Total	850 000	212 500	212 500	425 000	17.31	475 000	118 750	118 750	237 500	31.13	850 000	212 500	212 500	425 000	22,81	2 175 000

* Hilde Gilen will not vest options after her resignation in November 2022.

Other Benefits in 2022

StrongPoint provides a limited number of benefits to the executive management, including pension contribution, insurance schemes and participation in the company's share purchase scheme.

Pension

The executive directors participate in locally defined contribution pension schemes on standard terms. No additional pension contributions are provided.

Insurance and health benefits

The executive directors participate in the company's insurance and health benefit schemes on standard terms. The executives are affiliated with the company's board liability insurance.

Other benefits

Executive employees are provided with a company car/car allowance, free phone, internet and newspapers. All benefits are granted on general local market terms in the specific countries.

Share Purchase

The Executive Management Team is eligible to participate in the company's share purchase scheme. The executive management has an option to buy shares for up to NOK 500,000 per year with 20% discount with a 3 years lock-in period. The CEO has an option to buy shares for up to NOK 1,000,000 with 20% discount with a 3 years lock-in period. The share purchase program comes in addition to the LTI stock option program.

The below table shows the Executive Management Team's shareholding per December 31, 2022, and changes in the shareholding during the year.

Executive Management Team	Shares per 31.12.22	Shares per 31.12.21	Options per 31.12.22	Options per 31.12.21
Jacob Tveraabak, CEO ¹⁾	212 246	206 000	600 000	450 000
Hilde Gilen, CFO	53 827	49 573	93 750	225 000
Knut Olav Nyhus Olsen, SVP People and Organization, Marketing and Communication	13 814	10 839	225 000	150 000
Gisle Elvebakken, SVP Norway	39 329	26 032	250 000	150 000
Julius Stulpinas, SVP Technology & supply chain	31 094	25 296	225 000	150 000
Rimantas Mažulis, SVP Baltics	22 806	19 034	225 000	150 000
Lorena Gómez, SVP Spain	5 350	2 139	125 000	50 000
Chris Mackie, SVP E-commerce	15 936	-	75 000	-
Magnus Rosén, SVP Sweden	9 000	-	75 000	-
Steve Smith, SVP UK & Ireland	-	-	75 000	-
Total	403 402	338 913	1 968 750	1 325 000

1) Jacob Tveraabak owns the shares privately and through the company Celo Industries AS.



Executive Remuneration – Comparisons

StrongPoint applies the same basic principles to the executive remuneration as for all the company's employees, benchmarking salaries against the relevant external market for the roles and assessing role complexity and individual performance. The below table shows changes in remuneration from previous years, financial performance and number of employees for the past five years.

Executive Management Team	Joined EMT during the period		2022	2021	2020	2019	2018
Jacob Tveraabak, CEO	04/2018	Remuneration FY (KNOK)	4 141	3 597	4 087	3 953	3 776
		Change in percentage	13%	-12%	3%	5%	-
Hilde Gilen, CFO	02/2019	Remuneration FY (KNOK)	3 039	2 450	2 773	2 937	-
		Change in percentage	19%	-12%	-6%	-	-
Knut Olav Nyhus Olsen, SVP People and Organization, Marketing and Communication	05/2020	Remuneration FY (KNOK)	2 381	2 011	2 031	-	-
		Change in percentage	16%	-1%	-	-	-
Gisle Elvebakken, SVP Norway	05/2020	Remuneration FY (KNOK)	2 312	2 020	1 908	-	-
		Change in percentage	13%	6%	-	-	-
Julius Stulpinas, SVP Technology & supply chain	01/2016	Remuneration FY (KNOK)	1 737	1 610	1 575	1 725	1 183
		Change in percentage	7%	2%	-9%	46%	37%
Rimantas Mažulis, SVP Baltics	01/2019	Remuneration FY (KNOK)	1 519	1 184	1 260	1 127	-
		Change in percentage	22%	-6%	12%	-	-
Lorena Gómez, SVP Spain	02/2021	Remuneration FY (KNOK)	1 563	1 201	-	-	-
		Change in percentage	23%	-	-	-	-
Chris Mackie, SVP E-commerce	01/2022	Remuneration FY (KNOK)	4 042	-	-	-	-
		Change in percentage	-	-	-	-	-
Magnus Rosén, SVP Sweden	02/2022	Remuneration FY (KNOK)	2 720	-	-	-	-
		Change in percentage	-	-	-	-	-
Steve Smith, SVP UK & Ireland	06/2022	Remuneration FY (KNOK)	1 216	-	-	-	-
		Change in percentage	-	-	-	-	-
StrongPoint Performance			2022*	2021*	2020*	2019*	2018
Revenue (*from continued operations)	(KNOK)		1 372 392	981 339	941 706	824 434	1 067 684
EBITDA	(KNOK)		75 540	53 625	68 650	62 914	67 457
Number of employees	FTE		511	400	390	390	510
Average salary	(KNOK)		439.050	467.702	446.615	427.923	434.713

Note: Respective remuneration has been annualised. Fixed exchange rates of SEK=NOK and EUR=10 NOK.

Employment contracts and terminations

In line with other StrongPoint personnel, the executives are offered standard employment contracts with terms and conditions consistent with local industry standards.

In accordance with statutory law, the company may request the resignation of the CEO at its own discretion but will be obliged to pay severance payment of 6 months' salary after the notice period of 6 months.

Other executives do not have pre-arranged severance agreements, and has notice periods according to local law, with a minimum of 3 months' notice.

In the event of dismissal by the company, or agreed resignation at the company's request, an executive may receive severance pay/termination pay as decided by the CEO, after his/her consultation with the chairman of the Board of Directors.

Remuneration may be paid for restrictions imposed with regard to competing businesses. Such remuneration is intended to compensate the executive for loss of earnings. StrongPoint and the executives have not agreed on an optional reclaim of variable pay or 'clawback' clause. None of the executives has early retirement clause as part of their employment contract.





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