

REMUNERATION REPORT 2023

for

AMSC ASA

REMUNERATION REPORT OF AMSC ASA

Advisory vote by the general meeting on 17 April 2024

In accordance with the Norwegian Public Limited Liability Companies Act (the “Act”) sections 6-16 b and the European Commission Guidelines on the standardized presentation of the remuneration report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828, the board of directors of AMSC ASA (the “Company”) has prepared a report on the salary and other remuneration of the CEO and senior executives of the Company awarded or due in 2023.

The Annual General Meeting (the “AGM”) in 2023 endorsed the report on salary and other remuneration to the executive management for 2022 pursuant to the Norwegian Public Limited Liability Companies Act section 6-16b.

This report regards remuneration of the following executive management of 2023:

- Chief Executive Officer (CEO) – position currently held by Pål Magnussen
- Chief Financial Officer (CFO) – position currently held by Morten Bakke
- Controller – position currently held by Leigh Jaros

Hereinafter collectively referred to as the “Executive Management” or separately as each “Executive”. The Company had no other employees.

1. Introduction, scope and purpose

This remuneration report provides an overview of remuneration of the Executive Management of the Company in 2023 in relation to the Company’s Remuneration Policy adopted by the general meeting on 20 April 2021. This report has been prepared in accordance with the Norwegian Public Limited Liability Companies Act sections 6-16 b.

The Company’s Remuneration Policy is designed to create a performance-based system which is founded on the Company’s values. This system of reward was designed to contribute to the achievement of good financial results and increase in shareholder value. The purpose of the Remuneration Policy is to set out remuneration components for the Executive Management structured to provide strong alignment between the interests of executives and shareholders, including a focus on delivering the Company’s key strategic objectives, and to support the business strategy and long-term interests. The total remuneration of the Executive Management is therefore constructed as a combination of fixed salary and variable compensation.

A competitive fixed salary shall be paid in order to attract and retain high-quality and experienced executives and to provide appropriate remuneration for their important role in the Company. This is required to support the recruitment and retention of executives of the caliber required to implement the Company’s strategy. The variable compensation is designed to achieve good financial results and increase shareholder value while retaining key employees.

The remuneration of Executives in 2023 was in accordance with the Company’s approved Remuneration Policy.

2. Overview of financial year 2023

In October 2023, the Company successfully completed the sale of its wholly-owned subsidiary, American Tanker Holding Company (“ATHC”). The transaction comprised all of AMSC’s Jones Act business including the 10 MR tankers and corresponding bareboat charters, debt and corporate structure. The transaction was based on an enterprise value of ATHC of USD 746.7 million. After the sale was closed, the Company paid an additional dividend to its shareholders of USD 170 million on 1 November 2023. During October 2023, the Company announced an agreement with Solstad Shipholding AS to participate in an overall refinancing solution for the Solstad Offshore ASA group by contributing 100% of its shares in Offshore Leasing I AS, which owns the CSV Normand Maximus on bareboat charter to a subsidiary of Solstad Offshore ASA, in return for common shares in the parent company of the

new corporate structure, Solstad Maritime Holding AS, established in connection with the refinancing. This transaction closed subsequent to year-end. The Company continues to pay a quarterly dividend to shareholders.

Highlights of 2023

- Key events for the Company in 2023 that impacted management remuneration were the quarterly dividends of USD 0.12 per share in the first three quarters, dividends of USD 0.05 in the final quarter and the sale of ATHC with the subsequent additional dividend of USD 2.366 per share. Dividends paid have direct impact on variable remuneration paid to management through the synthetic share system.
- There have been no changes to the composition of the Executive Management in 2023 compared to 2022.
- The Company's Remuneration Policy was established in 2021 and was adopted by the general meeting on 20 April 2021.
- There have been no derogations from the Remuneration Policy during 2023.

3. Total remuneration in 2023

3.1 Remuneration awarded or due in 2023

In 2023, the remuneration to Executives was in line with the guidelines set out in the Remuneration Policy. The variable pay is based on the award of synthetic shares in order to align performance payments with shareholder value creation. See further details below in section 3.3.

Remuneration awarded or due in 2023 (amounts in USD)

Name of Director, position	Fixed remuneration		Variable remuneration	Pension expense	Total remuneration	Percent fixed	Percent variable
	Base salary	Other benefits	Bonus				
Pål Magnussen, CEO	319,308	2,334	571,985	9,154	902,781	36%	64%
Morten Bakke, CFO	192,451	1,455	285,123	9,032	488,062	40%	60%
Leigh Jaros, Controller	250,146	55,426	108,723	4,556	418,851	73%	27%

The above amounts include Norwegian vacation pay earned and reflect the USD/NOK exchange rate at the transaction date(s). The CEO and CFO are paid in Norwegian Kroner (NOK), and the Controller is paid in United States Dollar (USD).

3.2 Fixed remuneration

The fixed base salaries are based on criteria such as the nature of the position and qualifications, whereas the exact amount is approved annually by the board for the CEO. For the other members of the Executive Management, the exact amount is normally approved annually by the CEO upon advice from the chairperson of the board. The fixed salary is determined during the first quarter of the new fiscal year and valid from 1 January the same year.

The salaries are normally reviewed on an annual basis, taking into consideration the business performance, current salary level relative to market, other circumstances which in the board's opinion warrants salary adjustments. Other benefits include employer-paid insurance. The Executive Management participate in a standard pension and insurance scheme.

3.3 Variable remuneration

The variable compensation for 2023 consisted of synthetic shares. The system is based on awarding a certain number of synthetic shares to each member of the management team each year. The holder of the synthetic shares receives cash payments equal to the dividend paid to the shareholders. Further, the share price increase, if any, is paid as a cash bonus at the end of the year, except if there has been a change of control of AMSC greater than 50% or a sale of more than half of AMSC's assets. In the latter cases, the index bonus is paid on the closing day and up to the maximum amount available to meet the salary cap.

Name of Director, position	Variable remuneration			
	No. of synthetic shares	Dividend / share	Salary cap	Bonus in currency paid
Pål Magnussen, CEO	437 500	NOK 30.58	NOK 8 700 000	NOK 5 386 960
Morten Bakke, CFO	200 000	NOK 30.58	NOK 4 700 000	NOK 2 685 289
Leigh Jaros, Controller	50 000	USD 2.78	USD 350 000	USD 108 723

For 2023, the CEO's variable remuneration constitutes USD 571,985, equaling approximately 64% of his total remuneration, the CFO's variable remuneration constitutes USD 285,123, equaling approximately 60% of his total remuneration, and the Controller's variable remuneration constitutes USD 108,723, equaling approximately 27% of her total remuneration.

3.4 Share based remuneration

The Company has an incentive scheme for the management, where the Company can offer the management to purchase shares in the Company, subject to lock-up restrictions, with a view to incentivize long-term value creation and performance by the management. During 2023, no shares were purchased by Executive Management under this policy.

The Company does not grant remuneration to the Executive Management in the form of subscription rights or options.

There is no right to reclaim any variable remuneration paid to Executive Management during 2023.

3.5 Application of performance criteria

The variable remuneration of the Executive Management is based on the award of synthetic shares in order to align performance payments with shareholder value creation. The system is based on awarding a certain number of synthetic shares to each member of the management team. The holder of the synthetic shares also receives cash payments equal to the dividend paid to the shareholders. Dividend is deemed as all direct and indirect distributions from the Company to its shareholders, and includes but are not limited to, any distribution or repayment of any dividend or share premium, or redemption of its share capital. The dividend Bonus shall be equivalent to the amount that is actually paid as dividend per share in the Company, multiplied by the number of synthetic shares.

Further, the annual share price increase, if any, is paid as a cash bonus at the end of the year. The bonus shall be calculated based on the difference between the closing price of the Company's shares on the last day of trading in the calendar year in which the calculation of the bonus shall be calculated on the basis of, and the closing price on the last day of trading in the previous year, multiplied with the number of synthetic shares.

4. Information about any derogations and deviations from the remuneration policy and procedure for implementation

There have been no derogations or deviations from the Remuneration Policy during 2023.

5. Comparative information on the change of remuneration and company performance

Comparative table over the remuneration and company performance over the last five reported financial years

	2023		2022		2021		2020		2019		2018
	USD	% change	USD	% change	USD	% change	USD	% change	USD	% change	USD
Total USD remuneration											
Pål Magnussen, CEO	902,781	-8%	986,274	23%	801,150	47%	544,804	13%	481,249	-46%	891,060
Morten Bakke, CFO	488,062	-8%	533,015	27%	421,098	41%	298,412	-1%	302,642	-42%	524,929
Leigh Jaros, Controller	418,851	30%	321,507	25%	258,017	13%	228,158	5%	217,033	-17%	261,752
Company performance											
	2023		2022		2021		2020		2019		2018
	Amount	% change	Amount	% change	Amount	% change	Amount	% change	Amount	% change	Amount
Ending share price, NOK *	26.90	36%	19.83	36%	14.63	14%	12.81	-14%	14.95	-1%	15.13
Dividend payout (USD)	2.78	479%	0.48	9%	0.44	16%	0.38	19%	0.32	0%	0.32
USD/NOK foreign exchange rate	10.17	3%	9.86	12%	8.82	3%	8.53	-3%	8.78	1%	8.69

* Historical share price adjusted for additional dividend in 2023

Lysaker, 14 March 2024


The Board of Directors
AMSC ASA



Annette Malm Justad
Chairperson



Peter D. Knudsen
Director



Frank O. Reite
Director



Pål Magnussen
President / CEO



To the General Meeting of AMSC ASA

Independent auditor's assurance report on report on salary and other remuneration to directors

Opinion

We have performed an assurance engagement to obtain reasonable assurance that AMSC ASA 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, 14 March 2024

PricewaterhouseCoopers AS

A handwritten signature in blue ink, reading "Anne Kristin Huuse".

Anne Kristin Huuse
State Authorised Public Accountant