

Executive
Remuneration
Report
2022

Contents

Developments in the executive team in 2022	3
Introduction – Purpose of remuneration	4
Overview of compensation elements offered to the executive team	5
Fixed annual base salary	5
Short-term incentive program	5
Long-term incentive program	6
Benefits and pensions	7
Termination, severance and retention agreements	7
2022 remuneration overview	8
Portion of fixed and variable remuneration of actual executive team 2022	9
Incentive programs in Wallenius Wilhelmsen	10
Short-term incentive program	10
Long-term incentive program	11
Appendix1: Executive team five-year remuneration	13
Executive team development in remuneration	13

Developments in the executive team in 2022

In 2022, there have been several changes in the executive team in Wallenius Wilhelmsen. On June 1, Lasse Kristoffersen was appointed President & CEO, replacing Torbjørn Wist who was CFO and acting President & CEO from March 2021. Following the appointment of the new CEO, Torbjørn Wist continued in the role as CFO.

On November 21, Wenche Agerup was appointed new CPO (Chief People Officer) replacing Simon White who had been acting CHRO since August 2021. Simon White continued as CDO (Chief Digital Officer). The executive team also consisted of COO Shipping Erik Noeklebye and COO Logistics Michael Hynekamp. In October, it was announced that, taking effect from November 1, Xavier Leroi was appointed EVP and COO Shipping replacing Erik Noeklebye. Pia Synnerman was appointed CCO (Chief Customer Officer) taking effect on January 1, 2023.

Introduction – Purpose of remuneration

The remuneration report provides a transparent overview of the total remuneration of the top executive management team in Wallenius Wilhelmsen ASA during the financial year 2022, with comparative figures for the past five years.

The remuneration report has been prepared in accordance with section 6-16b in the Norwegian Public Limited Companies Act and it is aligned with the EU requirements for the Shareholder Rights Directive. Last year's remuneration report was subject to an advisory vote and approved at the Annual General Meeting April 26, 2022.

The remuneration of the executive team has been provided in accordance with the Guidelines for salary and other remuneration guidelines encompassing leading personnel at Wallenius Wilhelmsen. The overall objective of the guidelines is to attract, motivate, engage, and retain qualified members of the executive team. The guidelines also seek to align the interests of the executive team with the interests of the Wallenius Wilhelmsen's owners and shareholders. The remuneration is reviewed annually. All salary components and adjustments hereof are approved by the Board of Directors based on recommendations by the People, Culture and Remuneration (PCR) Committee. Wallenius Wilhelmsen aims to have a market-aligned practice regarding remuneration and uses professional services and market benchmarks to ensure alignment. We want to stay competitive, but not be a market leader.

The remuneration package offered to executives in Wallenius Wilhelmsen rewards the achievement of the short-term targets of Wallenius Wilhelmsen through the allocation of the fixed annual base salary and short-term incentives.

The total remuneration package includes the long-term financial and strategic performance of Wallenius Wilhelmsen through the allocation of long-term incentive instruments focusing on the long-term performance of Wallenius Wilhelmsen.

The remuneration of the executive team consists of the following elements:

- Fixed annual base salary
- Short-term cash-based incentive program
- Long-term performance share units (PSU) incentive program
- Other benefits such as company car, annual car allowance, pension, insurances and other customary benefits

The remuneration of the executive team is linked to both financial and non-financial results of Wallenius Wilhelmsen through the incentive programs.

Overview of compensation elements offered to the executive team

Fixed annual base salary

The purpose of the base salary is to attract, retain and motivate highly qualified executives. In 2022, the fixed annual salary for the executive team was adjusted in accordance with the mandate provided for local salary review processes. Hence the executive team has had a salary development in line with the rest of the organization. Both base salary and other fixed components such as pension, insurance and benefits should be competitive but not market leading.

The fixed base salary for the executives is based on market comparisons for comparable positions and is reviewed annually by the PCR Committee of the Board. The executive team members receive no other remuneration for positions or directorships held in Wallenius Wilhelmsen or its subsidiaries.

Short-term incentive program

In 2020, a group-wide short-term incentive program (STIP) was introduced for the executive team and other certain leaders within the group. Introduction of the short-term incentive program shifted the focus from discretionary variable payments to a more performance-driven approach with clear measurable Key Performance Indicators (KPIs).

The purpose of the short-term incentive program is to provide the executive team with an annual variable remuneration dependent on performance related to annual financial and non-financial KPIs that are approved by the Board of Directors. A detailed description of the program is provided later in the report.

There is also an ambition that the STIP will drive short-term performance that will help Wallenius Wilhelmsen deliver on its strategic and operational agenda, increase value for our stakeholders and contribute to a sustainable development of our business and the societies we operate in.

Long-term incentive program

In 2018, the Board of Directors approved the introduction of a long-term incentive program (LTIP). The program is a performance share unit (PSU) program which is in place for the members of the executive team and other defined employees in key positions. Participation is subject to approval by the Board of Directors.

The purpose of the long-term incentive program is to support Wallenius Wilhelmsen's long-term strategy and drive growth and performance leading to long-term value creation and thus increase shareholder value over time. It should also contribute to the retention and increased motivation of top executives. The program aligns the interest of the executive team and other employees in key positions with the interests of the owners and shareholders of Wallenius Wilhelmsen.

The value of the long-term incentive program is directly linked to four elements:

1. Wallenius Wilhelmsen's ROCE
2. Wallenius Wilhelmsen's Market Capitalization
3. Wallenius Wilhelmsen's Sustainability targets
4. Wallenius Wilhelmsen's strategic success

The Administration is currently revising the existing long-term incentive program which is described more in detail later in the report. The new program which is under design will be launched later in 2023 pending approval at the Annual General Meeting.

Grant of share units

Grants of share units are typically made each year following the approval of the long-term program at the Annual General Meeting.

Vesting and exercise of share units

The long-term incentive program is based on a cliff vesting with a three-year performance period. If the performance criteria are not met at the end of the performance period, the program is void and rights to performance shares are forfeited.

The long-term incentive program is set up with an equal split of awarded instruments where fifty percent is awarded as shares and the other fifty percent is awarded as synthetic shares that will be paid out in cash after the performance period. The cash payment is intended to cover the participant's taxes and other costs incurred by the employee. Shares vested are considered to be in the ownership of the individual participant and can consequently be traded under the applicable insider-rules.

Wallenius Wilhelmsen reserves the right to settle the shares in cash.

Benefits and pensions

Wallenius Wilhelmsen benefits include pension, insurances, subscriptions, company car or car allowance and other customary benefits.

Expatriated members of the executive team are offered conditions within the company's long-term assignment policy. This includes benefits such as housing, children's tuition, home travel and cost of living adjustments.

When it comes to pension, Wallenius Wilhelmsen pays pension contributions for executive team members. The following pension and insurance arrangements are in place per country, for which the company pays the premiums:

- **Norway:** DNB Group life insurance and pension plans for all employees and an additional Storebrand "Ekstrapensjon" for executive salaries exceeding 12G
- **Sweden:** Executives have a Plusplan Modern from Söderberg & Partners on top of regular pension plan that includes extra disability insurance
- **USA:** 401K plus deferred compensation which is funded quarterly for executives
- **Korea:** Executive has a premium plan from Zurich International Life Limited which includes Pension, Life and Disability

Termination, severance and retention agreements

Wallenius Wilhelmsen normally provides a six- months' notice period depending on level of position. Upon termination of an employment relationship initiated by the Company, the executive is normally entitled to between 12 to 24 months' severance pay.

2022 remuneration overview

The below table shows the total overview of all remuneration components aggregated for 2022. The executive team remuneration amounts to USD 11.8 million in 2022.

USD thousand	Title	Fixed Annual Salary	Benefits	Pension	STIP (forecast)	LTIP	Current lease liabilities	Total financing activities
	Lasse Kristoffersen ¹	373	33	45	171	58		680
	Michael Hynekamp	682	116	0	312	1,839		2,949
	Erik Noeklebye ²	994	147	150	223	568	919	3,001
	Torbjørn Wist ³	567	68	71	251	1,678		2 635
	Wenche Agerup ⁴	39	3	3	0	17		62
	Simon Patrick White ⁵	441	3	110	163	1,275		1,992
	Xavier Leroi ⁶	50	6	8	18	366		448
	Total	3,146	376	387	1,138	5,801	919	11,767

¹ Lasse Kristoffersen was appointed President & CEO on June 1, 2022.

² Erik Noeklebye exited the executive team in November 2022.

³ Torbjørn Wist stepped down as acting CEO as of June 1, 2022 and continued in the role as CFO.

⁴ Wenche Agerup was appointed Chief People Officer (CPO) on November 21, 2022 and the remuneration presented in the table is related to the period from November 21 until December 31, 2022.

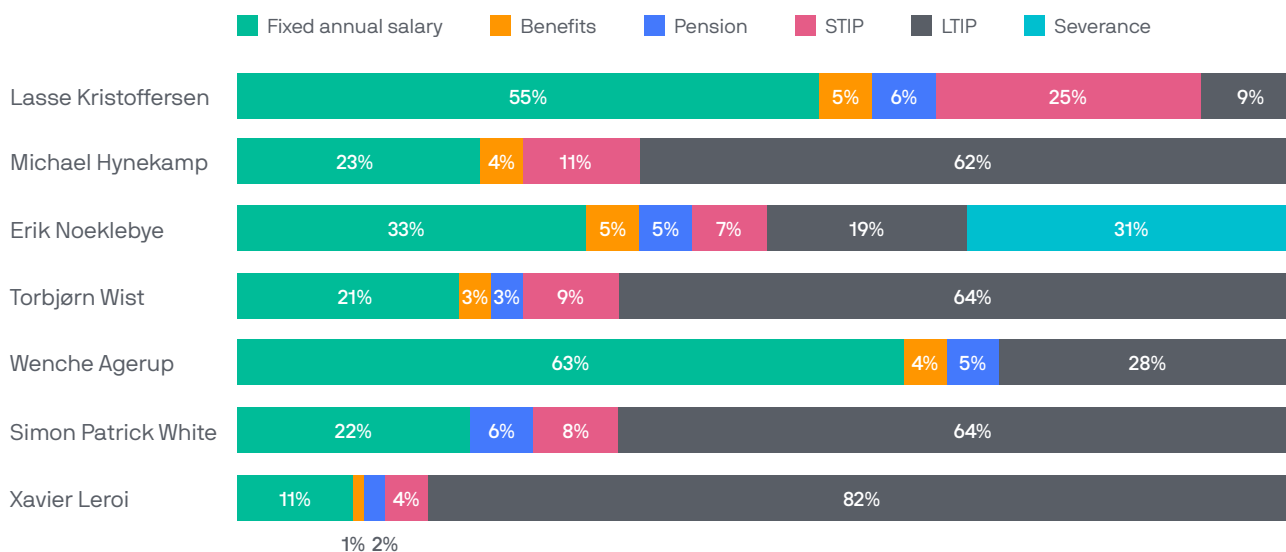
⁵ Simon White stepped down as acting CHRO on December 1, 2022, and continued in the role as CDO

⁶ Xavier Leroi was appointed COO Shipping on November 1, 2022 and the remuneration presented in the table is related to the two months period ending December 31, 2022.

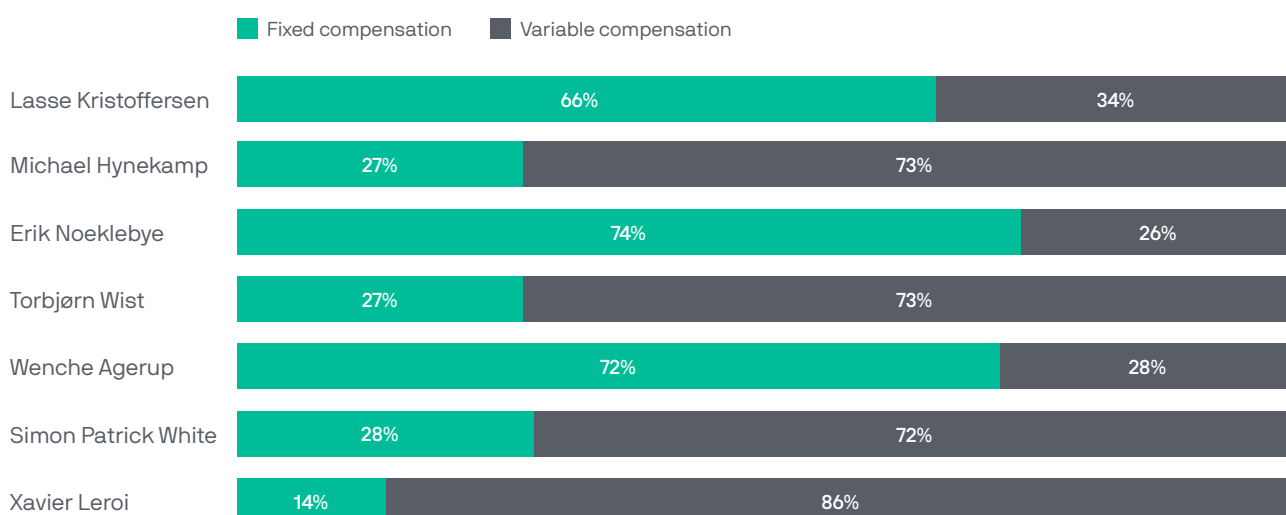
Portion of fixed and variable remuneration of actual executive team 2022

Wallenius Wilhelmsen follows market practice and aims at having a distinct amount of the remuneration as variable components as seen in the figure below:

Graph total remuneration 2022



Graph distribution fixed compensations and variable compensations



Incentive programs in Wallenius Wilhelmsen

The below section gives an outline of the incentive programs in Wallenius Wilhelmsen. There are currently two incentive programs affecting the total remuneration of the executives. The short-term incentive program called STIP and the long-term incentive program called LTIP.

The purpose of the STIP is to provide a market competitive variable pay program ensuring Wallenius Wilhelmsen can attract, motivate and retain key senior leaders. The objectives in the STIP support a global performance mindset by driving collaboration towards common objectives across the group. The purpose of the LTIP is to provide a long-term strategic perspective, to reward long-term performances and to retain the best available executive personnel.

Short-term incentive program

The Short-Term Incentive Program (STIP) in Wallenius Wilhelmsen is an important part of the total remuneration for the executives. The max award varies between 40 and 50 percent of the annual base salary. Fifty percent of the executive team's short-term incentive is related to financial targets tied to group EBITDA, ROCE and dividend payout.

Fifty percent of the short-term incentive is related to non-financial KPIs. The non-financial KPIs are mainly driven by a sustainability focus in Wallenius Wilhelmsen. By adding requirements of score level in the engagement survey, we are also able to measure how well we are doing in the areas of diversity, inclusion and equality, thus creating a clear link between Wallenius Wilhelmsen strategic goals and how employees in senior positions are rewarded.

The short-term incentive award is capped at target. The payout of the STIP is, irrespective of results, pending approval by the Board of Directors. The annual short-term incentive eligible salary is defined as fixed base salary for December 2022 multiplied by 12.

The table below summarizes the executives target award in the STIP and shows the split between the various KPIs¹.

Executive	Role	Target % of Base Salary	Key Performance Indicators		
			Financial KPIs ROCE, EBITDA and dividend payout	People & Customer Engagement and customer satisfaction	Strategy CO ₂ reduction and Quality measures
Lasse Kristoffersen	President & CEO	50%	50%	30%	20%
Michael Hynekamp	COO Logistics	50%	50%	30%	20%
Erik Noeklebye	COO Shipping	50%	50%	30%	20%
Torbjørn Wist	CFO	50%	50%	30%	20%
Simon Patrick White	CDO & Acting CHRO	40%	50%	30%	20%
Xavier Leroi	COO Shipping	40%	50%	30%	20%

¹ The CPO Wenche Agerup is not eligible for STIP 2022 following the Terms and Conditions of the program.

Long-term incentive program

In 2018, the Board approved the introduction of a long-term incentive program (LTIP). The max award varied between 30 percent and 50 percent of base salary for the participants.

For the long-term incentive program awarded in 2022 (2022-2024 program), there are four key performance indicators. Please see table below for an overview.

Performance condition	Max % of the Award	Performance Period
ROCE	35%	Jan 1, 2022 - Dec 31, 2024
Market Capitalization Growth	35%	Jan 1, 2022 - Dec 31, 2024
Sustainability Targets Reduction in LTIF ¹	20%	Jan 1, 2022 - Dec 31, 2024
Strategic success Increased usage of the Digital Supply Chain tools	10%	Jan 1, 2022 - Dec 31, 2024

¹ Lost Time Injury Frequency (LTIF) means number of LTIs/man-hours, incl. direct and indirect workers)* 1.000.000.
Lost Time Injury means on the job injury with individual not able to perform her/his assigned task by next shift.

The Performance Share Unit (PSU) plan is structured as a conditional right for participants to receive shares and synthetic shares after a three-year performance period. The award is capped at 50 percent of annual fixed salary for the President & CEO and the CFO, and 40 percent of fixed annual salary for the COO for Shipping and COO for Logistics, and 30 percent for the CPO and CDO.

The maximum number of shares (PSUs) is calculated based on the average share price for the 20 trading days preceding grant date and capped at the maximum pre-determined percentage of base salary. The number of shares awarded on vesting is based on the achievement of the performance criteria and determined as a percentage of the maximum PSUs at grant date. The value of the initial grant is determined by the share price at the time of vesting.

The aim of the long-term incentive program is to promote and reward a long-term perspective, while helping executives and senior leaders build a personal share ownership in Wallenius Wilhelmsen. The share program is new to some of the members in the executive team and therefore the amount of shares owned by some of the members in the executive team is limited.

Share ownership by December 31, 2022	Shares
Lasse Kristoffersen	-
Michael Hynekamp	20,315
Torbjørn Wist	5,000
Wenche Agerup	-
Simon Patrick White	15,691
Xavier Leroi	9,208

The long-term incentive program 2020-2022 will vest with a share allotment of more than 300,000 shares for the executive team members and an equal allotment of synthetic shares based on the share price defined by the program guidelines.

As of year-end 2022, the potential outstanding awards for the executive team members for on-going programs is as listed below in number of instruments. This shows the potential for the long-term incentive programs and will upon vesting follow the normal guidelines for distribution to the participants:

Outstanding awards for current and past executives	Number of instruments long-term incentive program 2020-2022	Number of instruments long-term incentive program 2021 - 2023	Number of instruments long-term incentive program 2022 - 2024
Lasse Kristoffersen			62,444
Michael Hynekamp	179,064	78,228	52,792
Torbjørn Wist	139,522	106,204	44,730
Wenche Agerup			17,982
Simon White	138,960	38,018	
Xavier Leroi	77,120	33,028	16,131

Appendix 1: Executive team five-year remuneration

Executive team development in remuneration

The table below outlines the changes in total remuneration for members in the executive team from 2018 up to 2022. The amounts in the table below includes remuneration for the period the persons have been part of the executive team.

USD thousand	2017	2018	2019	2020	2021	2022
Lasse Kristoffersen, CEO	-	-	-	-	-	680
Michael Hynekamp, COO Logistics	1,275	1,325	1,268	959	1,943	2,949
Erik Noeklebye, COO Shipping ¹	839	1,377	1,170	1,044	2,051	3,001
Torbjørn Wist, CFO & acting CEO	-	-	-	220	1,626	2,635
Wenche Agerup, CPO	-	-	-	-	-	62
Simon Patrick White, CDO & acting CHRO	-	-	433	659	1,369	1,992
Craig Jasienski, CEO	1,231	906	1,856	1,100	2,953	-
Rebekka Herlofsen, CFO	607	674	623	246	-	-
Anne Lise Hjelseth, CHRO	-	-	-	289	842	-
Xavier Leroi	-	-	-	-	-	448
Total Remuneration	3,952	4,282	5,350	4,517	10,784	11,767

¹ The amounts for Erik Noeklebye presented for the period 2017-2021 have been revised to reflect compensation for taxes and other benefits which were not included in the 2021 remuneration report.

Changes in performance key figures of Wallenius Wilhelmsen

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Revenue	34%	-4%	-24%	31%	30%
EBITDA	5%	34%	-41%	75%	87%

Changes in overall company remuneration

The table below outlines the average base salary for all employees in Wallenius Wilhelmsen including management. The table also outlines the change in salary from 2018 and forward.

	2018	2019	2020	2021	2022
Average Base Salary (USD thousand)	42.9	42.9	45.1 ¹	52.1 ¹	60.9
Change in average base salary	-	0%	5%	16%	17%

¹ Data has been updated due to correction of number of employees.

Base salary paid in other currencies than USD will not be comparable year-on-year due to changes in exchange rates.

Lysaker, March 15, 2023

The board of directors of Wallenius Wilhelmsen ASA

 Admincontrol

List of Signatures

 Page 1/1

Remuneration report 2022_for signing.pdf

Name	Method	Signed at
HANS ÅKERVALL	BANKID	2023-03-15 12:40 GMT+01
Anna Elsa Felländer	BANKID	2023-03-15 09:12 GMT+01
Kerstin Margareta Alestig Johnson	BANKID	2023-03-15 08:39 GMT+01
Kristoffersen, Lasse	BANKID_MOBILE	2023-03-15 08:30 GMT+01
Bjerke, Rune	BANKID	2023-03-15 08:23 GMT+01
Åsheim, Yngvil S Eriksson	BANKID_MOBILE	2023-03-15 15:20 GMT+01
Wilhelmsen, Thomas	BANKID_MOBILE	2023-03-15 12:54 GMT+01



This file is sealed with a digital signature. The seal is a guarantee for the authenticity of the document.

External reference: 8D931853D0674F24884BD7FF4ACF7478



To the General Meeting of Wallenius Wilhelmsen 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 Wallenius Wilhelmsen ASA 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 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".

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



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 2023
PricewaterhouseCoopers AS

Bjørn Lund
State Authorised Public Accountant
(electronically signed)

 Securely signed with Brevio

Attestation report

Signers:

<i>Name</i>	<i>Method</i>	<i>Date</i>
Lund, Bjørn	BANKID_MOBILE	2023-03-14 20:16



This document package contains:
- Closing page (this page)
- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



This file is sealed with a digital signature. The seal is a guarantee for the authenticity of the document.