

Webstep ASA

Remuneration report 2022



WEBSTEP

Background & object

Under Section 6-16 b of the Public Liability Companies Act, the Board of Webstep ASA is required to prepare an annual report that provides an complete overview of the remuneration disbursed and due to executive personnel covered by the guidelines defined in Section 6-16a.

The report meets the requirements set out in the regulations on guidelines for and reporting of remuneration of executive personnel ("Forskrift om retningslinjer og rapport om godtgjørelse for ledende personer").

The object of the report is to ensure transparency in Webstep's remuneration policy and the actual remuneration of executive management, to confirm compliance with the guidelines on the determination of salaries and other remuneration.

Company performance

Webstep reported growth in revenues and capacity for 2022, respectively 14.6% and 12.6%, and a decrease in EBIT of 17.1 %.

Revenues for 2022 amounted to NOK 888.4 million from NOK 775.0 million in 2021. Consolidated EBIT for 2022 was NOK 54.6 million, from NOK 65.9 million in 2021.

During 2022 Webstep has started the transitioning from a period focused on growth to one focused on profitability. The company has implemented structural actions, improved cost management and optimising sales activities to improve profitability.

With the Company's robust business model Webstep has achieved a strong position in the market, and continues to deliver expertise for comprehensive projects and solutions.



Remuneration policy

The main principle for the Company's remuneration policy is that the executive management shall be offered competitive terms when their total remuneration package is taken into account. Such package may consist of elements such as base-salary, bonus, share and option schemes, benefits in kind and pension arrangements. The Company shall seek to offer a remuneration level that is considered competitive and on market terms, compared to the level offered by its peers, and which seeks to satisfy the Company's need to recruit and keep highly qualified personnel in the executive management.

The current guidelines have been prepared in accordance with the provisions of section 6-16a of the Norwegian Public Limited Companies Act, approved 28 April 2022 at the Annual General Meeting.

The executive management receives base salary, contribution in kind, pension, and other benefits.

The executive management also may be offered Company's shares and options to shares as a part of the total remuneration package.

The board of directors has established a remuneration committee. Chairman of the board Kjetil Bakke Eriksen serves as chair of the committee. Toril Nag and Trond K. Johannessen serves as members. The remuneration committee functions as an advisory body to the board of directors, with the purpose of ensuring a thorough and independent preparation of matters regarding remuneration to the Company's executive management.

Application of the Remuneration Policy 2022

Webstep ASA has applied the remuneration policy throughout 2022 as approved at the General Meeting 28 April 2022.



Remuneration of the Board of Directors

The board of Directors consist of five directors. All elected by the shareholders at the General Meeting. The Board of Directors also consist of three observers elected by the employees.

Compensation to board members is not performance-related. Compensation to the Board is determined by the Annual General Meeting. The accrued cost for 2022 and 2021 is based on the decision made by the Annual General Meetings, and paid in arrears.



Remuneration to board members and nomination committee

Remuneration to board members and nomination committee (NOK'000)	Number of shares held at 31.12.2022	Compensation 2022	Compensation 2021
Chairman of the board - Kjetil Bakke Eriksen (from 28 April 2022)	26 925	373	247
Board member - Trond Klethagen Johannessen (Chairman until 27 April 2022)	63 000	327	410
Board member - Siw Ødegaard	13 025	276	288
Board member - Trygve Christian Moe	23 925	287	257
Board member - Toril Nag	3 570	258	233
Nomination committee - Bjørn Ivar Danielsen		30	19
Nomination committee - Petter Tusvik		18	17
Total remuneration to board members and nomination committee	130 445	1 569	1 472



Fixed remuneration

Base salary:

The fixed salary paid to the Senior Executives shall constitute the main part of their total remuneration. For Senior Executives also having performance-based bonus, the base salary constitutes approximately 70-80% of the total amount of base salary and performance-based bonus. When determining the fixed salary the Senior Executive's position, experience and performance, the competitiveness in the market and the Group's salary budget must be considered. The fixed salary may be adjusted annually.

Contribution in kind:

Senior Executives may be offered contribution in kind as a part of their remuneration, such as coverage of phone and phone expenses, private broadband, company health services, insurances, car allowance and coverage of travel expenses.

Pension scheme:

Senior Executives participates in the Group's defined contribution pension scheme in accordance with mandatory law.

Car allowance:

Senior Executives may be offered car allowance as part of their remuneration.

Variable pay

The executive management may be offered performance-based bonuses in addition to their fixed remuneration. Such performance-based bonus shall be agreed on an individual basis if applicable.

The criteria for any performance-based bonus shall be determined by the board of directors and shall be linked to measurable factors, such as the achievement of pre-determined KPIs. The Company's CEO and CFO performance-based profit may constitute up to 40% and 35% respectively, and shall be determined by the board of directors.

Performance-based bonus for department managers is linked to the following KPIs:

- Revenue compared to budget/forecast
- Number of employees compared to budget/forecast
- Operating revenue compared to budget/forecast

The executive management, and other managers as decided by the board of directors, are included in Websteps Long-term incentive program approved at the Annual General Meeting 2019.

The executive management are included in Websteps share purchase program for leading personnel and board members and Employee share purchase program.

Remuneration of the Executive Management

Remuneration to executive management (NOK'000)	Year	Base salary	Variable pay	Other benefits	Extra-ordinary post remuneration	Total remuneration	Pension benefit
CEO - Save Asmervik (1)	2022	2 068	415	193		2 676	50
	2021	2 000	800	198		2 998	52
CFO - Liv Annike Kverneland (2)	2022	1 627		413		2 040	16
	2021	1 650	152	12		1 814	52
COO Sweden - Jacob Cardell (SEK)	2022	1 380	334	501		2 215	144
	2021	1 170	251	89		1 510	152
Manager Oslo - Anders Høibakk (3)	2022	1 400	480	193		2 073	50
	2021	N/A	N/A	N/A		N/A	N/A
Head of Consulting Oslo - Terje Orvedal	2022	1 400	593	13		2 006	50
	2021	1 408	442	16		1 867	54
Manager Bergen - Joar Krohn	2022	1 330	632	13		1 975	50
	2021	1 330	363	12		1 705	52
Manager Stavanger - Geir Jåthun Hindenes (4)	2022	1 330	243	437		2 010	33
	2021	1 330	387	12		1 729	52
Manager Stavanger - Arne Sværen-Bryne (5)	2022	1 330	205	5		1 540	33
	2021	N/A	N/A	N/A		N/A	N/A
Manager Trondheim - Dagfinn Haslebrekk	2022	1 330	315	13		1 658	50
	2021	1 281	445	11		1 738	51
Communications Officer - Arnt Roger Aasen	2022	1 619		13		1 632	50
	2021	1 582		13		1 595	56
Communications Officer - Otto Backer Solberg (6)	2022	1 422		103	1 225	2 750	50
	2021	1 389		104		1 493	52
Director Business Development - Erlend Nævdal (7)	2022	997	496	13		1 506	50
	2021	N/A	N/A	N/A		N/A	N/A
Group Advisor - Rolf Helle (8)	2022	N/A	N/A	N/A		N/A	N/A
	2021	1 860		12		1 872	54

Other benefits consists of e.g. health insurance plans, car allowance, telephone/mobile communication, share-options (NOK 1.2 million in 2022) and housing allowance.

Base salary is grossed up to 12 months for (2)-(5) and (7)

(1) Save Asmervik - Bonus for financial year 2022, paid in first quarter 2023, are included in the Variable pay 2022

(2) Liv Annike Kverneland - CFO until August 2022

(3) Anders Høibakk - Manager Oslo from February 2022.

(4) Geir Jåthun Hindenes - Regional Manager Stavanger until July 2022

(5) Arne Sværen-Bryne - Regional Manager Stavanger from August 2022

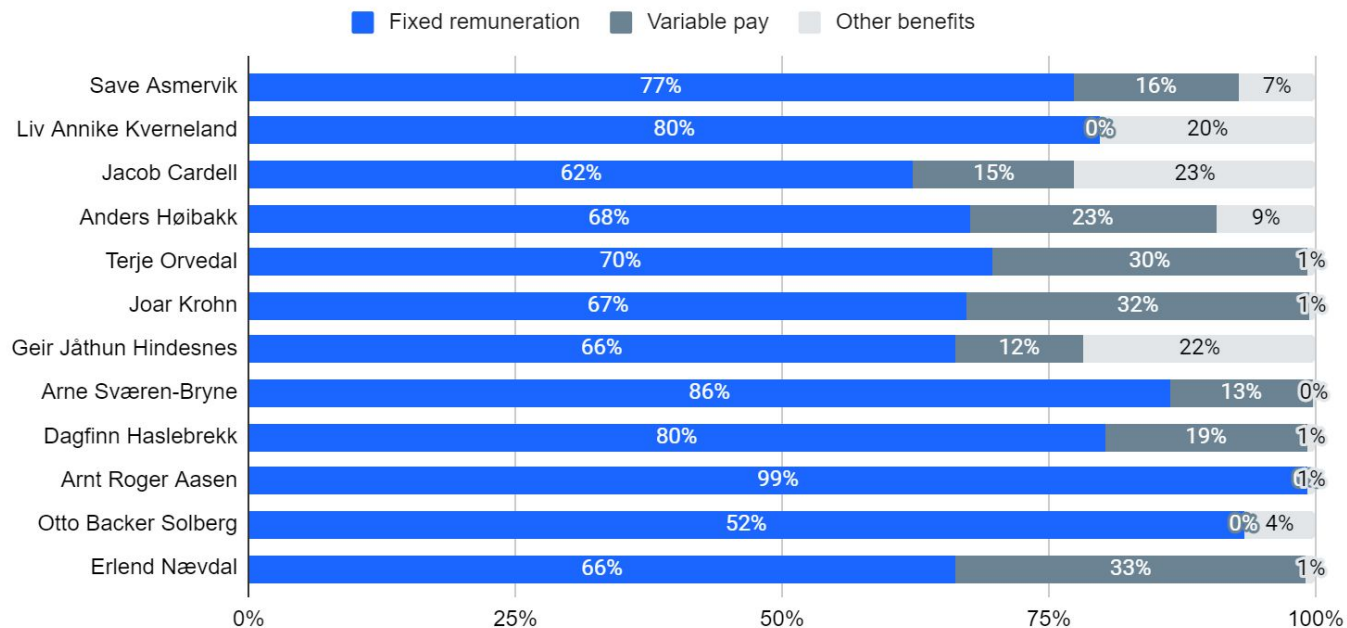
(6) Otto Backer Solberg - Extraordinary post is related to severance pay due to reductions of group staff effective from 2023

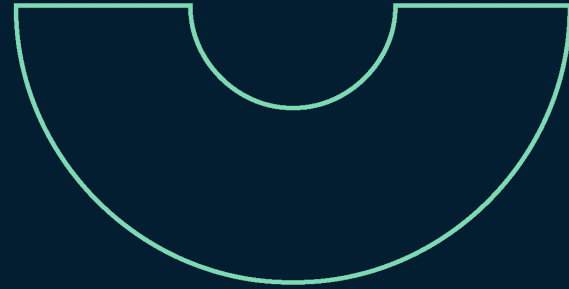
(7) Erlend Nævdal - Director Business Development from February 2022

(8) Rolf Helle stepped down from the executive management for the year 2022

Pay Mix for the Executive Management 2022

The diagram below shows the composition of the remuneration of members of the Executive Management by category: Fixed remuneration, variable pay, other benefits.





Long-term incentive program

In 2019, the annual General Meeting approved a three year long-term incentive program (LTIP) for the Company's executive management and other managers as decided by the board of directors.

The LTIP has an initial term of three years.

The number of options granted in each respective year cannot exceed 2.5% of the Company's share capital. The total number of issued options under the program cannot constitute more than 8% of the Company's share capital at any time.

The LTIP is structured so that 25% of the options may be exercised following the first anniversary of the grant date, an additional 25% of the options may be exercised following the second anniversary of the grant date and the outstanding 50% of the options may be exercised following the third anniversary of the grant date. The options expire following the fifth anniversary of the grant date.

The exercise of options is conditional of continued employment in the group at the exercise date.

The exercise price of the options granted under the LTIP is equal to the volume weighted average market price for the Company's shares on the Oslo Stock Exchange the six trading days prior to the grant date.

Executive Management	Program	Period	Grant date	Exercise date 25%, 25%, 50%	Total granted	Strike price	Number of options 01.01.2022	Granted 2022	Number of options at 31.12.22	Options non-exercisable at 31.12.22	Options exercisable at 31.12.22
Save Asmervik, CEO	Long-term incentive programme (2019 - 2021)	2020 - 2022	18.11.2019	18.11.20/21/22	46 884	18.20	46 884		46 884		46 884
		2021 - 2023	24.11.2020	24.11.21/22/23	52 000	19.43	52 000		52 000	26 000	26 000
		2022 - 2024	10.02.2021	10.02.22/23/24	98 000	20.12	98 000		98 000	73 500	24 500
		2022 - 2024	25.11.2021	25.11.22/23/24	100 000	34.94	100 000		100 000	75 000	25 000
Liv Annike Kverneland, CFO	Long-term incentive programme (2019 - 2021)	2020 - 2022	18.11.2019	18.11.20/21/22	46 884	18.20	46 884		-	-	-
		2021 - 2023	24.11.2020	24.11.21/22/23	52 000	19.43	52 000		-	-	-
		2022 - 2024	25.11.2021	25.11.22/23/24	50 000	34.94	50 000		-	-	-
Jakob Cardell, Country manager Sweden	Long-term incentive programme (2019 - 2021)	2020 - 2022	18.11.2019	18.11.20/21/22	46 884	18.20	46 884		23 442		23 442
		2021 - 2023	24.11.2020	24.11.21/22/23	52 000	19.43	52 000		39 000	26 000	13 000
		2022 - 2024	25.11.2021	25.11.22/23/24	50 000	34.94	50 000		50 000	37 500	12 500
Terje Orvedal, Regional Manager Oslo	Long-term incentive programme (2019 - 2021)	2020 - 2022	18.11.2019	18.11.20/21/22	46 884	18.20	46 884		46 884		46 884
		2021 - 2023	24.11.2020	24.11.21/22/23	52 000	19.43	52 000		52 000	26 000	26 000
		2022 - 2024	25.11.2021	25.11.22/23/24	50 000	34.94	50 000		50 000	37 500	12 500
Joar Krohn, Regional Manager Bergen	Long-term incentive programme (2019 - 2021)	2020 - 2022	18.11.2019	18.11.20/21/22	46 884	18.20	46 884		46 884	-	46 884
		2021 - 2023	24.11.2020	24.11.21/22/23	52 000	19.43	52 000		52 000	26 000	26 000
		2022 - 2024	25.11.2021	25.11.22/23/24	50 000	34.94	50 000		50 000	37 500	12 500
Geir J. Hindenes, Regional Manager Stavanger	Long-term incentive programme (2019 - 2021)	2020 - 2022	18.11.2019	18.11.20/21/22	46 884	18.20	46 884		-	-	-
		2021 - 2023	24.11.2020	24.11.21/22/23	52 000	19.43	52 000		-	-	-
		2022 - 2024	25.11.2021	25.11.22/23/24	50 000	34.94	50 000		-	-	-
Dagfinn Haslebrekk, Regional Manager Trondheim	Long-term incentive programme (2019 - 2021)	2022 - 2024	26.05.2021	26.05.22/23/24	26 000	29.35	26 000		26 000	19 500	6 500
		2022 - 2024	25.11.2021	25.11.22/23/24	50 000	34.94	50 000		50 000	37 500	12 500
Arnt Roger Aasen, Director internal com. and marketing	Long-term incentive programme (2019 - 2021)	2020 - 2022	18.11.2019	18.11.20/21/22	23 461	18.20	23 461		23 461	-	23 461
		2021 - 2023	24.11.2020	24.11.21/22/23	26 000	19.43	26 000		26 000	13 000	13 000
		2022 - 2024	25.11.2021	25.11.22/23/24	25 000	34.94	25 000		25 000	18 750	6 250
Otto Backer Solberg, Director Communications	Long-term incentive programme (2019 - 2021)	2020 - 2022	18.11.2019	18.11.20/21/22	23 461	18.20	23 461		23 461	-	23 461
		2021 - 2023	24.11.2020	24.11.21/22/23	26 000	19.43	26 000		26 000	13 000	13 000
		2022 - 2024	25.11.2021	25.11.22/23/24	25 000	34.94	25 000		25 000	18 750	6 250
Anders Hoibakk, Manager Oslo	Long-term incentive programme (2019 - 2021)	2020 - 2022	18.11.2019	18.11.20/21/22	23 461	18.20	23 461		23 461	-	23 461
		2021 - 2023	24.11.2020	24.11.21/22/23	26 000	19.43	26 000		26 000	13 000	13 000
		2022 - 2024	25.11.2021	25.11.22/23/24	25 000	34.94	25 000		25 000	18 750	6 250
Erlend Nævdal, Director Business Development	Long-term incentive programme (2019 - 2021)	2023-2025	21.2.2022	21.02.23/24/25	25 000	34.94		25 000	25 000	25 000	

Shareholding by board members, executive management and their related parties as of 31 December 2022

Shareholding by board members, management and their related parties as of 31 December 2022

	Role	Shares	Ownership	Voting rights
Kjetil Bakke Eriksen (Suelo AS)	Chairman of the board	26 925	0,10%	0,10%
Trond K. Johannessen	Board member	63 000	0,23%	0,23%
Trygve Christian Moe (Birkeland og Salvesen AS)	Board member	23 925	0,09%	0,09%
Siw Ødegaard (Kvinnesiden AS)	Board member	13 025	0,05%	0,05%
Toril Nag	Board member	3 570	0,01%	0,01%
Save Asmervik	CEO	13 293	0,05%	0,05%
Jacob Cardell (Nominee)	COO Sweden	20 020	0,07%	0,07%
Terje Orvedal (Illari AS)	Head of Consulting Oslo	9 143	0,03%	0,03%
Joar Krohn (Kronoko Holding AS and privatly held)	Manager Bergen	99 320	0,36%	0,36%
Anders Høibakk	Manager Oslo	7 615	0,03%	0,03%
Arne Sværen Bryne	Manager Stavanger	5 637	0,02%	0,02%
Dagfinn Haslebrekk	Manager Trondheim	7 618	0,03%	0,03%
Arnt Roger Aasen (Aravi AS and privatly held)	Communication Officer	26 032	0,09%	0,09%
Otto Backer Solberg	Communication Officer	18 627	0,07%	0,07%
Erlend Nævdal	Director Business Development	845	0,00%	0,00%
		338 595	1,23%	1,23%

Total shares issued as of 31 December 2022: 27 628 498.

Webstep ASA holds 29 983 treasury shares as of 31 December 2022. These shares have no voting rights nor dividend rights.



Executive remuneration - Comparisons

Change in remuneration from previous years (NOK'000)	2018	2019	2020	2021	2022
CEO - Save Asmervik (1)	N/A	N/A	N/A	2 998	2 676 -12,0%
CFO Liv Annike Kverneland (2)	1 818	2 009 9,5%	2 321 13,4%	1 814 -27,9%	2 040 11,1%
COO Sweden - Jacob Cardell (SEK)	N/A	N/A	N/A	1 510	2 215 31,8%
Manager Oslo - Anders Høibakk (3)	N/A	N/A	N/A	N/A	2 073
Head of Consulting Oslo - Terje Orvedal	N/A	N/A	N/A	1 867	2 009 7,1%
Manager Bergen - Joar Krohn	N/A	N/A	N/A	1 705	1 975 13,7%
Manager Stavanger - Geir Jåthun Hindenes (4)	N/A	N/A	N/A	1 729	2 010 14,0%
Manager Stavanger - Arne Sværen-Bryne (5)	N/A	N/A	N/A	N/A	1 540
Manager Trondheim - Dagfinn Haslebrekk	N/A	N/A	N/A	1 738	1 658 -4,8%
Communications Officer - Arnt Roger Aasen	N/A	N/A	N/A	1 595	1 632 2,3%
Communications Officer - Otto Backer Solberg	N/A	N/A	N/A	1 493	1 525 2,1%
Director Business Development - Erlend Nævdal (6)	N/A	N/A	N/A	N/A	1 506

(1) Save Asmervik: 2021 grossed up to 12 months

(2) Liv Annike Kverneland

2018: Grossed up to 12 months

2020: Served as Interim-CEO from 1 December 2020 until 14 February 2021 and received an discretionary payment for this period

2021-2022: Grossed up to 12 months

Grossed up to 12 months for 2022 (3)-(6):

(3) Anders Høibakk - Manager Oslo from February 2022.

(4) Geir Jåthun Hindenes - Regional Manager Stavanger until July 2022

(5) Arne Sværen-Bryne - Regional Manager Stavanger from August 2022

(6) Erlend Nævdal - Director Business Development from February 2022

Key figures & Salaries and personnel expenses

Key Figures (NOK'000)	2017	2018	2019	2020	2021	2022
Revenues	596 519	663 153	660 513	689 987	775 023	888 439
EBIT	48 929	75 869	49 113	50 004	65 923	54 649
Profit before tax	40 364	73 530	46 635	47 097	62 411	50 274
Total salaries and personnel expenses	448 395	470 813	474 173	513 151	583 665	686 728
Average number of employees	393	407	397	410	449	512
Salaries and personnel expenses per employee	1 141	1 157	1 194	1 252	1 300	1 341
Change in salaries and personnel expenses per employee	7,6%	1,4%	3,3%	4,8%	3,9%	3,2%



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, 13. april 2023
ERNST & YOUNG AS

Eirik Moe
State Authorised Public Accountant
(This document is signed electronically)

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON REPORT ON SALARY AND OTHER REMUNERATION TO DIRECTORS

To the General Meeting of Webstep ASA

Opinion

We have performed an assurance engagement to obtain reasonable assurance that Webstep ASA's report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31. December 2022 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 control

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. Our firm applies International Standards on Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (ISQM 1) and Engagement Quality Reviews (ISQM 2) and accordingly maintains 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

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