

An aerial photograph showing a gravel road intersection in a forest. A red excavator and yellow traffic barrels are positioned at the intersection. Several white vehicles are parked nearby. The surrounding area is densely wooded with green and yellow foliage.

endúr[®]

Remuneration Report 2022

26 April 2023

INTRODUCTION

PURPOSE AND OBJECTIVE

This report comprise salary and other remuneration for leading employees of Endúr ASA ("Endúr" or the "Company") for the financial year 2022.

The purpose of Endúrs executive remuneration approach is to encourage a strong and sustainable performance-based culture, which supports growth in shareholder value and delivery according to the company's strategy. The remuneration report (the "Report") is made according to the requirements in section 6-16a and 6-16b of the Norwegian Public Limited Liability Companies Act and Endúrs' Executive Remuneration Policy approved by the General Meeting 20 May 2022. The report describes how the policy has been applied during 2022. The report was approved by the Board of Directors on 26 April 2023, and is presented for advisory voting by the annual General Meeting 23 May 2023. The report will be available on endur.no.

The objective of the Report is to ensure transparency of the Endúr's remuneration policy and the remuneration of the executive personnel during the financial year.

APPLICATION OF THE REMUNERATION POLICY IN 2022

Endúr has applied the remuneration policy throughout 2022 as approved by the General Meeting. No deviations from the policy have been made by the Board of Directors. The company has not claimed back any paid remuneration to executives during the year.

INFORMATION ON SHAREHOLDER VOTE ON THE PREVIOUS REMUNERATION REPORT

The advisory resolution on the May 2022 Annual General Meeting was passed without any remarks for changes in the Remuneration report for 2022. The advisory resolution was passed with 564 216 822 votes in favour, and 74 327 votes against. 1 200 abstained from voting.

THE FINANCIAL YEAR 2022

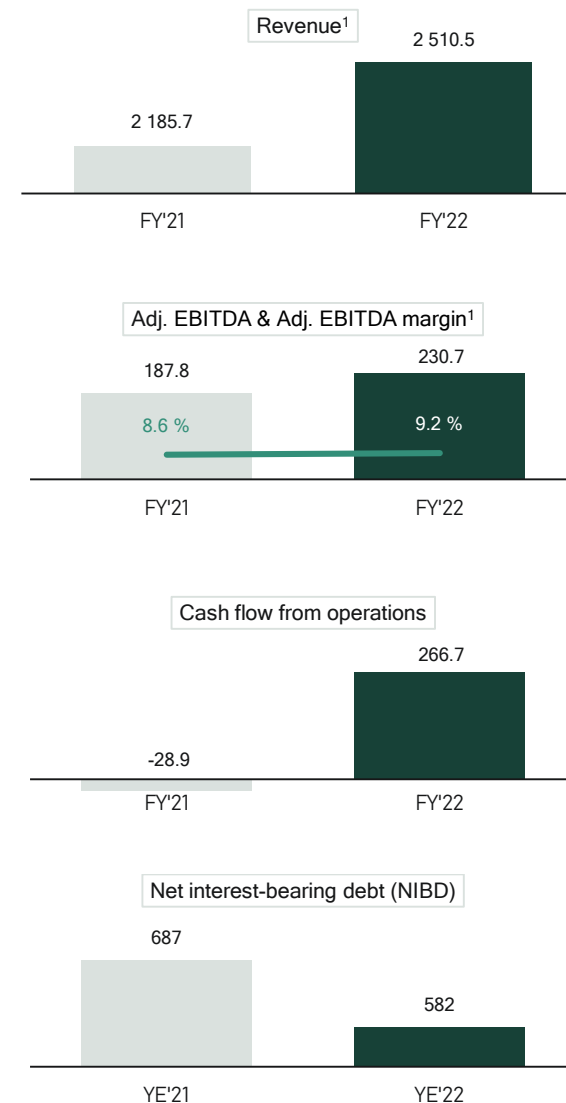
HIGHLIGHTS

- 2022 represents major improvement on 2021 with revenue and adj. EBITDA of NOK 2.5 billion and NOK 231 million (9.2%), up from NOK 2.2 billion and NOK 188 (8.6%) in 2021.
- High focus on liquidity management results in a strong cash conversion while increasing revenue. 2022 cash flow from operations of NOK 267 million compared to NOK – 28.9 million in 2021.
- Clear target of strengthening financial position ended with a year-on-year decrease in leverage ratio from 3.7x to 2.6x and commitment to refinance bond in 2023. As part of the measure to decrease leverage ratio, Endúr completed two bond buy backs, each of a total nominal value of NOK 45 million, reducing the net outstanding principal amount to NOK 810 million.
- Subsidiaries continuing to strengthen their market positions with industry leading margins from the Marin Infrastructure segment, and proof of concept at Salmon Evolution BTA and exciting pipeline for Aquaculture Solutions. Endúr Maritime AS and Endúr Sjøsterk AS have had a continuing focus on stabilizing and improving operations proving a profitable turnaround for both companies in 2022.
- The Group acquired Dykab through the Swedish subsidiary Marcon-gruppen I Sverige AB to secure a strategic foothold and growth platform for Marcon's activities in Northern Sweden.
- Divestment of non-core Installit AS to Deep Ocean in order to enhance focus on core markets and operations.
- The year ended with a positive 2022 Earnings before tax (EBT) and Earnings after tax (EAT) of NOK 14 million and NOK 9 million, a significant improvement from the preceding years.

LEADING PERSONELL AND CHANGES DURING THE YEAR

Endúr's leading personnel comprise the Company's chief executive officer, Jeppe Raaholt, the Company's chief financial officer, Einar Olsen and the members of the Board of Directors of the Company.

Lasse B. Kjelsås, the previous CFO, resigned from his position as of 29 April 2022 and Einar Olsen assumed the function of interim CFO. Olsen was appointed as permanent CFO from 2 August 2022. Olsen has been employed by Endúr since the autumn of 2021 as Head of business development and controlling.



¹⁾ Proforma, 2021 - Revenue and EBITDA consolidates Marcon and Artec Aqua from January 1, 2021. Reported revenue and EBITDA for 2021 amounted to NOK 2 009 million and NOK 139 million, respectively.

REMUNERATION OF THE BOARD OF DIRECTORS

Endúr's Board of Directors at YE 2022 had five directors, hereof five shareholder-elected. The shareholder elected directors are serving for the period 2022-2023 and 2022-2024 based on the recommendations of the Nomination committee on the Annual General Meeting held 20 May 2022. Fees to the board of directors are approved by the Annual General Meeting, based on the Nomination committee's recommendations. The Board held 18 meetings in 2022 with an average attendance rate of 93 percent. In addition, certain matters were processed by way of circulation of documents. The Audit committee held 5 meetings in 2022. Per YE 2022 the audit committee is comprised of Pål Reiulf Olsen (chairperson of the Board, Audit and Remuneration Committee) and Kristine Landmark (Member of the Board).

The Remuneration Committee was formed in 2021 and held 3 meetings in 2022. Per YE2022 the committee consisted of Pål Reiulf Olsen and Hedvig Bugge Reiersen (Member of the Board). Per YE 2022 the members of the Nomination committee were Espen Ommedal (Leader), Henning Nordgulen and Arne Henning Markhus.

The members of Endúr's Board of Directors are remunerated for their role and contribution in the Board. The fees detailed in this report represent what is recognized as expenses in the income statement as approved by the General Meeting. The directors did not receive any other fees or remuneration, save for chairperson Pål Reiulf Olsen who for a period assumed additional responsibilities as working chairperson in 2021 and some management consultant hours in 2022 for Endúr. The employee elected directors in addition to board fee, received salary as employees. No agreements exist which entitle the directors to any extraordinary compensation, save for the new share option program adopted in 2022, for executive employees, which includes the chairperson of Endúr.

Annual Fees (NOK)	Role	Until 2022 General Meeting	Until 2023 General Meeting
Board	Chair	500 000	500 000
	Member	300 000	300 000
Audit Committee	Chair	75 000	75 000
	Member	60 000	60 000
Remuneration Committee	Chair	50 000	50 000
	Member	30 000	30 000
Nomination Committee	Chair	35 000	35 000
	Member	25 000	25 000

Table 1 – Board and committee fees as resolved by Company General Meetings

REMUNERATION OF THE BOARD OF DIRECTORS

Directors at year end 2022	Board Role	Elected	Committee role	Financial year	Fixed remuneration			Variable remuneration		Total remuneration	Proportion of variable remuneration
					Board Fees	Committee fees	Other fees ¹⁾	Bonus	Other		
Pål Reiulf Olsen	Chairperson	21 May 2021	Audit and remuneration committee, chair	2022	500 000	125 000	183 450			808 450	0 %
				2021	306 849	76 712	1 155 503			1 539 064	0 %
Bjørn Finnøy	Director	10 March 2021		2022	300 000					300 000	0 %
				2021	216 157					216 157	0 %
Hedvig Bugge Reiersen	Director	10 March 2021	Remuneration committee	2022	300 000	30 000				330 000	0 %
				2021	216 157	18 411				234 568	0 %
Kristine Landmark	Director	21 May 2021	Audit committee	2022	300 000	60 000				360 000	0 %
				2021	184 110	36 822				220 932	0 %
Jörn Ryberg	Director	21 May 2021		2022	300 000					300 000	0 %
				2021	184 110					184 110	0 %
Others having served in 2022											
Kristoffer Hope	Director; employee rep.	Dec 2014–May 2022		2022	115 890					115 890	0 %
				2021	246 869					246 869	0 %
Jorunn Ingebrigtsen	Director; employee rep.	Dec 2015–May 2022		2022	115 890					115 890	0 %
				2021	246 869					246 869	0 %

Table 2 – Details the board fees expensed by Endur in 2022 and 2021. Board fees are paid to the directors at the end of the serving year in May in relation to the General meeting.

¹⁾ 2022: Olsen has received holiday paid for services in 2021 and remuneration in 2022 based on management consulting services to the group, remuneration was paid on an hourly basis.
2021: Olsen served as working chairperson from Sep. - Nov. 2021

CHANGE IN BOARD REMUNERATION; 2018-2022

Directors at year end 2022	Board Role	Elected	Committee role	2018 vs. 2017	2019 vs. 2018	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021
Pål Reiulf Olsen	Chairperson	21 May 2021	Audit and remuneration committee, chair	na.	na.	na.	na.	-55 %
Bjørn Finnøy	Director	10 March 2021		na.	na.	na.	na.	0 %
Hedvig Bugge Reiersen	Director	10 March 2021	Remuneration committee	na.	na.	na.	na.	0 %
Kristine Landmark	Director	21 May 2021	Audit committee	na.	na.	na.	na.	0 %
Jörn Ryberg	Director	21 May 2021		na.	na.	na.	na.	0 %
Others having served in 2022								
Kristoffer Hope	Director; employee rep.	Dec 2014-May 2022		0 %	0 %	0 %	100 %	na.
Jorunn Ingebrigtsen	Director; employee rep.	Dec 2015-May 2022	Audit committee for parts of the period from 2019 to 2021	0 %	17 %	5 %	72 %	na.

Table 3 – Change of the Board members' remuneration during the last 5 years. Director's fees are annualized in the year the mandate began to allow a meaningful comparison. Of the directors comprising Endúr ASA's board during 2022, only the employee representatives have served prior to 2021. There has been no change in board fees from 2021 to 2022 and percentage change comprise of change in other fees.

REMUNERATION OF SENIOR EXECUTIVES

The purpose of the company's remuneration policy for the senior executives is to contribute to the company's business strategy, long-term interests, and sustainability of the company. Further, Endúr's remuneration policy shall encourage a strong and sustainable performance-based culture, growth, shareholder value over time and responsible business practices aligned with the company's values. The total remuneration level shall be in line with the relevant market level for peers within the industry but shall not be market leading. Executive remuneration consists of the following elements:

- Fixed remuneration (base salary)
- Variable pay, incl. share option program
- Benefits

ENDÚR'S SENIOR EXECUTIVES

The following persons comprise the Company's senior executives at year end 2022:

- Jeppe Raaholt, CEO of Endúr
- Einar Olsen, CFO of Endúr

FIXED REMUNERATION IN 2022

Fixed remuneration for the senior executives consists of their annual base salary during the period they serve on the executive team. The Remuneration Committee reviews fixed salaries for the senior executives annually, considering a number of relevant factors, including market data, the individual's performance, role and responsibilities.

Endúr applies standard employment contracts and standard terms and conditions regarding notice period and severance pay (6 to 12 months), which shall be deductible to other income. Internal board assignments and similar internal positions are not remunerated separately.

VARIABLE PAY IN 2022

BONUS SCHEME

The board of Endúr resolved a one-year variable bonus scheme for the Company's senior executives and other key employees. The purpose of the bonus scheme is to motivate, and incentivize in particular the senior executives and key employees with genuine and direct influence on the operational performance and financial results of the company. Bonus for senior executives of Endúr is calculated based on EBITA (GAAP) in excess of a hurdle equal to, but not as a rule, budgeted EBITA. The hurdle level is calculated on a post subsidiary bonus calculation / allocation-basis. Costs pertaining to group corporate transactions, herein acquisitions, wind-downs, divestments, restructuring and refinancing, shall be excluded from any bonus calculation and allotment in Endúr. The bonus payment for employees in the parent company Endúr was for the financial year 2022 limited to maximum 1x annual salary.

Any payment under the bonus scheme is also conditional on the Company and its subsidiaries achieving a certain target / hurdle EBITA level, and provided that any bonus payment does not result in a negative group EBITA. The Company and its subsidiaries shall also remain compliant with all loan agreement requirements ("covenant compliant") post any bonus payment / allocation.

SHARE OPTION PROGRAMME FOR SENIOR EXECUTIVES

The board of Endúr resolved a share option program for 2022 comprising the Company's senior executives, as well as other key employees of the Company and of its subsidiaries. Taking into consideration the crucial and above expectations contribution of the chairperson of Endúr, the board resolved to include the chairperson in the program. A total of 311.000 share options / warrants were issued (before share consolidation of 50:1 in June 2022, the number of share options totaled to 15.550.000), each option with a right of issuance or purchase of 1 share in Endúr.

The purpose of the share option plan is to further align the interests of the Company, its shareholders and the senior executives of the Company and other key employees of the Company and of its subsidiaries. The awards of options shall give an interest/stake in the Company parallel to that of the shareholders, enhancing the interests and commitment of the executives to the Company's continued long-term success and progress, and motivate for individual achievement and contributions. The share option program shall enable the Company to attract and retain senior executive and other key employees.

The option program is based upon annual nominations and is not an unconditional continuous right. The Company's board allocated options to the Company's senior executives. The Company's CEO allocated options to other key employees. The allocation of options to the chairperson of the board was subject to approval at the ordinary general meeting. The strike price is NOK 37,5 at the time of the grant of the options plus 10 per cent (strike price of issue resolved on 15 November 2021, at issuance the strike price was NOK 0,75 plus 10 per cent before the share consolidation mentioned above), to ensure that only value creation from allocation onwards is rewarded. The vesting period is 1 year from the date of allocation, with a 3-year exercise period, subject to the participant's continued employment. For the chairperson, option exercise is subject to him still holding the position as chairperson at the time of exercise. Options not exercised by the expiration date will lapse without consideration.

SHARE PURCHASE PROGRAMME

The Board adopted a general share purchase program for all employees of the Company and of its subsidiaries. Senior executives were invited to participate on equal terms and conditions as non-executives. The program entails share purchase with a 20 % discount and the benefit received by the discount has been included in the total remunerations table below as variable remuneration, one-year variable.

BENEFITS

Endúr provides a limited number of benefits to the senior executives, including pension contribution, insurance schemes and other fringe benefits.

PENSION BENEFIT AND INSURANCE

The senior executives participate in the Company's defined contribution pension scheme and insurance schemes on standard terms and same terms and conditions as non-executives. Senior executives are not entitled early retirement pension.

OTHER BENEFITS

Other benefits awarded to the senior executives includes car allowance, telephone, and other minor benefits "in natura".

REMUNERATION OF SENIOR EXECUTIVES

Name	Role	Period	Financial year	Fixed remuneration		Variable remuneration		Extra ordinary items²	Pension Benefit	Total remuneration	Proportion of variable remuneration
				Base salary incl. holiday pay	Fringe benefits	One-year variable¹	Multi-year variable				
Jeppe Raaholt	CEO Endúr ASA	From Oct 2021	2022	2 894 923	152 627	32 500			90 348	3 170 398	1 %
			2021	775 000	32 052				21 891	828 943	0 %
Jeppe Raaholt	Managing Director BMO Entreprenør AS	Jan 2021-Sep 2021	2022	na.						-	0 %
			2021	1 500 000	108 278	119 711			15 090	1 743 079	7 %
Einar Olsen	CFO Endúr ASA	Aug 2022 (interim CFO from Apr 2022)	2022	2 333 897	154 210	4 500			90 348	2 582 955	0 %
			2021								-
Einar Olsen	VP Business Development and controlling	Nov 2021-April 2022	2022	na.						-	0 %
			2021	600 000	25 631				26 801	652 432	0 %
Others having served in 2022											
Lasse B. Kjelsås	CFO Endúr ASA	Jan 2021-Apr 2022	2022	1 239 500	8 488	-		975 000	52 123	2 275 111	0 %
			2021	1 462 500	50 579	-187 500			65 327	1 390 906	-13 %

Table 4 – Details of the total remuneration paid to the senior executives in 2022 and 2021. There was no variable remuneration scheme for 2021 paid in 2022 in Endúr. Variable remuneration for 2022 is accrued as of year-end 2022, see details in the table 5 below.

PERFORMANCE OF SENIOR EXECUTIVES IN THE REPORTED FINANCIAL YEAR

Name	Role	Performance criteria	Maximum award	Measured performance	Award outcome
Jeppe Raaholt	CEO Endúr ASA	EBITA excess of hurdle level ³	1x annual salary	100 %	3 100 000
Einar Olsen	CFO Endúr ASA	EBITA excess of hurdle level ³	1x annual salary	100 %	2 600 000

Table 5 – Details of the one-year variable remuneration of senior executives in the reported financial year based on performance criteria.

¹ One-year variable includes benefit received from share price discount from share purchased under the company's general share purchase program

² Extraordinary items consist only of severance pay for the periods reported.

³ EBITA (GAAP) in excess of a hurdle equal to, but not as a rule, budgeted EBITA. The hurdle level is calculated on a post subsidiary bonus calculation / allocation-basis. Costs pertaining to group corporate transactions, herein acquisitions, wind-downs, divestments, restructuring and refinancing, are excluded from the calculation.

CHANGE IN SENIOR EXECUTIVE REMUNERATION

Name	Role	Period	Remuneration type	2018 vs. 2017	2019 vs. 2018	2020 vs. 2019	2021 vs. 2020	2022 vs. 2021
Jeppe Raaholt	CEO Endúr ASA	Oct 2021 -	Annual base salary	na.	na.	na.	na.	0 %
			Total remuneration	na.	na.	na.	na.	-1 %
Einar Olsen	CFO Endúr ASA	Aug 2022 - (interim CFO from Apr 2022)	Annual base salary	na.	na.	na.	na.	5 %
			Total remuneration	na.	na.	na.	na.	13 %
Others having served in 2022								
Lasse B. Kjelsås	CFO Endúr ASA	Jan 2021-Apr 2022	Annual base salary	na.	na.	na.	na.	0 %
			Total remuneration	na.	na.	na.	na.	59 %

Table 6 – Change in remuneration for the senior executives during the last 5 years. Base salary have been annualized for meaningful comparison. None of Endúr's senior executives during and at year end 2022, were employed by the company prior to 2021.

ANNUAL CHANGE IN THE COMPANY'S PROFIT FOR THE YEAR AND AVERAGE REMUNERATION TO ALL EMPLOYEES IN ENDÚR GROUP EXCL. DIRECTORS

	2018	2019	2020	2021	2022
Operating profit before depreciation and amortization (EBITDA) in NOK million	-4,3	18,3	-24,1	138,9	230,0
Earnings before tax (EBT) in NOK million	-11,6	-8,2	-532,0	-112,2	14,3
Change in average pay for employees other than senior executives	16 %	-8 %	10 %	11 %	6 %

Table 7 – Details of the Company's operation profits (both EBITDA and EBIT) from 2018 to 2022 and year on year change in average pay for employees other than senior executives for the same period.

¹ Change in total remuneration for Lasse B Kjelsås is mainly caused by severance pay.

SHARE-BASED REMUNERATION

Specification of plan	Performance period/conditions	Award date	Vesting date	End of holding period	Exercise period	Strike price of the share
Share option program 2022	Employed at exercise	28/02/2022	01/03/2023	01/03/2026	01/03/2023-01/03/2026	NOK 41,25 (NOK 37,5 + 10 %)

Table 8 – Details of all share option programs for Senior Executives of Endúr and other key employees of the Company and of its subsidiaries

OPTIONS OWNED BY SENIOR EXECUTIVES AND BOARD MEMBERS

Name of director	Position	Options at beginning of year ¹	Options awarded during the year (unvested)	Options expired during the year	Specification of end balance 31.12.2022		Total share options at end of 31.12.2022
					<i>Unvested share options at end of 31.12.2022</i>	<i>Vested share options at end of 31.12.2022</i>	
Pål Reiulf Olsen	Chair of the board	-	10 000	-	10 000	-	10 000
Jeppe Raaholt	CEO Endúr ASA	22 941	40 000	11 470	40 000	11 471	51 471
Einar Olsen	CFO Endúr ASA	4 011	30 000	2 005	30 000	2 006	32 006

Table 9 – Details of all options owned by senior executives of the Company and of the chairperson of the Company's board of directors

¹ As part of the transaction regarding the acquisition of BMO Entreprenør AS in 2020, Endúr issued 250 000 share options (12,5 million options before share consolidation of 50:1) to the sellers of BMO Entreprenør AS. Jeppe Raaholt and Einar Olsen was previously employed in BMO Entreprenør prior to the acquisition and was awarded options. Award date was 17 December 2020, with strike price NOK 60 (NOK 1,2 before the share consolidation 50:1). For the allocated options, 50 % vested 30 June 2021, with an exercise period of 1 year and 50 % with vesting date was 30 June 2022 with an exercise period of 1 year. Exercise is contingent on employment in the group.

SHARE OWNERSHIP OF DIRECTORS AND SENIOR EXECUTIVES

Directors at year end 2022	Role	No. of shares at YE 2022	Change during 2022
Pål Reiulf Olsen ¹	Chairperson	45 000	25 000
Bjørn Finnøy ²	Director	7 643 641	115 000
Hedvig Bugge Reiersen	Director	-	-
Kristine Landmark	Director	21 000	-
Jörn Ryberg ³	Director	1 748 910	4 322
Senior executives at year end 2022	Role	No. of shares at YE 2022	Change during 2022
Jeppe Raaholt ⁴	CEO Endúr ASA	180 000	79 952
Einar Olsen	CFO Endúr ASA (from August 2022, interim CFO from April to Aug 2022)	20 658	10 612
Others having served in 2022	Role	No. of shares at YE 2022	Change during 2022
Kristoffer Hope	Director; employee rep., until May 2022	-	-
Jorunn Ingebrigtsen	Director; employee rep., until May 2022	-	-
Lasse B. Kjelsås	CFO Endúr ASA, until April 2022	-	-

Table 10 – Details of share holdings of Director's and senior executives served during 2022 as well as changes during the year

¹ Shares held in Poca Invest AS, a closely associated company.

² Shares held in Artec Holding AS, a closely associated company.

³ Shares held in Jörn Ryberg Holding AB, a closely associated company.

⁴ Shares held in Råbjørn AS, a closely associated company

⁵ Number of share at year end 2021 has been adjusted for the share consolidation of 50:1 in June 2022.

STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors has today processed and approved the remuneration report of Endúr Group for the 2022 financial year. The remuneration report has been prepared in accordance with Sections 6-16b of the Public Limited Liability Companies Act and the accompanying regulations.

The Remuneration report will be presented to the General Meeting on 23 May 2023 for an advisory vote.

Lysaker, 26 April 2023
Board of Directors and
CEO of Endúr ASA

Pål Reiulf Olsen
(Chairperson)
-sign

Jeppe Bjørnerud Raaholt
(CEO)
-sign

Bjørn Finnøy
-sign

Kristine Landmark
-sign

Hedvig Bugge Reiersen
-sign

Jörn Ryberg
-sign