



Executive Remuneration Report 2023



1. Introduction

The remuneration awarded to the Scatec Executive Management Team (EMT) in 2023 was in line with Company guidelines for remuneration of Executive Management, as approved at the Annual General Meeting in April 2023. The total remuneration of the EMT 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.

In a year with geopolitical uncertainty, a turbulent macroeconomic situation and hiking interest rates, Scatec executed its highest construction programme ever with a 40% capacity increase. During the year, the Company delivered all-time high proportionate revenues of NOK 12.7 billion and 8.2 billion of this came from development and construction, with a strong gross margin of 12%. As communicated during the year, several personnel changes took place at the EMT. Long standing members took on external opportunities, paving the way for internal successor appointments, and the Company took the opportunity to strengthen and re-organise the EMT. The following changes to the EMT and re-organisation of accountabilities took place in 2023:

- Snorre Valdimarsson, Executive Vice President General Counsel, left Scatec after 13 years of service, succeeded by Siobhan Minnaar in February 2023.
- Hans Jakob Hegge was externally appointed Chief Financial Officer (CFO) in March 2023, succeeding Mikkel Tørud, who took over responsibility for Egypt, Green H2 (Gh2) and the Middle East Africa (MENA) region.
- Mikkel Tørud, Executive Vice President MENA and Gh2, left Scatec after close to 10 years of service, resulting in a minor re-organisation of accountabilities at the EMT and leading to the appointment of Mohamed Amer in September 2023, taking on the new title of Executive Vice President Green H2 and Egypt.
- Kate Bragg, Executive Vice President People, Strategy and Digital, left Scatec in December 2023, with the role re-distributed and absorbed within existing members of the EMT.

As of 31 December 2023, the EMT consisted of 10 members¹, in line with the regional set-up, ensuring a continuation of focus on growth and end-to-end accountability for projects. The EMT consisted of; the Chief Executive Officer (CEO); Chief Financial Officer (CFO); four Executive Vice Presidents (EVPs) responsible for regions; two responsible for services (construction and operations) and two for staff areas. The compensation, including changes to fixed base salary, for newly appointed executives was reviewed holistically in partnership with an independent consultant based on relevant market benchmarks and is detailed within this report. The remaining compensation package was consistent with previous years, and in the beginning of the year², in line with the guidelines for remuneration of Executive Management, share options were awarded to the EMT along with key personnel with a strike price of NOK 80.25.

¹Excluding Kate Bragg who left Scatec in December 2023.

²Hans Jakob Hegge was later awarded 67,516 stock options as part of joining Scatec in March 2023.

The year 2023 witnessed notable transformations and advancements for Scatec, highlighted by robust operational outcomes, particularly in the realm of Health, Safety, Security, and Environment (HSSE). Power Production revenues increased to NOK 4,113 million in 2023 and EBITDA to NOK 3,216 million. The Company had strong construction activity with D&C revenues of NOK 8,177 million driven by construction activities in South Africa, Brazil and Pakistan.

Due to the macro-economic environment, the Company did not fully achieve its growth and funding targets. This was reflected in the variable pay element of the Executive's pay.

At the Annual General Meeting in April 2023, the annual compensation for the Non-Executive Board of Directors (the Board) was proposed and approved for 2023. The Non-Executive Chairperson of the Board was to be compensated at NOK 585,000 per year, while the Non-Executive Directors of the Board were to be compensated at NOK 375,000. 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 2023.

2. Summary of guidelines for remuneration of Executive Management

The objectives of the guidelines for remuneration of Executive Management 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 assesses its management remuneration on a regular basis with the support of independent consultants. The 2023 salary review for the EMT was performed in partnership with Korn Ferry with new salaries implemented in January 2023.

3. Summary of Remuneration structure

The elements of the remuneration structure 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. Comparable, where possible, to executives in publicly traded organisations of a similar size and complexity, in Norway or the respective local market	The base salary is normally subject to annual review based on the Executive's capabilities and background; performance and contribution to Company goals; and relevant external market benchmarks
Short-term Incentive	To motivate and encourage a performance culture and Executive's contribution to the Company's business strategy	The Executive is entitled to an annual bonus ranging from 0-50% ³ of their base salary, based on a holistic evaluation against performance indicators	Performance measured by a combination of the achievement of key performance indicators based on Company overall and financial performance, as well as the Executive's performance
Long-Term Incentive (LTI)	Designed to create an ownership culture, ensuring and strengthening alignment of Executive Management and shareholders' long-term interests and sustainability of the Company. Aims to attract and retain high calibre employees	The number of share options awarded to each Executive is calculated so that the value of the options is expected to correspond to fifty percent of the Executive's base salary, based on a predefined share price increase over the tenor of the option plan	The LTI scheme is tied to the development of the share price of the Company, with performance measured through share price appreciation across the tenor of the 5-year share option plan
Pension and Insurance schemes	Provide competitive post-employment 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 ⁴	Align and strengthen employee interest on Scatec's long-term development by increasing employees' ownership in Scatec	The programme provides eligible employees opportunity to buy Scatec shares at a discounted rate. Shares are purchased through an interest free loan and paid back through payroll deductions. Shares are locked for a 2-year period	Employees purchase shares at a discounted rate through an interest free loan and benefit from any gain through share price appreciation following the 2-year lock in period
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.

³From 2024, based on the introduction of a new framework, the max bonus opportunity will change for the EMT and other Scatec employees, as explained in the 2024 guidelines for remuneration of Executive Management.

⁴The 2023 Employee Share Purchase Programme did not run due to timing conflict with the cost reduction programme taking place at the time. The programme is scheduled to run as normal in 2024.

4. Total Executive Management remuneration

4.1. Total remuneration for the Executive Management of Scatec ASA in the 2023 financial year:

Name	Title	Fixed remuneration			One year variable	Multi year variable	Variable	Proportionate of fixed and variable remuneration		
		Base salary ⁵	Benefits ⁶	Pension cost	Annual bonus accrued ⁷	B&S fair value of options granted ⁸	Other variable cost	Total remuneration 2023	Fixed ⁹	Variable ¹⁰
Terje Pilskog	Chief Executive Officer	3,992	16	179	1,444	1,682	143 ¹¹	7,456	56%	44%
Hans Jakob Hegge ¹²	Chief Financial Officer	2,895	13	146	1,094	1,450	1,500 ¹³	7,098	43%	57%
Siobhan Minnaar ¹⁴	EVP General Counsel	2,009	16	173	750	387		3,335	66%	34%
Roar Haugland	EVP Sustainability, HSSE & Quality	2,262	16	180	802	935	128 ¹⁵	4,323	57%	43%
Pål Helsing	EVP Solutions	2,601	16	177	922	1,075	137 ¹⁶	4,928	57%	43%
Ann-Mari Lillejord	EVP Latam/Europe	2,179	16	173	788	864		4,020	59%	41%
Pål Strøm	EVP Operations & Maintenance	2,102	16	176	750	864		3,908	59%	41%
Eliseo Ana ¹⁷	EVP Asia	2,988	1,166 ¹⁸	247	961	1,006		6,368	69%	31%
Jan Fourie ¹⁹	EVP Sub-Saharan Africa	1,777	116	251	- ²⁰	815		2,959	72%	28%
Mohamed Amer ²¹	EVP Green H2 & Egypt	650	33	68	743	357		1,851	41%	59%
Kate Bragg	EVP People, Strategy & Digital	2,294	16	172	- ²²	-		2,290	100%	0%
Snorre Valdimarsson ²³	EVP General Counsel	480	0	48	-	-		528	100%	0%
Mikkel Tørud ²⁴	EVP Chief Financial Officer / EVP MENA Green H2	2,145	12	149	-	-	163 ²⁵	2,469	93%	7%
Torstein Berntsen ²⁶	Interim EVP MENA/Green H2	497	2	38	-	1,075	137 ²⁷	1,749	31%	69%

(Data in NOK thousand)

Bonus for the earning year is paid in March the following year but is included as an accrual in this table.

⁵Including holiday allowance accrued in 2023.

⁶Includes benefits such as insurances, mobile, broadband or other allowances.

⁷Bonus accrued based on target value, i.e. 75% of max bonus potential (50%), pro-rated if the Executive has worked at the Company for less than the full earning year.

⁸Fair value of the 2023 options granted using the Black-Scholes-Merton (BSM) model, in accordance with IFRS standards.

⁹Includes base salary, other benefits and pension.

¹⁰Includes bonus and share options.

¹¹Includes stock options converted to cash payment.

¹²Joined Scatec and EMT 01.03.2023.

¹³Includes a sign-on bonus of 1,500,000 NOK.

¹⁴Joined EMT 01.02.2023.

¹⁵Stock options converted to cash payment.

¹⁶Stock options converted to cash payment.

¹⁷Employed by SN Power Philippines Inc.

¹⁸Includes allowances from a prior international assignment, including housing, schooling and other local allowances.

¹⁹Employed by Scatec Africa (Pty) Ltd. (South Africa).

²⁰Left Scatec before bonus pay-out March 2024.

²¹Joined EMT 01.09.2023. Employed by Scatec Egypt. Compensation reported is pro-rated for the 4 months he was part of EMT in 2023.

²²Left Scatec before bonus pay-out March 2024.

²³Left Scatec 31.01.2023.

²⁴CFO between 01.01.2023 - 31.03.2023. EVP MENA/Green H2 between 01.03.23 - 31.08.2023.

²⁵Stock options converted to cash payment.

²⁶Interim EVP MENA/Green H2 between 01.01.2023 - 28.02.2023.

²⁷Stock options converted to cash payment.

4.2. Total remuneration for the Executive Management of Scatec ASA in the 2022 financial year.

Name	Title	Fixed remuneration			One year variable	Multi year variable	Variable	Total remuneration 2022	Proportionate of fixed and variable remuneration	
		Base salary ²⁸	Bene-fits ²⁹	Pen-sion cost	Annual bonus accrued ³⁰	B&S fair value of options granted ³¹	Other vari-able cost		Fixed ³²	Vari-able ³³
Terje Pilskog ³⁴	Chief Executive Officer	3,460	15	170	1,163	2,042		6,850	53%	47%
Raymond Carlsen ³⁵	Chief Executive Officer	2,418	39	80	0 ³⁶	0	4,639 ³⁷	7,176	100%	0%
Mikkel Tørud	Chief Financial Officer	2,939	15	169	936	1,690		5,749	54%	46%
Snorre Valdimarsson	EVP General Counsel	2,483	15	169	0 ³⁸	1,430		4,097	65%	35%
Roar Haugland	EVP Sustainability, HSSE & Quality	2,244	15	172	720	1,300		4,451	55%	45%
Torstein Berntsen ³⁹	EVP MENA/Green H2	2,575	15	174	840	1,495		5,099	54%	46%
Pål Helsing	EVP Solutions	2,568	15	169	828	1,495		5,075	54%	46%
Toril Haaland	EVP People & Organisation	2,104	13	170	684	1,235	2,073 ⁴⁰	6,279	69%	31%
Ann-Mari Lillejord ⁴¹	EVP Latam/Europe	1,266	10	112	443	519		2,350	59%	41%
Kate Bragg ⁴²	EVP People, Strategy & Digital	1,560	15	162	522	574		2,833	61%	39%
Pål Strøm ⁴³	EVP Operations & Maintenance	1,781	15	166	597	653		3,212	61%	39%
Eliseo Ana ⁴⁴	EVP Asia	2,213	916 ⁴⁵	152	775	589		4,645	71%	29%
Jan Fourie ⁴⁶	EVP Sub-Saharan Africa	1,844	106	187	645	479		3,261	66%	34%
Jarl Arve Kosberg ⁴⁷	EVP Hydropower Project Development	628	1	18	-	-		647	100%	0%

(Data in NOK thousand)

²⁸Including paid out holiday allowance.

²⁹Includes benefits such as insurances, mobile, broadband or other allowances.

³⁰Bonus accrued based on target value, i.e. 75% of max bonus potential (50%), pro-rated if the Executive member has worked at the Company for less than the full earning year.

³¹Fair value of the 2022 options granted using the Black-Scholes-Merton (BSM) model, in accordance with IFRS standards.

³²Includes base salary and benefits.

³³Includes bonus and share options.

³⁴CEO from 01.05.22. EVP Project Development Solar & Wind up until 30.04.22.

³⁵Left Scatec 30.04.2022.

³⁶Left Scatec before bonus pay-out March 2023.

³⁷Includes severance of 3,800,000 NOK and vested stock options converted to cash payment 839,000 NOK.

³⁸Left Scatec before bonus pay-out March 2023.

³⁹Interim EVP Mena/Green H2 from 21.11.22.

⁴⁰Includes severance.

⁴¹Joined Scatec and EMT on 01.05.2022.

⁴²Joined EMT on 01.05.2022.

⁴³Joined EMT on 21.11.2022. Employment with Nordic Hydropower.

⁴⁴Joined EMT 21.11.2022 Employment with Scatec Solar Africa Ltd.

⁴⁵Including allowances for international assignment.

⁴⁶Joined EMT on 21.11.2022.

⁴⁷Joined in January 2021 and retired in January 2022.

4.3. Comparative table showing changes in total remuneration paid from 2019-2023

Name of Executive Management team	Title	Total remuneration change over 5 years (%)					Total Remuneration annualised
		2019	2020	2021	2022	2023	2023
Terje Pilskog	Chief Executive Officer ⁴⁸	N/A	N/A	N/A	15%	9%	7,456
Terje Pilskog	EVP Project Development Solar & Wind ⁴⁹	-4%	5%	29%	N/A	N/A	N/A
Hans Jakob Hegge	Chief Financial Officer ⁵⁰	N/A	N/A	N/A	N/A	N/A	7,709
Siobhan Minnaar	EVP General Counsel ⁵¹	N/A	N/A	N/A	N/A	N/A	3,535
Roar Haugland	EVP Sustainability, HSSE & Quality	9%	16%	24%	-3%	-3%	4,323
Pål Helsing	EVP Solutions	243% ⁵²	-57%	28%	0%	-3%	4,928
Ann-Mari Lillejord	EVP Latam/Europe	N/A	N/A	N/A	N/A	71%	4020
Pål Strøm	EVP Operations & Maintenance	N/A	N/A	N/A	N/A	22%	3,908
Eliseo Ana	EVP Asia	N/A	N/A	N/A	N/A	37%	6,368
Jan Fourie	EVP Sub-Saharan Africa	N/A	N/A	N/A	N/A	60%	2,959
Mohamed Amer	EVP Green H2 & Egypt ⁵³	N/A	N/A	N/A	N/A	N/A	3,353
Kate Bragg	EVP People, Strategy & Digital ⁵⁴	N/A	N/A	N/A	N/A	-19%	2,290
Snorre Valdimarsson	EVP General Counsel ⁵⁵	0%	3%	23%	-23%	-87%	6,340
Mikkel Tørud	Chief Financial Officer / EVP MENA/Green H2 ⁵⁶	-2%	3%	28%	-14%	-57%	3,622
Torstein Berntsen	Interim EVP MENA/Green H2 ⁵⁷	-3%	2%	18%	1%	-65%	4,434
Raymond Carlsen	Chief Executive Officer	6%	16%	38%	-22%	N/A	N/A
Toril Haaland	EVP People & Organisation	39%	62%	31%	-4%	N/A	N/A
Jarl Arve Kosberg ⁵⁸	EVP Hydropower Project Development	N/A	N/A	N/A	-81%	N/A	N/A

(Data in NOK thousand)

⁴⁸CEO from 01.05.2022.

⁴⁹EVP Project Development between 08.11.2017 – 01.05.2022.

⁵⁰Joined Scatec as CFO on 01.03.2023.

⁵¹EVP General Counsel from 01.02.2023.

⁵²Pål 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 01.12.2015 – 30.11.2018. 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.

⁵³EVP Green H2 & Egypt from 01.09.2023.

⁵⁴Termination date 31.12.2023.

⁵⁵Termination date 03.02.2023.

⁵⁶Termination date 31.08.2023.

⁵⁷Termination date 28.02.2023.

⁵⁸Joined in January 2021 and retired in January 2022

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					
	2019	2020	2021	2022	2023
Employees of Scatec ASA	2%	5%	7%	3%	4%

Scatec Group performance (Change, over 5 years)					
	Change 2018 to 2019	Change 2019 to 2020	Change 2020 to 2021	Change 2021 to 2022	Change 2022 to 2023
Change in profit/loss (consolidated figures) from previous year in MNOK	-71	-523	824	-1,684	2,340
Change in EBITDA (consolidated figures) from previous year in MNOK	484	683	834	-348	1,012

4.4. Any use of the right to reclaim

No variable remuneration was reclaimed in 2023. All members of the EMT accept 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.

4.5. Deviations from the guidelines on Executive Remuneration implemented

There were no deviations from the guidelines for remuneration of Executive Management implemented in 2023.

5. Long-term incentive – Share option plan

The last award under the share option plan approved by the Annual General Meeting was made in January 2023. The EMT at the time, were allocated options over a three-year period corresponding to 350,011⁵⁹ shares of the Company.

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 must be employed in Scatec at the time of the exercise period.

The number of options awarded to each Executive are calculated so the value of the options is expected to correspond to fifty percent of the Executive'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 the Executive 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.

⁵⁹Corresponding to 10 members of the EMT at the time of the award on 03.01.2023

5.1. Stock options awarded or due to the Executive Management Team for the 2023 financial year:

Below is a summary of the LTI stock options awarded in 2023, the opening and closing balance.

Name of Executive	Grant date	Vesting period	Vest dates	Expiry date of options granted ⁶⁰	Option strike price ⁶¹	No. options held as of end 2022	No. options granted in 2023	No. options exercised in 2023	No. options vested in 2023 not exercised	No. options unvested as of end 2023	No. options terminated in 2023	Total No. options held as of end of 2023
Terje Pilskog Chief Executive Officer	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	83,757	56,643		42 534	86 701	- 11 165	129 235
Hans Jakob Hegge Chief Financial Officer	02.03.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25		67,516					67 516
Siobhan Minnaar EVP Legal	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	16 461	13,038		8 989	20 510		29 499
Roar Haugland EVP Sustainability, HSSE & Quality	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	61 833	31,475		32 945	50 401	- 9 962	8 3346
Pål Helsing EVP Solutions	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	68 224	36,205		36 002	57 717	- 10 710	93 719
Ann-Mari Lillejord EVP Latam/Europe	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	14 353	29,086		4 784	38 655		43 439
Pål Strøm EVP Operations & Maintenance	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	25 511	29,086		16 052	38 545		54 597
Eliseo Ana, EVP Asia	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	21 858	33,865		9 888	45 835		55 723
Jan Fourie, EVP Sub-Saharan Africa	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	19 775	27,433		12 016	35 192		47 208
Mohamed Amer, EVP Green H2 & Egypt	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	22 571	12,030		13 596	21 005		34 601
Kate Bragg EVP People, Strategy & Digital	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	10 301	29,086			0	- 39 387	0
Snorre Valdimarsson, EVP General Counsel	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	66083	0			0	-66083	0
Mikkel Tørud, Chief Financial Officer/ EVP MENA/Green H2	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	79 898	40,920			0	- 120 818	0
Torstein Berntsen Interim EVP MENA/ Green H2	03.01.2023	1/3 vest after 12, 24, and 36 months	01.01.2024, 01.01.2025, 01.01.2026	01.01.2028	80.25	67 752	36,205		35 693	57 676	- 10 588	93 369

⁶⁰Expiry date of the options is 5 years after grant date. An exercise window was not opened in 2023, instead a cash settlement took place.

⁶¹In NOK

5.2. Stock options awarded or due to the Executive Management Team for the 2022 financial year

Name of Executive	Grant date	Vesting/performance period	Vest dates	Expiry date of options granted ⁶²	Option strike price ⁶³	No. options held as of end 2021	No. options granted in 2022	No. options exercised in 2022	No. options vested in 2022 not exercised	No. options unvested as of end 2022	No. options terminated in 2022	Total No. options held as of end of 2022
Terje Pilskog Chief Executive Officer	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	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	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	131.99		10,000					10,000
Mikkel Tørud Chief Financial Officer	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	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	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	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	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	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	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	148.25	38,491	23,342		22,545	39,288		61,833
Snorre Valdimarsson EVP General Counsel	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	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	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	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	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	148.25	12,854	26,843				- 39,697	0
Ann-Mari Lillejord EVP Latam/Europe	27.04.22	1/3 vest after 12, 24, and 36 months	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	124.34	0	14,353			14,353		14,353
Kate Bragg EVP People, Strategy & Digital	04.01.22	1/3 vest after 12, 24, and 36 months	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	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	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	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	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	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	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	148.25	7,809	14,049		2,603	19,255		21,858
Raymond Carlsen ⁶⁴	01.01.22	1/3 vest after 12, 24, and 36 months	01.01.2023, 01.01.2024, 01.01.2025	01.01.2027	148.25	67,849	43,183				- 111,032	0

⁶²Expiry date of the options is 5 years after grant date. Exercise period in 2022 was from 03.02.2022 – 09.02.2022.

⁶³In NOK

⁶⁴Vested stock Options converted to cash payment.

6. Short term Incentive scheme

Performance measured by a combination of the achievement of key performance indicators based on Company overall and financial performance, as well as the Executive's individual performance.

6.1. Company threshold evaluation for 2023 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 Executive's 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 Company ESG targets. For details and key performance summary regarding ESG targets and performance for 2023 this report refers to the ESG Performance Report for 2023 which is part of the Annual Report for 2023. Since the ESG targets are an integral and important part of the Key Performance Indicators (KPI's) for the Executives' and bonus thresholds, a summary of the key findings is included as an annex to this report.

Assessing the Company threshold for 2023, 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.

6.2. 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. The KPIs used for measuring performance are included in the Company's Monthly Operating Report and reviewed by the Board of Directors on a regular basis.

Based on a holistic evaluation, the assessment of the Board is that while the Company did well in 2023 on operational performance, HSSE and ESG, it did not meet its growth or funding targets. On financial performance the targets were partly met. This performance is partly due to the macro situation and partly due to the specific opportunities the Company have been working on. The diversity ambition to achieve 35% women in leadership was also not met, with Scatec ending the year at 30% overall women and 29% in leadership positions.

Below is a summary of the CEO’s targets for 2023, weighted and commented.

Category of KPIs	Strategic objectives	KPI metrics included	Weight	Commentary from BOD	Average percentage achieved across this category
HSSE, Compliance & ESG	Maintain HSSE statistics with increasing activity.	<ul style="list-style-type: none"> Ensure highest levels of performance on compliance and ESG No casualties LTIF rate, TRIF rate, HPIF and Sick Leave 	20%	KPI fully achieved	100%
People and Organisation	Ensure that the Company has an engaged and diverse workforce.	<ul style="list-style-type: none"> Implement new organisation, maintaining employee satisfaction. Diversity improvements particularly gender in senior leadership Competencies in leadership Implement cost reduction programme 	10%	Target not fully met but still strong results	75%
Operational performance	Ensure that the Company is a responsible long-term owner of assets and projects.	<ul style="list-style-type: none"> Controllable revenue losses Construction on schedule, budget, quality and HSE targets 	15%	Targets met and overdelivered on Operational and Construction performance	100%
Financial performance	Ensure that the Company has achieved attractive financial results in line with budget.	<ul style="list-style-type: none"> EBITDA Power Production EBITDA Cash yield 	15%	Target not fully met, but still strong results	75%
Growth	Ensure that the Company brings projects through to construction and that there is suitable pipeline of opportunities.	<ul style="list-style-type: none"> Financial close targets on all technologies Pipeline ambitions 	25%	Target partly met	50%
Funding	Ensure we have sufficient funding to support growth.	<ul style="list-style-type: none"> Secure adequate funding Improve capital structure 	15%	Target partly met	50%

As a result of this assessment, the CEO received a bonus of 37.5% of his base salary for his performance in 2023. This equates to 75% of his 50% bonus potential of base salary. Bonus for performance in 2023 is paid in March 2024 and is reflected as an accrual in this report.

6.3. Performance of the Executive Management Team in the reported financial year

The EMT 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 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 changemakers, working together, driving results and predictable.

Final calibration for EMT performance along with the whole organisation takes place in March 2024. The maximum achieved bonus as a percentage of base salary for the Executive is 50%. Bonus for performance in 2023 is paid in March 2024 but the accruals for these are included in the remuneration tables within the report.

7. Fixed base salary

As per the guidelines for the remuneration of Executive Management, all of the EMT received an annual uplift to their fixed base salary in January 2023. Based on the benchmarks and data at the time including external benchmarking conducted by independent specialists. Salaries for newly appointed members into the EMT were set based on relevant and externally benchmarked data, in the context of background and competencies of the newly appointed Executive.

7.1. Comparative table of the average increase in fixed annual base salary⁶⁵ over the last five reported financial years

Name of Executive Management Team	Title	Increase in fixed annual base salary in 2019	Increase in fixed annual base salary in 2020 ⁶⁶	Increase in fixed annual base salary in 2021 ⁶⁷	Increase in fixed annual base salary in 2022	Increase In fixed annual base salary in 2023	Annual base salary ⁶⁸ 2023
Terje Pilskog	Chief Executive Officer ⁶⁹	N/A	N/A	N/A	48% ⁷⁰	4%	3,850
Terje Pilskog	EVP Project Development Solar & Wind	8%	0%	18%	N/A	N/A	N/A
Hans Jakob Hegge	Chief Financial Officer	N/A	N/A	N/A	N/A	N/A	3,500
Siobhan Minnaar	EVP General Counsel	N/A	N/A	N/A	N/A	N/A	2,000
Roar Haugland	EVP Sustainability, HSSE & Quality	3%	0%	11%	2,8%	4%	2,138
Pål Helsing	EVP Solutions	3%	0%	19%	2,8%	4%	2,459
Ann-Mari Lillejord	EVP Latam/Europe ⁷¹	N/A	N/A	N/A	N/A	16%	2,205
Pål Strøm	EVP Operations & Maintenance ⁷²	N/A	N/A	N/A	N/A	5%	2,000
Eliseo Ana	EVP Asia ⁷³	N/A	N/A	N/A	N/A	12%	2,562
Jan Fourie	EVP Sub-Saharan Africa ⁷⁴	N/A	N/A	N/A	N/A	0%	1,772
Mohamed Amer	EVP Green H2 & Egypt	N/A	N/A	N/A	N/A	N/A	1,982
Kate Bragg	EVP People, Strategy & Digital ⁷⁵	N/A	N/A	N/A	N/A	5%	2,000

⁶⁵Excluding holiday allowance.

⁶⁶Salary 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 01 January and increase was decided prior to Covid outbreak in March 2021.

⁶⁷Large 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.

⁶⁸Base salary reported as annualised.

⁶⁹EVP Project development Solar & Wind up until 30.04.2022. CEO from 01.05.2022.

⁷⁰Salary increase aligned to appointment to CEO 01.05.2022.

⁷¹VP Project Development 2017-2019. SVP Project Development from 01.12.2020. EVP Latam/Europe from 21.11.2022, data only included from EVP period.

⁷²SVP Operations & Maintenance up until 20.11.22. EVP from 21.11.2022, data only included for EVP period.

⁷³SVP Hydropower Africa and Latam from 15.03.2021. EVP Asia from 21.11.2022, data only included from EVP period.

⁷⁴General Manager South Africa from 08.11.2017. EVP Sub-Saharan Africa from 21.11.2022. Data only included from EVP period.

⁷⁵SVP M&A and Strategy from 01.08.2021 and EVP from 01.05.2022.

Snorre Valdimarsson	EVP General Counsel	9%	0%	15%	3%	0%	2,262
Mikkel Tørud ⁷⁶	Chief Financial Officer/EVP MENA Green H2	3%	0%	12%	3%	4%	2,780
Torstein Berntsen ⁷⁷	Interim EVP MENA/Green H2	3%	0%	20%	3%	0%	2,488
Raymond Carlsen	Chief Executive Officer	3%	3%	14%	3%	N/A	N/A
Toril Haaland	EVP People & Organisation	3%	0%	19%	2,8%	N/A	N/A
Jarl Arve Kosberg	EVP Hydropower Project Development	N/A	N/A	N/A	0%	N/A	N/A

(Data in NOK thousand)

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

As with the EMT, the fixed base salary of the CEO increased by 4% effective 1 January 2023. The CEO pay ratio compared to the average median compensation of a permanent full time equivalent employee in Scatec ASA was three⁷⁸ based on fixed base salary. This remains constant from 2022.

8. Total Non-Executive Board of Directors remuneration

In 2023, one new Non-Executive Director joined the Board and one left – Morten Henriksen joined, and Jan Skogseth stepped down – resulting in a board of seven Non-Executive Directors.

The annual compensation for the Board was approved at the Annual General Meeting in 2023 until the Annual General Meeting in 2024:

- The Non-Executive Chairperson of the Board – NOK 585,000 annually
- Non-Executive Directors of the Board – NOK 375,000 annually

⁷⁶CFO until 28.02.23 and EVP MENA Green/H2 from 01.03.23 - 30.09.2023.

⁷⁷Interim EVP MENA/Green H2 until 28.02.2023.

⁷⁸Based on fixed base salary.

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 Non-Executive Director 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 the board is composed of Kristine Ryssdal, Mads Holm, Annie Bersagel and Kristian Rom.

8.1. Remuneration⁷⁹ for Non-Executive Board of Directors

Name	2023				2022			
	Board remuneration	Audit and Sustainability committee	Remuneration committee	Total remuneration 2023	Board remuneration	Audit and Sustainability committee	Remuneration committee	Total remuneration 2022
John Andersen jr. Non-Executive Chairman of the Board	576	93	77	746	557	90	75	722
Jan Skogseth Non-Executive Director	119	-	18	137	357	-	55	412
Gisele Marchand Non-Executive Director	369	155	-	524	357	150	-	507
Maria Moræus Hanssen Non-Executive Director	369	-	57	426	357	-	55	412
Jørgen Kildahl Non-Executive Director	369	93	-	462	357	90	-	447
Mette Krogsrud Non-Executive Director	369	-	57	426	357	-	55	412
Espen Gundersen Non-Executive Director	369	93	-	462	357	90	-	447
Morten Henriksen Non-Executive Director	250	-	38	288	-	-	-	-

(Data in NOK thousand)

9. Information on shareholder vote

For the 2022 Remuneration report, 83.7% of shareholders voted in favour of the report.

⁷⁹Board remuneration reported as accruals. Remuneration agreed at the Annual General Meeting in April 2023, will be paid after the Annual General Meeting in April 2024.

Annex 1: Environmental, Social and Governance (ESG) targets and performance 2023

Environmental

Scatec conducts environmental and social (E&S) risk and impact identification for all projects throughout the business development phase in the form of desktop screening (DG0-DG1), due diligences and impact assessments (DG1.5). Planning for managing these risks and impacts commences at DG1.5. Both E&S risk and impact identification and management is performed in close dialogue with project and financing partners. In 2023, new projects in Botswana, Brazil, India, the Philippines and South Africa were subject to E&S desktop screening, due diligences and impact assessments depending on the relevant project's decision gate. All new projects are Category B projects according to the IFC Performance Standards, with potential limited adverse E&S impact.

It is key for Scatec to contribute to emissions mitigation for the societies the Company operates in through renewable energy production, in own operations and value chain. In 2023, near term and net zero targets for emission reductions towards 2040 were approved by the Science-Based Target Initiative (SBTi). The Company's [Net Zero roadmap](#) details the six key initiatives required within operations and value chain to reach these targets. To measure the Company's contribution to the renewable energy transition, Scatec also calculates emissions that the Company helps avoid by producing low emission electricity compared to the existing grid mix available in the countries that the Company operates in. The GHG emissions avoided from the power plants where the Company has operational control reached 1.9 million tonnes by the end of 2023. For all projects where Scatec has an ownership stake, 4.0 mill tonnes of GHG emissions were avoided in 2023.

Social

Scatec delivered nearly 9.2 million working hours with no fatalities or serious injuries (12 months rolling). An increase in working hours during 2023 reflect continued construction activities in Brazil, Pakistan and South Africa. The lost time incident frequency rate (LTIF) was 0.9 per million working hours and all incidents were investigated, and preventive actions have been implemented and communicated. Road traffic and transportation remains among the most hazardous activities. Scatec reported six high potential incidents related to traffic accidents during 2023. In response, Scatec launched an extensive HSSE campaign focusing on how to further improve on transportation safety management and prevent incidents.

The percentage of female employees in management positions globally was 29% at the end of 2023. Amidst challenges posed by external market dynamics and a focused operational strategy, organisational growth experienced a slower pace than initially projected. As a result, the Company initiated a cost savings programme mid-year and adjusted its organisation, also limiting the opportunity to bring in a larger proportion of new female employees into the Company. Despite these hurdles, the Company's commitment to gender equality perseveres, as evidenced by notable advancements in female representation across various levels globally.

Governance

Throughout 2023, Scatec continued to collaborate with key stakeholders to address the alleged forced labour issues in the solar PV production industry in Xinjiang, China. Key initiatives included the conclusion of the Chain of Custody Audits on the module suppliers for the Mendubim project in Brazil, the Sukkur project in Pakistan and RMIPP projects in South Africa, collaboration with peers on various panel discussions and specialist consultants, updates of governing documents and exploration of alternative sourcing of polysilicon. Together with the Company's suppliers, believe that traceability will remain an ongoing topic and as such will monitor and follow up on a project specific level. With some early adopters in the industry there are some possibilities for tracing through to metal grade silicon, which is a tier deeper than polysilicon. In 2024 Scatec will continue to develop the sustainability framework to remain on top of the industry developments with regards to human rights and tracing of material requirements. The Company updated the Supplier Qualification procedure to include traceability mapping of all key suppliers (not just module suppliers) based on the supplier's bills of material. Scatec engages regularly on the matter with investors and other key stakeholders through weekly updates on progress and key initiatives.

Scatec received 29 whistleblower reports during 2023 with zero confirmed incidents of corruption. The whistleblower reports relate to alleged conflicts of interest, internal financial controls, the workplace environment, safety, data privacy and human relations concerns. All reports were investigated in line with Company procedures and subsequently closed. The Company continues to raise awareness regarding the Code of Conduct and its zero-tolerance policy for corruption through training, targeted workshops, and communication. Mandatory anti-corruption and code of conduct training is provided to all employees. As at the publication of the report, 100% of all employees within scope had completed the training.



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 (executive 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 executive 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 executive 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 an executive 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 executive 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 executive 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 executive 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 executive 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, 19th of March 2024

PricewaterhouseCoopers AS

A handwritten signature in blue ink, appearing to read 'Thomas Fraurud', is written above the printed name.

Thomas Fraurud
State Authorised Public Accountant



Design, layout and photos: Scatec