



**BlueNord** 

# Executive Remuneration Report 2023

Annual Report and Accounts 2023



## Contents

### PG 02

Introduction

### PG 05

Board of Directors'  
Remuneration

### PG 08

Executive Management  
Remuneration

### PG 14

Equity-Based Payment  
and Shareholdings

### PG 18

Management Statement

Introduction



**The Executive Remuneration Report outlines the principles governing the compensation of members of the Board of Directors and Executive Management Team of BlueNord ASA, as well as their actual remuneration in 2023.**



# Introduction



## Introduction

### The Executive Remuneration Report outlines the principles governing the compensation of members of the Board of Directors and Executive Management Team of BlueNord ASA ('BlueNord'), as well as their actual remuneration in 2023.

The Executive Remuneration Policy approved by the Annual General Meeting ('AGM') on 19 May 2022 was applied throughout the year. The Policy is designed to align with the Company's overall business objectives, long-term interests, and financial sustainability. To attract, motivate, and retain qualified and high-performing executives in a global industry, total remuneration for BlueNord executives must be competitive. The compensation offered should reflect the required accountabilities, reward success, and be aligned with shareholder interests and BlueNord's strategy.

The Executive Remuneration Report adheres to the requirements laid out in the Norwegian Public Limited Companies §§ Act 6-16a and 6-16b.

The subtotals and totals in some of the tables may not equal the sum of the amounts shown due to rounding.

#### Disclosures

- No deviations from the Executive Remuneration Policy have been made by the Board of Directors in 2023. To comply with Danish employment legislation, for executives formally employed with a Danish affiliate under the Danish Salaried Employees Act but holding a global executive role with the Company, the statutory notice period is mutually extended by two months. This means that the CFO has a notice period of three months if resigning. If the Company terminates the employment, the employer's notice period is currently seven months. Since first date of employment in BlueNord, the COO's terms is a mutual notice period of three months.
- BlueNord has not during 2023 reclaimed any remuneration paid to executives.
- No executive in the BlueNord Group has received remuneration from any entity other than the one that is their formal employer.

## 2023 Highlights

### > Tyra Redevelopment Project

First gas from the Tyra II field was achieved in March 2024, with ramp-up to maximum technical capacity expected within four months. This will lead to a step-change in performance for BlueNord, with a doubling of production combined with a lowering in lifting cost and emissions intensity.

### > Strong operational performance

Average production of c. 24.9mboe/d for the year is in the upper range of the yearly production guidance provided of 24.5-25 mboe/d at the start of 2023.

### > Secured further long-term contribution from the 'DUC'

The completion of the Tyra project will provide a strong foundation for future reserves growth, unlocking gross reserves in excess of 200 mboe and production growth to 55mboe/d in 2025. Optimisation activities have been successfully completed and an active approach continued, to reduce base decline and maximise economic recovery from the DUC.

### > Demonstrated environmental commitment

BlueNord is actively contributing to the energy transition by pursuing emissions reduction opportunities. This includes ending routine flaring in the DUC, investing in projects and studies for Carbon Capture Storage ('CCS') within and outside the DUC partnership and investing in CarbonCuts, an early-stage onshore CCS project in Denmark. BlueNord's commitment to reducing emissions is further demonstrated by the link between performance and the margin payable under the Company's USD 1.1 billion reserve-based lending ('RBL') facility.

### > Strong and robust financial position

BlueNord's balance sheet remained strong in 2023 and the Company demonstrated strong cashflow generation and a continued stable liquidity position. Attractive commodity price hedging levels have been achieved with gas hedging above market spot and forward prices, while the interest-rate swap at 0.4% on \$1bn of principal in July 2021 has significantly reduced borrowing costs in 2023 and will continue to do so until June 2024.

## Introduction continued

**A year of challenge and growth**

The Remuneration Committee serves as a preparatory and advisory committee for the Board on matters related to Executive Management's compensation. It is established and composed solely of Board members.

Committee member	Meetings attended
<b>Marianne Lie</b> (Chair of Committee)	◆◆◆◆◆
<b>Jan Lernout</b> (member)	◆◆◆◆◆

## The Board's Remuneration Committee's main activities 2023

### Previous performance period

- Reviewing the 2022 results and recommending the achievement of the Annual Performance Bonus Programme and its metrics.
- Reviewing achievement of the 2022 Long-Term Incentive ('LTI') programme's KPIs and recommending the first of three awards set for the programme's vesting period 2022-2024.

### Current performance period

- Initiating and reviewing the Executive Remuneration Benchmark report for the Company's executive in relation to the general market and a defined peer group prepared by an external consultancy.
- Reviewing and recommending the proposed annual salary increase for executives and staff.
- Discussing and endorsing the 2023 KPIs for the Annual Performance Bonus Programme.
- Reviewing and endorsing the 2023 Long-Term Incentive ('LTI') Performance Share Programme, its KPIs, plan document and implementation plan.
- Discussing appointment and endorsing the employment terms for the new Chief Financial Officer ('CFO').
- Reviewing and recommending Bluenord's Tax Protection Policy for relevant position categories within the Global Mobility regime.
- Discussing YTD achievement of 2023 KPIs for the Annual Performance Programme.

### Governance activities

- Reviewing and endorsing the 2022 Executive Remuneration Report, prior to approval by the Board and advisory approval at the Annual General Meeting ('AGM') in May 2023.
- Reviewing the Executive Remuneration Policy, no changes proposed to the policy approved at the AGM in May 2022.
- Preparing the Executive Remuneration Report for 2023.
- Approving minutes of meetings and following up on actions set from the Remuneration Committee's meetings.

### Future performance periods

- Discussing KPIs for the Annual Performance Bonus Programme 2024 (STI).
- Reviewing the LTI programme principles and relevant KPIs prior to 2024 grant.



# Board of Directors' Remuneration



## Board of Directors' Remuneration

The General Meeting determines the remuneration of the Board and its sub-committees. The Nomination Committee proposes the remuneration of the Board to the General Meeting. The Board must approve of any Board member's consultancy work for the Company if relevant and any remuneration for such work.

The Board members do not have pension schemes or termination payment agreements with BlueNord. There are no employee-elected Board members.

All BlueNord Board meetings in 2023 were conducted by video conference. Additionally, the Board and BlueNord Executive Management held a physical meeting to discuss strategy.

### Fee structure

2023 fee structure in USD	Board of Directors	Audit Committee	Remuneration Committee	ESG* Committee	Nomination Committee
Chair	500,000	10,000	5,000	5,000	1,500/meeting
Member	60,000	5,000	5,000	5,000	1,500/meeting

\* Environmental, Social and Governance.

Committee fees approved at the AGM May 2023 and apply until AGM 2024. Such fees are paid on a quarterly basis.

### Board of Directors' 2023 remuneration In thousands USD

Board member	Position	Period served on the Board		Audit Committee	Remuneration Committee	ESG Committee	Nomination Committee	Base fee <sup>(2)</sup>	Bonus	LTI	Total Fee
		From	To								
Riulf Rustad	Executive Chair	27/03/2015	–	–	–	–	–	500	–	–	500
Marianne Lie	Board member	26/05/2016	–	Chair	Chair	–	–	75	–	–	75
Tone Kristin Omsted	Board member	26/05/2016	–	Member	–	–	–	65	–	–	65
Colette Cohen	Board member	15/09/2019	–	–	–	Chair	–	65	–	–	65
Robert J. McGuire	Board member	02/03/2020	–	–	–	Member	–	65	–	–	65
Jan Lernout	Board member	19/05/2021	–	–	Member	–	–	65	–	–	65
Peter Coleman <sup>(1)</sup>	Board member	19/05/2021	–	Member	–	–	–	–	–	–	–
<b>Total Board remuneration 2023</b>								<b>835</b>	<b>–</b>	<b>–</b>	<b>835</b>

### Nomination Committee remuneration

Board member	Position	Period served on the Board		Audit Committee	Remuneration Committee	ESG Committee	Nomination Committee	Base Fee <sup>(2)</sup>	Bonus	LTI	Total Fee
		From	To								
Richard Sjøquist		27/03/2015	–	–	–	–	Chair	8	–	–	8
Anette Malm Justad		28/06/2018	–	–	–	–	Member	8	–	–	8
Kristian Utkilen		20/05/2015	–	–	–	–	Member	8	–	–	8
<b>Total Nomination Committee</b>								<b>23</b>	<b>–</b>	<b>–</b>	<b>23</b>

- Peter Coleman has voluntarily waived his right to compensation for his Board engagement.
- Board remuneration includes committee fees for four quarters of 2023.

The overview includes remuneration earned in 2023 by the Board members in their capacity as such on the Board of Directors of BlueNord ASA.

The historical remuneration to the Board of Directors for 2019 – 2023 is available on page 7.

The overview of the Board of Director's holdings of shares and share options is presented in the section 4 'Equity-based payment and shareholdings', pages 14-17.

Board of Directors' Remuneration continued

Board of Directors' Remuneration summary 2019-2023  
In thousands USD

Name	Role	2023			2022			2021			2020			2019	
		Total fee	Variable portion %	Change % <sup>(9)</sup>	Total fee	Variable portion %	Change %	Total fee	Variable portion %	Change %	Total fee	Variable portion %	Change %	Total fee	Variable portion %
Riulf Rustad <sup>(1)</sup>	Executive Chair	500	0%	0%	500	0%	-29%	700	29%	0%	700	29%	-89%	6,422	92%
Marianne Lie <sup>(2)</sup>	Board member	75	0%	5%	71	0%	19%	60	0%	0%	60	0%	-36%	94	52%
Tone Kristin Omsted <sup>(2)</sup>	Board member	65	0%	2%	64	0%	6%	60	0%	0%	60	0%	-25%	80	44%
Colette Cohen <sup>(3)</sup>	Board member	65	0%	2%	64	0%	6%	60	0%	0%	60	0%	233%	18	0%
Robert J. McGuire <sup>(4)</sup>	Board member	65	0%	2%	64	0%	6%	60	0%	20%	50	0%	100%	n/a	n/a
Jan Lernout <sup>(5)</sup>	Board member	65	0%	2%	64	0%	72%	37	0%	100%	n/a	n/a	n/a	n/a	n/a
Peter Coleman	Board member	-	0%	0%	-	0%	0%	-	0%	0%	n/a	n/a	n/a	n/a	n/a
Yves-Louis Darricarrère <sup>(6)</sup>	Former Board member	n/a	n/a	n/a	n/a	n/a	-100%	23	0%	-62%	60	0%	233%	18	0%
Chris Brujinzeel <sup>(7)</sup>	Former Board member	n/a	n/a	n/a	n/a	n/a	-100%	23	0%	-62%	60	0%	233%	18	0%
Lars Purlund <sup>(2,8)</sup>	Former Board member	n/a	n/a	n/a	n/a	n/a	-100%	17	0%	-71%	60	0%	-98%	3,219	99%
<b>Total</b>		<b>835</b>	<b>0%</b>	<b>1%</b>	<b>826</b>	<b>0%</b>	<b>-21%</b>	<b>1,041</b>	<b>19%</b>	<b>-6%</b>	<b>1,110</b>	<b>18%</b>	<b>-89%</b>	<b>9,870</b>	<b>93%</b>

1. Bonus and option schemes are defined as variable remuneration. The variable portion in 2019 reflects the cash settlement related to the cancellation of the 2016 option scheme and the Fair Market Value ('FMV') of new options granted.
2. Variable portion 2019 includes Fair Market Value ('FMV') of total options granted.
3. Colette Cohen took up office 15 September 2019 and remuneration for 2019 was pro rata.
4. Robert J. McGuire took up office 2 March 2020 and remuneration for 2020 was pro rata.
5. Jan Lernout took up office 19 May 2021 and remuneration for 2021 was pro rata.
6. Yves-Louis Darricarrère took up office 15 September 2019 and ended office 19 May 2021. Remuneration for 2019 and 2021 was pro rata.
7. Chris Brujinzeels took up office 15 September 2019 and ended office 19 May 2021. Remuneration for 2019 and 2021 was pro rata.
8. Lars Purlund took up office 26 May 2016 and resigned 14 April 2021. Remuneration for 2021 was pro rata.
9. Change related to full-year committee fee in 2023 vs three quarters paid in 2022.

For further information on the Board of Directors' equity-based remuneration, refer to pages 14-17.



# Executive Management Remuneration



## Executive Management Remuneration

BlueNord's current Executive Remuneration Policy was approved by the AGM on 19 May 2022; 72.54 percent of issued voting shares voted; 99.97 percent (2021 voting: 86.75 percent) voted in favour and 0.03 percent (2021 voting: 13.25 percent) voted against the proposed policy, representing respectively 72.52 percent (2021: 54.58 percent) and 0.02 percent (2021: 8.3 percent) of the share capital.

Remuneration is based on the same pillars and principles for both executives and employees:

- A clear and transparent compensation policy.
- Compliance with regulatory requirements and principles of good business conduct.
- Fair treatment of all employees.
- Sustainable pay linking remuneration to performance, actual results and stakeholder value-creations.

### Remuneration of the executive management

The total remuneration for executives shall be competitive to attract, motivate and retain qualified and high-performing executives in a global industry. Compensation offered is to reflect the accountabilities, reward success in value-creation, ensure alignment to strategy and shareholders' interests and reflect market trends and practices to remain competitive. Total remuneration for executives consists of three main elements: fixed pay, pension and benefits, and variable pay.

The Board of Directors decides on individual compensation for CEO and Chief Financial Officer ('CFO'). The CEO decides for other Executives, seeks advice, and informs the Remuneration Committee and the Board when applicable.

### Executive management remuneration In thousands US dollars

Executive Management	Position	Employment period		Fixed remuneration			Variable pay			Total Remuneration	Fixed %	Variable %
		From	To	Salary	Other benefits	Pension	STIP <sup>(1)</sup>	LTI <sup>(2)</sup>	Extraordinary items			
Euan Shirlaw <sup>(3)</sup>	Chief Executive Officer	01/10/2019	–	533	4	30	362	293	–	1,221	46%	54%
Jacqueline Lindmark Boye	Chief Financial Officer	01/11/2022	–	275	1	30	179	158	–	643	48%	52%
Marianne Eide	Chief Operating Officer	01/01/2022	–	309	4	19	177	184	–	693	48%	52%
Cathrine Torgersen	Chief Corporate Affairs Officer	01/01/2020	–	255	2	19	138	151	–	566	49%	51%
<b>Total executive management remuneration</b>				<b>1,372</b>	<b>11</b>	<b>98</b>	<b>856</b>	<b>787</b>	<b>–</b>	<b>3,124</b>	<b>47%</b>	<b>53%</b>

1. Short Term Incentive Programmes. Approved bonus expected to be paid in April 2024.

2. Long Term Incentive Programmes. Performance shares granted according to programme terms based on average volume-weighted average price ('VWAP') in December 2022 of NOK 386.92. While long-term incentives are fully reported with FMV in year of grant, these vest over three years in accordance with delivery against plan targets. FMV based on a Monte Carlo simulation model.

3. Pension is paid as pension allowance over salary equal employer contribution less national insurance, according to BlueNord UK pension policy. Employee contribution paid.



## Executive Management Remuneration continued

**Fixed remuneration****Fixed salary**

BlueNord aims to provide competitive salaries and equal pay to attract and retain individuals with the right capabilities to execute business strategy and ensure sustainable development of the BlueNord Group. Base salary rewards day-to-day performance and represents overall a significant component of the executives' total remuneration payment.

The Remuneration Committee reviews fixed salaries for the executives annually, taking into account a number of relevant factors, including the individual's performance, role and responsibilities. The Committee takes into account relevant market benchmarks provided by external advisers.

In the period 2020-2021, no general annual salary increase applied for the Executive Directors. A general annual salary adjustment for eligible staff was made in 2022. However, there was no general annual increase for the Executive Directors. In 2023, the Executive Officers received annual salary adjustments following the same principles and terms applied to the employees. The exception was the CEO, whose salary increased by GBP 100,000 and the COO who received a salary increase of NOK 300,000.

**Pension**

To attract and retain executives, a competitive retirement benefit is offered, in addition to the respective national public pension plans, through market-adapted pensions plans.

Aligned with regulatory requirements within the respective jurisdictions, BlueNord provides defined contribution pension plans for its executives similar to that offered to other employees.

**Benefits**

Suitable cash and non-cash benefits are offered in line with market practice to foster employer attractiveness, executive retention and for BlueNord to meet its obligations of safeguarding a healthy and positive working environment.

Executives have similar benefits to other employees to support flexibility, work efficiency and appropriate working conditions to include: company mobile phone, free mobile subscription, and home broadband. Executives are entitled to the same personal, health and travel insurance as employees, according to local legislation or across the Group when applicable.

Executives and employees are eligible for the same holiday entitlements.

To support BlueNord's ESG objectives, no company car nor car allowance has been offered to executives nor any new employee. There have been no changes in benefits offered to executives and employees in 2023, except for Norwegian employees with salary above 12 times the General Amount ('GA'), currently NOK 1,423,440. Those applicable have been enrolled in a Group annuity scheme for income protection purposes in case of disability. The Group annuity scheme secures their income on the same level as those with salary below the cap of 12 times the GA set for the Norwegian pension scheme.

**Variable remuneration**

BlueNord offers a variable pay programme as part of the total remuneration to its executives to incentivise the execution of the business strategy, delivery of financial targets and to ensure long-term value-creation aligned with shareholders' interests.

**Short-term incentives**

BlueNord's STI plans shall incentivise the execution of the business strategy and reward delivery against annual corporate targets and priorities, as well as the achievement of personal objectives. The bonus programmes reward performance that exceeds expectations and delivers distinctive outcomes and is, therefore, not regarded as part of base compensation.

**Annual Performance Bonus Programme**

The scope of the Annual Performance Bonus Programme for 2023 is to drive and reward delivery of short-term strategic priorities, performance improvements and behaviour that is consistent with long-term value-creation for BlueNord shareholders. The actual Performance Bonus Programme award is a purely discretionary decision of the Board of Directors of BlueNord ASA.

The Executive Bonus Programme is aligned with the Annual Performance Bonus Programme applicable for all employees. The programme recognises Group performance as basis for the bonus pool and rewards extraordinary individual performance based on the outcome of the annual performance reviews.

For executives, the Annual Performance Programme has a maximum potential of 60 percent of annual base salary. The bonus pool to be distributed will be determined by the successful delivery of KPIs set for 2023.

The KPIs are weighted and set to qualitatively measure progress and delivery of defined tangible activities that support the strategic priorities set for 2023, emphasising value protection alongside value-creations. Operational and financial/commercial success criteria have been set and include emission reduction metrics.

Successful delivery of the operational and financial/commercial KPIs can, for each category, contribute 75 percent with a corresponding 50 percent reduction for non-deliveries. The total successful contribution to the bonus pool is capped at 100 percent. In a low performance case, where the reduction to the bonus pool is higher than the positive contribution, no bonus is paid.

The performance period will normally follow the calendar year and performance will be assessed by the Board along with the approval of the Annual Report 2024.

For the financial year 2023, and based on operational and financial results, the Annual Performance bonus pool to be paid in April 2024 is in the annual accounts expensed equal to the target potential.

**One-off Bonus Programme**

The One-off Bonus Programme recognises exceptional contribution outside the regular bonus cycle e.g. extraordinary performance or commitment, special achievements and/or state of excellence.

The EVP Finance, now the CFO, was awarded a one-off bonus in March 2023. No other executive has been awarded a one-off bonus.

**Long-Term incentives**

BlueNord's LTI plans are to align executives and employees' interests with shareholders', and to recognise the organisation's success or otherwise in driving long-term value-creation across a multi-year horizon. BlueNord believes that long-term value-sharing attracts and retains the best talent, promotes an ownership mindset, builds trust, reinforces the Company's business model and accelerates results.

The LTI programmes are exclusively incentive schemes made available by BlueNord at its sole discretion.



**Executive Management Remuneration** continued**Share Option Programme**

The Share Option programme implemented in 2018 and later amended on 7 August 2019, was replaced for executives in 2022 with a one-off Executive Retention Share Programme and an annual Performance Share Programme.

**Executive Retention Share Programme**

Existing options previously granted to executives under the Share Option Programme were translated into a one-off award of performance shares in September 2022, where retention is the only performance KPI set. Retention shares granted under the programme have a three-year vesting period.

The number of retention shares awarded were based on issued share options calculated based on BlueNord's VWAP over the previous five trading days prior to the programme replacement, minus the strike prices of the options. Both vested and unvested share options were converted into retention shares that will vest in full after three years in September 2025. This means that the vesting period for executives with vested options was extended with another three-year period.

If/when the entitlement arises, the retention shares will be transferred free of charge, either as a net award or a cash payment equal to the value of the net granted shares on transfer date. BlueNord can, at its sole discretion, adjust the number of granted shares (up or down) in order to deal with and/or to eliminate the impact of any share split, reserve share splits, demerger or rights issues so as to maintain the value of the granted shares, and correspondingly to terminate the programme with immediate effect.

The programme includes claw-back and forfeiture provisions.

**The Performance Shares Programme**

In 2022, an annual Long-term Performance Share Programme was implemented with effect from 1 January 2022, replacing the Share Option Programme as BlueNord's LTI plan for executives and employees.

The programme applies to all permanent employees.

An executive's maximum entitlement upon grant is calculated based on 100 percent of their annual base salary at 1 January in the first year of the performance period, and the average VWAP for each trading day in December in the year immediately preceding the performance period.

The actual award of shares under this LTI programme, after the three-year vesting period, will be based on performance against a weighted set of KPIs currently measuring share price performance on an absolute and relative basis (70 percent), emissions reduction performance (20 percent) and tenure (10 percent).

The gross awarded shares to be transferred to an executive, has a cap of 300 percent of their annual salary as of the first year of the performance period. Performance shares to be awarded will be delivered net of tax.

Performance shares granted in 2022 have an annual vesting with a distribution equal to 25 percent, 25 percent and 50 percent over the three-year vesting period. Performance shares granted in 2023 and any subsequent grant, has a three year cliff vesting period. Any awards will be made by end August in the year following the three-year vesting period.

The first award based on full achievement of the KPIs and equal to 25% of the total grant made in 2022, was made Monday 21 August 2023, based on the BNOR share equal NOK 475.50 – at closing Friday 18 August. The VWAP applicable at grant was NOK 147.80.

BlueNord selects, at its sole discretion, the persons eligible to participate in each individual grant of performance shares. Correspondingly, the

Company can decide at its sole discretion, to settle the awards in cash.

The programme's claw-back and forfeiture provisions cover future rights, shares transferred, or compensation previously paid out.

**Five-year history of financial performance and average staff cost**

<b>Financial performance</b>	Unit	2023	Change %	2022	Change %	2021	Change %	2020	Change %	2019
Total revenue	USDm	795	-18%	967	71%	565	0%	566	70%	333
Net result for the period	USDm	82	368%	(31)	43%	(53)	-405%	17	-92%	215
Total production	mboepd	24.9	-7%	26.7	-1%	26.9	-6%	28.5	-20%	35.7
Average total full time equivalent ('FTE')		36.1	25%	28.9	6%	27.4	-6%	29.0	90%	15.3
<b>Average remuneration of Group employees</b>										
Average employee remuneration, excluding executives <sup>(1)</sup>		259.8	10%	235.2	-8%	254.6	40%	181.9	-18%	222.4
Average executives/average employee ratio, remuneration <sup>(1)</sup>		2.2	3%	2.2	37%	3.4	13%	3.1	15%	2.7

1. The total remuneration is excluding LTI grants but includes Extraordinary items.

## Executive Management Remuneration continued

Executive management remuneration summary 2019-2023<sup>(10)</sup>

## In thousands USD

Name	Role	2023			2022			2021			2020			2019	
		Total compensation	Variable portion %	Change %	Total compensation	Variable portion %	Change %	Total compensation	Variable portion %	Change %	Total compensation	Variable portion %	Change %	Total compensation	Variable portion %
Euan Shirlaw <sup>(1)</sup>	Chief Executive Officer	1,221	54%	-63%	3,282	85%	370%	698	43%	12%	622	48%	-9%	687	85%
Jacqueline Lindmark Boye <sup>(2)</sup>	Chief Financial Officer	643	52%	831%	69	35%	100%	–	–	–	–	–	–	–	–
Marianne Wold Eide <sup>(3)</sup>	Chief Operating Officer	693	52%	-69%	2,224	86%	100%	–	–	–	342	48%	100%	–	–
Cathrine Torgersen <sup>(4)</sup>	Chief Corporate Affairs Officer	566	51%	62%	1,496	81%	295%	379	43%	11%	–	–	–	–	–
Hege Hayden <sup>(5)</sup>	EVP, People & Capability	–	–	-100%	199	36%	-32%	291	35%	565%	44	0%	100%	–	–
John Hulme <sup>(6)</sup>	Former COO	–	–	–	–	–	-100%	676	–	–	–	–	–	–	–
David B. Cook <sup>(7)</sup>	Former CEO	–	–	–	–	–	-100%	1,576	51%	-43%	2,749	87%	100%	–	–
Fredrik Rustad <sup>(8)</sup>	Former MD/EVP	–	–	–	–	–	-100%	564	76%	109%	270	12%	-83%	1,613	85%
Atle Sonesen <sup>(9)</sup>	Former MD and COO	–	–	–	–	–	–	–	–	-100%	1,061	54%	1,209%	81	8%
Sjur Talstad <sup>(10)</sup>	Former COO	–	–	–	–	–	–	–	–	–	–	–	-100%	576	26%
<b>Total</b>		<b>3,124</b>	<b>53%</b>	<b>-57%</b>	<b>7,271</b>	<b>82%</b>	<b>74%</b>	<b>4,184</b>	<b>50%</b>	<b>-18%</b>	<b>5,087</b>	<b>68%</b>	<b>72%</b>	<b>2,957</b>	<b>71%</b>

- Variable portion includes FMV of performance shares granted in 2023 based on Monte Carlo simulation model. Performance shares granted in 2022 are set with FMV equal to 100% performance achievement and at BNOR share price on grant date equal to NOK 391. Share options granted in August 2019 with three years vesting, were translated into retention shares in September 2022. FMV of retention shares set equal to the BNOR share price on grant date equal to NOK 391, are deducted from the FMV at translation date of the vested share options granted in 2019.
- Jacqueline Lindmark Boye joined the Executive Team in November 2022, and her remuneration was for 2022 correspondingly pro-rated. 2023 was the first year with full-year reporting as executive. Variable portion includes FMV of performance shares granted in 2023 based on Monte Carlo simulation model.
- Variable portion includes FMV of performance shares granted in 2023 based on Monte Carlo simulation model. Performance shares granted in 2022 are set with FMV equal 100% performance achievement and at BNOR share price on grant date equal to NOK 391. FMV of retention shares set equal the BNOR share price on grant date equal to NOK 391. Total compensation 2022 reduced by USD 42,000 due to an error in last year reporting.
- Variable portion includes FMV of performance shares granted in 2023 based on Monte Carlo simulation model. Performance shares granted in 2022 are set with FMV equal to 100% performance achievement and at BNOR share price on grant date equal to NOK 391. Share options granted in January 2020 with three years vesting, were translated into retention shares in September 2022. FMV of retention shares set equal the BNOR share price on grant date equal to NOK 391, are deducted the FMV at translation date of the vested and unvested share options granted in 2020
- Hege Hayden is reported as executive from 01.10.2020 to 31.08.2022 when leaving the Executive Team due to organisational changes.
- John Hulme was employed 15 March 2021 and resigned in 2021. Remuneration calculated pro rata until release date at year-end. Variable portion 2021 includes allocated cost for Extraordinary items related to terms for payment at end of employment.
- David B. Cook was employed 1 July 2020 and resigned 29 November 2021. Remuneration calculated pro-rata until release date. Variable portion 2021 includes allocated cost for Extraordinary items related to terms for payment at end of employment. Variable portion 2020 includes Fair Market Value of total options granted in 2020.
- Frederik Rustad, employed 7 December 2015, was appointed Managing Director 1 April 2018 which implied a 11% increase in salary. Remuneration 2018 is calculated pro rata. He resigned in 2021. Fixed pay calculated pro rata until release date 1 May 2021. Variable portion 2021 includes allocated cost for Extraordinary items related to terms for payment at end of employment. Variable portion 2019 includes Fair Market Value of total options granted.
- Atle Sonesen, employed 1 November 2019 was released from duty 15 November 2020. Remuneration calculated pro rata. Variable portion 2020 includes Extraordinary items related to terms for payment at end of employment. Granted options in 2020, but all terminated in 2020, thus FMV not included.
- Sjur Talstad, employed 15 November 2018 was released from duty on 30 August 2019. Remuneration calculated pro rata. Variable portion 2019 includes Extraordinary items related to terms for payment at end of employment.

Further information on the Executive Management's equity-based remuneration, refer to pages 14-17.



Executive Management Remuneration continued

As previously stated in this report, vested and unvested options granted in respectively in 2019 and 2020 to Euan Shirlaw and Cathrine Torgersen, were translated into retention shares in 2022 that will vest full after three years in September 2025. As a result, vested share options were replaced with retention shares that would require a further three years of service before being realised.

Based on share price on the date these share options were translated, the FMV of options granted implies respectively 124 percent and 91 percent value increase if had been exercised at translation date. Euan Shirlaw and Cathrine Torgersen were also granted additional share options prior to share options being translated into retention shares. FMV for share options granted 2022 was not reported as remuneration in 2022 due to immediate translation into retention shares. In the reported total compensation for 2022 ref the Executive management remuneration summary 2019-2023 page 12, for Euan Shirlaw and Cathrine Torgersen, the FMV of retention shares are deducted the FMV at translation date of share options granted respectively in 2019 and 2020, correspondingly USD 950,796 and USD 211,280. FMV for 2022 grant equals 100% performance achievement valued at BNOR share price at grant date of NOK 391.

Illustrative Remuneration Scenarios for Chief Executive Officer

Key Criteria for 2023 LTI Programme:

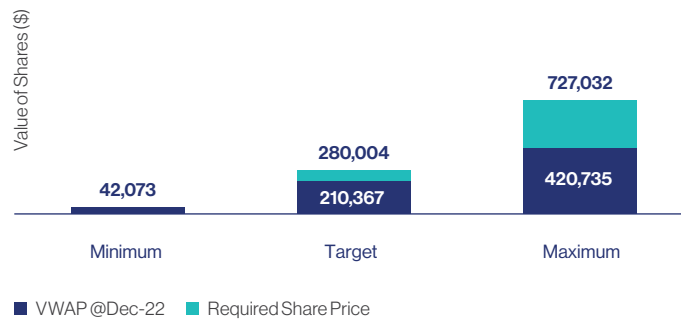
Performance shares accrue over a three-year period based on BlueNord's delivery against certain criteria related to share price and ESG performance

	Gate	Target	Max
<b>1. Absolute TSR</b>	<b>5% CAGR</b>	<b>10% CAGR</b>	<b>20% CAGR</b>
	Required share price by end 2025 <sup>(1)</sup> : NOK 448      NOK 515      NOK 669		
<b>2. Relative TSR</b>	<b>3rd Quartile</b>	<b>2nd Quartile</b>	<b>1st Quartile</b>
	Measured against TSR of a selected peer group of LSE and OSE listed E&Ps above a certain size threshold		
<b>3. ESG &amp; Tenure</b>	<b>Delivery against BlueNord's ESG objectives</b>		

Valuation of 2023 LTI Programme:

Chart shown based on 1) VWAP December 2022, and 2) share price required to deliver target | max outcome under LTI programme

<b>Required Share Price:</b>	<b>515</b>	<b>669</b>
Growth from end 2022:	33%	73%



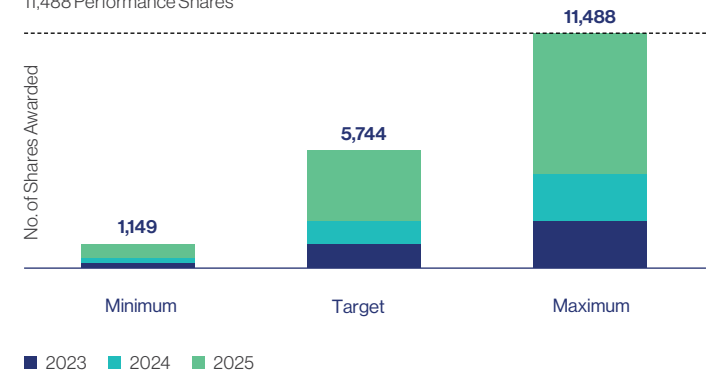
1. Based on VWAP December 2022 of NOK 386,92  
2. With reference to CEO's remuneration reported page 9

Performance Shares to be Awarded under 2023 LTI Programme:

Performance Shares to be awarded over a three-year period based on delivery against the key LTI criteria

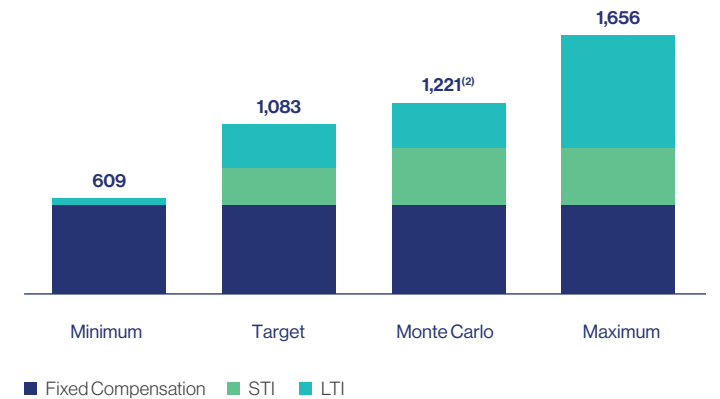
Initial Grant:

11,488 Performance Shares



Total Remuneration for CEO based on Various Scenarios

Value of Total Compensation (thousand USD)





# Equity-Based Payment and Shareholdings



## Equity-Based Payment and Shareholdings

BlueNord seeks to comply with the Norwegian Code of Practice for Corporate Governance (the 'Corporate Governance Code'), last revised on 14 October 2021.

However, regarding certain aspects of shareholding, BlueNord deviates from the code:

- The Board of Directors of BlueNord have been, and are expected to be, provided with authorisations to acquire own shares and issue new shares. Not all such authorisations have separate and specific purposes; for each authorisation as the purposes of the authorisations shall be explained in the notices to the general meetings adopting the authorisations.
- Options have previously been granted to members of the Board of Directors in addition to management through the Share Option Programme of BlueNord.

### Share options

BlueNord ASA first implemented a share option programme at the AGM 21 January 2016, that later was extended and expanded. At an Extraordinary General Meeting ('EGM') held 8 November 2018 (and later amended), where the Board of Directors was authorised to grant options up to a total of 1,510,000 shares in the Company as part of a new incentive programme. In May 2020, the beneficiaries under the Share Option Programme were offered amended terms of (i) a reduced strike price of NOK 160 per share and (ii) a reduction in the number of options granted of 30 percent. Following this, the option programme was reduced from a total of 1,510,000 shares to 1,198,868 shares in the Company and the outstanding options at the time were reduced by 323,086 to 753,868.

In addition to the above-mentioned option programme, the EGM on 7 August 2019 resolved a Share Option Programme in which BlueNord may

issue one option for each share purchased by any Board member up to a total of 10,000 shares for each Board member. Executive Chair, Riulf Rustad, and at that time, Board member Lars Purlund, were not eligible to participate in this Share Option Programme.

The Board of Directors of BlueNord ASA granted on 19 September 2022 additional share options to executives whereas both unvested and vested share options were immediately translated into performance shares with retention as the only performance metric, see page 11. No additional options have been granted to remaining participants in the Share Option Programme. In total, 13,000 vested share options have been exercised in 2023. In total, 378,868 options are granted as at 31.12.2023 and the programme counts 406,201 options remaining to be granted under the programme.

The vesting period for granted share options is three years and the options must be exercised within five years after grant. There are no performance criteria linked to the Share Option Programme nor any holding period for exercised share options. The Share Options Programme has no cap limiting the value upon exercise.

#### Total shares options:

Outstanding at 31 December 2022	391,868
Share options granted in 2023	–
Share options exercised in 2023	(13,000) <sup>1)</sup>
Share options translated in 2023	–
Outstanding at 31 December 2023	378,868

1. Exercised by previous executives/employees.

#### The following table list the inputs to the model used:

Weighted averages	2023	2022	2021	2020	2019
Fair value at valuation date (NOK)	83	83	83	63	92
Share price at valuation date (NOK)	143	143	143	145	278
Exercise price (NOK)	160	160	160	160	238
Expected volatility	57.49%	57.49%	57.49%	57.96%	34.6%
Expected life (years)	2.7	2.7	2.7	3.9	5
Expected dividends	n/a	n/a	n/a	n/a	n/a
Risk-free rate (based on government bonds)	0.35%	0.35%	0.35%	0.36%	1.2%
Model used	Black – Scholes – Merton				



## Equity-Based Payment and Shareholdings continued

The vesting period for grant of share options is three years. Fair Market Value of options granted in 2019 are set at grant date and calculated based on Black-Scholes-Merton model.

## Board members' share options

Name	Position	Vesting period	Grant date	Expiry date	Change in price	Strike price <sup>1)</sup>	USD 1,000		Number						
							FMV on grant date	Options granted	1 Jan 2023	Granted	Terminated	Exercised	31 Dec 2023	Vested	Unvested
Riulf Rustad	Executive Chair	No	01/08/19	01/08/24	03/06/20	160	4,195	280,000	280,000	–	–	–	280,000	280,000	–
		3 years	01/08/19	01/08/24	03/06/20	160	993	63,000	63,000	–	–	–	63,000	63,000	–
Marianne Lie	Board member	3 years	30/08/19	31/08/24	03/06/20	160	49	4,868	4,868	–	–	–	4,868	4,868	–
Tone Kristin Omsted	Board member	3 years	30/08/19	31/08/24	03/06/20	160	35	3,500	3,500	–	–	–	3,500	3,500	–
Jan Lernout	Board member	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Colette Cohen	Board member	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Robert J. McGuire	Board member	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Peter Coleman	Board member	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<b>Total</b>							<b>5,273</b>	<b>351,368</b>	<b>351,368</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>351,368</b>	<b>351,368</b>	<b>–</b>

1. Strike price and number of share options reduced in 2020, see page 15 Share Options.

## Board members' holdings of shares in BlueNord ASA

Name	Role	Number			
		1 Jan 2023	Acquired	Sold	31 Dec 2023
Riulf Rustad	Executive Chair	200,000	–	–	200,000
Tone Kristin Omsted	Board member	5,000	–	–	5,000
Marianne Lie	Board member	8,954	–	–	8,954
Jan Lernout	Board member	–	–	–	–
Colette Cohen	Board member	–	–	–	–
Robert J. McGuire	Board member	–	–	–	–
Peter Coleman	Board member	–	–	–	–
<b>Total</b>		<b>213,954</b>	<b>–</b>	<b>–</b>	<b>213,954</b>

The number of shares owned by Board members is allocated between private shareholding and shareholding through companies controlled by Board members.

Ousdal AS holds the 200,000 shares registered for Riulf Rustad.

By purchasing shares in the Subsequent Offering commencing 12 August 2019, Tone Kristine Omsted and Marianne Lie were granted options based on the Option Share Programme of 7 August 2019, Marianne Lie held 2,000 shares via Fajoma Consulting prior to taking up office as a Board member at BlueNord ASA. Thus, 2,000 of the total 8,954 shares were not included in the option grant basis.



## Equity-Based Payment and Shareholdings continued

For LTI reported in total remuneration for 2022 see page 12, the FMV of retention shares for Euan Shirlaw and Cathrine Torgersen are deducted the FMV at translation date of their share options granted 2019 and 2020. Jacqueline Lindmark Boye was granted performance shares under the terms as employee in September 2022 and thus the 2022 grant is not included as part of her executive remuneration for 2022 on page 12.

**Executives' long-term incentive programmes**  
**In thousands USD**

Name	Position	Grant date	End vesting date	Retention shares		Performance shares		Total LTIP			
				FMV on grant date	# shares granted	FMV on grant date	# shares granted	FMV on grant date	# shares granted	# shares awarded <sup>(1)</sup>	# shares remaining
Euan Shirlaw	Chief Executive Officer	19/09/22	19/09/25	2,300	60,014	–	–	2,300	60,014	–	60,014
		19/09/22	31/12/24	–	–	1,157	30,192	1,157	30,192	3,997	22,644
		12/07/23	31/12/25	–	–	293	11,488	293	11,488	–	11,488
				<b>2,300</b>	<b>60,014</b>	<b>1,450</b>	<b>41,680</b>	<b>3,749</b>	<b>101,694</b>	<b>3,997</b>	<b>94,146</b>
Jacqueline Lindmark Boye	Chief Financial Officer	19/09/22	31/12/24	–	–	165	4,295	165	4,295	552	3,221
		12/07/23	31/12/25	–	–	158	6,211	158	6,211	–	6,211
				–	–	<b>323</b>	<b>10,506</b>	<b>323</b>	<b>10,506</b>	<b>552</b>	<b>9,432</b>
Marianne Eide	Chief Operating Officer	19/09/22	19/09/25	1,012	26,406	–	–	1,012	26,406	–	26,406
		19/09/22	31/12/24	–	–	724	18,892	724	18,892	2,454	14,169
		12/07/23	31/12/25	–	–	184	7,236	184	7,236	–	7,236
				<b>1,012</b>	<b>26,406</b>	<b>908</b>	<b>26,128</b>	<b>1,920</b>	<b>52,534</b>	<b>2,454</b>	<b>47,811</b>
Cathrine Torgersen	Chief Corporate Affairs Officer	19/09/22	19/09/25	782	20,404	–	–	782	20,404	–	20,404
		19/09/22	31/12/24	–	–	596	15,561	596	15,561	1,982	11,671
		12/07/23	31/12/25	–	–	151	5,944	151	5,944	–	5,944
				<b>782</b>	<b>20,404</b>	<b>748</b>	<b>21,505</b>	<b>1,530</b>	<b>41,909</b>	<b>1,982</b>	<b>38,019</b>
<b>Total</b>				<b>4,093</b>	<b>106,824</b>	<b>3,428</b>	<b>99,819</b>	<b>7,522</b>	<b>206,643</b>	<b>8,985</b>	<b>189,408</b>

1. 'Shares awarded' pertains to the transfer of shares to individuals. These shares are awarded net of tax withheld. The first net award of shares granted under 2022 Performance Shares Programme took place in August 2023. The 2022 programme includes annual vesting based on a 25% - 25% - 50% distribution over the total three-year performance and vesting period.

**Executives' holdings of shares in BlueNord ASA**

Name	Role	Number				
		1 Jan 2023	Awarded	Acquired	Sold	31 Dec 2023
Euan Shirlaw	Chief Executive Officer	–	3,997	–	–	3,997
Jacqueline Lindmark Boye	Chief Financial Officer	–	552	–	–	552
Marianne Eide <sup>(1)</sup>	Chief Operating Officer	1,800	2,454	–	–	4,254
Cathrine Torgersen <sup>(1)</sup>	Chief Corporate Affairs Officer	2,200	1,982	–	–	4,182
<b>Total</b>		<b>4,000</b>	<b>8,985</b>	<b>–</b>	<b>–</b>	<b>12,985</b>

1. Cathrine Torgersen's and Marianne Eide's shares as of 1 January 2023 were privately purchased in 2022 and not awarded as remuneration in their employment.



# Management Statement





## Management Statement

The Board of Directors has today considered and adopted the Executive Remuneration Report of BlueNordASA for the financial year 2023.

The Executive Remuneration Report has been prepared in accordance with the Public Limited Liability Companies Act § 6-16b.

The Executive Remuneration Report is submitted to the Annual General Meeting for voting.

**Oslo, 11 April 2024**

### Board of Directors

**Riulf Karsten Rustad**  
Executive Chair

**Robert J. McGuire**  
Board member

**Tone Kristin Omsted**  
Board member

**Jan Lernout**  
Board member

**Marianne Lie**  
Board member

**Peter Coleman**  
Board member

**Colette Cohen**  
Board member

# Independent auditor's assurance report

## To the General Meeting of BlueNord

### 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 BlueNord'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.

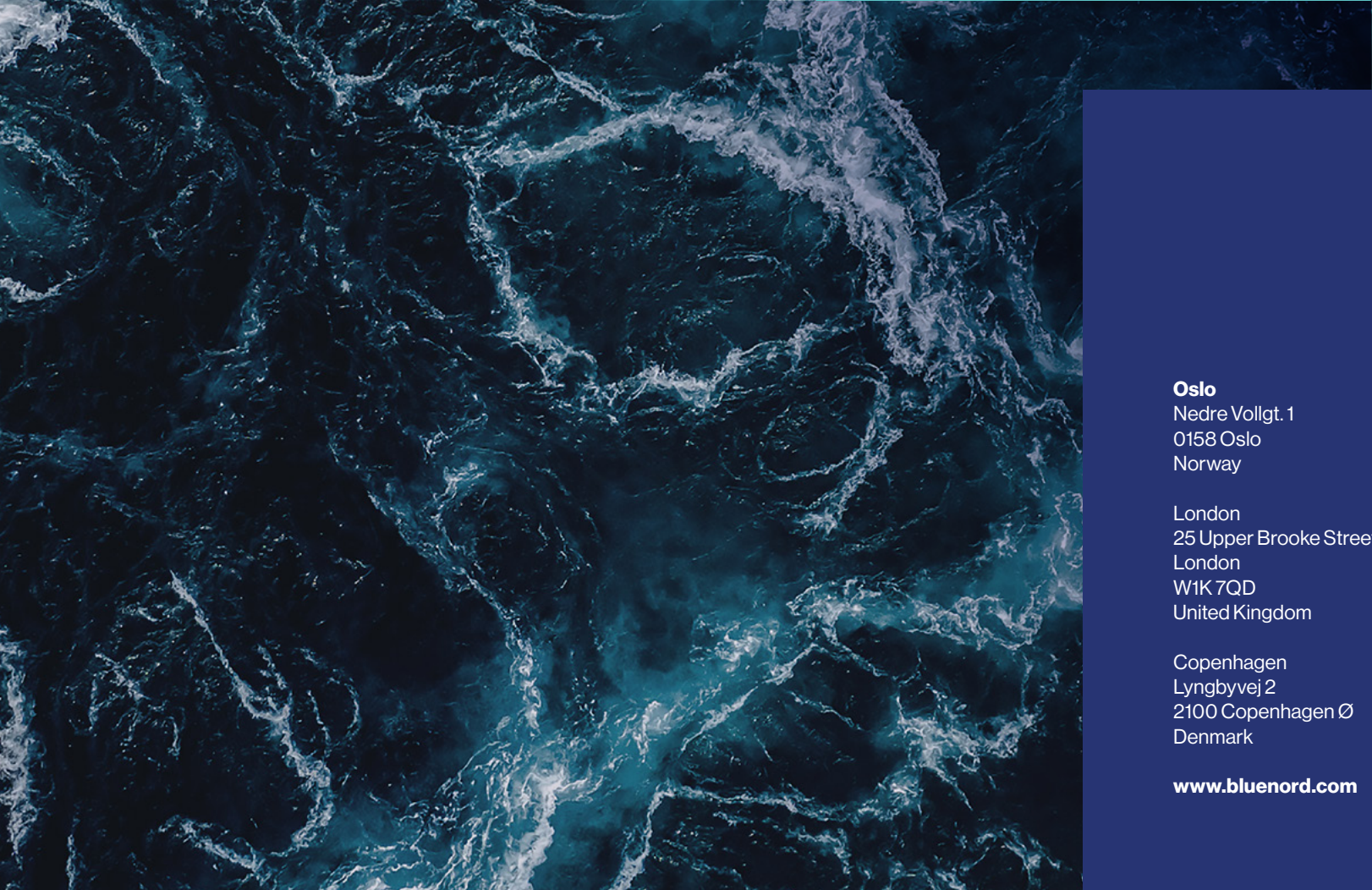
#### Auditor's responsibilities

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, 11 April 2024**  
**KPMG AS**

**Mona Irene Larsen**  
State Authorised Public Accountant  
(electronically signed)



**Oslo**

Nedre Vollgt. 1  
0158 Oslo  
Norway

London  
25 Upper Brooke Street  
London  
W1K 7QD  
United Kingdom

Copenhagen  
Lyngbyvej 2  
2100 Copenhagen Ø  
Denmark

[www.bluenord.com](http://www.bluenord.com)