



# Remuneration Report 2022

Improving our future

## 1. Introduction

The remuneration awarded to our Executive Management Team (EMT) in 2022 was in line with our remuneration policy outlined in the Board of Directors' guidelines for remuneration of Executive Management. The total remuneration of the Executive Management Team described in this report is based on market practice and designed to support the Company's strategy, long-term interest and sustainability as well as attract and retain high calibre talent.

There was significant change in Scatec in 2022 as Chief Executive Officer (CEO) Raymond Carlson retired from the Company after thirteen years of service. The Board appointed Terje Pilskog as new CEO effective from 1 May. In terms of remuneration, the Board kept salaries between the outgoing and ingoing CEOs comparable with a slight adjustment downwards for Terje Pilskog to reflect less experience in the new role.

After sharpening the Company's strategy and updating its overall strategic ambitions over the summer, the Company alongside their Capital Markets Update in September announced changes to its Executive Management Team. This was to position the Company for increased growth and to strengthen the Company's regional focus. The Executive Management Team was expanded to 11 members with a strengthened regional set-up to improve focus on growth and end-to-end accountability of projects. Within the management team are four Executive Vice Presidents (EVPs) responsible for regions, two responsible for services (construction and operations) and four responsible for staff areas. The compensation for these new executives was reviewed holistically by an independent consultant based on relevant market benchmarks and is included within this report, including the adjustments made to the fixed base salary to ensure alignment to the market. The remaining compensation package remained consistent with previous years and at the end of the year, in line with policy, options were awarded to the whole executive management along with key Company leaders with a strike price of NOK 80.25.

In general, 2022 marked a good year of performance for Scatec with strong operational results including in HSSE. Power Production revenues increased to NOK 4,521 million in 2022, while EBITDA decreased but remained strong at NOK 2,835 million. During the year, the Company started construction of new solar power plants on South Africa, Brazil and Pakistan, totalling 1.2 GW. The Company did not however achieve its growth targets or its commitment to greater gender diversity. This was then reflected in the variable pay element of the executive's pay and for the wider leadership cohort of the Company.

At the Annual General Meeting in April 2022, the annual compensation for the Board was proposed and approved for 2022. The Chairperson of the Board is to be compensated at NOK 557,000 per year, while directors of the Board are to be compensated at NOK 357,000. This reflects relevant market benchmarks. Further details on the requirements on the Board with regards to their compensation are outlined within this report.

For more information about the general performance of the Company, refer to the Scatec Annual report 2022.

## 2. Summary of Remuneration policy

The objectives of the remuneration policy are (i) to motivate the Executive Management to strive to realise the Company's strategic goals including financial results, (ii) to be suitable to attract and retain skilled leaders taking into account the international market the Company participates in, and (iii) alignment with a representative average for management salaries for comparable Executive Management in similar businesses, and in the respective local market.

Scatec is assessing its management remuneration on a regular basis with the support of independent consultants. The 2022 assessment process was performed by Korn Ferry in November.

### 3. Summary of Remuneration structure

The elements of the remuneration policy in 2022 are described in the guidelines for remuneration of Executive Management and summarised below.

Element	Objective	Remuneration level	Performance measure
Fixed base salary	Align with market to attract and retain qualified executives	Competitive, but not market leading compared to the levels in other listed companies in the Norwegian Stock Exchange with international activities	The base salary is normally subject to annual review based on an evaluation of the individual's performance and contributions to the Company's goals. In addition, a yearly review of underlying inflation and adjustments in the market is performed
Short-term Incentive	To motivate and encourage our performance culture and individual's contribution to the Company's business strategy	The Executive Management Team are entitled to an annual bonus ranging from 0-50% of their base salary, based on a holistic evaluation against performance indicators	Performance measured by a combination of the achievement of the EVP's department KPIs and group KPIs
Long-Term Incentive (LTI)	Strengthen the alignment of Executive Management and shareholders' long-term interests and sustainability of the Company. Aims to retain key employees	The number of options awarded to each Executive Management member is calculated so that the value of the options is expected to correspond to fifty percent of the employee's base salary based on share price increase over the tenor of the option plan	None
Pension and Insurance schemes	Provide competitive postemployment and other benefits	Scatec offers a competitive pension and insurance scheme aligned to the local markets. See pension and insurance section	N/A
Employee Share Purchase Programme	Align and strengthen employee interest on Scatec's long-term development by increasing employees' ownership in Scatec	The programme provides eligible employees the opportunity to buy Scatec shares at a discounted rate. The discounted rate for 2022 was 22,5%. Shares are purchased through an interest free loan and paid back through payroll reductions. Shares are locked for a 2-year period	None
Other benefits in kind	Align with market to attract and retain qualified executives	Competitive but not market leading. Benefits in kind that are common for comparable positions, e.g., free telephone service, home PC, free broadband service, newspapers.  Sign-on bonuses are used in certain situations	N/A

The Board of Directors and members of the Nomination committee receive annual fees.

## 4. Fixed base salary

As per policy, all members of the executive team received an annual uplift to their fixed base salary in January 2022. Based on the benchmarks and data at the time including forecasts from industry bodies, 2.8% was agreed on for all executives.

In September 2022, a new Executive Management Team was announced to bring the business closer to the regions and focus more on growth. This management team included members from the previous as well as promotions from within the organisation. As a result, in November 2022, a full review of all executive roles and compensation was conducted by Korn Ferry, an independent consulting company. They assessed all executive roles against publicly traded organisations in the Oslo Stock Exchange. In addition, because two of the members are now based in South Africa and Philippines, additional benchmarking of executives within the energy sector in those markets was conducted. As a result of this exercise, it was identified that the newer members of the executive team fell below the competitive range and the salaries of the new roles within the executive team were adjusted.

## 4.1 Comparative table of the average increase in fixed annual base salary over the last five reported financial years<sup>1</sup>:

Name of Executive Management Team	Title	Increase in fixed annual base salary in 2018	Increase in fixed annual base salary in 2019	Increase in fixed annual base salary in 2020 <sup>2</sup>	Increase in fixed annual base salary in 2021 <sup>3</sup>	Increase in fixed annual base salary in 2022	Annual base salary 2022 <sup>4</sup>
Terje Pilskog	Chief Executive Officer <sup>5</sup>	N/A	N/A	N/A	N/A	N/A	3,700
Terje Pilskog	EVP Project Development Solar & Wind	3%	8%	0%	18%	2.8%	N/A
Raymond Carlsen	Chief Executive Officer <sup>6</sup>	3%	3%	3%	14%	2.7%	2,418
Mikkel Tørud	Chief Financial Officer	3%	3%	0%	12%	2.8%	2,939
Snorre Valdimarsson	EVP General Counsel	3%	9%	0%	15%	2.8%	2,483
Roar Haugland	EVP Sustainable Business & HSSE	2%	3%	0%	11%	2.8%	2,244
Torstein Berntsen	EVP Power Production and Asset Management <sup>7</sup>	3%	3%	0%	20%	2.8%	2,575
Pål Helsing	EVP Solutions	3%	3%	0%	19%	2.8%	2,568
Toril Haaland	EVP People & Organisation	N/A	3%	0%	15%	2.8%	2,104
Ann-Mari Lillejord	EVP LATAM/Europe <sup>8</sup>	N/A	N/A	N/A	N/A	N/A	1,266
Kate Bragg	EVP People, Strategy & Digital <sup>9</sup>	N/A	N/A	N/A	N/A	N/A	1,560
Pål Strøm	EVP Operations & Maintenance <sup>10</sup>	N/A	N/A	N/A	N/A	N/A	1,781
Eliseo Ana	EVP Asia <sup>11</sup>	N/A	N/A	N/A	N/A	N/A	2,213
Jan Fourie	EVP Sub-Saharan Africa <sup>12</sup>	N/A	N/A	N/A	N/A	N/A	1,844
Jarl Arve Kosberg <sup>13</sup>	EVP Project Development Hydropower	N/A	N/A	N/A	N/A	0%	628

<sup>1</sup>Does not include holiday allowance.

<sup>2</sup>Salary freeze for members of the Executive Management Team due to covid. Effective annual salary review changed from 1 July to 1 January in July 2021. CEO was always 1 January and increase was decided prior to Covid outbreak in March 2021.

<sup>3</sup>Large fixed annual base salary increase is to reflect change in Company and scope of role following acquisition of SN Power. This review was conducted by Korn Ferry.

<sup>4</sup>In NOK thousands and including paid out holiday allowance.

<sup>5</sup>EVP Project development Solar & Wind up until 30.04.2022. CEO from 01.05.2022.

<sup>6</sup>End date 31.04.22.

<sup>7</sup>Interim EVP MENA/Green H2 from 21.11.22.

<sup>8</sup>VP Project development 2017-2019. SVP Project Development from 01.12.2020. EVP LATAM/Europe from 21.11.2022, data only included from EVP period.

<sup>9</sup>SVP M&A and Strategy from 01.08.2021 and EVP from 01.05.2022.

<sup>10</sup>SVP Operations & Maintenance up until 20.11.22. EVP from 21.11.2022, data only included for EVP period.

<sup>11</sup>SVP Hydropower Africa and Latam from 15.03.2021. EVP Asia from 21.11.2022, Data only included from EVP period.

<sup>12</sup>General Manager South Africa from 08.11.2017. EVP Sub-Saharan Africa from 21.11.2022. Data only included from EVP period.

<sup>13</sup>Start date 29.01.2021 End date 31.01.2022.

## 4.2 Comparison to the development of Scatec ASA's average base salary and CEO pay ratio.

As with the executive team, the fixed base salary of the CEO increased by 2.8% effective 1 January 2022. During the CEO transition, CEO pay levels were kept in line between outgoing and incoming CEO. Raymond Carlsen was paid 3.8m NOK in base salary, while Terje Pilskog began in his role at 3.7m NOK. The CEO pay ratio compared to the average total median compensation of a permanent full time equivalent employee in Scatec ASA was three. This remains constant from 2021.

## 5. Short term Incentive scheme

The Executive Management is part of the Company's bonus scheme for all employees. The scheme assesses performance on both the Company's overall- and financial performance as well as each department's performance.

### 5.1 Company threshold evaluation for 2022 financial year:

The Company threshold determines the payment of bonus. The threshold may reduce or, in critical situations, even annul the payment of bonus. It ensures and strengthens the link between the Company's overall financial results and the individual variable pay.

Threshold assessment includes the overall Company goals and objectives and key financial performance, which are considered to contribute to long-term growth in shareholder value. Additionally, the group's objective of being a leading Company within environment and sustainability is also considered when determining bonus threshold. This includes meeting our Company ESG targets. For details and key performance summary regarding ESG targets and performance for 2022 this report refers to the ESG Performance Report for 2022 which is part of the Annual Report for 2022. Since the ESG targets are an integral and important part of the KPI's for the EVP's and bonus thresholds, a summary of the key findings are included as an annex to this report.

Assessing the Company threshold for 2022, Scatec took the following into consideration:

- Operational performance including HSSE and production performance
- Financial performance including profitability metrics and margin achievement
- Growth including financial close, backlog and pipeline
- People and environment including diversity, compliance and ESG metrics

### 5.2 Board of Director's assessment of the Chief Executive Officer's performance

The CEO's performance is measured against the Company performance as set out above as well as Scatec's leadership and group values. Based on a holistic evaluation, the assessment of the Board of Directors is that while the Company has done well on operational performance, HSSE and ESG, it did not meet its growth targets. On financial performance, the targets were partly met. This performance is due to the macro situation and partly due to the specific opportunities the Company have been working on. The diversity ambition to achieve 32% women in leadership was also not met, with Scatec ending the year at 29%.

Below is a summary of the CEO’s targets for 2022, weighted and commented.

Category of KPIs	Strategic objectives	Weight	Commentary from BOD	Average percentage achieved across this category
Operational performance	Ensure that the Company is a responsible long-term owner of assets and projects. Includes: <ul style="list-style-type: none"> <li>Improvements in HSSE metrics</li> <li>Ensuring power production levels are in line with forecasts</li> </ul>	13%	KPI not fully met, power production lower than target	97%
Financial performance	Ensure that the Company has achieved attractive financial results: <ul style="list-style-type: none"> <li>Cash yield</li> <li>Project IRR and margin targets</li> </ul>	22%	Target not fully met, but still strong results	85%
Growth	Ensure that the Company both brings projects through to construction and that there is a suitable pipeline of opportunities. Includes: <ul style="list-style-type: none"> <li>Financial close targets on all technologies</li> <li>Pipeline ambitions</li> </ul>	52%	Growth target not met	44%
People and Environment	Ensure that the Company protects and nurtures its people and the environments it operates within. Includes: <ul style="list-style-type: none"> <li>Diversity improvements, particularly gender in senior leadership</li> <li>ESG – both in reporting standards and reducing scope 1,2 emissions</li> <li>Compliance – no serious breaches</li> </ul>	13%	ESG and compliance target fully met while diversity targets partly met	70%

As a result of this assessment, the CEO received a bonus of 30% of his base salary for his performance in 2022. This equates to 60%<sup>14</sup> of his 50% bonus potential of base salary. Bonus for performance in 2022 is paid in February 2023 and is reflected as an accrual in this report.

### 5.3 Performance of the Executive Management Team in the reported financial year:

Executive Management are evaluated on their respective department’s performance in relation to the group performance as described above. Department performance measures are also focused on operational performance, financial performance, growth and people and environment metrics. Each executive member will have different measures within each category and different weighting according to role and responsibility but will also be held responsible for the overall performance of the Company. Assessment of performance is done using a holistic approach that also considers performance against Scatec’s leadership values and group values. The Group values are changemaker, working together, driving results and predictable.

Final calibration for the Executive Management Team performance along with the whole organisation takes place in March 2023. In a typical year, the maximum achieved bonus as a percentage of base salary for the Executive Management Team is 50% but, as the Company’s threshold was not fully met, Executive management teams bonus payment was adjusted down accordingly to reflect the overall assessment. Bonus for performance in 2022 is paid in March 2023 but the accruals for these are included in the remuneration tables within the report.

<sup>14</sup>Total score from weighting was 63% but was rounded down after discussion within Board of Directors to align with overall structure of bonus within company (company uses multiples of 5 in each of the boxes in their performance matrix e.g., 60%, 75% etc.).

## 6. Long-term incentive – Share option plan

The last award under the share option plan approved by the Annual General Meeting was made in January 2022. The Executive Management were allocated options over a three-year period corresponding to 619,651 shares of the Company.

### 6.1 Stock options awarded 2021-2022<sup>15</sup>

Executive	2021 total options awarded	2022 total options awarded
Raymond Carlsen, CEO <sup>16</sup>	18,163	43,183
Mikkel Tørud, CFO	12,986	30,345
Terje Pilskog, EVP Solar and Wind Development <sup>17</sup>	11,814	29,178
Pål Helsing, EVP Solutions	10,845	26,844
Torstein Berntsen, EVP Power Production	10,721	26,844
Roar Haugland, EVP Sustainable Business and HSSE	10,087	23,342
Snorre Valdimarsson, EVP General Counsel	10,730	25,677
Toril Haaland, EVP People and Organisation	9,210	22,175
Jarl Arve Kosberg, EVP Hydropower Project Development	12,854	26,844
Ann-Mari Lillejord, EVP LATAM/Europe	0	14,353
Kate Bragg, EVP People, Strategy & Digital	0	10,301
Pål Strøm, EVP Operations & Maintenance	4,921	11,726
Eliseo Ana, EVP Asia	7,809	14,049
Jan Fourie, EVP Sub-Saharan Africa	3,510	9,883
<b>Total</b>	<b>123,650</b>	<b>314,744</b>

Approximately 1/3 of the options awarded vests annually, with corresponding vesting periods of 12, 24 and 36 months. Outstanding options are cancelled in the event of exit from the Company.

The strike price of each annual award is based on the volume weighted average share price of the shares on Oslo Stock Exchange the ten preceding trading days of the grant date. To exercise vested options the participant needs to be employed in Scatec at the time of the exercise period.

The number of options awarded to each Executive Management member are calculated so that the value of the options is expected to correspond to fifty percent of the employee's base salary based on share price increase over the tenor of the option plan.

The option plan is designed to create an ownership culture to ensure alignment between the shareholders on the one side and Executive Management and other key employees on the other. The option plan is an important tool to attract and retain high calibre employees.

It is intended that the Board of Directors may use its authorisation to increase the share capital of the Company and/or buy own shares to settle options being exercised under the Option Plan.

<sup>15</sup>Note: does not include new members of EMT because award was made at beginning of 2022. New award for 2023 was made on January 1st 2023 and will be covered in 2023 remuneration report.

<sup>16</sup>CEO until 30.04.2022.

<sup>17</sup>CEO from 01.05.2022.



## 6.2 Stock options awarded or due to the Executive Management Team for the 2022 financial year:

Below is a summary of the LTI stock options awarded in 2022 and the opening and closing balance.

Name of Executive management Teams	Grant date	Vesting/performance period	Vest dates	Expiry date to exercise <sup>18</sup>	Strike price of the share	No of options awarded at beginning of the year	No of options granted for 2022	No. Options exercised	Options vested 2022 not exercised	Total number of options unvested end of 2022	Terminated in 2022	Total number of options end of 2022
Terje Pilskog, Chief Executive Officer	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	44,579	29,178		25,903	57,854		73,757
Terje Pilskog, Chief Executive Officer	28.03.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	131.99		10,000					10,000
Mikkel Tørud, Chief Financial Officer	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	49,553	30,345		29,024	50,874		79,898
Pål Helsing, EVP Solutions	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	41,381	26,843		24,238	43,986		68,224
Torstein Berntsen, EVP Green Hydrogen & MENA (Interim)	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	40,909	26,843		23,961	43,791		67,752
Roar Haugland, EVP Sustainability, HSSE & Quality	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	38,491	23,342		22,545	39,288		61,833
Snorre Valdimarsson, EVP Legal	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	40,407	25,676		23,445	42,638		66,083
Toril Haaland, EVP People & Organisation	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	35,144	22,175		20,585	36,734		57,319
Jarl Arve Kosberg, EVP Hydropower Project Development	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	12,854	26,843				- 39,697	0
Ann-Mari Lillejord, EVP Latin America & Europe	27.04.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	124.34	0	14,353			14,353		14,353
Kat Bragg, EVP People, Strategy & Digital	04.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	0	10,301			10,301		10,301
Pål Strøm, EVP Operations & Maintenance	04.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	18,505	11,726	-4720	6,072	19,439		25,511
Jan Fourie, EVP Sub-Saharan Africa	04.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	9,892	9,883		4,361	15,414		19,775
Eliseo Ana, EVP Asia	04.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	7,809	14,049		2,603	19,255		21,858
Raymond Carlsen <sup>19</sup>	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.23, 01.01.24, 01.01.25	01.01.26	148.25	67,849	43,183				- 111,032	0

<sup>18</sup>Expiry date of the options is 5 years after grant date. Exercise period in 2022 was from 3 to 9 February 2022.

<sup>19</sup>Vested stock Options converted to cash payment.

## 7. Total Executive Management remuneration

### 7.1 Total remuneration for the Executive Management of Scatec ASA in the 2022 financial year<sup>20</sup>:

Name	Title	Fixed remuneration		One year variable	Multi-year variable			Proportionate of fixed and variable remuneration	
		Base salary <sup>21</sup>	Other benefits <sup>22</sup>	Annual bonus accrued	B&S fair value of options granted	Pension cost granted <sup>23</sup>	Total remuneration 2022	Fixed <sup>24</sup>	Variable <sup>25</sup>
Terje Pilskog <sup>26</sup>	Chief Executive Officer	3,460	15	1,163	2,042	170	6,850	52%	48%
Raymond Carlsen <sup>27</sup>	Chief Executive Officer	2,418	4,678 <sup>28</sup>	0 <sup>29</sup>	0	80	7,176	99%	1%
Mikkel Tørud	Chief Financial Officer	2,939	15	936	1,690	169	5,749	53%	47%
Snorre Valdimarsson	EVP General Counsel	2,483	15	0 <sup>30</sup>	1,430	169	4,097	64%	36%
Roar Haugland	EVP Sustainable Business & HSSE	2,244	15	720	1,300	172	4,451	53%	47%
Torstein Berntsen <sup>31</sup>	EVP MENA/Green H2	2,575	15	840	1,495	174	5,099	53%	47%
Pål Helsing	EVP Solutions	2,568	15	828	1,495	169	5,075	53%	47%
Toril Haaland	EVP People & Organisation	2,104	2,086 <sup>32</sup>	684	1,235	170	6,279	69%	31%
Ann-Mari Lillejord <sup>33</sup>	EVP LATAM/Europe	1,266	10	443	519	112	2,350	57%	43%
Kate Bragg <sup>34</sup>	EVP People, Strategy & Digital	1,560	15	522	574	162	2,833	59%	41%
Pål Strøm <sup>35</sup>	EVP Operations & Maintenance	1,781	15	597	653	166	3,212	59%	41%
Eliseo Ana <sup>36</sup>	EVP Asia	2,213	916 <sup>37</sup>	775	589	152	4,645	70%	30%
Jan Fourie <sup>38</sup>	EVP Sub-Saharan Africa	1,844	106	645	479	187	3,261	63%	37%
Jarl Arve Kosberg <sup>39</sup>	EVP Hydropower Project Development	628	1	-	-	18	647	97%	3%

(Data in NOK thousand)

Bonus for the current earning year is paid in March but is included as an accrual in this table. This marks a change in methodology and has been updated since 2021 report that stated bonus on actual amounts.

<sup>20</sup>There has been a change in reporting from total remuneration 2021. Number of options awarded, and loans outstanding have been removed, and numbers are showing accrued bonus instead of actual.

<sup>21</sup>Including paid out holiday allowance.

<sup>22</sup>Other benefits include benefits such as insurance, free phone, car allowance and synthetic shares.

<sup>23</sup>Fair value of the 2022 options granted using the Black-Scholes-Merton (BSM) model, in accordance with IFRS standards.

<sup>24</sup>Includes base salary and benefits.

<sup>25</sup>Includes bonus and options.

<sup>26</sup>CEO from 01.05.22. EVP Project Development Solar & Wind up until 30.04.22.

<sup>27</sup>Until 30.04.2022.

<sup>28</sup>Including severance package 3,800 and vested stock options converted to cash payment 8,392

<sup>29</sup>Employees who have submitted their notice of resignation prior to payment in March is not eligible for a bonus payout.

<sup>30</sup>Employees who have submitted their notice of resignation prior to payment in March is not eligible for a bonus payout.

<sup>31</sup>Interim EVP MENA/Green H2 from 21.11.22.

<sup>32</sup>Including severance package.

<sup>33</sup>Joined Scatec and Executive management team 01.05.2022.

<sup>34</sup>Joined Executive management team 01.05.2022.

<sup>35</sup>Joined Executive management team 21.11.2022. Employment with Nordic Hydropower.

<sup>36</sup>Joined EMT 21.11.2022 Employment with Scatec Solar Africa Ltd.

<sup>37</sup>Including allowances for international assignment.

<sup>38</sup>Joined Executive management team 21.11.2022.

<sup>39</sup>Joined in January 2021 and retired in January 2022.

## 7.2 Total remuneration for the Executive Management of Scatec ASA in the 2021 financial year

Name	Title	Fixed remuneration		One year variable	Multi-year variable		Extra-ordinary item	Total remuneration 2021	Proportionate of fixed and variable remuneration	
		Base salary <sup>38</sup>	Other benefits <sup>39</sup>	Annual bonus accrued <sup>40</sup>	B&S fair value of options granted <sup>41</sup>	Pension cost	One time acquisition bonus <sup>42</sup>		Fixed	Variable
Raymond Carlsen	Chief Executive Officer	3,995	15	1,345	2,074	157	1,625	9,211	45%	55%
Mikkel Tørud	Chief Financial Officer	2,718	15	949	1,483	165	1,162	6,492	43%	57%
Snorre Valdimarsson	EVP General Counsel	2,292	15	799	1,225	162	960	5,453	44%	56%
Terje Pilskog	EVP Project Development Solar & Wind	2,594	15	901	1,349	162	1,057	6,078	44%	56%
Roar Haugland	EVP Sustainable Business & HSSE	2,105	15	732	1,152	164	541	4,709	47%	53%
Torstein Berntsen	EVP Power Production and Asset Management	2,383	15	827	1,224	172	575	5,196	48%	52%
Pål Helsing	EVP Solutions	2,396	15	829	1,238	160	582	5,220	48%	52%
Toril Haaland	EVP People & Organisation	1,978	15	689	1,052	161	494	4,389	47%	53%
Jarl Arve Kosberg <sup>43</sup>	EVP Hydropower Project Development	1,943	13	647	677	143	0	3,423	60%	40%

(Data in NOK thousand)

<sup>38</sup>Including paid out holiday allowance.

<sup>39</sup>Other benefits include benefits such as insurance, free phone, car allowance and synthetic shares

<sup>40</sup>Changed to accrued bonus. 2021 report showed actual paid out bonus.

<sup>41</sup>Fair value of the 2021 options granted using the Black-Scholes-Merton (BSM) model, in accordance with IFRS standards.

<sup>42</sup>A onetime additional bonus paid in recognition of contribution in delivering acquisition of SN Power AS was paid in January 2021 and therefore included in the table.

<sup>43</sup>Member joined in January 2021 and retired in January 2022.

## 7.3 Comparative table showing changes in total remuneration paid from 2018-2022

Name of Executive Management team	Title	Total remuneration change over 5 years (NOK Thousands)					Total Remuneration annualised
		2018	2019	2020	2021	2022	2022
Terje Pilskog	Chief Executive Officer	N/A	N/A	N/A	N/A	N/A	6,850
Terje Pilskog	EVP Project Development Solar & Wind	302	-184	217	1,491	772	N/A
Raymond Carlsen	Chief Executive Officer	1,071	315	902	2,547	N/A	N/A
Mikkel Tørud	Chief Financial Officer	235	-137	123	1,537	-743	5,749
Snorre Valdimarsson	EVP General Counsel	255	-30	127	1,124	-1,356	4,097
Roar Haugland	EVP Sustainable Business & HSSE	447	273	505	1,007	-258	4,451
Torstein Berntsen	EVP Power Production and Asset Management	188	-112	81	919	-97	5,099
Pål Helsing	EVP Solutions	858	6,366 <sup>44</sup>	-5,269	1,259	-145	5,075
Toril Haaland	EVP People & Organisation	N/A	N/A	1,276	1,045	1,890	6,279
Jarl Arve Kosberg	EVP Hydropower Project Development	N/A	N/A	N/A	N/A	N/A	647
Kate Bragg	EVP People, Strategy & Digital	N/A	N/A	N/A	N/A	N/A	2,833
Ann-Mari Lillejord	EVP LATAM & Europe	N/A	N/A	N/A	N/A	N/A	2,350
Pål Strøm	EVP Operations & Maintenance	N/A	N/A	N/A	N/A	N/A	3,212
Eliseo Ana	EVP Asia	N/A	N/A	N/A	N/A	N/A	4,645
Jan Fourie	EVP Sub-Saharan Africa	N/A	N/A	N/A	N/A	N/A	3,261

(Data in NOK thousand)

<sup>44</sup>Pål Helsing did not participate in the share option program launched in 2016 but did as a substitute earn synthetic options during the 36 months period from 1 December 2015 until 30 November 2018. The gain on these synthetic options was paid out in 2019, which is the reason this number deviates considerably from earlier years. This figure was reported as other benefits in the 2019 Annual report and is therefore included as total remuneration for 2019.

Comparison tables to assess remuneration against performance and employee remuneration:

Average fixed annual base salary on a full-time equivalent permanent employee in Scatec ASA					
	2018	2019	2020	2021	2022
Employees of Scatec ASA	4%	2%	5%	7%	3%

Scatec Group performance					
	2018	2019	2020	2021	2022
Profit/loss for the period (consolidated figures) MNOK	226	155	-368	456	-1,228
EBITDA (consolidated figures) MNOK	902	1,386	2,069	2,903	2,555

## 7.4 Any use of the right to reclaim

No variable remuneration was reclaimed in 2022. All members of the Executive Management Team accepts that the Company can rectify any errors in payment of salary, holiday allowance and any other benefits, including bonus as outlined in respective employment contracts.

## 7.5 Deviations from the remuneration policy implemented:

There were no deviations from the remuneration policy implemented in 2022.

## 8. Total Board of Directors remuneration

In 2022, two new non-executive directors joined Scatec's Board of Directors – Mette Krogsrud and Espen Gundersen – resulting in a board of seven members.

The annual compensation for the Board was approved at the annual general meeting in 2022 until the annual general meeting in 2023:

- The Chairperson of the Board – NOK 557,000 annually
- Non-executive directors of the Board – NOK 357,000 annually

The Board of directors' requirements for investments in the company.

- The members of the boards must use 20% of the gross board remuneration (excluding remuneration for committee work) to purchase shares in the Company until they (including their personal close associates/companies under their control) own shares of a value corresponding to 1 year's gross board remuneration (excluding remuneration for committee work)
- The purchase of shares shall take place in accordance with applicable statutes and regulations for primary insider trading. The purchase may be spread over time but must be completed not later than the turn of the year and constitute at least 20% of the gross remuneration for this calendar year
- The shares must be retained for as long as the board member holds the position. Holdings exceeding one year's board remuneration are not subject to this requirement.

The nomination committee will monitor compliance with these requirements. The nomination committee for these board members is composed of Kristine Ryssdal, Mads Holm, Annie Bersagel and Svein Høgseth.

## 8.1 Remuneration for the Board of Directors

Name	2022			Total remuneration 2022	2021			Total remuneration 2021
	Board remuneration	Audit committee	Remuneration committee		Board remuneration	Audit committee	Remuneration committee	
John Andersen jr. Chairman of the board	557	90	75	722	580	65	50	695
Jan Skogseth Board member	357	-	55	412	340	-	35	375
Gisele Marchand Board member	357	150	-	507	340	90	-	430
Maria Moræus Hanssen Board member	357	-	55	412	340	-	35	375
Jørgen Kildahl Board member	357	90	-	447	340	65	-	405
Mette Krogsrud Board member	357	-	55	412	-	-	-	-
Espen Gundersen Board member	357	90	-	447	-	-	-	-

(Data in NOK thousand)

## 9. Information on shareholder vote

The remuneration for the Executive Management for the financial year 2022 as described in this report is in line with the Company's guidelines as approved on the annual general meeting in April 2022. Scatec has received positive feedback on the 2021 Remuneration report from the shareholders.

## Annex 1: Environmental, Social and Governance (ESG) targets and performance 2022

### Environmental

Sustainability is an integral part of our organisation and is embedded in all business units including project development, solutions and execution, asset management and operations.

The GHG emissions avoided from the power plants where Scatec has operational control reached 2.0 million tonnes by the end of 2022. When including all projects where Scatec has an ownership stake, the Company contributed to emissions avoided of in total 4.7 million tonnes by the end of 2022.

### Social

In 2022, Scatec ASA has had the same goal as our global goal with regards to gender diversity; to increase female representation on management level from 27% to 32% through both internal promotions and hiring. Scatec ASA had 25 new hires of managers in 2022 where 40% were female (10 of 25) and promoted 8 into management level where 38% of those were female. As a result, Scatec ASA achieved 33% female representation in management positions, level 1-4, in 2022. By year end, 29% of managers globally were female which is a two percentage points increase from 2021, however target of 32% was not met at a global level.

We delivered more than 4.5 million working hours with no fatalities or serious injuries (12 months rolling). An increase in working hours during 2022 reflect project site activities commencing in Brazil, Pakistan and South Africa. The lost time incident frequency rate was 0.7 per million working hours, based on three incidents that resulted in lost time. All the lost time incidents were investigated, and preventive actions have been implemented and communicated.

### Governance

Scatec's human rights training programme for security personnel was launched in 2020. All Scatec facilitators were trained by a third party with international best practice human rights experience to be able to present this training to the security guards at their respective locations. The training is provided to third party security service providers and staff based on Scatec's project sites.

Scatec received eight whistleblowing reports during 2022 with zero confirmed incidents of corruption. The whistleblowing reports relate to potential misconduct in the workplace, and all were investigated aligned to our internal procedures. We provide mandatory anti-corruption and code of conduct training to all employees. As at the publication of the report, 100% of employees in scope had completed the training.

The total number of grievances received from projects in operation and under site construction amounted to 151. Given that Scatec had three projects in construction in South Africa, Brazil and Pakistan during 2022, a higher number of grievances received compared to 2021 is expected. Grievances received during the construction phase generally relate to disputes between our sub-contractors and their workers, as well as the impact of construction activities. Of the total grievances registered, 87% were resolved and the remaining are in the process of been resolved.





To the General Meeting of Scatec 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 Scatec ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2022 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.

Oslo, 21 March 2023  
**PricewaterhouseCoopers AS**

A handwritten signature in blue ink, appearing to read 'Thomas Fraurud', written in a cursive style.

Thomas Fraurud  
State Authorised Public Accountant



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