

A woman with brown hair in a ponytail, wearing a light green long-sleeved shirt, a black backpack, and black leggings, is hiking up a steep, rocky trail. She is using two trekking poles and smiling. The background is a steep, rocky hillside with some dry grass in the foreground.

**XXL**

# Remuneration Report 2024

**XXL ASA**

**Sports  
unite all**

## 1. Introduction

This report on remuneration to senior executives (the “**Report**”) is prepared by the board of directors of XXL ASA (“**XXL**” or the “**Company**” and together with its subsidiaries the “**Group**”). The Report has been prepared in accordance with the Norwegian Public Limited Liability Act 1997 section 6-16 b, the Norwegian Regulation on Guidelines and Report on Remuneration of Leading Employees of 2020 (Nw.: Forskrift om retningslinjer og rapport om godtgjørelse for ledende personer) section 6 and the Norwegian Accounting Act section 7-31b. The definition of the senior executives is similar to the one used in our XXL Sustainability Statement (ESRS GOV-1 22 (a)) included in our XXL Annual Report 2024.

The Report comprises remuneration to the Company's CEO, CFO and other members of the management who influence operational decisions and has P&L responsibility in a central segment of the business (“**Senior Executives**”). This is an updated definition from the guidelines who defines Senior Executives as those who report directly to CEO. The report also include remuneration to members of the board of directors. The purpose of the Report is to provide a comprehensive, clear and understandable overview over awarded and due gross salary and remuneration to Senior Executives and board members for the last financial year and how the remuneration is in accordance with the guidelines for remuneration of Senior Executives adopted by the annual general meeting in 2023 of the Company (the “**Remuneration Guidelines**”) and to what extent the remuneration is linked to the performance of the Company. The Report provides

details on the remuneration of the Company's Senior Executives as well as the remuneration received by members of the Company's board of directors in their capacity as board members in the Company.

Remuneration of the members of the board of directors of the Company (except for those board members who are also employed in the Company) is covered in section 6 of this Report.

## 2. Company highlights in 2024

### Overall company performance in 2024

Total operating revenue in 2024 was NOK 7 183 million (NOK 7 961 million), a decline of 9.8 per cent. Profit before tax was negative NOK 1 553 million (negative NOK 1 595 million) and Net income (Profit for the year) was negative NOK 1 717 million (negative NOK 1 796 million).

For further details on the Company's performance in 2024, reference is made to the Company's consolidated annual accounts for 2024. Overview of company performance last five years is given in table 5. This remuneration report refers to the XXL Group in 2024.

### Overview of the application of the remuneration guidelines in 2024

Under the Remuneration Guidelines, remuneration of Senior Executives shall be competitive but not leading, motivational and flexible, and may consist of the following components: regular pay, bonus scheme, share incentives (restricted share units and an equity-based long-term investment

program), pension benefits and other benefits.

The Remuneration Guidelines, adopted by the annual general meeting in 2023, can be found on the Company's website <http://www.xxlasa.com/wp-content/uploads/2025/02/XXL-ASA-Guidelines-for-remuneration.pdf>. The auditor's report regarding the Company's Remuneration Report is available on <https://www.xxlasa.com/investor/>.

The Remuneration Guidelines, adopted by the general meeting in 2023, have been implemented. The criteria's used to define Senior Executives in this Remuneration Report encompass a group of three employees. The criteria's of Senior Executives have been decided and approved by the board and no derogations from the procedure for implementation of the Remuneration Guidelines have been made.



3. Total remuneration of Senior Executives in the Company

Table 1 below sets out total remuneration, split by component, paid and due to the group of Senior Executives in the Company for the last financial year

Table 1 – Total remuneration (TNOK) of Senior Executives in the Company in 2024 and 2023

Name of Senior Executive Position	Reported financial year	1 Fixed remuneration			2 Variable remuneration		3 Extraordinary items	4 Pension expense	5 Total remuneration	6 Proportion of fixed and variable remuneration
		Base salary	Fees	Other benefits	One-year variable	Multi-year variable				
Freddy Sobin* CEO	2024	6 592	0	91	0	0	0	0	6 684	(99/1)
	2023	4 333	0	3	0	0	2 000	780	7 117	(72/28)
Stein Eriksen CFO**	2024	2 006	0	6	2 500	0	0	17	4 529	(45/55)
	2023	2 762	0	11	0	0	2 500	27	5 301	(53/47)
Lars Syse Christiansen CFO***	2024	1 207	0	3	0	0	0	12	1 221	(100/0)
Dawid Gosciniak COO****	2024	1 894	0	9	0	0	0	0	1 904	(100/0)

\* Freddy Sobin started operating as CEO May 1st 2023.  
\*\* Stein Eriksen operated as CFO and Interim CEO from July 2022 to May 1st 2023. He resigned as CFO in July 2024.  
\*\*\* Lars Syse Christiansen started operating as CFO August 5th 2024.  
\*\*\*\* Dawid Gosciniak was appointed COO in April 2024.



## 4. Share based remuneration

### Equity-based long term investment program

In accordance with the guidelines for determination of salary and other remuneration to executive personnel in XXL ASA, the Board of Directors of XXL ASA and the Nomination committee of XXL ASA decided to implement a new long term management investment program to align the long-term interests of the executive management and the members of the Board with those of the Company's shareholders. Reference is made to stock exchange announcement made by XXL ASA on 13 December 2023 to implement a new long term management investment program (the "New Investment Program"). As further described therein, the participants in the New Investment Program were offered the opportunity to invest in a newly established management investment company, XXL Management Invest II AS ("XMI II"), which in turn was intended to invest in financial instruments having a value that was linked to the value of the XXL shares. Due to disagreements between valuation experts in the implementation phase, the New Investment Program could not be implemented on the intended terms and conditions. The Company has therefore in agreement with the participants in the program resolved to terminate the program. Following the termination, XMI II will be liquidated and the funds contributed to that company will be repaid to the participants. Reference is made to stock exchange announcement on 27th February 2025.

In the former management investment program (XMI I), XXL ASA has an ownership of 80% in XMI I which holds 34,583 ordinary shares in XXL Sport & Villmark AS. Current employ-

ees in XXL has an ownership of 4% in XMI I. Remaining is held by ex-employees and ex-board members of XXL. XXL ASA provided XMI I a loan in June 2020 which with accrued interest amounts to NOK 66.8 million. The loan carries an annual interest of 8% and is secured by a pledge in the shares in XXL Sport & Villmark AS.

## 5. Compliance with the remuneration guidelines and application of performance criteria

A prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company can recruit and retain qualified personnel. The Company must therefore offer a competitive total remuneration, and the Company's Remuneration Guidelines enable the Company to offer Senior Executives such competitive total remuneration. Under the Remuneration Guidelines of the Company, remuneration of Senior Executives shall be competitive but not leading, motivational and flexible, and may consist of the following components: regular pay, bonus scheme, program for restricted share units, equity-based long term investment program, pension benefits, and other benefits.

The performance measures for the Senior Executive's variable remuneration for 2024 have been selected to promote the Company's strategy and to encourage behaviour which is in the long-term interest of the Company. In the selection of performance measures, the strategic objectives and



short-term and long-term business priorities for 2024 have been taken into account. In accordance with the Remuneration Guidelines, the variable remuneration for 2024 has been determined by the achievement of key performance indicators (KPIs) and goals at both individual and company level. The Senior Executives of the Company have, both individually and as a group, been given the opportunity to influence the attainment of the KPI's and the goals which have formed the basis for the assessment of the variable remuneration in 2024. For 2024, Senior Executives have been granted bonuses of up to 50% of the respective Senior Executive's gross base salary.

**Criterion A: Financial component**

For 2024 the main financial component of the bonus scheme has been EBITDA level vs. budget (excluding IFRS 16 effects). This criteria has been used both in "Own segment" and as the only criteria for the "Group" part of the bonus.

**Criterion B: Growth component**

Like for Like growth is highly important to succeed with long term value creation, and especially for XXL where the whole value chain is rigged for top line. Also a top line goal will give the necessary incentives to keep the inventory levels under control.

Measurement will only apply to "Own segment" and follows the like for like definition in XXL. The improvement is measured in % for the whole year vs budget, and in local currency.

**Criterion C: Individual bonus / personal goals**

The 2024 individual bonus component has been discretionary decided by the CEO and varies between the different members of the senior management team.

In accordance with the Remuneration Guidelines, the Company has set out a bonus scheme for Senior Executives which is based on the Company's results before tax exceeding the budget and certain KPI's.



Table 3 – Summary of Criteria's

Level	Max Bonus	EBITDA Change	Like for Like Growth vs Budget	Individual Goals
Own segment	25.0 %	15.0 %	10.0 %	
Level above	17.5 %	17.5 %		
Individual goals	7.5 %			7.5 %
Total	50.0 %	32.5 %	10.0 %	7.5 %

Table 4 – Summary 2024

KPI	Max bonus	Bonus achievement
EBITDA	32.5 %	0.0 %
Like for Like Growth	10.0 %	0.0%
Individual bonus	7.5 %	0.0%

## 6. Remuneration to the board of directors

This section describes the remuneration received by the Company's board members in their capacity as board members of the Company, i.e. it does not include remuneration employee elected board members have received in their capacity as employees.

The proposal for remuneration of the board of directors is, pursuant to the Company's articles of association, prepared by the Company's nomination committee. The remuneration for the Company's board members is then resolved by the Company's general meeting.

To the right is a specification of paid remuneration to the board of directors (amounts in NOK 1,000).



Name of board member	Position	Type of remuneration	2024
Björn Einar Hákan Lundstedt	Chair	Remuneration for chair of the board of directors and chair of the people committee	535
Tom Christian Jovik*	Board member	Remuneration for member of the board of directors and member of the audit committee	445
Kari Ekelund Thørud	Board member	Remuneration for member of the board of directors and member of the people committee	410
Ronny Blomseth	Board member	Remuneration for member of the board of directors	370
Petra Elisabeth Axdorff	Board member	Remuneration for member of the board of directors	0
Kjersti Hobøl**	Board member	Remuneration for member of the board of directors and chair of the audit committee	470
Kine Skjønberg Ludvigsen	Board member (employee representative)	Remuneration for member of the board of directors	0
Tor Andrin Jacobsen	Board member (employee representative)	Remuneration for member of the board of directors	80
Kjell-Arne Fikerud	Board member (employee representative)	Remuneration for member of the board of directors	60
Helena Ebersten Henriksen**	Board member (employee representative)	Remuneration for member of the board of directors	60
Kai Arne Nordhaug***	Board member (employee representative)	Remuneration for member of the board of directors	20
Cristina Moreno***	Board member (employee representative)	Remuneration for member of the board of directors	20

\* Tom Jovik represents Altor in the Board of Directors. Remuneration is paid to Altor and not Tom Jovik personally.

\*\* Members of the Board of Directors until May 2024.

\*\*\* Member of the Board of Directors until November 2023.



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

Table 5 – Comparative table on the change of remuneration and company performance over the last five reported financial years (RFY)

Remuneration (TNOK) and annual change*	2019	2020	2021	2022	2023	2024
CEO**	2 672 (-34%)	9 291 (248%)	5 774 (-38%)	7 131 (23%)	7 116 (0%)	6 684 (-6%)
CFO***	4 030 (159%)	3 336 (-17%)	2 902 (-13%)	5 031 (73%)	5 301 (5%)	5 750 (8%)
COO						1 904
Key figures, XXL Group						
Operating Revenue	8 992 (-5%)	10 423 (+14%)	10 006 (- 4%)	8 880 (-11%)	7 961 (-9%)	7 183 (-10%)
EBITDA	538 (- 1%)	1 117 (+52%)	1 338 (+17%)	115 (-91%)	-80 (-170%)	74 (193%)
Remuneration develop- ment other employees						
Employees of the company (all or refer- ence to the relevant comparison group)****	404 (-5%)	495 (23%)	509 (3%)	519 (2%)	554 (7%)	541 (-2%)

\* CEO was changed in 2019, 2020, 2022 and 2023. CFO was changed in 2018 and 2024. COO was a new established position in 2024.

\*\* Pål Wibe was appointed as CEO April 2020. A sign on bonus of TNOK 4 500 was part of the remuneration in 2020.

\*\*\* Stein Alexander Eriksen operated as CFO and Interim CEO from July 2022 to May 2023. An extraordinary payment of TNOK 2 500 was part of the remuneration in 2022 and 2023.

\*\*\*\* The development of the remuneration of an average XXL employee is calculated by deduction other social security expenses form the total personnel expenses and dividing the resulting figure by the average number of FTE's during the year. The numbers are deducted from annual accounts 2018-2023. We have not adjusted for currency changes, which especially will give an effect in 2020 numbers (EURO vs NOR change at 9,2 %).





To the General Meeting of XXL 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 XXL ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2024 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, 28 April 2025

**PricewaterhouseCoopers AS**

A handwritten signature in blue ink, appearing to read "Vidar Lorentzen", written over a light blue rectangular background.

Vidar Lorentzen  
State Authorised Public Accountant

**XXL**



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