

REPORT ON SALARIES AND OTHER REMUNERATION TO LEADING PERSONNEL IN PIONEER PROPERTY GROUP ASA FOR THE FINANCIAL YEAR 2022

Introduction

This report on salaries and other remuneration to leading personnel (the "**Report**") of Pioneer Property Group ASA (the "**Company**") is based on the guidelines for the determination of salaries and other remuneration of leading personnel in the Company which were approved by the Company's general meeting on 19 April 2021 ("**Guidelines**").

The report is based on the requirements set out in the Norwegian Public Limited Companies Act of 13 June 1997 no. 45 (the "**Companies Act**") section 6-16 a and 6-16 b, as well as Regulation on guidelines and report on remuneration for leading personnel of 11 December 2022 No. 2730 (the "**Regulation**"). The report is formulated in line with the European Commission's template for remuneration reports.

Information required by the Norwegian Act relating to Annual Accounts of 17 July 1998 no. 56 ("**Accounting Act**") section 7-31 b is included in the Company's annual report for 2022 on page 34.

Remuneration to board members is not covered by this Report. Any remuneration to board members is determined by the general meeting in accordance with the Companies Act section § 6-10 and is available on page 35 in the annual report for 2022.

Key figures for the financial year 2022

Total revenue from continued operations for 2022 was MNOK 77.2 compared to MNOK 45.5 in 2021.

.Pre-tax profit from continued operations for 2022 was MNOK 76.6 compared to MNOK 300.7 for 2021.

PPG acquired four development properties, two preschools, and one office property over the period and sold all of the shares in Odin Bidco AS to existing shareholders in Odin Bidco.

The board of directors of the Company has prepared and resolved guidelines that govern the determination of salary and other remuneration to leading personnel in the Company. The Guidelines were unanimously approved by the annual general meeting of the Company on 19 April 2021.

The main principle for the Company's determination of remuneration for its Senior Executives is that the terms are to be competitive with the terms of positions with similar responsibility, workload and complexity in the same markets.

The senior executives may receive variable remuneration such as a performance-related bonus in relation to successful transactions, in addition to a ordinary fixed remuneration.

Pursuant to the resolved Guidelines, the basic salary for the leading personnel of the Company shall constitute the primary component of the leading personnel's compensation and shall reflect the overall contribution of the leading personnel to the Company. The base salary shall be determined based on job level, local competition, market salary band for the job and performance level, which means that it should be competitive with the terms of positions with similar workload and complexity in the same markets. In addition to the basic salary, the Company may offer the executive personnel contribution in kind such as broadband Internet access at home, subscriptions of job related newspapers and magazines as well as private

use of electronic equipment which is also used when working. These elements, in addition to the Company's pension scheme for its employees, constitute the fixed remuneration offered by the Company to its leading personnel.

The leading personnel may in addition to the abovementioned remunerations, be offered variable remuneration by way of performance-related bonus in connection with successful transactions. There are two criteria's that are evaluated in determining whether the senior executive shall receive a bonus. These are described in the Guidelines. Furthermore, the leading personnel may be given annual cash bonuses in addition to the base salary, up to a certain amount stipulated in the individual employment agreement, provided that certain performance criteria are achieved.

The company's performance

In 2022, the Company has expanded its real estate activities through acquisitions.

The largest single transaction was carried out in May 2022 when PPG sold the 8.2 % stake in Odin Bidco AS, which owns a real estate portfolio of ~256 preschools at mainly long-term triple-net contracts primarily in the Nordics. Pioneer Property Group ASA entered into an agreement regarding the sale of all the shares owned by PPG in Odin Bidco AS (the "Shares") to the existing shareholders in Odin Bidco AS. Closing of the transaction took place on June 6th. The agreed purchase price for the Shares was MNOK 372.1 generating a profit of MNOK 25.7.

The second largest transaction was the purchase of properties and shares in certain of Hospitality Invest AS' direct and indirect subsidiaries, Gaustadskogen Eiendom AS (77%), Tjuvholmen Eiendom AS (100%) and Norab Eiendom Vest AS (100%), each a property company with tenants from i.a. the Norlandia Health & Care Group AS as well as 23.6% of the shares in Norlandia Holding AS which owns certain hotels operated by Norlandia Hotel Group AS (the "Transaction"). The total consideration payable by PPG was approximately MNOK 153.

PPG increased its bond holdings in Hospitality Invest bonds (HOIN02, Hospitality Invest AS 17/22) in first half of 2022, and was sold as payment in kind for the transaction mentioned above.

Additionally, PPG has invested in a 51 500 m2 plot together with local partners in close proximity to Evenes Airport.

Remuneration to leading personnel

Table 1 below shows total remuneration the Company's leading person have been paid, or have benefited from being paid by the Company in 2022 and 2021.

Table 1							
Name of Director (start/end)	Financial year	Fixed remuneration		One-year variable	Pension expense	Total remuneration	Proportion of fixed and variable remuneration
		Base salary	Other benefits				
John Ivar Busklein (CEO)	2022	525 713	0	150 000*	7 299	683 012	78% / 22%
	2021	506 798	0	28 400	14 522	549 720	95% / 5%
Ole Kristofer Bragnes (CFO until 31.08.2021)	2021	320 801	0	250 000	4 239	575 040	57% / 43%
Øystein Grini (CFO from 1.9.2021)	2022	1 282 000	4 392	150 000*	24 757	1 461 149	90% / 10%
	2021	409 797	1 464	0	6 572	417 833	100% / 0%

*The bonus of NOK 150 000 was awarded for 2022. The bonus will be paid in Q1 '23.

Remuneration paid in relation to the Guidelines

The Company believes that the total remuneration is in accordance with the Guidelines. As illustrated in table 1, the main component of the leading personnel's compensation was the base salary. Other benefits consisted of compensation related to broadband Internet access at home, subscriptions of job related newspapers and magazines as well as private use of electronic equipment, as mentioned in the Guidelines. All variable remuneration was offered in accordance with the procedure and criteria's described in the Guidelines.

Furthermore, the Company believes that the paid fixed remuneration in addition to the variable remuneration, are competitive and fair compared to positions with similar responsibility, workload and complexity in the same markets. The Company is therefore of the view that total paid remuneration contributes to the Company's interests of being able to recruit and keep highly qualified executive personnel, as described as an important goal for the Company in the Guidelines.

Option-based remuneration to leading personnel in the Company

The Company does not provide any option-based remuneration to the leading personnel.

Share-based remuneration to leading personnel in the Company

The Company does not provide any share-based remuneration to the leading personnel.

The company's use of access to recover variable remuneration

As stated in the Guidelines, the Company may not demand repayment of any variable remuneration. The Company confirms that no repayment of variable remuneration was demanded from any leading personnel during the financial year 2022.

Total remuneration paid compared to the Guidelines

A prerequisite for a successful implementation of the Company's business strategy and securing the Company's long-term interests, including sustainability, is that the Company is able to recruit and retain qualified personnel. To achieve this, it is necessary for the Company to offer competitive remuneration.

The Company's remuneration guidelines enable the Company to offer leading personnel a competitive total remuneration. Total remuneration to leading personnel during 2022 has complied with the Company's guidelines for remuneration.

The Guidelines serves as a base for the determination of the leading personnel's remuneration. As described in table 1, the Company believes that the total remuneration complies with the Company's Guidelines by way of, inter alia, the base salary being the main component of compensation, and conditions for variable remuneration stated in the Guidelines being emphasized before such remuneration is determined. Furthermore, the leading personnel only receives the various types of remuneration mentioned in the Guidelines. The Company believes that this contributes to increased transparency and trust among the leading personnel as they know what remuneration they can expect based on which criteria's. Furthermore, the Company believes that they will be able to continue to offer competitive remuneration compared to similar positions in the market, and that future remuneration therefore will contribute to the Company's interests of being able to recruit and keep highly qualified executive personnel.

Performance-based remuneration

The CEO John Ivar Busklein and CFO Øystein Grini was awarded a performance-based remuneration of 2022 of NOK 150 000 related to the receiver's contribution in said transactions and in terms of amount of work during 2022. The bonus was paid in first quarter of 2023.

Derogations and deviations from the remuneration guidelines and from the procedure for implementation of the guidelines

The Guidelines were approved by the Company's general meeting on 19 April 2021 and as of the date of this report no changes to the Guidelines have been proposed.

Information on changes in remuneration and the Company's performance

Table 2 below shows the change in remuneration paid to leading personnel over the past five financial years.

Table 2						
Annual change	RFY-4 vs. RFY-5	RFY-3 vs. RFY-4	RFY-2 vs. RFY-3	RFY-1 vs. RFY-2	RFY vs. RFY-1	Information regarding RFY
Directors remuneration						
Anders Løken, CEO*	164 308 N/A	4 662 961 2738 %	N/A	N/A	N/A	N/A
John Ivar Busklein, CEO*	N/A	N/A	1 847 654 N/A	1 864 034 1%	2 026 803 9%	2 026 803
Ole Kristofer Bragenes, CFO*	N/A	1 650 00	1 317 096 -20%	1 225 120 -7%	0 N/A	0
Øystein Grini, CFO*	N/A	N/A	N/A	1 253 499 N/A	1 461 149 17%	1 461 149
Company's performance						
Rental income	347 000 (-100%)	1 184 000 (241%)	2 052 000 (73%)	45 056 000 (2096%)	76 176 000 (69%)	
Fair value adjustments on investment properties	1 500 000 (-99%)	-2 632 000 (-275%)	1 638 000 (N/A)	220 462 000 (13 359%)	16 267 000 (-92%)	
Profit/loss for the period, total operation	195 109 000 (-22%)	842 366 000 (332%)	191 671 000 (-77%)	228 300 000 (-28%)	64 775 000 (-77%)	
Employees of the Company* (all or reference to the relevant comparison group)	0	1,5	0,8	1,5	2,5	

Average remuneration on a full-time equivalent basis of employees is not calculated as there only is one other employee in the company that is not included in the reporting. Directors remuneration is annualized based on number of months employed during the year and the percentage of full-time equivalent.

*The management was insourced in 2018. Anders Løken was the CEO of Pioneer Property Group ASA from 30th November 2018 until 29th October 2019, then John Ivar Busklein became the CEO of Pioneer Property Group ASA in a part time position at 28,4%. Ole-Kristofer Bragnes has been part-time CFO (50%) from 24.10.2019 until 31.08.2021. Øystein Grini has been full-time CFO since 1.9.2021. The numbers are presented on annualized basis.

Consideration at general meeting.

Pursuant to the Companies Act Section 6-16 b (3), this report shall include an explanation on how the result of the general meeting's advisory vote over the report on salary and other remuneration to leading personnel for the previous year has been regarded. However, as the Guidelines was approved by the general meeting on 19 April 2021 and no report was prepared for 2020, cf. Section 7 (2) of the Regulation, this requirement is not relevant.