

Remuneration report 2023

## 1. Introduction

### 1.1 Background

This remuneration report (the "Report") is prepared by the board of directors of Crayon Group Holding ASA (the "Company" or "Crayon Group") in accordance with the Norwegian Public Limited Liability Companies Act (the "Companies Act") Section 6-16 b with Regulations. The Report contains information regarding remuneration to previous, present and future leading personnel of the Company ("Directors") for the financial year of 2023 in line with the requirements laid down in the Companies Act.

The Company considers the CEO and the other members of the Company's management team to be comprised by the term leading personnel under the Companies Act. In addition, employees who are members of the board of directors of the Company are comprised. For such personnel, only the remuneration received on the basis of their post are covered by the Report. For the sake of completeness, information regarding remuneration to other board members are also included in this Report.

### 1.2 Highlights summary and overview of the last financial year

2023 marked yet another year with strong growth across all markets and businesses. Crayon's international expansion journey continues and during the year the company made strong progress in scaling up its international businesses.

In 2023, revenue reached NOK 6,397m (NOK 5,200m) and Gross Profit amounted to NOK 5,662m (NOK 4,496m). Adj. EBITDA was NOK 919m (NOK 839m), up 10% from 2022. The resulting Adj. EBITDA margin was 16.2% (18.7%). The margin was negatively impacted by weak performance in Consulting.

The market for software and cloud remained strong and the introduction and commercialization of AI also supported the company's demand in services. Customers are working together with their software suppliers to plan and understand how to best utilize

new technologies to provide positive business outcome and efficiency.

Increased inflation as well as significant investments in the service business has impacted profitability during the year. Actions have already been initiated to improve profitability going forward.

Working capital performance has been a key priority during 2023. Several actions have been taken to strengthen working capital and in Q4, the company delivered a record high operating cash flow driven by working capital changes. Working capital remain a key priority going forward.

The company continued to invest in new tech resources during the year, adding a total of 574 new FTEs. Changes were also made to strengthen the management team. In September, Jon Birger Syvertsen took on the position as Chief Strategy Officer, while Brede Huser came in as Chief Financial Officer. Expanding the leadership capacity is an important step toward capturing the strong demand for Crayon's services.

Guidelines for remuneration of the Directors (the "Remuneration Policy") were approved at an extraordinary general meeting on November 23, 2021. The guidelines meet the requirements under the Companies Act and is available on the Company's website under "Governance" at Crayon | ESG - Crayon.

The remuneration report for 2022 was presented to the general meeting in Crayon Group Holding ASA on 26 April 2023 for advisory vote. Approximately 26% of the votes cast were against the report, and approximately 74% were in favour. Since no explanation was forthcoming from the shareholders who voted against the report in 2023, Crayon do not know the reason for their actions. However, based on feedback from shareholders and proxy advisers, our understanding is that it could be uncertainty around

the vesting periods for our options and bonus share programs. To accommodate this, we have in this year's report included some further information on the programs and clarified all vesting periods are 2 years or more.

## 2. Remuneration of the board of directors

### 2.1 Introduction

In line with market practice, members of the board of directors receive an annual fixed base fee. Fees are paid at a monthly basis. In addition, the members serving as members or chairman of a committee of the board of directors receive an additional annual fixed fee for each committee role they serve. The board of directors can also participate in the Employee Share Purchase Program (ESPP).

None of the members of the board of directors are entitled to receive any variable remuneration or pension contributions except the members elected by the employees, who receive such remuneration and benefits in their role as employees. None of the Board

### 2.2 Remuneration to board members for the reported financial year

Name and position (In thousands of NOK)	2023	2022
Rune Syversen, Chairman of the Board	795 <sup>1</sup>	765 <sup>1</sup>
Jens Rugseth, board member	400	455 <sup>2</sup>
Grethe Helene Viksaas, board member	535 <sup>1,2</sup>	540 <sup>1,2,3</sup>
Dagfinn Ringås, board member	465 <sup>2</sup>	435 <sup>2</sup>
Jennifer Koss, board member	465 <sup>2</sup>	455 <sup>3</sup>
Jens Winter Moberg, board member	445 <sup>1</sup>	375
Wenche Marie Agerup, board member	485 <sup>2</sup>	375
Mette Wam, employee representative	80	135 <sup>3</sup>
Lars Hatlen Larhammer, employee representative	80	0
Liv Hege Jensen, employee representative	80	0
Brit Bergersen Smestad, employee representative	0	135 <sup>3</sup>
Christian Baltzer Ødemark, employee representative	0	135 <sup>3</sup>
<b>Total</b>	<b>3,830</b>	<b>3,805</b>

<sup>1</sup> Including fees earned from participation in remuneration committee.

<sup>2</sup> Including fees earned from participation in audit committee.

<sup>3</sup> Including fees earned from participation in the ESG committee.

members have executive loans or guarantees in the Company.

The board of directors and committee fees are approved by the shareholders at the Annual General Meeting for the period until the next Annual General Meeting. The annual fees of the members of the board of directors take into account the required competencies, efforts and scope of work.

All members of the board of directors are non-executive directors.

The table in Section 2.2 below contains an overview of remuneration to members of the board of directors. Amounts presented below represent the fees approved by the Annual General Meeting in 2023 and 2022, respectively.

### 3. Total remuneration for directors

#### 3.1 Introduction

The table in Section 3.2 below contains an overview of the total remuneration to the Directors, as well as remuneration that were granted/awarded/due but had not yet materialized during the reported financial year. Only remuneration earned on the basis of the Directors' role are included. All of the Directors are employed by companies within the group of companies to which the Company belongs (the "Group"). The Directors have only received remuneration from the companies in which they are employed.

The Group CEO is entitled to 6 months' salary in the event of termination initiated by the Company. The CEO do not have executive loans or guarantees in the Company.

#### 3.2 Remuneration of Directors for the reported financial year

Name and position (In thousands of NOK)	Fixed remuneration		Variable remuneration		Total Remuneration	Proportion of fixed/variable remuneration
	Base salary	Fringe benefits	One-year variable	Pension expense		
Melissa Mulholland, Chief Executive Officer	3,977	12	779	68	4,835	84% / 16%
Jon Birger Syvertsen, Chief Financial Officer (Jan-Aug), Chief Strategy Officer (Sep-Dec)	2,385	20	297	68	2,769	89% / 11%
Brede Huser, Chief Financial Officer (Sep-Dec)	867	4	333	22	1,226	73% / 27%
Bente Liberg, Chief Human Resources Officer	2,057	12	200	72	2,341	91% / 9%
Gudmundur Adalsteinsson, Chief Sales Officer	3,249	328	596	321	4,494	87% / 13%
Florian Rosenberg, Chief Technology Officer	2,915	94	643	45	3,696	83% / 17%
Erwin Heinrich, Chief Operating Officer	2,621	171	666	40	3,499	81% / 19%
<b>Total</b>	<b>18,070</b>	<b>641</b>	<b>3,514</b>	<b>635</b>	<b>22,860</b>	

## 4. Share-based remuneration

### 4.1 Introduction

The tables in Section 4.2 below contains information on the number of shares granted or offered to the Directors, whilst the tables in Section 4.3 below contains information on the number of share options granted for the reported financial year. In both of the tables, the main conditions for the exercise of the rights including the exercise price and date and any change thereof appear.

### 4.2 Shares awarded or due to the Directors for the reported financial year

Name and position	Share Plan	Performance period	Main conditions of share plans			Information regarding the reported financial year					
			Award date	Vesting date	End of holding period	Exercise price	Shares awarded at Jan 1, 2023	Shares awarded during 2023	Shares vested during 2023	Shares awarded, unvested at Dec 31, 2023	Shares subject to a holding period at Dec 31, 2023
Melissa Mulholland Chief Executive Officer	ESPP 2022	-	May 11, 2022	May 11, 2022	May 11, 2024	NOK 117.70	2,125	0	0	0	2,125
	Bonus shares - ESPP 2022	-	May 11, 2022	May 11, 2024	May 11, 2024	NOK 1.00	708	0	0	708	0
Jon Birger Syvertsen Chief Financial Officer (Jan-Aug) Chief Strategy Officer (Sep-Dec)	ESPP 2022	-	May 11, 2022	May 11, 2022	May 11, 2024	NOK 117.70	2,125	0	0	0	2,125
	Bonus shares - ESPP 2022	-	May 11, 2022	May 11, 2024	May 11, 2024	NOK 1.00	708	0	0	708	0
Florian Rosenberg Chief Technology Officer	ESPP 2022	-	May 11, 2022	May 11, 2022	May 11, 2024	NOK 117.70	2,125	0	0	0	2,125
	Bonus shares - ESPP 2022	-	May 11, 2022	May 11, 2024	May 11, 2024	NOK 1.00	708	0	0	708	0
Rune Syversen Chairman of the Board	ESPP 2022	-	May 11, 2022	May 11, 2022	May 11, 2024	NOK 117.70	2,125	0	0	0	2,125
	Bonus shares - ESPP 2022	-	May 11, 2022	May 11, 2024	May 11, 2024	NOK 1.00	708	0	0	708	0
Jens Rugseth Board member	ESPP 2022	-	May 11, 2022	May 11, 2022	May 11, 2024	NOK 117.70	2,125	0	0	0	2,125
	Bonus shares - ESPP 2022	-	May 11, 2022	May 11, 2024	May 11, 2024	NOK 1.00	708	0	0	708	0
Grethe Helene Viksaa Board member	ESPP 2022	-	May 11, 2022	May 11, 2022	May 11, 2024	NOK 117.70	2,125	0	0	0	2,125
	Bonus shares - ESPP 2022	-	May 11, 2022	May 11, 2024	May 11, 2024	NOK 1.00	708	0	0	708	0
Jennifer Koss Board member	ESPP 2022	-	May 11, 2022	May 11, 2022	May 11, 2024	NOK 117.70	850	0	0	0	850
	Bonus shares - ESPP 2022	-	May 11, 2022	May 11, 2024	May 11, 2024	NOK 1.00	283	0	0	283	0
Brit Smestad Employee representative (until AGM 2023)	ESPP 2022	-	May 11, 2022	May 11, 2022	May 11, 2024	NOK 117.70	2,125	0	0	0	2,125
	Bonus shares - ESPP 2022	-	May 11, 2022	May 11, 2024	May 11, 2024	NOK 1.00	708	0	0	708	0
Mette Wam Employee representative	ESPP 2022	-	May 11, 2022	May 11, 2022	May 11, 2024	NOK 117.70	2,125	0	0	0	2,125
	Bonus shares - ESPP 2022	-	May 11, 2022	May 11, 2024	May 11, 2024	NOK 1.00	708	0	0	708	0

All employees in the Company, including senior management and Board of Directors, and its subsidiaries in which an offer could be lawfully made, have been offered to participate in the 2022 employee share purchase program (ESPP). Under the program, employees are able to subscribe for a number of shares to a pre-set subscription price (average share price a given period before start of the subscription period) with a 20% discount. In the 2022 program, the subscription price was NOK 117.70. The subscription price is paid by the employee. Shares are subject for a lock-up period of two years after subscription date. The employees were offered to subscribe for amounts between NOK 10,000 to NOK 100,000 (including the 20% discount). Some employees did subscribe for amounts up to NOK 450,000 after specific approval from Board of Directors, in line with the Remuneration Policy. In total, 913 employees participated in the program and a total of 540,000 shares were subscribed for. Under the ESPP program, bonus shares will be granted to employees participating in the ESPP and remaining employed by Crayon by the end of the lock-up period. One bonus share will then be granted for every third share subscribed for under the ESPP. The bonus shares vest over two years (the lock-up period). The above table outlines executive management and Board of Directors participation in the 2022 ESPP program.

#### 4.3 Share options awarded or due to the Directors for the reported financial year

Name and position	Main conditions of plan							Info regarding the reported financial year							
								Opening balance				During the year			
	Option plan	Performance period	Award date	Vesting date	End of holding period	Exercise period	Strike price	Share options awarded at Jan 1, 2023	Share options awarded during 2023	Share options forfeited during 2023	Share options performance adjustments during 2023	Share options vested during 2023	Share options exercised during 2023	Share options subject to vesting conditions at Dec 31, 2023	Share options vested, not exercised at Dec 31, 2023
Melissa Mulholland CEO	Option program 2020	Jan 1, 2020 – Dec 31, 2020	Jan 1, 2020	3 tranches vesting: Dec 31, 2021 Dec 31, 2022 Dec 31, 2023	NA	5 years	NOK 53.60	300,000	0	0	0	100 000	0	0	300,000
Jon Birger Syvertsen Chief Financial Officer (Jan-Aug) Chief Strategy Officer (Sep-Dec)	Option program 2020	Jan 1, 2020 – Dec 31, 2020	Jan 1, 2020	3 tranches vesting: Dec 31, 2021 Dec 31, 2022 Dec 31, 2023	NA	5 years	NOK 53.60	200,000	0	0	0	65,215	0	0	200,000
Bente Liberg Chief Human Resources Officer	Option program 2020	Jan 1, 2020 – Dec 31, 2020	Jan 1, 2020	3 tranches vesting: Dec 31, 2021 Dec 31, 2022 Dec 31, 2023	NA	5 years	NOK 53.60	100,000	0	0	0	32,244	0	0	100,000
Gudmundur Adalsteinsson Chief Sales Officer	Option program 2020	NA	March 24, 2021	3 tranches vesting: Dec 31, 2021 Dec 31, 2022 Dec 31, 2023	NA	5 years	NOK 53.60	100,000	0	0	0	33,334	0	0	100,000
Florian Rosenberg Chief Technology Officer	2022 Option program CTO	NA	July 7, 2022	3 tranches vesting: Jul 7, 2023 Jul 7, 2024 Jul 7, 2025	NA	5 years	NOK 125.20	100,000	0	0	0	33,333	0	66,667	33,333
Erwin Heinrich Chief Operating Officer	Option program 2020	Jan 1, 2020 – Dec 31, 2020	Jan 1, 2020	3 tranches vesting: Dec 31, 2021 Dec 31, 2022 Dec 31, 2023	NA	5 years	NOK 53.60	8,334	0	0	0	4,167	0	0	8,334
	GM share grant 2021	Jan 1, 2021 – Dec 31, 2021	Jan 27, 2021	3 tranches vesting: Mar 31, 2022 Mar 31, 2023 Mar 31, 2024		5 years	NOK 1.00	2,154	0	0	0	862	-1,292	862	0
	GM share grant 2022	Jan 1, 2022 – Dec 31, 2022	Feb 14, 2022	3 tranches vesting: Apr 1, 2023 Apr 1, 2024 Apr 1, 2025		5 years	NOK 1.00	2,178	0	0	-2,178 <sup>1)</sup>	0	0	0	0

<sup>1)</sup> Transition from General manager to COO during the performance period, therefore no shares were allocated in the final adjustment after performance period under the GM share grant program 2022.

Share option program 2020 is an option program for executive management and general managers with the exercise price set at the market price at the time of program definition. The options awarded vested over three years, with 2023 as the final vesting period. First tranche had a vesting period of two years. Options are subject to both performance and service conditions. Performance conditions are related to service transformation targets (non-market only). July 2022, Crayon announced that CTO Florian Rosenberg was awarded 100,000 options with strike price NOK 125.20 (equal to market price on June 30, 2022), subject to service conditions. The options vest over three years, with H1 2025 as the final vesting period. First tranche had a vesting period of two years. This was an exception from the Remuneration policy made from the Board of Directors in 2022 after careful consideration, to ensure a long-term alignment for the incentives of Florian Rosenberg with the remaining management team at Crayon.

## 5. Any use of the right to reclaim variable remuneration

Crayon did not reclaim variable remuneration during the reported financial year.

## 6. Information on how the remuneration complies with the remuneration policy

The total remuneration complies with the Remuneration Policy, and thereby ensures an appropriate total remuneration package that has a clear link to the business strategy and aligns with stakeholder interests. In this context, the total remuneration contributes towards promoting Crayon's main goal which is to help customers optimize, manage, and utilize the relationship with software vendors through the IT lifecycle, as well as sustained and long-term value creation for shareholders.

With respect to the application of the performance criteria used in connection with the total remuneration to the Directors, further information is provided in the table below.

Name and position (In thousands of NOK)	Performance metric	Target bonus	Achievement	Estimated, unpaid bonus Dec 31, 2023
Melissa Mulholland Chief Executive Officer	Consolidated EBITDA 2023	500	0%	0
	Consolidated Gross Profit 2023	500	111%	554
	Strategic KPI's 2023	500	45%	225
Jon Birger Syvertsen Chief Financial Officer (Jan-Aug) Chief Strategy Officer (Sep-Dec)	Consolidated EBITDA 2023	452	0%	0
	Consolidated Gross Profit 2023	75	111%	83
	Strategic KPI's 2023	276	77%	213
Brede Huser Chief Financial Officer (Sep-Dec)	Consolidated EBITDA 2023	250	0%	0
	Strategic KPI's 2023	333	100%	333 <sup>1</sup>
Bente Liberg Chief Human Resources Officer	Consolidated EBITDA 2023	260	0%	0
	Strategic KPI's 2023	260	77%	200
Gudmundur Adalsteinsson Chief Sales Officer	Consolidated EBITDA 2023	327	0%	0
	Consolidated Gross Profit 2023	327	111%	362
	Strategic KPI's 2023	280	83%	233
Florian Rosenberg Chief Technology Officer	Consolidated EBITDA 2023	243	0%	0
	Consolidated Gross Profit 2023	243	111%	269
	Strategic KPI's 2023	486	77%	374
Erwin Heinrich Chief Operating Officer	Consolidated EBITDA 2023	214	0%	0
	Consolidated Gross Profit 2023	214	111%	237
	Strategic KPI's 2023	429	100%	429

<sup>1</sup> NOK 250,000 of the earned bonus was paid in 2023.

## 7. Derogations and deviations from the remuneration policy and from the procedure for its implementation

There have been no derogations and deviations from the Remuneration Policy, nor from the procedure for its implementation during 2023.

## 8. Comparative information on the change of remuneration and company performance

The table below in this Section 8 contains information on the remuneration of each individual Director, of the performance of the Company and average remuneration on a full-time equivalent (FTE) basis of employees of the Group other than Directors over the five most recent financial years. In addition, the annual change is presented. Development of the average remuneration reflects the globalization of the Group and is dependent on which regions the growth takes place. In cases where Directors have only received remuneration part of a year, the growth in % is adjusted to reflect growth based on 12 months remuneration.

### Directors' remuneration

Name and position (In thousands of NOK)	2018	2019	2020	2021	2022	2023
<b>Bente Liberg</b> Chief Operating Officer until Oct 2022 Chief Human Resources Officer from Nov 2022	1,630	2,040	2,186	2,334	2,615	2,341
% change	-6%	25%	7%	7%	12%	-10%
<b>Jon Birger Syvertsen</b> Chief Financial Officer from Mar 2018 until Aug 2023 Chief Strategy Officer from Sep 2023	1,772	2,266	2,484	3,529	3,003	2,769
% change	-	7%	10%	42%	-15%	-8%
<b>Melissa Mulholland</b> Chief Services & Solutions Officer from Sep 2020 until Mar 2021 Chief Executive Officer from March 2021	-	-	624	3,977	5,015	4,835
% change	-	-	-	86%	26%	-4%
<b>Gudmundur Adalsteinsson</b> Chief Sales Officer from May 2021	-	-	-	2,056	4,025	4,494
% change	-	-	-	-	31%	12%
<b>Tor Ødegaard</b> Chief Marketing Officer from July 2021 until Dec 2022	-	-	-	879	1,991	-
% change	-	-	-	-	13%	-
<b>Florian Rosenberg</b> Chief Technology Officer from Oct 2021	-	-	-	876	3,822	3,696
% change	-	-	-	-	9%	-3%
<b>Erwin Heinrich</b> Chief Operating Officer from Nov 2022	-	-	-	-	563	3,499
% change	-	-	-	-	-	4%
<b>Brede Huser</b> Chief Financial Officer from Sep 2023	-	-	-	-	-	1,226
% change	-	-	-	-	-	-

### Company performance

	2018	2019	2020	2021 <sup>2</sup>	2022	2023
<i>(In thousands of NOK)</i>						
Gross Profit	1,486,108	1,808,711	2,344,785	3,164,704	4,495,561	5,661,632
% Change	22%	22%	30%	35%	42%	26%
Adjusted EBITDA	188,141	292,242	412,902	643,572	839,217	919,448
% Change	44%	55%	41%	56%	30%	10%
Average FTE during the year	1,128	1,354	1,727	2,318	3,288	3,915
% Change	15%	20%	28%	34%	42%	19%

Average remuneration on a full-time equivalent basis of employees of the Group<sup>1</sup>

Average remuneration	864	837	860	788	848	925
% Change	2%	-3%	3%	-8%	8%	9%

<sup>1</sup> Calculated as total payroll expense in the Group excluding remuneration to Directors, divided by average FTE as reported in Annual Report

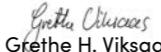
<sup>2</sup> Gross Profit and Adjusted EBITDA 2021 are restated amounts

### The board of directors' statement on the remuneration report

The Board of Directors has today considered and adopted the Remuneration Report of Crayon Group Holding ASA for the financial year 2023. The Remuneration Report will be presented to the Annual General Meeting 2024 for an advisory vote.

Oslo, March 20, 2024

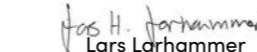
  
Rune Syversen  
(Chairman)

  
Grøthe H. Viksaaas  
(Board Member)

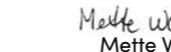
  
Wenche Agerup  
(Board Member)

  
Liv Hege Jensen  
(Employee Representative)

  
Jennifer Koss  
(Board Member)

  
Lars Larhammer  
(Employee Representative)

  
Jens Moberg  
(Board Member)

  
Mette Wam  
(Employee Representative)

  
Dagfinn Ringås  
(Board Member)

  
Melissa Mulholland  
(CEO)

  
Jens Røsseth  
(Board Member)

Crayon Group Holding ASA  
Gullhaug Torg 5  
0484 Oslo

[Crayon.com](http://Crayon.com)