

Ensurge Micropower ASA

Remuneration Report

Energizing Innovation™ with ultrathin, flexible, and safe energy storage solutions for wearable devices, connected sensors, and beyond.

Contents

3	Application of the Remuneration Policy in 2022
3	Feedback from shareholders
4	Remuneration of the Board of Directors
6	Remuneration of the Executive Management Team
9	Fixed Cash Salary
9	Variable Cash Salary
11	Benefits
13	Key Financial Performance Figures
13	D&O Insurance
14	Independent Auditor's Report

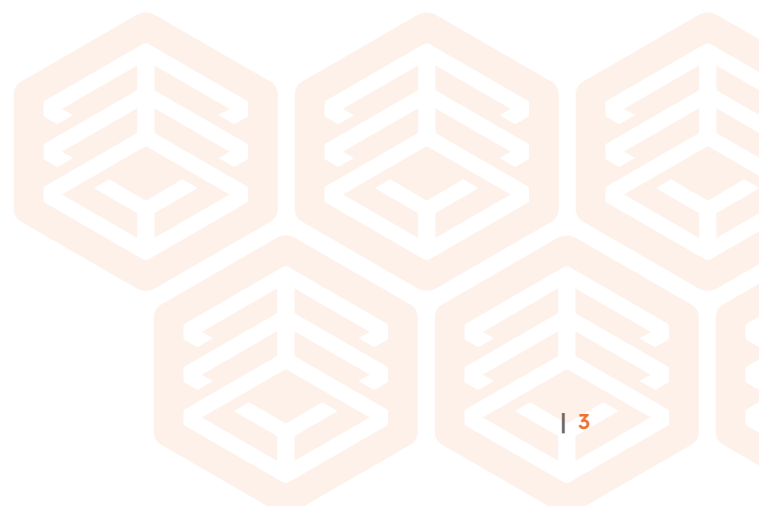
Application of the Remuneration Policy in 2022

The purpose of the Ensurge Micropower executive remuneration policy is to encourage a strong and sustainable performance-based culture, which supports growth in shareholder value and delivery according to the company's strategy. This report is made according to the requirements in section 6-16a and 6-16b of the Norwegian Public Limited Liability Companies Act and the Ensurge Micropower Executive Remuneration Policy approved at the General Meeting 3 June 2021. The report describes how the policy has been applied during 2022. The report was approved by the Board of Directors on 3 May 2023 and is presented for advisory voting at the annual general meeting on 24 May 2023.

Ensurge Micropower has applied the remuneration policy throughout 2022 as approved at the General Meeting. No deviations from the policy have been made by the Board of Directors. The Company has not claimed back any paid remuneration to executives during the year. No executives received remuneration from other group undertakings other than their employment entity.

Feedback from shareholders

At the meeting on 25 May 2022, the General Meeting took note of the 2021 remuneration report without input or comments.



Remuneration of the Board of Directors

The Board of Directors has three directors. All three are elected by the shareholders. The shareholder elected directors are serving for the period 2021–2022/23. Fees to the board of directors are approved at the Annual General Meeting. The Board held 15 meetings in 2022 with an average attendance rate of almost 100 percent (only one meeting at which one board member was unable to attend [due to travels]). In addition, certain matters were processed by way of circulation of documents. The audit committee held six meetings in 2022. As of 31 December 2022 the audit committee comprised of the entire Board, consisting of Morten Opstad, Victoire de Margerie and Mark Newman. As of 31 December 2022 the members of the nomination committee were Robert N. Keith (chair), Christian Schlytter-Henrichsen, and Rune Sundvall. Each member of the nomination committee receives an annual remuneration of NOK 15,000. Robert N. Keith waived his right to this 2022 remuneration. The members of Ensurge Micropowers' Board of Directors are remunerated for their role and contribution in the Board. The fees are reviewed each year and approved at the Annual General Meeting. The directors did not receive any other fees. No agreements exist which entitle the directors to any extraordinary compensation.

Board fees (USD thousand)					
Name	Role	Board fees	Strategy	Executive Services	Chairman
Morten Opstad	Chairman	60	—	57	24
Victoire de Margerie	Director	40	—	—	—
Mark Newman*	Director	40	—	—	—
Preeti Mardia	Director	20	—	—	—
Kelly Doss	Director	20	—	—	—
Jon Castor	Director	20	30	—	—

*Mark Newman stepped down as Director from February 2023 to become the Chief Executive Officer.

The company has no other obligation to remunerate the board than the board remuneration as resolved at the annual general meeting. The AGM on 25 May 2022 resolved remuneration to each board member in the amount of USD 80 thousand (or an amount in NOK equivalent thereof) for the period from the AGM in 2022 to the AGM in 2023, with an additional remuneration to Morten Opstad, for the same period, of NOK 230 thousand as a fixed annual fee for services as Chair which are beyond the ordinary Board member functions. The company has not issued any advance payments or loans to, or guarantees in favor of, any board member.

The following table includes five years of historical remuneration received by the Board of Directors.

Remuneration of the Board of Directors (USD thousand)										
Name	2022	change	2021	change	2020	change	2019	change	2018	change
Morten Opstad, Chairman	141	8%	131	75%	75	-3%	77	93%	40	10%
Victoire de Margerie, Director	40	n/a	—	n/a	—	n/a	—	n/a	—	n/a
Mark Newman, Director	40	n/a	—	n/a	—	n/a	—	n/a	—	n/a
Preeti Mardia, Director	20	-50%	40	0%	40	0%	40	30%	31	13%
Kelly Doss, Director	20	-50%	40	0%	40	0%	40	n/a	—	n/a
Jon Castor, Director	50	-50%	100	0%	100	0%	100	n/a	—	n/a
Tor Mesoy, Director	—	n/a	—	n/a	—	n/a	—	n/a	31	13%
Laura Oliphant, Director	—	n/a	—	n/a	—	n/a	—	n/a	31	13%
Total Remuneration	291	-6%	311	22%	255	-1%	257	95%	132	-9%

The following table summarizes the share ownership held by the Board of Directors at 31 December 2022.

Name	Role	Share ownership			
		Number of shares held at 31 December 2021	Change during 2022	Number of shares held at 31 December 2022	Market Value (USD thousand)
Morten Opstad	Chairman	864,633	(76,583)	788,050	152
Victoire de Margerie, Director	Director	—	—	—	0
Mark Newman, Director	Director	—	—	—	0
Preeti Mardia	Former Director	75,043	(75,043)	—	0
Kelly Doss	Former Director	225,589	(225,589)	—	0
Jon Castor	Former Director	323,232	(323,232)	—	0

The shares held are shown after the 9:1 share consolidation.

The market value in the table is calculated using the 31 December 2022 stock price. The closing stock price at 3 May 2023 was 0.1448.

The following table summarizes the subscription rights issued and outstanding to the Board of Directors at 31 December 2022.

Name	Role	Subscription Rights				
		Number of subscription rights	Number of subscription rights granted in 2022	Vested as of 31 December 2022	Weighted average exercise price, NOK	Market Value of Vested SRs (USD thousand)
Morten Opstad	Chairman	1,242,650	—	1,242,650	1.35	239
Victoire de Margerie, Director	Director	1,000,000	1,000,000	250,000	2.50	48
Mark Newman, Director	Director	1,000,000	1,000,000	250,000	2.50	48
Preeti Mardia	Former Director	—	—	—	n/a	—
Kelly Doss	Former Director	643,548	—	643,548	9.22	124
Jon Castor	Former Director	815,727	—	815,727	5.84	157

The subscription rights and weighted average exercise price are shown after the 9:1 share consolidation. The market value in the table is calculated using the 31 December 2022 stock price. The closing stock price at 3 May 2023 was 0.1448.

Upon a change in control, there is an acceleration of vesting for subscription rights.

The Board of Directors adopted a Restricted Stock Unit (RSU) plan on 28 February 2022. As of the date of this report, no RSUs have been issued.

Remuneration of the Executive Management Team

Ensurge Micropowers' executive remuneration schemes are set to create an environment that supports the Company's strategy, long-term goals and contribute to increased shareholder value as defined in the Remuneration Policy. Executive remuneration is benchmarked regularly in order to align with market and industry conditions. Remuneration is performance based to ensure it is linked to the achievement of the key strategic, operational and financial objectives with a balance of short-term and long-term performance components. The 2022 Ensurge compensation programs align the long-term interests of all employees with those of its shareholders.

Executive remuneration consists of the following elements:

- Fixed cash salary
- Variable cash salary
- Benefits

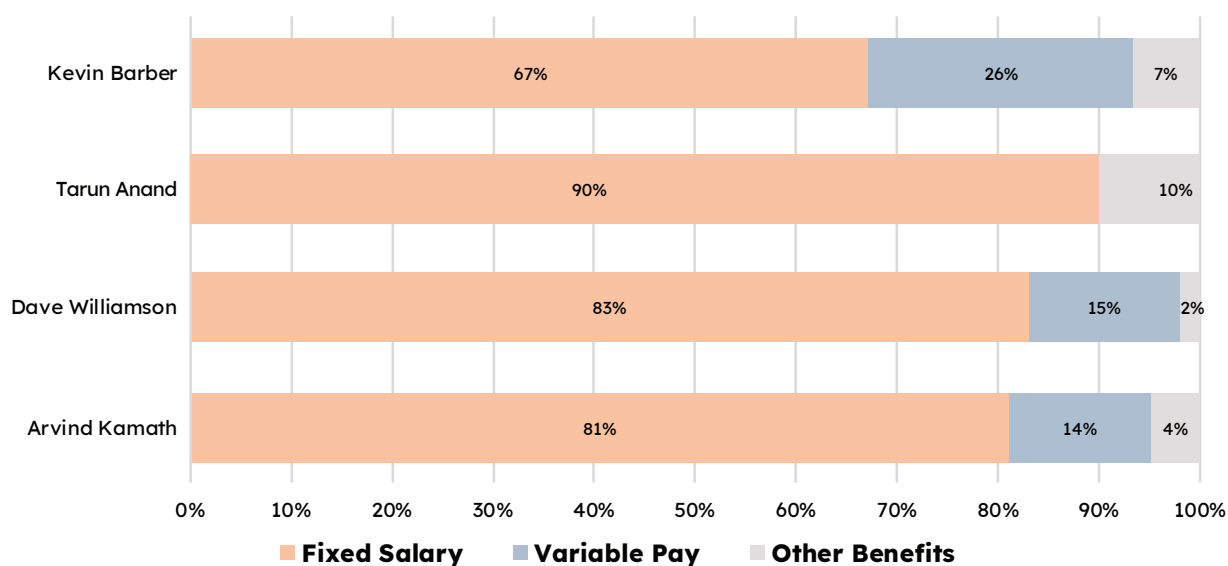
The following table details the 2022 remuneration in USD for the Executive Management Team.

Name	Role	Period	Base Salary	Variable pay*	Other benefits	Total Remuneration	Pension Costs
Kevin Barber	Chief Executive Officer	Jan. 1 – Dec. 31	420,000	158,760	45,385	624,145	12,200
Tarun Anand	Acting Chief Financial Officer	Aug 1 – Dec. 31	105,000	—	11,844	116,844	4,200
David Williamson	Former Chief Financial Officer	Jan. 1 – Dec 31	178,891	31,875	3,426	214,192	7,734
Arvind Kamath	EVP Technology Development	Jan. 1 – Dec. 31	308,827	54,584	15,532	378,943	12,200

*Variable pay paid in 2022 was earned in 2021. No variable pay was earned in 2022.

There is no 2022 remuneration owed to any past or present Executive Manager beyond what is included in this table. There is no claw-back on variable pay.

The diagram below shows the composition of the remuneration of members of the Executive Management Team.



The following table includes five years of historical Executive Management remuneration.

Remuneration of Executive Management (USD thousand)										
Title and Name	2022		2021		2020		2019		2018	
	Fixed	Total	Fixed	Total	Fixed	Total	Fixed	Total	Fixed	Total
Chief Executive Officer										
Kevin Baker	420	636	384	599	383	634	418	619	43	43
Davor Sutija	—	—	—	—	—	—	—*	—	446	745
Chief Financial Officer										
Tarun Anand	105	121	—	—	—	—	—	—	—	—
Dave Williamson	179	222	229	259	143	181	—	—	—	—
Mallorie Burak	—	—	—	—	254	259	155	168	—	—
Ole Ronny Thorsnes	—	—	—	—	—	—	326	326	308	444
Chief Commerical Officer										
Christian Delay	—	—	—	—	—	—	—	322	328	286
Chief Operating Officer										
Peter Fischer	—	—	—	—	—	—	—	160	164	460
Chief Technical Officer										
Christer Karlsson	—	—	—	—	—	—	—	—	—	226
EVP Technology Development										
Arvind Kamath	309	391	279	347	275	339	279	368	253	262
EVP Operations										
Matt Kaufman	—	—	—	—	—	—	—	177	184	240
EVP Hardware Solutions										
Giampaolo Marino	—	—	—	—	—	76	84	289	316	121
EVP Marketing										
John McNulty	—	—	—	—	—	—	—	—	—	97
EPV Global Sales										
Tauseef Bashir	—	—	—	—	—	—	—	—	—	264

*Excludes Advisory Fees paid post employment

The following table shows the annual change in Executive Management remuneration.

Change in remuneration of Executive Management (USD thousand)										
Title and Name	2022		2021		2020		2019		2018	
	Fixed	Total	Fixed	Total	Fixed	Total	Fixed	Total	Fixed	Total
Chief Executive Officer										
Kevin Barber	9%	6%	0%	-6%	-8%	2%	872%	1340%	n/a	n/a
Davor Sutija	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	14%	11%
Chief Financial Officer										
Tarun Anand	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dave Williamson	-22%	-14%	60%	43%	n/a	n/a	n/a	n/a	n/a	n/a
Mallorie Burak	n/a	n/a	n/a	n/a	64%	54%	n/a	n/a	n/a	n/a
Ole Ronny Thorsnes	n/a	n/a	n/a	n/a	n/a	n/a	6%	-27%	41%	35%
Chief Commerical Officer										
Christian Delay	n/a	n/a	n/a	n/a	n/a	n/a	13%	-17%	14%	16%
Chief Operating Officer										
Peter Fischer	n/a	n/a	n/a	n/a	n/a	n/a	-65%	-69%	4%	-7%
Chief Technical Officer										
Christer Karlsson	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	28%	27%
EVP Technology Development										
Arvind Kamath	11%	13%	2%	2%	-1%	-8%	10%	13%	8%	25%
EVP Operations										
Matt Kaufman	n/a	n/a	n/a	n/a	n/a	n/a	-26%	-41%	n/a	n/a
EVP Hardware Solutions										
Giampaolo Marino	n/a	n/a	n/a	n/a	-74%	-73%	139%	46%	n/a	n/a
EPV Global Sales										
Tauseef Bashir	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	11%	-24%

Fixed Cash Salary

The fixed cash salary is in line with market conditions, be competitive, and takes into account the scope and responsibility associated with the position, as well as the skills and experience of each executive. Fixed cash salary is normally reviewed annually.

There is no post-employment remuneration beyond notice periods of 3-6 months. The former CEO, Kevin Barber, had a termination notice period of (i) three months in case of termination by the Company and (ii) one month in case of termination by Mr. Barber.

The Company has made no loans, advance payments or collateral for any member of the Executive Management team.

Variable Cash Salary

Annual Cash Bonuses

The Executive Management Team had an annual variable pay scheme during 2022 with a maximum potential of 100 percent of the fixed cash salary. Variable cash salary is based on a set of predetermined and measurable performance criteria that reflect the key elements of the Company's business strategy, long-term interests, and sustainable

business practices. Such performance criteria consists of key performance goals both for the Company's overall and financial performance as well as individual performance.

The Company's annual bonus program includes various components such as revenue generation, and other financial and operational components. The components are defined and measurable. There is no claw-back on variable pay.

The Company believes that the performance-based bonus agreement for executive personnel has a motivational effect and therefore is beneficial for the Company and its shareholders in order to reach the Company's business strategy, long-term interests, and sustainable business practices.

The main performance objectives used in 2022 are:

Performance Objective	Weight	Alignment with strategy and shareholders' interest
Deliver differentiated product	30%	Delivery of a differentiated product is a pivotal factor in creating and maintaining competitive advantage
Achieve product cost targets	15%	Achieving aggressive product cost goals is an important tool to achieve profitability in a manufacturing environment
Implement corporate systems	5%	Operational effectiveness is key in maintaining company efficiency
Meet financial targets	20%	Financial discipline is required to create a sustainable business
Factory throughput targets	10%	Continuous production process improvements increase speed and quality while reducing costs
Intellectual property deliverables	10%	Intellectual property is a key asset of the Company business
Capture new business	10%	Capturing new business is fundamental to building a viable business for Ensorge and creating shareholder value

The bonus payments are calculated based on the actual performance on these objectives. Minor discretionary adjustments have been made where the KPIs were not seen to reflect the performance due to unforeseen circumstances. On average, the executives had a performance of 10 percent of the targets for the performance objectives. No bonus payments to the Executive Management Team related to 2022 performance were approved or paid. The executives' earnings from the variable cash salary shown in the previous table relates to 2021 performance.

Benefits

Ensurge Micropower provides a limited number of benefits to executive management and personnel, including retirement benefits contribution, and insurance schemes.

Retirement Benefits

Executive personnel, along with all full-time employees may choose to participate in the 401(k) retirement plan in place for all US employees. Subject to government limits, the Company matches employee contributions to the Company's 401(k) retirement plan dollar for dollar, up to 4% per calendar year.

The 401(k) retirement plan is a qualified retirement plan, providing special tax benefits. Contributions to the plan are subject to an annual maximum contribution. Withdrawals prior to retirement are generally subject to penalties.

Non-financial Benefits

Executive personnel participate in the company's insurance schemes on standard terms.

Equity Program

The executives participate in the same equity programs that are in effect for all employees. The 2022 equity program consists of subscription rights. To align the executive's financial interest with shareholders', the 2022 equity program was set by the board to vest over two-years. 50% of the subscription rights vest on the first anniversary of the Vesting Commencement Date and the remaining 50% vest and become exercisable on the second anniversary of the Vesting Commencement Date. Therefore each Option is fully vested two years after the Grant Date. There are no obligations to issue additional subscription rights beyond those included in the table below.

The Board of Directors adopted a Restricted Stock Unit (RSU) plan on 28 February 2022. As of the date of this report, no RSUs have been issued.

The following table details the Executive Management Team's shareholdings at 31 December 2022 and the change during the year.

Name	Role	Shareholdings as of 31 December 2022	Change during 2022	Market Value (USD thousand)
Kevin Barber	Chief Executive Officer	—	(303,030)	0
Tarun Anand	Acting Chief Financial Officer	—	—	—
David Williamson	Former Chief Financial Officer	—	—	—
Arvind Kamath	EVP Technology Development	—	—	—

The shares held are shown after the 9:1 share consolidation.

The Board of Directors adopted a Restricted Stock Unit (RSU) plan on 28 February 2022. As of the date of this report, no sRSUs have been issued.

The following table details the Executive Management Team's subscription rights at 31 December 2022.

				Number of Subscription Rights				Market Value of Vested SRs (USD thousand)
Name				Holding	Granted	Holding	Vested	
Grant year	Exercise Period	Vesting Period	Exercise price (NOK)	1 Jan 2022	2022	31 Dec 2022	31 Dec 2022	31 Dec 2022
Kevin Barber								
2019	2020–2025	3 years, 12% a quarter	20.3400	87,027		87,027	87,027	17
2019	2020–2025	3 years, 33% at grant, 6% per quarter	42.0300	171,877		171,877	171,877	33
2020	2021–2026	2 years, 50% each year	2.9700	3,333,494		3,333,494	3,333,494	641
2021	2022–2027	2 years, 50% each year	5.6000	1,294,193		1,294,193	647,097	124
2021	2022–2027	2 years, 50% each year	6.9800	2,924,423		2,924,423	1,462,212	281
Total				7,811,014	—	7,811,014	5,701,706	1,096
Tarun Anand								
2022	2022–2027	2 years, 50% each year	3.4300		650,000	650,000	—	0
Total				—	650,000	650,000	—	—
Dave Williamson								
2020	2021–2026	3 years, 12% a quarter	9.1600	14,667		14,667	13,444	3
2020	2021–2026	2 years, 50% each year	2.9700	416,687		416,687	416,687	80
2021	2022–2027	2 years, 50% each year	5.6000	161,775		161,775	80,888	16
2021	2022–2027	2 years, 50% each year	6.9800	430,749		430,749	215,375	41
Total				1,120,914		1,120,914	560,457	108
Arvind Kamath								
2019	2020–2025	3 years, 12% a quarter	20.3400	35,974		35,974	35,974	7
2019	2020–2025	3 years, 33% at grant, 6% per quarter	42.0300	5,834		5,834	5,834	1
2020	2021–2026	2 years, 50% each year	2.9700	1,250,061		1,250,061	1,250,061	240
2021	2022–2027	2 years, 50% each year	5.6000	485,323		485,323	242,662	47
2021	2022–2027	2 years, 50% each year	6.9800	1,120,914		1,120,914	560,457	108
Total				2,898,106	—	2,898,106	2,094,988	403
Total Executive Management Team				11,732,998	650,000	12,382,998	8,523,087	1,639

The subscription rights and weighted average exercise price are shown after the 9:1 share consolidation. The market value in the table is calculated using the 31 December 2022 stock price. The closing stock price at 3 May 2023 was 0.1448.

No subscription rights were exercised during 2022.

Upon a change in control, there is an acceleration of vesting for subscription rights.

Key Financial Performance Figures

The following table shows key figures related to financial performance, number of employees and average remuneration for employees for the last five years.

	2022	2021	2020	2019	2018
Total revenue (USD thousand)	—	—	513	1,181	3,397
Net Loss (USD thousand)	(23,369)	(30,995)	(38,794)	(78,446)	(71,722)
Net Loss excl Special items (USD thousand)	(23,369)	(30,995)	(39,127)	(53,482)	(56,826)
Year end headcount	37	35	22	23	155
Change in average salaries excl Executive Management Team	-5%	-11%	10%	18%	11%

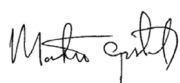
Special items = impairment of intangible assets and property, plant and equipment

D&O Insurance

The Company's shares, listed on Oslo Børs in Norway, trade under the symbol ENSU. The Company's ADRs, admitted to trading on OTCQB in the United States, trade under the symbol ENMPY. The company and its directors and officers are potentially subject to incremental liability in the U.S., and the board has determined that, in order to attract and retain qualified individuals to the board and executive management, the company will maintain, on an ongoing basis, at its expense, liability insurance to protect directors and officers in the company from certain liabilities.

The extraordinary general meeting in the Company on 14 March 2023 approved that the Company, to the fullest extent permissible pursuant to applicable Norwegian law, contractually obligates itself to indemnify recent, present and future directors and executive officers from and against liability and expenses incurred by such persons by reason of the fact that he or she is or was a director or executive officer of the Company.

The board of directors of Ensurge Micropower ASA, Oslo, Norway, 3 May 2023



Morten
Opstad
Chairman



Victoire de
Margerie
Board Member



Tomas Persson
Board Member



Mark Newman
Managing Director
(Interim CEO)

Independent Auditor's Report



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To the General Meeting of Ensurge Micropower 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 Ensurge Micropower 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 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 Standard on Quality Control 1 (ISQC 1) 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 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, 3 May 2023

Deloitte AS

Lars Atle Lauvsnes

State Authorised Public Accountant

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"By my signature I confirm all dates and content in this document."

Lars Atle Lauvsnes

State Authorised Public Accountant (Norway)

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