



## Report from the Competence and Remuneration Committee 2024/2025

The company's Competence and Remuneration Committee (CRC) is made up of four shareholder-elected board members:

- Morten Grongstad (chair)
- Saloume Djoudat
- Marianne G. Ebbesen
- Erik T. Veiby

The company's CEO participates in the meetings.

The Competence and Remuneration Committee's job is to act as a preparatory and advisory body for the Board in relation to salaries and other remuneration for leading persons, i.e. the CEO and other members of corporate management, share-based remuneration and the overarching follow-up of the work on competence and management development.

The committee's mandate is adopted by the Board of Directors and is described in "Mandate for the Competence and Remuneration Committee". The committee complies with the guidelines for determining salaries and other remuneration of leading persons as submitted to the General Meeting in 2023. The guidelines are used by the Board of AF Gruppen ASA to prepare the report on the remuneration of leading persons in 2024 (Appendix 3).

The committee's mandate includes the following tasks:

- Developing proposed guidelines for salaries and other remuneration for the CEO and other members of corporate management that motivate and contribute to long-term value creation. Other remuneration can include bonuses, share-based remuneration, severance pay and pensions. Following consideration by the Board, the guidelines must, in the event of any material changes and at least every 4 years, be presented to the General Meeting for consideration and approval.
  - Developing proposals concerning the CEO's salary and other remuneration.
  - Ensuring a report is produced every year that contains an overall overview of the paid and outstanding salary and remuneration covered by the guidelines for the remuneration of leading persons. The General Meeting must hold an advisory vote on the report.
  - Ensuring that the company produces gender equality reporting in line with statutory requirements.
  - Preparing proposals for share-based remuneration programmes based on shares in AF Gruppen ASA. Share-based remuneration may include share and option programmes, as well as other mechanisms.
  - Following up AF Gruppen's overall work on competence and management development, including succession planning.
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The Competence and Remuneration Committee (CRC) has held four ordinary meetings since the Annual General Meeting on 15 May 2024.

The main issues reviewed in the past year include:

- Report on the remuneration of leading persons in 2024
- A review of the principles and framework for AF Gruppen's bonus programme and total remuneration for leading persons. Plus an assessment of these as guidelines for the upcoming strategy for the period up to 2028.
- Assessments related to future share and options programmes
- Assessments of the company's overall work on competence and management development
- Assessments of the company's overall work on succession planning

As stated in the "Report on the remuneration of leading persons in 2024", AF's corporate management salaries saw a larger adjustment in 2024 than in previous years. The purpose was to narrow the growing salary gap that has emerged over time, especially in terms of EVP salaries in AF compared with comparable companies. The changes were thoroughly discussed by both the committee and the Board and were approved by a unanimous Board. AF's executive salary policy remains based on the principle that AF's managers should have a lower fixed salary and pension than comparable companies but a higher proportion of variable remuneration that should be directly linked to the value created in AF.

Oslo, 11 April 2025  
Morten Grongstad