

CARASENT ASA

SENIOR MANAGEMENT REMUNERATION REPORT

2023

1. INTRODUCTION

This Report on Remuneration to the Senior Management and Board of Carasent ASA is issued under the regulations under the Norwegian Public Limited Liability Company's Act for the annual year 2023 ("the Remuneration Report"). The policy for remuneration to the senior management in accordance with the new regulations in the Norwegian Public Limited Liability Companies Act § 6-16a, was resolved at the Shareholder Meeting on October 27, 2021.

Prior to implementation of this policy, the Annual Shareholder Meeting each year reviewed and concluded a consultative vote for the Board's report on remuneration to senior management, in line with the previous regulation in the Norwegian Public Limited Liability Companies Act § 6-16a.

The Remuneration Policy is aimed to balance the Company's short- and long-term performance, as well as the business strategy and our goal to create value for the Company's shareholders through a solid business model, good leadership on all levels and highly motivated employees.

This Remuneration Report will for most parts cover the years 2019-2023. The Carasent Group of companies has changed significantly over the years since 2017, both with respect to number of legal entities, service offering, revenue and employees. This also reflects the increased number of senior management executives, tasks, responsibilities and compensation.

Due to these changes and material growth in all aspects of the operations, it is not possible in a meaningful way to compare the compensation to senior management over the last five years. For the same reason a comparison of key financial indicators will not add value. Comparable figures for the years 2019 - 2023 will be used.

The remuneration paid out and granted to the senior management is mostly in line with the approved Remuneration Policy and with the consultative voting from the Annual Shareholder Meetings. Deviations from the policy is stated in item 10. All amounts are in NOK unless otherwise specified.

2. DEVELOPMENT AND VITAL EVENTS 2023

The year 2023 has been another transformative year for Carasent. An extensive strategic review process was completed during the spring which resulted in an updated direction for the group. We concluded that a larger and more attractive market can be reached with less investment by developing Webdoc for new segments in Sweden instead of continuing development of Webdoc for Norway.

At the same time the company concluded that running costs were too high resulting in a cost reduction program with yearly savings of NOK 40 million, primarily by reducing the number of consultants and full-time employees. We simplified the organization through a more decentralized organizational structure with a key focus on financial performance and the business development.

Carasent has set the foundation for future scalable growth through a more manageable cost structure and less complexity.

3. SOCIAL RESPONSIBILITY AND ENVIRONMENTAL IMPACT

We are committed to ensure that Carasent in all our business activities and value creation comply with recognized principles for sustainable development, human rights, social responsibility, equal treatment of all our employees, anti-bribery regulations and ethical behavior.

These values are included in all our dealings and forms part of our remuneration policy. We strive to include criteria for social and environmental responsibility when setting targets for performance-based and variable remuneration.

4. TOTAL REMUNERATION TO SENIOR MANAGEMENT

Remuneration paid to senior management for 2023 was a mix of fixed salary and variable remuneration. During 2023 there were changes to the senior management team.

The variable remuneration is structured to incentivize the senior management to deliver on the Group's annual strategic objectives, including compliance with social and environmental responsibility. The CEO and CFO had a potential variable remuneration in 2023.

The CEO and the CFO had a variable remuneration that comprised of three elements. The first element, accounting for 33% of the bonus, was based on recurring revenue growth. The second element, accounting for 33%, was based on profitability. The third element, accounting for 33%, was linked to execution on the strategic plan. For the financial year 2023, the former CEO and CFO was awarded 36% of the maximum bonus award.

The variable remuneration for the CTO was linked to general performance in 2023. CTO was awarded 40% of the maximum bonus award.

The potential maximum award was 50% of base remuneration for the CEO, 67% for the CFO, and 25% of base remuneration for the CTO.

Table 1 below contains the total remuneration split by component, by the Company's senior management for the financial year 2023.

Table 1: Remuneration of senior management for the reported financial year (including all paid and unpaid remuneration for 2023)

Name of Director, position	1				2	3	4	5
	Fixed remuneration							
	Base remuneration	Fees	Fringe benefits	Total				
Daniel Öhman (CEO)	2 390 500	-	-	2 390 500	435 571	620 168	3 446 239	87%/13%
Svein Martin Bjørnstad (CFO)	1,710,646	-	8,206	1,718,852	408,149	156,043	2,283,044	82%/18%
Cornelia Broqvist (CMO)	1 015 963	-	4 781	1 020 744	-	178 625	1 199 368	100%/0%
Niclas Hugosson (Chief Product Officer)	1 108 804	-	35 858	1 144 661	-	237 125	1 381 786	100%/0%
Vilma Jonson (Head of Strategy from July 2023)	418 338	-	4 781	423 119	-	118 032	541 151	100%/0%
Ankie Sjöberg (Director of Quality Assurance until June 2023)	314 717	-	-	314 717	-	55 469	370 187	100%/0%
Johan Eltes (CTO until November 2023)	1 450 237	-	-	1 450 237	119 525	377 607	1 947 368	100%/0%
Kajsa Conradi (Chief People Officer until June 2023)	468 140	-	-	468 140	-	199 422	667 562	100%/0%
Sum	8 877 343		53 626	8 930 969	963 245	1 942 491	11 836 705	

5. TOTAL REMUNERATION TO THE BOARD OF DIRECTORS

The members of the Board of Directors and members of the Nomination Committee receive annual remuneration resolved by the Shareholder Meeting. There has been changes in the Board of Directors during 2023, where one new member was elected at the AGM in 2023 and one member resigned in November 2023. In addition to the base remuneration, the Audit Committee receive remuneration for meetings attended during the year.

Table 2 below contains the total remuneration split by component for the financial year 2023.

Table 2 - Remuneration of Directors for the reported financial year (including all paid and unpaid remuneration for 2023)

Name of Director, position	1		
	Fixed remuneration		
	Base remuneration	Audit Committee	Total
Petri Niemi (Chair of the board)	500 000	-	500 000
Camilla Skoog (board member)	250 000	40 000	290 000
Ulrika Cederskog Sundling (board member)	250 000	-	250 000
Tomas Meerits (board member)	-	-	-
Terje Rogne (previous board member)*	83 333	20 000	103 333
Staffan Hanstorp (previous board member)**	229 167	-	229 167
Sum	1 312 500	60 000	1 372 500

* Ended his position in April 2023

** Ended his position in November 2023

6. SHARE INCENTIVE PROGRAM FOR EMPLOYEES 2022

In the first quarter of 2022, the Group decided to offer its employees a share incentive program. All employees including management, were offered to buy shares in Carasent ASA. The shares were offered with a 20% discount and are subject to a lock-up period of 24 months following the share purchase. The participants in the program will receive 1 matching share per 3 shares purchased under the program after two years given that the participants are still employed with the Group.

The total discount granted in the program was NOK 1.369 million on the acquired shares. The discount vested immediately and have been expensed as a share-based payment expense. Number of instruments granted (matching shares) were 84 324.

7. STOCK OPTION PROGRAM FOR THE CHAIRMAN OF THE BOARD AND THE CEO 2022

The Chairman of the Board Petri Nemi and the CEO Daniel Øhman, is part of separate stock option program. Total number invested amount is NOK 1,000,000 each, where each has acquired shares in the market for NOK 200,000 and receive an option to buy warrants from the Company at fair market value for NOK 800,000 each. The duration for the warrant will be 50/50 split between 4-year (Warrant A) and 5-year term (Warrant B). The strike price for the shares when the warrant is exercised, will be 174.90 % for Warrant A and 201.14 % for the Warrant B, both calculated on the average volume-weighted share price quoted for each trading day during the last 10 trading days before the issuance. The fair market value per option has been calculated by the external expert Optionspartner AB for Warrant A to be NOK 3.20 and the strike price per share to be NOK 32.02, and for Warrant B fair market value to be NOK 2.94 and with a strike price of NOK 36.82.

The table below shows the options held by the Board and senior management as per December 31, 2023.

Table 3: Share options held by the Senior Management and Directors for the reported financial year

Name, position	The main conditions of share option plans							Information regarding the reported financial year					
	1	2	3	4	5	6	7	Opening balance	During the year		Closing Balance		
								8	9	10	11	12	13
Specification of plan	Performance period	Award date	Vesting Date	End of holding period	Exercise period	Strike price of the share	Share options awarded at the beginning of the year	Share options awarded	Share options vested	Share options subject to a performance condition	Share options awarded and un-vested	Share options subject to a holding period	
Petri Niemi (Chair of the board)	2022 plan - Warrant A	NA	03.10.2022	01.10.2026	01.10.2026	01.10.2026 - 30.11.2026	32.02	-	130 294	-	-	-	130 294
	2022 plan - Warrant B	NA	03.10.2022	01.10.2027	01.10.2027	01.10.2027 - 30.11.2027	36.82	-	130 294	-	-	-	130 294
Daniel Öhman (CEO)	2022 plan - Warrant A	NA	03.10.2022	01.10.2026	01.10.2026	01.10.2026 - 30.11.2026	32.02	-	130 294	-	-	-	130 294
	2022 plan - Warrant B	NA	03.10.2022	01.10.2027	01.10.2027	01.10.2027 - 30.11.2027	36.82	-	130 294	-	-	-	130 294
Svein Martin Bjørnstad (CFO)	2022 share purchase program	2 years	15/3/2022	15/3/2024	15/3/2024	15/3/2024	-	-	4 621	-	-	-	4 621
Niclas Hugosson (CPO)	2022 share purchase program	2 years	15/3/2022	15/3/2024	15/3/2024	15/3/2024	-	-	4 621	-	-	-	4 621

8. THE RIGHT TO WITHDRAW REMUNERATION

The Board has the right to withdraw or claim back paid remuneration, including bonus and other benefits, if the conditions for such payments are being breached or not met.

There are no such cases present in the Company.

9. INFORMATION ON HOW THE REMUNERATION IS ALIGNED WITH THE REMUNERATION POLICY

The Remuneration Policy is aimed to attract and retain skilled and motivated employees and at the same time ensure that remuneration to employees is in line with the Company's overall objective to create value for the shareholders. The Remuneration Policy is designed to balance the Company's short- and long-term performance, as well as the business strategy and our goal to create value for the Company's shareholders through a solid business model, good leadership on all levels and highly motivated and skilled employees.

The remuneration to employees and Board Directors within the Carasent Group is in line with the Remuneration Policy. All handling and decisions related to compensation are based on transparency and accepted standards for preventing self-dealing and conflict of interest.

Total compensation for each of the senior management in the Carasent Group is comprised of base salary, other fixed benefits and in some cases performance-based bonus.

The base salaries are fixed at levels comparable to those of senior management of similar status in the Company's industry, and are competitive in the marketplace.

Some members of the senior management team have as part of their remuneration, a bonus scheme limited to a specific percentage of their base salary, in no circumstances to exceed 50 %. The bonus is directly linked to the relevant business' performance on given key performance indicators on an annual basis. The bonus will serve as an incentive

to ensure employee performance beneficial for the Company to achieve the agreed business goals. This will also create shareholder value.

Other benefits like mobile phone and internet expenses are kept at minimum levels in accordance with industry standard or below.

All members of management have standard termination terms per applicable law and industry standard. None of the employees has severance payment or other special arrangements in case of termination, except from the CEO (ref. item 10).

The total compensation package for all employees, including the bonus, is well within industry standard. The inclusion and structure of a variable bonus are considered beneficial to the Company in achieving our business goals and creating shareholder values. It is the Board's view that the agreed remuneration to senior management is reasonable, and the Board is committed to ensure such compliance going forward.

10. DEVIATIONS FROM THE REMUNERATION POLICY AND FROM THE PROCEDURE FOR IMPLEMENTING THE POLICY

The current CEO has a 9 months' severance payment in case of termination of the employment contract by the Company. The current CFO has a maximum potential bonus at 67% of base salary. The Remuneration Policy as approved by the Shareholder Meeting in 2021 has been implemented and complied with, without any other deviations.

11. COMPARABLE INFORMATION ABOUT CHANGES IN REMUNERATION AND THE COMPANY'S FINANCIAL RESULTS

The table includes key management personnel in that year. Employees within Carasent Sverige AB is used as comparison for the period 2019-2023, given that this has been the operative business throughout the period, while several acquisitions have been added in 2021 and 2022.

Table 4: Comparative table over the remuneration and company performance over the last 5 reported financial years (RFY)

NOK in thousands	2019	2020	2021	2022	2023
Executive management's remuneration					
Daniel Öhman (CEO from November 2022)				395	2 391
Dennis Höjer (CEO until November 2022)	892	1 389	1 576	1 597	-
% change	20 %	56 %	13 %	1 %	
Svein Martin Bjørnstad (CFO from August 2021)			800	1 440	1 719
% change				80 %	19 %
Ankie Sjöberg (Director of Quality Assurance until June 2023)			47	684	316
% change					
Kajsa Conradi (Chief People Officer until June 2023)			624	732	470
% change				17 %	-36 %
Niclas Hugosson (Chief Product Officer)	816	748	816	990	1 145
% change	8 %	-8 %	9 %	21 %	16 %
Cornelia Broqvist (CMO from September 2022)				274	1 021
Johan Eltes (CTO until November 2023)				388	1 450
Vilma Jonson (Head of Strategy from July 2023)					423
Group performance					
Revenue	47 927	70 576	137 125	195 260	243 984
% change	100 %	47 %	94 %	42 %	25 %
Net operating income	-6 749	3 427	9 646	-1 361	-77 522
Average remuneration on a full-time equivalent basis of employees					
Employees in Carasent Sverige AB	440	444	458	483	561
Change in %	-1 %	1 %	3 %	5 %	16 %

Table 5: Comparative table over the remuneration of the Board and company performance over the last 5 reported financial years (RFY)

NOK in thousands	2019	2020	2021	2022	2023
Board of Directors remuneration					
Petri Niemi, Chair (from November 2022)				104	500
% change					380 %
Johan Lindqvist, Chair (until November 2022)	400	400	800	396	-
% change	-46 %	0 %	100 %	-51 %	-100 %
Camilla Skoog, board member (from April 2022)				172	290
% change				N/A	N/A
Ulrika Cederskog Sundling, board member (from April 2022)				167	250
% change				N/A	N/A
Tomas Meerits, board member (from May 2023)					-
% change					N/A
Staffan Hanstorp, board member (until November 2023)			100	250	229
% change				150 %	-8 %
Terje Rogne, board member (until May 2023)	200	200	200	340	103
% change	0 %	0 %	0 %	70 %	-70 %
Ebba Fårheus, board member (until April 2022)	200	200	200	103	-
% change	0 %	0 %	0 %	-48 %	-100 %
Anna Kinberg Batra, board member (until April 2022)			200	83	-
% change				-58 %	-100 %
Group performance					
Revenue	47 927	70 576	137 125	195 260	243 984
% change	100 %	47 %	94 %	42 %	25 %
Net operating income	-6 749	3 427	9 646	-1 361	-77 522
Average remuneration on a full-time equivalent basis of employees					
Employees in Carasent Sverige AB	440	444	458	483	561
Change in %	-1 %	1 %	3 %	5 %	16 %
Employees group				556	629

Pursuant to the Companies Act Section 6-16 b (3), this report shall include an explanation on how the result of the general meeting's advisory vote over the report on salary and other remuneration to leading personnel for the previous year has been regarded. The Remuneration Report for 2022 was approved in a consultative vote by the general meeting on May 3, 2023.

The Board of Directors has today considered and adopted the remuneration report for Carasent ASA for the 2023 financial year. The remuneration report has been drawn up in accordance with Section 6-16 b of the Public Limited Liability Companies Act and the regulations pursuant to this Act. The remuneration report will be presented to the General Meeting on 17 April, 2024 for a consultative vote.

OSLO, NORWAY
21 MARCH 2024

.....
PETRI NIEMI
CHAIRMAN OF THE BOARD

.....
TOMAS MEERITS
BOARD MEMBER

.....
CAMILLA SKOOG
BOARD MEMBER

.....
DANIEL ÖHMAN
CEO

.....
ULRIKA CEDERSKOG SUNDLING
BOARD MEMBER



KPMG AS
Sørkedalsveien 6
P.O. Box 7000 Majorstuen
N-0306 Oslo

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of Carasent 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 Carasent ASA's report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2023 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

Our Independence and Quality Management

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We apply the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 21 March 2024
KPMG AS

Øyvind Skorgevik
State Authorised Public Accountant

Offices in:

© KPMG AS, a Norwegian limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.
Statsautoriserede revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodø	Knarvik	Stord	Ålesund
Drammen	Kristiansand	Straume	