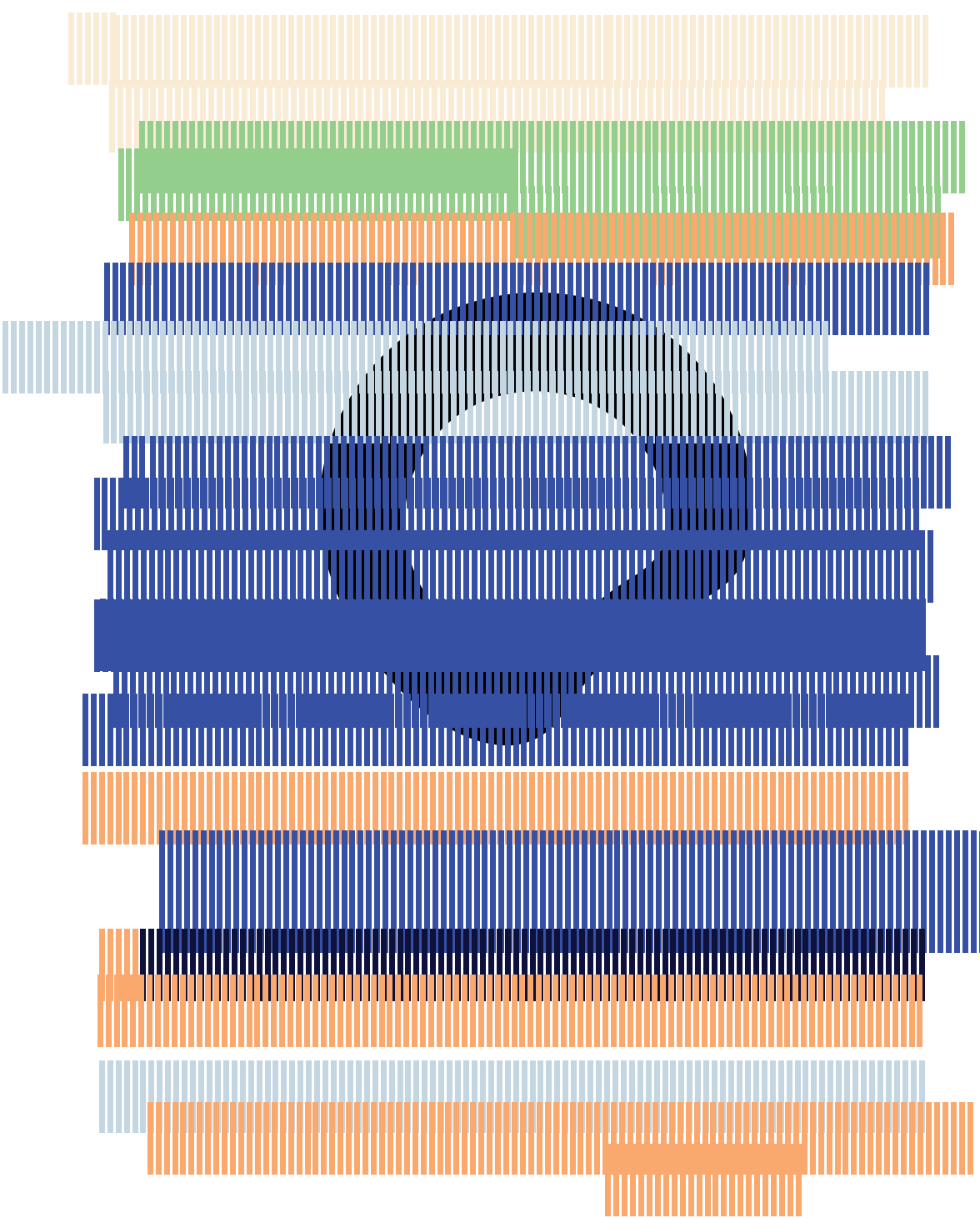


ANNUAL REPORT



bouvet

2023

WE LEAD THE WAY AND BUILD
TOMORROW'S SOCIETY

CONTENTS

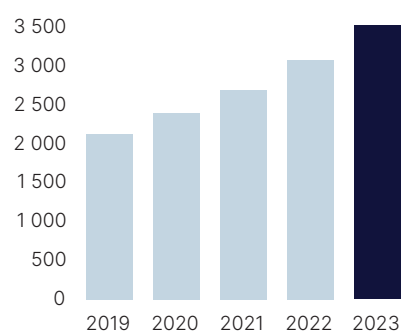
Our key figures	3
Bouvet in brief	4
Our regions and offices	5
ESRS Sustainability Statement	8
Statement on equality and anti-discrimination	34
Directors' report	39
Declaration by the board and CEO	49
Financial statements Group	51
Financial statements Parent company	84
Shareholder information	102
Corporate governance	104
Revisjonsberetning	110
Alternative Performance Measures	114
Key figures Group	115
Definitions	116
Our offices	117

Our key figures

MNOK	2023	2022	2021	2020	2019
Operating revenue	3 526	3 085	2 695	2 402	2 132
Operating profit (EBIT)	407	402	340	315	232
Profit for the year	325	316	266	241	180
EBIT margin	11.5%	13.0%	12.6%	13.1%	10.9%
Equity ratio	26.7%	31.6%	33.0%	32.6%	29.4%
Number of employees (year end)	2 311	2 041	1 841	1 656	1 557

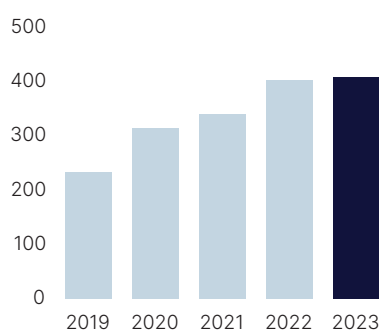
Operating revenue

NOK MILLION

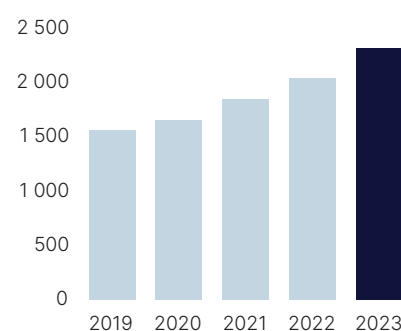


Operating profit (EBIT)

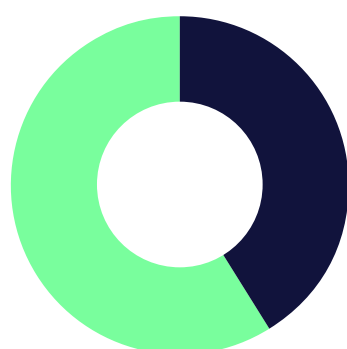
NOK MILLION



Number of employees (year end)

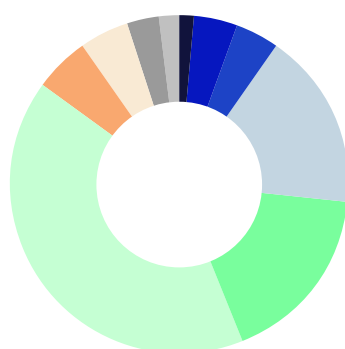


Revenue public/private



- Revenue from customer
100% public owned: 41.2%
- Revenue from customer wholly or
partially private owned: 58.8%

Revenue by business



■ Health	1.6%
■ Industry	4.2%
■ Info and communication	4.0%
■ Power supply	17.0%
■ Public admin	17.3%
■ Oil, gas and renewables	41.0%
■ Service industry	5.1%
■ Transportation	4.8%
■ Retail	3.1%
■ Other	1.8%

Bouvet in brief

Digitalisation is a crucial factor in today's society for the delivery capability and competitiveness of enterprises. Our many years of experience, closeness to clients and broad expertise make us a very attractive digitalisation partner for both private and public players.

The digitalisation process involves exploiting technology to deliver products and services in line with user expectations, and to meet challenges as well as exploiting opportunities. This is a comprehensive and continuous job, because an enterprise can never say that it is "fully digitalised". Put simply, digitalisation is a matter of preparing for the future every single day.

We are a leading consultancy on IT and digital communication, which has developed an ability to understand the client's business and to collaborate on creating and developing good and long-term digital solutions.

This has given us very close client relationships and a steadily increasing volume of assignments – from both new and existing clients. We are a strategic partner for many enterprises, and our broad range of services in IT, design, communication and enterprise management

means we are often selected as a turnkey supplier.

However, our close relationship with clients is only possible because we conduct every assignment in line with strict requirements for security and accountability. Our regional model reduces bureaucracy and ensures short decision-making lines, giving us the adaptability needed to respond to each client's challenges in an ever-changing landscape.

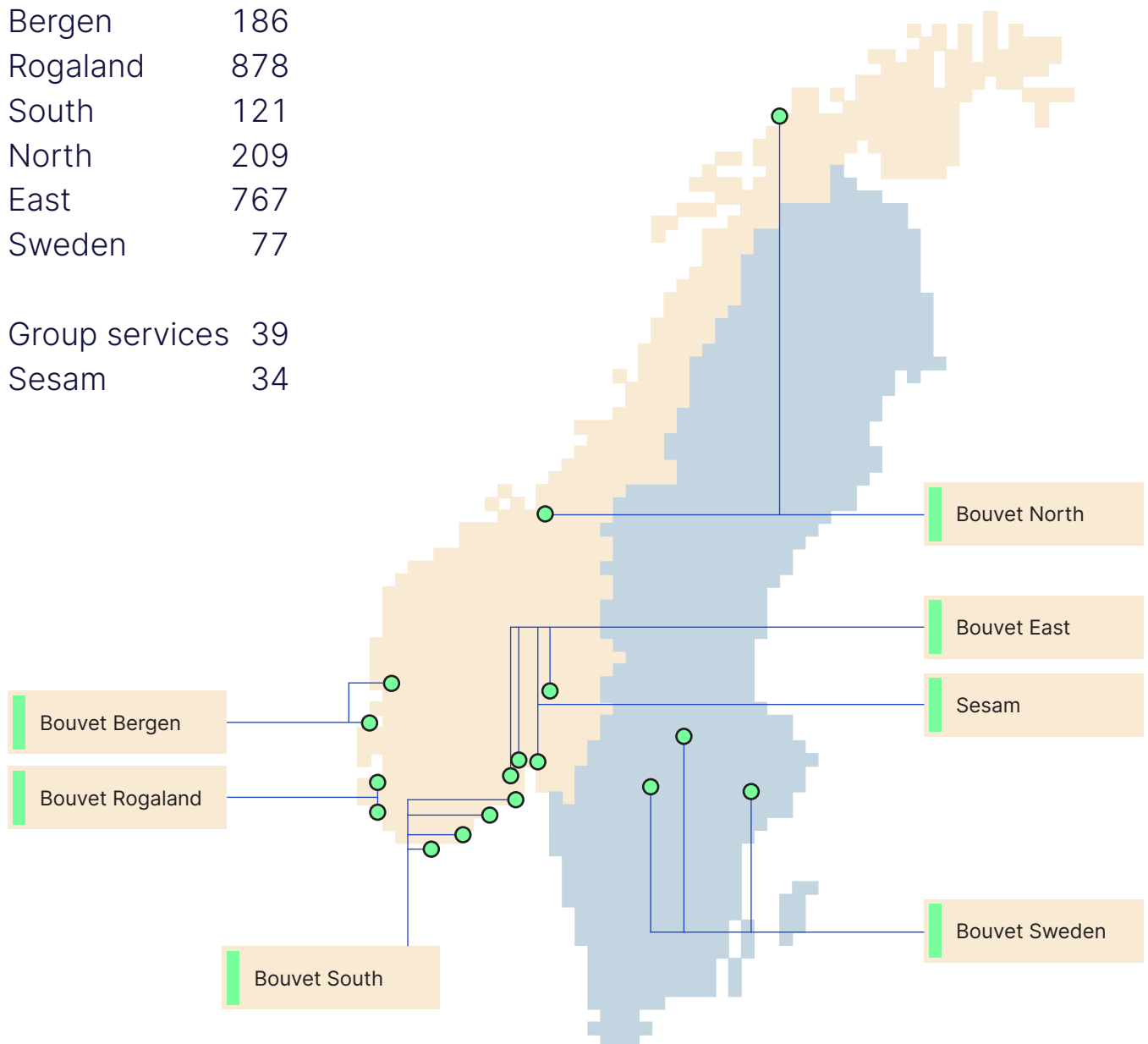
Close ties are a competitive advantage, but also a precondition for being able to develop solutions of ever higher quality – in line with our vision. By solving assignments for and in company with important societal players, we are involved in helping society to progress.

At 31 December 2023, we had 2 311 employees at 14 offices in Norway and three in Sweden.

Our regions and offices

The group has 17 offices in Norway and Sweden. Our philosophy is that competence should be utilised across the group, while projects are entrenched locally.

Regions	Employees
Bergen	186
Rogaland	878
South	121
North	209
East	767
Sweden	77
Group services	39
Sesam	34



2023 – a year of robust growth and development

Bouvet delivered unprecedented growth, results and progress in 2023, and our team of dedicated employees grew even bigger. For more than 20 years, we have run our business based on deeply rooted values which have stood the test of time. These values are crucial drivers of our achievements, and their continued relevance and application illustrates the strength of the Bouvet culture. I would like to thank all my colleagues at Bouvet for their efforts on behalf of our customers every day, and for their contribution to the group's value creation.

Our achievements in 2023 would not have been possible without our workforce of satisfied employees who thrive and develop as they undertake assignments for clients. At Bouvet, we put people first. Our culture is one where people are included and cared for, and we foster a vibrant professional community which shares generously and provides support. When this culture is combined with our portfolio of stimulating and educational client assignments with a major impact on society, we have a recipe for creating value.

In terms of results, the past year can only be described as very strong. We increased our turnover and achieved robust profitability at a demanding time, with an unstable security situation in Europe and economic uncertainty. Given this backdrop, we have every reason to be proud of our progress.

Our clients have played a large role in our progress during the year. We have always believed that the creation of real client value is driven by maintaining closeness to clients, in-depth operational knowledge and our interdisciplinary approach. Accordingly, we have developed a business with a broad local presence and high customer proximity, which we strengthened and expanded further in 2023.

Bouvet's customers are undergoing significant change and development. A common denominator among our clients and the sectors they represent is a need for restructuring powered by digitalisation and data-driven advances. In the health,

public services, transport, industry and service sectors, digitalisation is crucial to the development of a forward-looking society offering innovative services, and we are leading the way alongside our customers.

2023 was the year when artificial intelligence (AI) became commonplace. Bouvet has been expanding its expertise in the AI field for a number of years, and continued to do so during the year through skills development, expertise-sharing and the execution of different client assignments. As more and more organisations work on becoming data-driven, AI will open up major new opportunities, and we will be ready to help clients to exploit these and create value.

The energy sector accounts for a large proportion of Bouvet's overall activity, and is a key driver of future societal development. Europe is dependent on predictable energy supply, and not least the development of new and renewable energy sources. Success in the green shift requires modernisation and expansion of the cross-border supply network which stretches from manufacturers to consumers. Both consumers and businesses are more aware of the importance of secure and predictable energy supply than ever before. It therefore makes strategic sense for the majority of Bouvet's activities to be concentrated in this sector. Not least, our presence in the energy sector emphasises our vision of leading the way and building the society of the future.



**A strong culture,
satisfied staff
and interesting
assignments are key
to creating value.**

The security situation in Europe and globally lend our work on strengthening defence capacity increasing importance. The willingness of society to invest in defence capabilities is higher than for many years. At a time when Nordic defence activities are strongly characterised by the integration of new NATO partners, a significant digital boost is required. Bouvet's many years of engagement with the Norwegian armed forces, have given it extensive, vital expertise on defence matters. We expect this knowledge to become even more important in the years ahead.

Our society's defence capabilities extend far beyond our military forces, to the overall defence of society. Bouvet is involved in important public-sector deliveries in sectors such as the police, justice, emergency services, coastguard, and various surveillance and emergency services. Alongside key societal stakeholders, Bouvet is working to build a society which is, and is perceived to be, safer for all its members.

These efforts will continue to grow in importance, as will demand for our expertise.

I would like to thank everyone inside and outside Bouvet for all their contributions to the company's development in 2023 – we are proud of the value and societal benefits we were able to create with our clients. With the foundation laid in 2023, and with ongoing demand for Bouvet's collective expertise, we look forward to the years ahead with joy and anticipation.

Thank you all.

Per Gunnar Tronsli
President and CEO

ESRS Sustainability Statement

I. General

ESRS-2 General disclosures

BP-1 – General basis for preparation of Bouvet's sustainability statement

Bouvet's sustainability statement relates to the group as a whole. It gives an account of the areas in which the group has a material impact on its surroundings, as well as areas in which sustainability-related risks and opportunities have a material financial impact.

The purpose of the sustainability statement is to provide an accurate and transparent picture of the group's operations, as well as associated goals, guidelines, results achieved and measures in relevant areas. The statement is structured to be consistent with the Norwegian Accounting Act, and includes references to the chapter in Bouvet's Annual Report 2023 on Bouvet's Statement on Equality and Anti-Discrimination and Bouvet's separate report on the Norwegian Transparency Act. In preparing the statement, Bouvet has given the statement equal status to the group's financial report.

The statement covers Bouvet ASA's subsidiaries Bouvet Norge AS, Olavstoppen AS and Bouvet AB, which are all consultancy firms with a common strategic platform and business model.

The subsidiary Sesam.io AS is an SaaS provider which delivers specialised data integration and master data management products and has a strategy and business model adapted to this type of company. The decision has been made to exclude the company from this year's report, due both to the type of company and the fact that Sesam.io AS does not account for a significant proportion of Bouvet's revenues. However, Bouvet plans to include Sesam.io AS in next year's annual report.

The sustainability statement covers the group's entire value chain, but focuses primarily on own operations. This is in line with the findings of the group's double materiality analysis, which was revised in the autumn of 2023.

BP-2 – Disclosures in relation to specific circumstances

The sustainability statement covers the period 1 January 2023–31 December 2023. There were no unusual events in the group during this period, with the exception of the acquisition of Headit AS, a consultancy firm with 35 employees based in Hamar, Norway. Headit was merged into Bouvet's

subsidiary Bouvet Norge AS as of 2 October 2023, but is not included in this year's sustainability statement.

Time horizons

The group applies the time horizons defined in the ESRS: short horizon = up to one year, medium horizon = one to five years and long horizon = five+ years.

Disclosure of metrics

Calculations which include value chain data related to climate change (ESRS E1) have been prepared using the Eco-Lighthouse framework. The calculations are based on company-specific data (such as supplier-linked greenhouse gas emissions), collected by the group itself, combined with standard data on greenhouse gas emissions included in the Eco-Lighthouse tool.

Data related to reporting areas falling under Own workforce (ESRS S1) comprise data from employee surveys, general market analyses in the area of employer branding, Bouvet's incident notification system and Bouvet's HR system.

Data related to working conditions in the supply chain are based on Bouvet's due diligence assessment pursuant to the Transparency Act.

Other relevant sources are also drawn on, including findings from Bouvet's customer surveys, accounting, timekeeping and project system and specific items of accounting data retrieved from the company's accounting system and reporting solution.

Data collection

Data stemming from environmental and climate reporting by each region's own suppliers and operations is collected by regional representatives. In addition, the finance function assists with the extraction of data from accounting, timekeeping and project systems. The data form the basis for reporting through the Eco-Lighthouse tool. The person responsible for the environmental network checks that the information is correct. The process incorporates data from the previously mentioned subsidiaries.

Employees from group functions retrieve other data from the group's systems for calculation, collation and quality control purposes.

Data quality

Data extracted for use in reporting on the group's own operations and upstream use are considered to be of acceptable quality pursuant to the Eco-Lighthouse framework.

To the greatest extent possible, Scope 3 is based on estimates for the year 2023, although data collection needs to be expanded to include more of the group's suppliers. The group plans to evaluate new data collection solutions going forward.

Plans to improve accuracy of data and data quality

The group works continuously to improve data quality. A data quality manager has been appointed to lead these efforts and, in the longer term, to examine possibilities for automating data capture to replace manual processes.

In addition, the group is working to identify which data will be relevant and available for objective and correct reporting of Bouvet's impact in the area of ESRS – E1 relating to customers. Key measures in this regard are customer dialogue and long-term efforts to survey internal and external data sources.

As regards supply chain improvements, work is ongoing to identify better, richer data from internal and external sources.

Uncertainty attaching to financial risks and opportunities

A high degree of uncertainty attaches to the basis for calculating financial risks and opportunities in all areas defined as material to the group. The group plans to examine this topic more closely in 2024.

Changes in preparation or presentation of sustainability information

Bouvet's sustainability statement for the financial year 2023 has been restructured in accordance with the ESRS (European Sustainability Reporting Standard). This includes a major revision of the double materiality analysis, a step which has affected the weighting determining which data points the group deems material.

Since the group's double materiality analysis has undergone a major revision, the presentation and structure of the sustainability statement are not directly comparable to previous years. However, no major deviations or errors have been identified in earlier reports.

Bouvet reports in accordance with the requirements of the Norwegian Transparency Act. For further details, see the Transparency Act Report published on [bouvet.no](https://www.bouvet.no) and the Statement on Equality and Anti-Discrimination issued in accordance with the Norwegian Equality and Anti-Discrimination Act. See also chapter page 34 of the Annual Report 2023.

Standards and certifications

Bouvet is certified according to

- NS-ISO/IEC 9001:2015 Quality management systems
- NS-ISO/IEC 14001:2015 Environmental management systems
- NS-ISO/IEC 27001:2017 Information security
- Eco-Lighthouse

The group's guidelines, which form part of Bouvet's management system, have been revised in accordance with the group's ISO certifications.

GOV-1 – The role of the administrative, management and supervisory bodies

At the end of 2023, the group's board of directors consisted of five shareholder-elected board members. Bouvet ASA has no employees. Consequently, the board members were not employees and the board had no employee representatives.

The five shareholder-elected board members are independent. Collectively, they have long and varied experience from the construction and civil engineering, IT, industry, energy, banking/finance and public administration sectors, as well as organisational, management and finance expertise.

The board of directors of Bouvet ASA consists of two women and three men, and thus has a female share of 40%.

[Bouvet.no](https://www.bouvet.no) provides an overview of the company's board members and management.

Information about roles and responsibilities of administrative, management and supervisory bodies

Responsibility for sustainability rests with management and the board of directors as described below:

- Board of directors: overall strategic responsibility for sustainability.
- CEO: ultimate responsibility for Bouvet's compliance with laws and regulations in the area of ESG, as well as for Bouvet's strategic platform.
- Regional managers: responsible for regional customer, expertise and service development.
- CFO: responsible for compilation and reporting.
- Quality manager/CISO: responsible for delivery quality, including safety, administration, implementation of ISO certifications, recertifications and the Transparency Act.
- Head of HR: responsible for organising and implementing management development focused on ESG topics, for Bouvet's Code of Conduct and for compliance with activity and reporting obligations.
- Communications director: responsible for internal and external communication with company stakeholders.

Information about reporting lines to administrative, management and supervisory bodies

The regional model is fundamental to Bouvet's governance structure. It gives the individual regions and management teams a high degree of autonomy within the framework of the group's strategic platform, management principles, management systems and control systems.

The areas which are material to the group in terms of sustainability largely correspond to existing focus areas within the organisation. The reporting structure is therefore integrated into existing forums and networks, quality control systems and reports to managers on key figures.

New and updated requirements are incorporated into Bouvet's management systems and system support on an ongoing basis.

Disclosure of how administrative, management and supervisory bodies and senior executive management oversee setting of targets and monitor

The double materiality analysis shows that the main areas identified as material to the group have logical links with the company's long-term goals: best workplace, long-term customer relationships and successful operations. (See the detailed description of Bouvet's strategy and goals in the section on SBM – 1, on page 13.) The process of defining sustainability goals and indicators is therefore a natural element in the annual business plans of the group and the regions.

Climate change goals are set annually by regional managers and the managers of group functions. The goals are based on dialogue with the regional management groups and stakeholder engagement. Monitoring takes place quarterly.

Goals related to corporate governance and the supply chain are set by the group's quality network, which consists of representatives from all regions, regional management and managers within group functions. Responsibility for goals and monitoring lies with the head of information security and the CEO, among others. Status is monitored continuously, while due diligence assessments are conducted quarterly.

Reporting is included in the board of directors' annual activity plan.

Information about sustainability-related expertise that bodies either directly possess or can leverage

Bouvet's board of directors comprises persons with a broad background in the fields of technology, communications, finance and management. Two board members have sustainability expertise, acquired through training and other appointments.

Bouvet's management team consists of persons with extensive experience from the consultancy industry. Managers receive training through the group's management programme.

The double materiality analysis shows that the social dimension is the group's most important sustainability-related area. Since being founded, Bouvet has followed the principle that employees come first. "Employees first" is part of the group's DNA, and fundamental to its strategy, structure and day-to-day decision-making.

The company has also developed expertise in climate-related areas, including through ISO certification and the implementation of the Eco-Lighthouse framework in 2015. The group's environmental agents, who form part of the organisation's environmental network, work continuously on climate-related issues. This includes ongoing skills development concentrating on tasks linked to Eco-Lighthouse and ISO 14001 requirements.

At group level, Bouvet is working to build expertise related to ESRS – E. The aim is to refine the reporting basis for downstream and upstream activities in the value chain.

Safety is a key priority for the group with respect to ESRS – G. This area is undergoing major development, and the group is working continuously to provide training in and update structural expertise.

All Bouvet employees receive relevant training to enable them to perform their roles, through both the group's onboarding programme and the Grunnsteiner i Bouvet training programme.

G1-GOV-1 – Description of management's role in governance processes, controls and procedures used to monitor, manage and oversee impacts, risks and opportunities

Bouvet's board of directors monitors group management's compliance with good business practices, as well as applicable rules and regulations and the group's Code of Conduct.

Group management is required to identify all relevant risk factors, including financial risk, market risk and operational risk. Other relevant factors include reputational risk, risk related to access to expertise and IT security risk. Moreover, management has to ensure that the group has the risk management systems and tools it needs to reduce the occurrence of undesirable strategic, operational or financial events.

The Code of Conduct states that the group is committed to conducting its business responsibly, ethically and in accordance with laws and regulations. Managers must be good role models, and have a particular responsibility to act in accordance with the intentions of the Code of Conduct. Managers must regularly communicate the importance of compliance with the Code of Conduct, and provide employees with necessary training.

Effective management is a key driver of safety, job satisfaction and good performance. The group has adopted five principles which are closely aligned with Bouvet's values and provide a clear framework for good leadership:

- Maintain close contact
- Build a strong community
- Cultivate diversity
- Adopt a long-term perspective
- Seize opportunities

At Bouvet, safety representatives also function as local employee representatives, i.e. as a link between employees and management on matters which are not natural for individual employees to raise directly with their line manager.

The working environment committee is a decision-making and advisory body. It includes equal numbers of employer and employee representatives.

The quality manager plays a central role in risk management and quality assurance of assignments. The quality manager is also responsible for management systems and ISO certifications. Regional quality managers are responsible for local

operationalisation of quality work, as well as ensuring compliance with, advising on and assisting with the quality system at regional level. Regional quality managers and the quality manager collaborate on the administration and refinement of the group's management systems.

GOV-2 – Information provided to and sustainability matters addressed by Bouvet's administrative, management and supervisory bodies

Each year, regional managers, managers of group functions and other stakeholders collaborate to refine the group's double materiality analysis. The material impacts, risks and opportunities which Bouvet has identified relate to areas which are already part of the organisation. In other words, ownership, line management support, information and implementation are already covered by existing information structures and decision-making bodies.

The group's reporting platform primarily covers areas which are material with respect to the monitoring of results. Bouvet's managers therefore have continuous insight and can monitor developments in their own areas, and can set targets based on local conditions. In the area of climate, quarterly reports are prepared for the individual regions.

The reporting platform does not include reports on employee and customer satisfaction. In this area, the practice of conducting annual surveys will continue.

Safety-related areas are monitored continuously and are put on the agenda as necessary or in response to specific incidents.

Further, sustainability is firmly on the board of directors' agenda, including through its inclusion in the board's annual activity plan.

Disclosure of how administrative, management and supervisory bodies consider impacts, risks and opportunities when overseeing strategy, decisions on major transactions and risk management process

The group considers that the areas which are most material in terms of sustainability-related impact, risks and opportunities are covered by Bouvet's vision, ambition, business concept, long-term goals and values, which also constitute the foundation for the group's governance structures, internal controls and risk management.

GOV-3 – Integration of sustainability-related performance in incentive schemes

Remuneration paid to the CEO and other group executives consists of a fixed basic salary and a variable component in

the form of a share of profits. The size of the variable component depends on the extent to which financial targets are achieved. Based on the double materiality analysis, financial targets will also cover areas which are material in terms of sustainability.

A more detailed discussion of Bouvet's executive remuneration guidelines can be found at: <https://www.bouvet.no/investor>

Description of specific sustainability-related targets and (or) impacts used to assess performance of members of administrative, management and supervisory bodies

The group's double materiality analysis shows that Bouvet's greatest impacts, financial risks and opportunities are primarily related to its own workforce (ESRS – S1).

This underlines the importance of employee satisfaction and desire to participate in the company's development. Employees need to have the right expertise to be able to produce the results clients want. This is why Bouvet invests heavily in skills development and knowledge-sharing.

The company's managers prepare status assessments based on indicators such as key figures for growth in the number of employees, sickness absence and invoicing rate. These are linked with the results of the annual employee survey and customer surveys.

External market analyses which reveal Bouvet's attractiveness as an employer are important for identifying what the company needs to work on to attract qualified employees.

Disclosure of how sustainability-related performance metrics are considered as performance benchmarks or included in remuneration policies

The group's profit sharing is not broken down into individual incentive-scheme KPIs. Operating a collective scheme is key to ensuring flexibility and knowledge-sharing within the company, including with regard to sustainability.

The group's incentive scheme is approved annually by Bouvet's board of directors.

GOV-3/E1-GOV-3 – Integration of sustainability-related performance in incentive schemes

Bouvet operates a performance-based, collective bonus programme where any profits are shared with the employees. The purpose of such profit-sharing is to reward and motivate the employees to collectively pursue the group vision of 'leading the way and building the society of the future'. This vision reflects our joint strategic platform as described under SBM-1 on page 13.

GOV-4 – Statement on due diligence

FACTOR IN DUE DILIGENCE ASSESSMENTS	REFERENCE IN THE SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy and business model	See page 13 ESRS2 – SBM1: Strategy, business model and value chain
b) Engaging with affected stakeholders	See page 15 ESRS2 – SBM2: Interests and views of stakeholders
c) Identifying and assessing negative impacts on people and the environment	See page 16 ESRS2 – SBM3: Material impacts, risks and opportunities and their interaction with strategy and business model
d) Taking action to address negative impacts on people and the environment	See page 24 ESRS E1, page 27 ESRS – S1 and page 32 G1
e) Tracking the effectiveness of these efforts	See page 24 ESRS E1, page 27 ESRS – S1 and page 32 G1

GOV-5 – Risk management and internal controls over sustainability statementing

Bouvet's managers give high priority to having robust risk management and internal control procedures in place. These apply in areas identified by the company's double materiality analysis. Management has a particular focus on:

- employee training and motivation
- work procedures, rules and regulations, instructions and authorisations
- organisational matters
- financial reporting
- information security
- decision support and availability of information
- customer satisfaction
- assignments and delivery

The annual employee survey, which measures job satisfaction and loyalty, is used as the basis for action plans for individual managers and regions. The working environment committee is involved in internal control measures.

As regards work procedures, rules and regulations, instructions and authorisations, the company implements annual audits and recertification under ISO 27001, ISO 9001 and ISO 14001. These ISO frameworks incorporate work and control procedures.

The quality network assesses the group's suppliers with regard to possible human rights violations, and quarterly internal controls are carried out by an administrative body which includes representatives from group functions.

Disclosure of risk management and internal controls over sustainability statementing

The ESRS structure lays down guidelines for managing risk. The framework provides a detailed description of the steps involved in the sustainability reporting process.

Supplementary methodology and processes are documented and evaluated annually to capture any changes in access to data, data quality or external and internal factors, including legislation. Each step in the methodology is evaluated and refined to ensure that the group reports on material areas.

The core group working on the sustainability statement is an interdisciplinary team representing different functions within Bouvet. Staff from group operations and external advisers may also be brought in to ensure that sustainability expertise is correct and up to date.

Description of how findings of risk assessment and internal controls as regards sustainability statementing process have been integrated

Risks identified in the double materiality analysis have been evaluated by reference to internal controls and been deemed to be adequately addressed by these. In other words, the risks are managed through the group's existing procedures and principles.

Description of periodic reporting of findings of risk assessment and internal controls

Annual risk assessment and internal controls are reported to the board of directors. This also applies to customer and employee surveys, which are important resources for the board and individual managers in their efforts to further develop the organisation, employees and customers.

In the event of incidents relevant to information security and supply chains, a risk check is carried out immediately to facilitate further reporting.

SBM-1 – Strategy, business model and value chain

Bouvet is a leading consultancy firm in the IT and digital communication sectors. The group's employees understand their clients' businesses and work with them to find effective long-term solutions.

The group operates in the ESRS sector K.62.20 Computer consultancy activities and computer facilities management activities.

Bouvet has branches in Norway and Sweden, and had 2,311 employees as at 31 December 2023.

In 2023, the group generated total revenues of NOK 3,525.8 million.

The overview below shows the sectors which account for the largest proportions of Bouvet's sales:

Table 1: Sector overview

SEKTOR	JAN-DEC 2023
Power supply	17.0%
Health	1.6%
Industry	4.2%
Information and communication	4.0%
Public administration and defence	17.3%
Oil, gas and renewables	41.0%
Service industry	5.1%
Transport	4.8%
Retail	3.1%

Description of sustainability-related goals in terms of significant groups of products and services, customer categories, geographical areas and relationships with stakeholders

Changes in society and associated customer needs in the areas of digitalisation and sustainability are large, complex and interdependent. This is reflected in several of Bouvet's assignments for clients which are important stakeholders in the energy, industry, transport, health and public sectors.

Customers are showing increasing commitment to sustainability. Many are embarking on environmental and climate transformation projects to fulfil regulatory requirements and refine their ESG goals. There is increased awareness and knowledge of the impact of digitalisation. Bouvet is an important partner in digitalisation projects with an effect on technology, users, organisations and businesses. By adopting an interdisciplinary approach and emphasising development and change, we are facilitating long-term gains.

Bouvet's objectives are high employee and customer satisfaction and long-term customer relationships, as well as the addition of new customers which the group can support in line with its vision.

Bouvet's regional operations assess clients and assignments based on the group's strategic platform and the framework staked out by the management and quality system. Services are developed continuously in close collaboration with clients to ensure that they are relevant and meet client needs. Corresponding efforts are made on an ongoing basis in the area of sustainability.

Disclosure of elements of strategy that relate to or impact sustainability matters

The group does not have a separate sustainability strategy, as sustainability is integrated into the group's strategic platform. Bouvet is founded on the knowledge of its employees and the group's knowledge-sharing culture, which ensures the dissemination of employee expertise and advances in knowledge and technology, as well as alignment with customer needs.

This is reflected in the group's overarching vision of 'building the society of the future'. The vision is incorporated into Bouvet's strategic platform, which includes our ambition of 'being the most trusted consultancy firm with the most satisfied employees and customers'. The fact that the ambition statement mentions employees first illustrates the core of the group's DNA, namely that all staff contribute to the group's development. Values such as credibility, knowledge-sharing, freedom, a down-to-earth approach and enthusiasm support and empower individual employees in this regard.

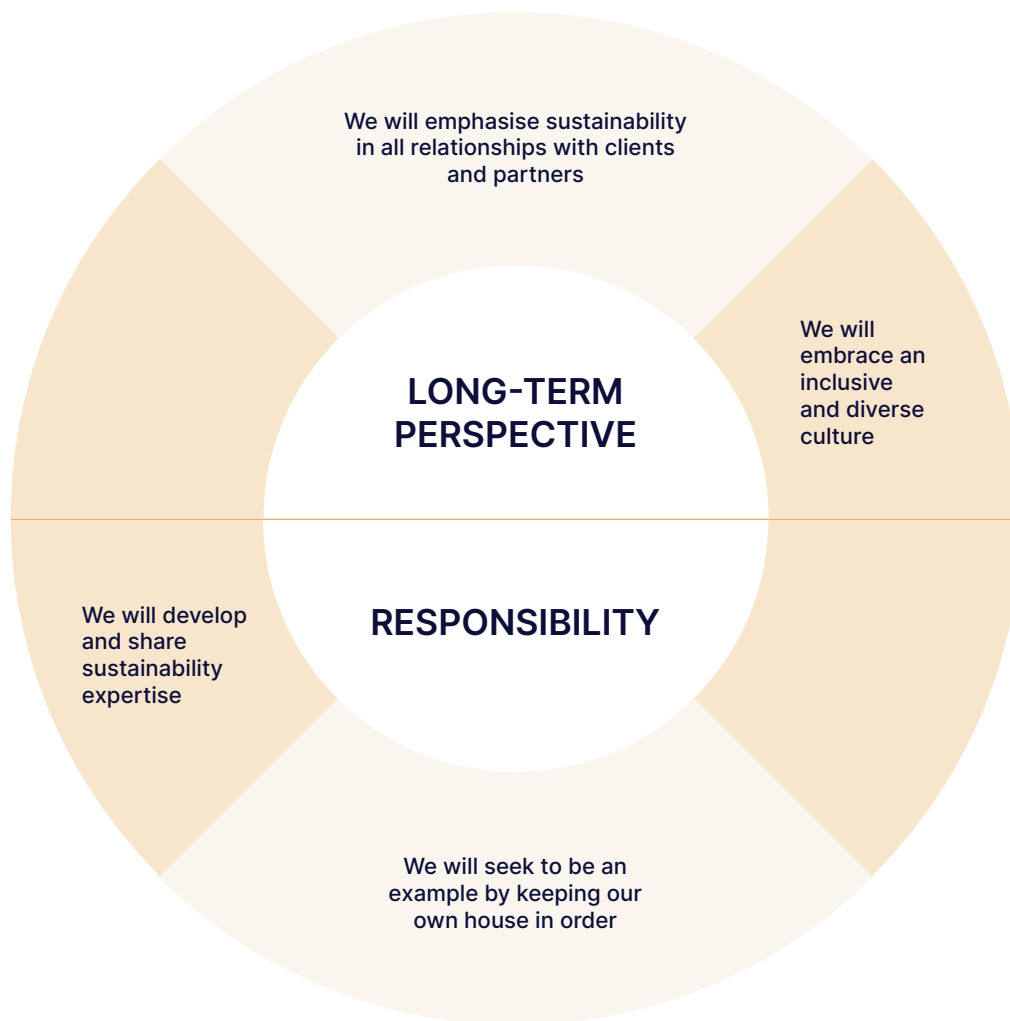
While the strategic platform provides the foundation and framework, it is Bouvet's culture and decision-making over time which create the strategy. The group's three long-term goals – best workplace, long-term customer relationships and successful operations – provide direction.

Bouvet's regional model supports its strategy. Proximity to customers, short decision-making paths and little bureaucracy give the group forward momentum, and give individual employees opportunities and the skills they need to overcome complex challenges in a rapidly changing society.

Credibility is key in sustainability work. The starting point for Bouvet's approach in this area is "show, don't tell". In other words, the group's strategy, measures and ability to exert influence are primarily expressed through knowledge-sharing and cooperation in the context of customer relationships.

Further, it has been decided that the group will apply the following four priorities in its sustainability work:

- Bouvet will emphasise sustainability in all relationships with clients and partners.
- Bouvet will develop and share sustainability expertise.
- Bouvet will embrace an inclusive and diverse culture.
- Bouvet will seek to be an example by keeping its own house in order.



Description of business model and value chain

Bouvet's business concept is that 'employees' culture, expertise, community and proximity to clients make Bouvet a driving force for innovation and improvement.'

Its broad range of services in the information technology, design, communication and business management fields makes Bouvet a full-service supplier and long-term strategic partner for many clients, and thus an important facilitator of and contributor to their sustainability efforts.

Description of main features of upstream and downstream value chain and Bouvet's position in value chain

Bouvet's sub-contractors are mainly sub-consultants from countries in which Bouvet operates. Together with the group's

own employees, these consultants facilitate value creation for customers. Sub-consultants are engaged in compliance with applicable rules and regulations.

Work on the Norwegian Transparency Act has revealed a need for monitoring of hardware suppliers and manufacturers, for example of PCs/Macs and mobile phones – as Bouvet has little influence on these. These two groups are monitored in accordance with the company's procedures. See the group's separate report on the Transparency Act on [bouvet.no](https://www.bouvet.no).

Bouvet can maximise its influence in the area of sustainability through its collaboration with clients and partners. The group's employees can leverage their expertise to influence energy consumption and CO2 emissions, and to develop solutions which safeguard digital social responsibility.

SBM-2 – Interests and views of stakeholders

Through stakeholder dialogues over the past four years, Bouvet has identified what stakeholders consider important for Bouvet with regard to sustainability efforts.

Table 2: Stakeholder engagement and stakeholder focus areas and needs

STAKEHOLDERS	ENGAGEMENT	FOCUS AREA	INTEREST/PRIORITY LEVEL/NEEDS
Employees	<ul style="list-style-type: none"> • Performance reviews • Employee surveys • Involvement of employee representatives related to the DMA 	<ul style="list-style-type: none"> • Interest and engagement • Job satisfaction and loyalty • Attractive employer • Expertise development 	<ul style="list-style-type: none"> • Focus on what the group can achieve with regard to sustainability, how this can be done and how individuals can innovate and contribute. • Job satisfaction and a desire to participate in the company's development.
Potential new employees	<ul style="list-style-type: none"> • Market analyses • Recruitment processes • Presence in relevant arenas 	<ul style="list-style-type: none"> • Expectations • Attractive employer 	<ul style="list-style-type: none"> • Individuals give weight to our operations' strategies, social responsibility and sustainability-related contributions, as well as their own experience of our values, when considering Bouvet as a potential employer.
Customers	<ul style="list-style-type: none"> • Customer satisfaction surveys • Quotation requests • Customer assignments • Customer dialogue • Customer dialogue regarding the DMA 	<ul style="list-style-type: none"> • Expectations and requirements 	<ul style="list-style-type: none"> • Many Bouvet clients have high sustainability ambitions. • Increasing expectations of Bouvet in its capacity as a supplier and a link in customer supply chains.
Suppliers	<ul style="list-style-type: none"> • Quarterly assessments 	<ul style="list-style-type: none"> • Requirements and expectations • Identify risks and measures 	<ul style="list-style-type: none"> • Increased focus on sustainability throughout the value chain. • The adoption of the Transparency Act is bringing about changes and developments which will impact Bouvet.
Partners	<ul style="list-style-type: none"> • Dialogue and sharing of expertise • Quarterly assessments 	<ul style="list-style-type: none"> • Sharing of expertise, cooperation and opportunities • Requirements and expectations 	<ul style="list-style-type: none"> • Our cloud partners are constantly working on new services and tools to reduce the climate and environmental footprint of data storage. • Dialogue and the sharing of expertise in this area with partners is important in Bouvet's assignments. • Our efforts related to the Transparency Act will also impact these relationships.
Interest organisations	<ul style="list-style-type: none"> • Active participation in industry networks • Active sponsor of GoFort, a project under ICT Norway 	<ul style="list-style-type: none"> • Dialogue and understanding • Academia and industry collaboration • Technology and sustainability 	<ul style="list-style-type: none"> • The ICT industry has a particularly important role to play in helping individual businesses and Norway as a whole to achieve the SDGs. • Interest organisations allow businesses to cooperate, share expertise and experience, and participate in joint initiatives which, for example, impact the value chain in accordance with the Transparency Act.
Owners	<ul style="list-style-type: none"> • Dialogue with board representatives and selected owners • Board/owner meetings concerning the DMA 	<ul style="list-style-type: none"> • Sustainability-related risks and opportunities 	<ul style="list-style-type: none"> • Owners are focused on, for example, a long-term perspective and that Bouvet should be involved in socially beneficial assignments, as well as the company's internal culture and its strategy for sustainability work.
Other stakeholders (authorities, society and the financial sector)	<ul style="list-style-type: none"> • Meetings with the financial sector regarding the DMA 	<ul style="list-style-type: none"> • Requirements and expectations 	<ul style="list-style-type: none"> • Other stakeholders impose requirements and have expectations regarding Bouvet and the group's development.

SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Bouvet's double materiality analysis (DMA):

Table 3: Climate change (ESRS E1)

TOPIC	VALUE CHAIN	IMPACT, OPPORTUNITY, RISK
Scope 1 - emissions from own operations	Own operations	Impact
Scope 2 - emissions from purchased energy	Own operations	Impact
Scope 3 - supply chain emissions	Upstream value chain	Impact
Scope 3 - emissions from customer projects linked to how projects are run and the direct contribution of the projects to energy consumption	Downstream value chain	Impact
New services or new markets for delivering on our vision	Downstream value chain	Opportunity

Table 4: Social – Own workforce (ESRS S)

TOPIC	VALUE CHAIN	IMPACT, OPPORTUNITY, RISK
Own workforce S1		
Safe and secure work	Own operations	Impact
Fair pay	Own operations	Impact
Work-life balance	Own operations	Impact
Diversity and equality	Own operations	Impact
Expertise development	Own operations	Impact
Equal treatment and equal opportunities	Own operations	Impact
Perceived focus on employees in accordance with the ambition (reputation)	Own operations	Risk
Attractive workplaces (culture and reputation)	Own operations	Opportunity
The right expertise	Own operations	Opportunity
Local representation	Own operations	Opportunity
Local communities (S3)		
Jobs in rural areas	Local communities	Impact

Table 5: Business conduct (ESRS G1)

TOPIC	VALUE CHAIN	IMPACT, OPPORTUNITY, RISK
Business conduct and culture	Own operations	Impact
Assignments and deliverables	Downstream value chain	Impact
Compliance with the Transparency Act and maintaining efforts	Own operations	Risk

Bouvet's double materiality analysis shows that the group has the greatest negative impact in the following areas:

- ESRS – E1: In terms of Scope 1, 2 and 3 CO2 emissions, the group has a negative impact as defined in ESRS – E1. ESRS – E1. Bouvet – which leases its premises and only owns a few motor vehicles – has no significant emissions in Scope 1. The company's Scope 2 emissions are linked to energy purchased for its premises. The group has the greatest negative impact in Scope 3. The largest identified Scope 3 emissions relate to employee travel. As regards downstream activities, the negative impact in this area is determined by which assignments Bouvet accepts, choices made and how assignments are executed, as well as the extent to which Bouvet contributes to clients' sustainability initiatives.
- ESRS – S1: Bouvet's greatest impact linked to its own operations is within ESRS – S1, i.e. its own workforce. This includes the employees' opportunities to engage in safe and secure employment, conditions, the scope for combining work and private life, equal treatment rules, forms of working and development opportunities. Through our regional model, we maintain a local presence and create local jobs, and have expertise available in our various locations.
- ESRS – G1: The group's corporate governance and business conduct affect the group in general, and its culture and working conditions in particular. Governance and conduct are also of great importance with respect to, for example, which assignments the group accepts and how they are executed.

Two significant risk areas identified in the DMA are safety and employees' perception of Bouvet's ambition.

We see the group's greatest opportunities in the categories of service development, assignment types and new sectors emerging in connection with the green shift. Most important, however, are the opportunities which lie in the group's culture, reputation and work on skills development. In addition, our local presence gives us access to local expertise.

Disclosure of current and anticipated effects of material impacts, risks and opportunities and responses to effects

Bouvet's business model is to offer cutting-edge expertise in design, communication, advisory service and technology, tailored to customer needs. The group considers that its business model and strategic platform support the objectives related to material impacts, risks and opportunities as identified in the double materiality analysis. The group's long-term goals in the area of sustainability have been formulated with a view to being relevant over time, regardless of generational, societal and technological developments.

As regards our own employees, our objective of being "the most credible consultancy firm with the most satisfied employees and customers" is consistent with the findings of the DMA, which identified that the group has its greatest impacts, risks and opportunities in SI-1 Own workforce. The group's management principles, governance structure and regional model support this ambition.

Further, the group has the vision of 'leading the way and building the society of the future'. In addition, two of our three long-term goals – 'long-term customer relationships' and 'successful business' – provide guidance for the group's decisions. Consequently, it is consistent with the overarching strategy for the group to work on measures targeting impacts, risks and opportunities in the area of sustainability, in cooperation with employees and customers.

As regards **ESRS – GOV 1**, where the DMA has focused on the group's cultural development, keeping the group's own house in order, the safety aspect and exerting influence in the upstream and downstream supply chain, this is closely aligned with Bouvet's values such as credibility, freedom, enthusiasm, a down-to-earth approach and a culture of sharing. These are fundamental values in our work related to impacts, risks and opportunities.

Disclosure of how material negative and positive impacts affect (or are likely to affect) people or environment

ESRS – E: When it comes to the group's negative impacts related to ESRS – E1, Scope 1 and Scope 2 emissions from own operations, these are small. Scope 3 emissions account for the largest proportion. This negative impact is considered to be material with regard to the targets in the Paris Agreement.

In the medium and long term, as access to data increases, the group will gain more knowledge about downstream impacts. This will influence the available opportunities for having a positive impact in sectors in transition and in areas where digitalisation is a relevant instrument.

The group will continue to monitor environmental and climate aspects in connection with purchasing and the selection of suppliers.

ESRS – S: The DMA shows that Bouvet has a positive impact on people, particularly within ESRS – S1 Own workforce. The group emphasises that Bouvet should be a secure workplace, including at times of economic instability in society. This is related to the sectors in which the group operates, assignment types, client relations and internal management principles. In addition, the group has a flat structure and a set of values which facilitate diversity in terms of experience, seniority, background, education, interests, expertise, job satisfaction and the ability of individual employees to contribute to development. The group has considerable influence as regards ensuring that employees feel that everyone is treated equally and has equal opportunities, including with respect to terms and conditions.

Another consideration in this regard is that individuals should be able to balance work and leisure time. Bouvet has great influence here in terms of permitting employees to be 'whole' people.

Regarding ESRS – S3, Bouvet has a positive impact through its regional model and the principle of maintaining close relationships with clients, which has resulted in the group maintaining a local presence at 17 locations as at 31 December 2023 – 14 in Norway and three in Sweden. In addition to creating local jobs, Bouvet – in its capacity as a knowledge enterprise – supports skills development through its focus on development and value creation in the business sectors in which it operates.

ESRS – G: In its role as a consultancy firm, Bouvet must maintain a standard of business conduct which has a positive impact on the environment and people. Through the services and expertise-sharing which the group contributes to deliveries, it can have a substantial positive impact on climate and the environment.

The group's expectations related to its employees are set out in the Bouvet Code of Conduct. Bouvet also has a code of conduct for its dealings with suppliers. The group monitors these codes by conducting due diligence assessments to identify the practices of suppliers and supply chains related to human rights and working conditions. See also the group's separate report on the Transparency Act on [bouvet.no](https://www.bouvet.no).

Disclosure of how impacts originate from or are connected to strategy and business model

The group's largest negative impact within ESRS – E1 concerns travel and transport. However, our regional model (entailing a local presence and the principle of proximity to employees and customers) helps to reduce employee travel within Scope 3.

The group's second-largest negative impact within ESRS – E1 relates to Scope 2, which deals with emissions linked to energy consumption at own premises. Bouvet's employees need be able to work at Bouvet's or the customer's premises.

As regards impacts within ESRS – S1 and ESRS – G1, these are in line with Bouvet's model of offering cutting-edge expertise in digitalisation. Our impact is closely linked to our employees and our strategic model, management principles and values. The business model, which is primarily based on charging by the hour, provides room for adjustments and facilitates delivery in accordance with the group's vision, including its sustainability-related objectives.

Time horizon

Based on the group's strategy and strategic approach, Bouvet applies the principle of 'continuous improvement' in order to be able to respond quickly to changes and unforeseen events. Regarding the expected time horizon, this is defined as follows:

- ESRS – E1: In this area, Bouvet conducts annual assessments of its own emissions. For the group's supply chains, the time horizon is two to five years. This also applies to work related to customers and assignments.
- ESRS – S1: Historically, the group has always emphasised continuous improvement. Each year, the regions set their own goals and focus areas defining what they will work on and how. Group functions are developed by reference to the regions' support needs, as well as the needs that arise as a consequence of legislative changes and other external factors.
- ESRS – G1: Historically, the group has always emphasised continuous improvement. Each year, the regions set their own goals and focus areas defining what they will work on and how. Group functions are developed by reference to the regions' support needs, as well as the needs that arise as a consequence of legislative changes and other external factors.

Description of nature of activities or business relationships through which Bouvet is involved with material impacts

Bouvet has a broad range of clients in the oil, gas and renewables, power supply, transport, public administration and defence, information and communication, industry, health and social services, service-provision and retail sectors. The greatest opportunities for exerting influence lie in cooperation with customers. In addition, Bouvet engages in business clusters and other forums where it can exert influence through measures such as knowledge-sharing on digitalisation.

The group is also present at various educational institutions, conferences and in collaborations such as GoFort. The objective is to help increase knowledge of the need for technical and related expertise, attract good candidates and ensure that educational institutions train candidates with the right expertise.

The group's employees contribute by sharing expertise in internal and external arenas. This creates understanding and knowledge of how digitalisation is impacting all sustainability-related areas.

Disclosure of current financial effects in related financial statements

The key figures used by Bouvet in its quarterly reporting of revenue, operating profit, EBIT margin, number of employees, changes in invoicing, hourly rate development and operating costs are all indirectly affected by the results of the double materiality analysis.

Based on the analysis results, Bouvet does not (as at 31 December 2023) see any need to amend its current reporting structure, but will continuously review this conclusion in 2024.

Information about resilience of strategy and business model regarding capacity to address material impacts

Bouvet's strategy permits quick decision-making by both individual regions and the regions collectively. This provides the agility and adaptability the group needs to manage the areas in which it has significant influence. The strategy is described in more detail on page 13.

Disclosure of changes to material impacts, risks and opportunities compared to previous reporting period

The group has not registered any major deviations compared to previous reports, but due to the change to ESRS reporting for the 2023 financial year, several areas lack comparable reference data from previous years.

IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities

The process of identifying, assessing, prioritising and monitoring potential and actual impacts on people and the environment forms part of the due diligence assessment for responsible business conduct as defined by the OECD. Bouvet follows a step-by-step process which includes dialogue with stakeholders and identification of relevant sustainability topics.

The topics are identified on the basis of formal and informal dialogues with affected stakeholders and other parties with an impact on Bouvet's operations. The company also draws on scientific sources and reports on climate research, industry reports, etc. In addition, Bouvet's whistleblowing mechanism

collects information which may be relevant. These stakeholder dialogues and information sources are monitored throughout the year, and are used as inputs in the process of identifying impacts, risks and opportunities.

In 2023, the topic-identification process was based on materiality assessments conducted in previous years. To ensure completeness of the work and support this process, Bouvet used the list of sustainable issues in section AR16 of ESRS – 1. Accordingly, efforts to identify impacts, risks and opportunities can be seen as a combination of developing a tailored list of impacts, risks and opportunities and applying the list defined in the ESRS.

In 2023, Bouvet also devoted greater attention to sustainability-related financial risks and opportunities than previously. During the year, efforts to identify and assess the topics took the form of a formal process which included several internal workshops and meetings. The work was organised by a project group, which involved the management team in the identification of topics and assessment of the relevance of impacts, risks and opportunities. This was done in workshops to ensure good involvement and quality. Among other things, workshops were held with senior management to identify sustainability-related topics, assessing the relevance of identified topics and ensuring completeness and quality of applied methodology.

As part of the identification work, all impacts, risks and opportunities were categorised based on their relationship with the value chain (own operations, supply chain, etc.) and partially categorised based on their relevance to the time aspect.

The due diligence process takes a risk-based approach. Drawing on data and information from stakeholder dialogues and expert information, the process focuses on topics, sectors and activities for which Bouvet has identified an elevated risk of negative impacts.

Bouvet carried out a major revision of its materiality assessment in 2023. The assessment entails evaluations of severity (including scale, scope and irreversibility) and, where relevant, probability. The materiality assessment must be understood as a first step, and the process will be improved as more information is obtained and the methodology for materiality assessments is refined. Nevertheless, topics were assessed using the above methodology wherever possible. In the case of actual negative impacts, severity was calculated as an average of scale, scope and irreversibility, using a points scale from 1 to 5. In addition, severity could reach a maximum score if one of the factors (scale, scope or irreversibility) had a high score (e.g. 5 for scope would result in 5 for severity). In the event of a human rights violation, severity counted more than probability. Irreversibility was not evaluated in the case of positive impacts, and was excluded from the assessment. For potential impacts, severity was assessed jointly with probability in both the product assessment and the separate factor assessments.

Stakeholder dialogues were conducted before and during the process of identifying, assessing and prioritising areas. This also included the use of relevant environmental information. Bouvet will refine its stakeholder dialogues going forward to ensure that it makes even better informed decisions.

The said process for assessing material areas produced a list of all areas. Where the product of the factors resulted in a number greater than 20, the area was automatically defined as material. If the product was less than 20, the factors were assessed individually to ensure that no potentially material areas were overlooked. All factors with a material impact on people and the environment – regardless of financial consequences – were deemed material to the company's ongoing work. This is because issues not entailing financial risk should also be addressed. Actions have been planned, developed or implemented for prioritised areas. Dedicated Bouvet employees will be appointed for all areas.

The process described above was also followed when identifying, assessing, prioritising and monitoring risks and opportunities with an actual or potential financial effect. Impacts were assessed as part of identifying risks and opportunities. Dependencies were also partially addressed through this work, resulting in the conclusion that Bouvet is highly dependent on attracting skilled employees.

As far as possible, risks and opportunities were also assessed using the said method. Bouvet assessed these topics using the formula of scope multiplied by probability, both on a scale from 1 to 5. The final score was a number between 0 and 25, where all topics with a score higher than 20 were deemed to be material.

Sustainability-related risks are assigned the same priority as other risk types, and there are no differences in the prioritisation of different risk categories. Risk-mitigation measures are prioritised to focus on the highest identified risks.

Executive management was involved throughout the process of identifying material topics. The final proposal was reviewed by a working group before being presented to executive management and the board of directors for final approval.

The process of identifying, assessing and managing impacts and risks is integrated into the overall risk management process and the process of identifying, assessing and managing opportunities.

Dialogues with stakeholders and information from other sources guide the process of identifying, assessing and managing impacts, risks and opportunities. Such information may include risk indices and scientific reports on human rights, labour rights and environmental issues, as well as industry and sector reports.

There were no major changes in our material impacts, risks and opportunities compared to the previous reporting period.

ESRS 2 IRO-1/ E1-IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities

The process of identifying and assessing material climate-related impacts, risks and opportunities coincided with the process described above (IRO1). In order to identify as many risks and opportunities associated with climate risk as possible, climate scenarios were also used. These scenarios consisted of a best-case scenario in line with the Paris Agreement (maximum 2 degrees of warming) to assess transition risk (such as increased regulatory requirements), and a worst-case scenario to identify major physical climate changes (such as acute and chronic changes affecting Bouvet and the group's value chain).

This work did not identify any climate-related risks in the short, medium or long term. This is because the group has a robust and responsive business model which allows services to be easily adapted to the needs of existing and new customers – including climate-related needs – through collaboration and joint development of expertise with clients.

Description of process in relation to impacts on climate change, in particular, GHG emissions

Bouvet holds Eco-Lighthouse and ISO 14001 certification. The company follows the processes and procedures of the Eco-Lighthouse certification scheme in its work. All Bouvet offices have an environmental agent who is part of the group's environmental network. The network surveys the environmental impact of the group's operations. Regional managers are provided with quarterly climate accounts based on the survey. An annual internal audit and a management review are also carried out. The latter includes identification and evaluation of suppliers. Further, the group's suppliers are subject to a quarterly environmental assessment.

As at 31 December 2023, the group did not have a separate process in place for surveying CO2 emissions in its supply chain. Instead, the Eco-Lighthouse framework is used to calculate Scope 3. Continuous collection of valid data is being considered to facilitate the inclusion of such emissions in supplier assessments.

Regarding the group's operating sectors and assignment types, Bouvet did not have a separate process for surveying downstream emissions in the value chain as at 31 December 2023. The group monitors developments in the sectors in which it operates, developments affecting the group's clients and developments in areas of supplier expertise in order to obtain valid supporting data for reporting on this part of the value chain.

ESRS 2 IRO-1/E2-IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

As a consultancy firm, Bouvet does not engage in any activities entailing pollution, and is not exposed to any pollution-related risks or opportunities. Accordingly, the group does not report on this point.

ESRS 2 IRO-1/E3-IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

As a consultancy firm, Bouvet does not engage in any activities entailing material negative impacts or opportunities related to water and marine resources. Accordingly, the group does not report on this point.

ESRS 2 IRO-1/E4-IRO-1 – Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

As a consultancy firm, Bouvet does not engage in any activities entailing material negative impacts, risks or opportunities related to biodiversity and the ecosystem. Accordingly, the group does not report on this point.

ESRS 2 IRO-1/E5-IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Bouvet is a consultancy firm which does not manufacture physical products forming part of a value chain. Accordingly, the group is not exposed to any risks or opportunities related to the circular economy.

However, the group utilises hardware to deliver its services and will monitor its suppliers' adaptation to a circular economy. This will allow the group to exert influence through the selection of suppliers.

Through its role as a consultancy firm, Bouvet can help clients seeking to adapt to the circular economy by supporting digitalisation.

ESRS 2 IRO-1 /G1-IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities related to business conduct

The process of identifying and assessing material impacts, risks and opportunities related to corporate governance/ business conduct aligned with the process described above (IRO1).

Bouvet follows a step-by-step process which includes dialogue with stakeholders and identification of relevant business conduct topics. The topics are identified on the basis of formal and informal dialogues with affected stakeholders and other parties with an impact on Bouvet's operations. Inputs are incorporated into the process of identifying impacts, risks and opportunities.

This work did not reveal any material risks or opportunities related to business conduct in the short, medium or long term. This is because the group operates in a well-regulated and transparent market and has a strong and well-established Code of Conduct for its business operations and actions. A strong focus on data protection and information security in both internal processes and customer assignments reduces the risk level in these areas. It also helps to keep opportunities open for Bouvet as a partner in digitalisation projects on behalf of clients and in the market in general.

Explanation of negative materiality assessment for ESRS E1 Climate change

Bouvet's CO2 emissions fall within Scopes 1, 2 and 3. Travel in particular has the greatest negative impact (Scope 3). As regards Bouvet's value chain, there are no direct negative downstream impacts. At the same time, this is where there is the greatest potential to have a positive impact. Although the group does not currently have valid figures for suppliers, it will monitor this area going forward with a view to using emissions as a criterion in supplier selection.

Explanation of negative materiality assessment for ESRS E5 Circular economy

As a consultancy firm, Bouvet does not manufacture its own products, and has therefore assessed this point as inapplicable. However, the group will raise this topic with suppliers in the medium and long term in order to monitor the group's impact.

Explanation of negative materiality assessment for ESRS S1 Own workforce

Bouvet impacts its employees' opportunity to experience equal treatment and be granted equal opportunities through the group's policies, values, culture and ways of working.

Bouvet impacts its employees' perception of fair pay and a pay model which is consistent with the overall experience of working for Bouvet - the 'Bouvet package'.

The group also impacts its employees' development opportunities through courses, professional challenges in assignments, networking, career and expertise development linked to new roles, as well as general skills-building. Employees must have relevant expertise to be able to meet customer needs and to be proactive in their day-to-day work.

Explanation of negative materiality assessment for ESRS S2 Workers in value chain

Bouvet does not consider itself to have a material negative impact in its supply chain. This conclusion is supported by the findings from completed due diligence assessment; see the Transparency Act. See further the Transparency Act report published on [bouvet.no](https://www.bouvet.no).

Explanation of negative materiality assessment for ESRS S3 Affected communities

Bouvet's own operations are not considered to have a material negative impact on local communities.

Explanation of negative materiality assessment for ESRS S4 Consumers and end-users

As a consultancy form which works closely with its clients, Bouvet can act as a driving force through the services it provides and through the sharing of expertise. However, the group does not consider itself to have a negative material impact in this context.

Explanation of negative materiality assessment for ESRS G1 Business conduct

Bouvet's business conduct impacts all the group's activities with respect to compliance, ethics and culture. This is strongly linked to implementation of the group's values.

Bouvet can also have an impact on clients' sustainability work. The group can influence assignments in terms of both organisational structures and the work of individual employees. In addition, Bouvet can exert influence through its selection of operating sectors and assignment types; see the group's vision.

Through its work on its quality and management system, the Transparency Act, the Statement on Equality and Anti-Discrimination, Eco-Lighthouse, ISO 9001, ISO 14001 and ISO 27001 certification, and financial reporting, Bouvet has identified areas material to the group. External sources have also been utilised in this work. Based on all these sources, we do not consider the group to have a material negative impact.

List of ESRS reporting requirements answered on the basis of the materiality analysis

I. General	8
ESRS-2 General disclosures	8
BP-1 – General basis for preparation of Bouvet’s sustainability statement	8
BP-2 – Disclosures in relation to specific circumstances	8
GOV-1 – The role of the administrative, management and supervisory bodies	9
G1-GOV-1 – Description of management’s role in governance processes, controls and procedures used to monitor, manage and oversee impacts, risks and opportunities	10
GOV-2 – Information provided to and sustainability matters addressed by Bouvet’s administrative, management and supervisory bodies	11
GOV-3 – Integration of sustainability-related performance in incentive schemes	11
GOV-3/E1-GOV-3 – Integration of sustainability-related performance in incentive schemes	11
GOV-4 – Statement on due diligence	12
GOV-5 – Risk management and internal controls over sustainability statementing	12
SBM-1 – Strategy, business model and value chain	13
SBM-2 – Interests and views of stakeholders	15
SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	16
IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	18
ESRS 2 IRO-1/ E1-IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	20
ESRS 2 IRO-1/E2-IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	20
ESRS 2 IRO-1/E3-IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	20
ESRS 2 IRO-1/E4-IRO-1 – Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	20
ESRS 2 IRO-1/E5-IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	20
ESRS 2 IRO-1 /G1-IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities related to business conduct	21
List of ESRS reporting requirements answered on the basis of the materiality analysis	22

II. Climate and environment	24
ESRS-E1 Climate change	24
E1-1 – Transition plan for climate change mitigation	24
E1-SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	24
E1-2 – Policies related to climate change mitigation and adaptation	24
E1-3 – Actions and resources in relation to climate change policies	24
E1-4 – Targets related to climate change mitigation and adaptation	25
E1-6 – Gross Scopes 1, 2, 3 and total GHG emissions	26
III. Social	27
ESRS-S1 Own workforce	27
S1-SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	27
S1-1 – Policies related to own workforce	27
S1-2 – Processes for engaging with own workers and workers' representatives about impacts	28
S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	28
S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	29
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	30
S1-6 – Characteristics of Bouvet's employees	30
S1-9 – Diversity metrics	31
S1-10 – Adequate wages	31
S1-15 – Work-life balance	31
S1-16 – Compensation metrics (pay gap and total compensation)	31
Cybersecurity	31
IV. Corporate governance	32
ESRS-G1 Business conduct	32
G1-1 – Business conduct policies and corporate culture	32
G1-3 – Prevention and discovery of corruption and bribery	33
G1-4 – Incidents of corruption or bribery	33

II. Climate and environment

ESRS-E1 Climate change

E1-1 – Transition plan for climate change mitigation

The global community is facing significant changes in its efforts to achieve the climate targets in the Paris Agreement. Norway has confirmed that it will reduce greenhouse gas emissions by 55% by 2030 and 90%–95% by 2050. Bouvet will support achievement of these objectives.

Bouvet's emissions are closely linked to day-to-day operational decision-making. The group is not currently engaged in any activities covered by the taxonomy.

Improvement efforts are a natural aspect of Bouvet's operations. Sustainability is integrated into the key figures provided to managers as a basis for day-to-day operations.

While Bouvet has not developed an overall transformation plan, it is specifically targeting – as described above – areas in which it sees potential for improvement. The aim is to better incorporate these into the group's management structure and to prepare an overall plan.

E1-SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Bouvet has not identified any material, climate-related physical or transition risks. The assessment examined the company's strategy and governance structures, whose compact decision-making processes and low bureaucracy permit rapid adaptation of services in response to market needs and regulatory changes. Physical climate change will also have little direct impact on the company.

Bouvet has not identified any omissions of material physical risks or transition risks from the analysis of its own operations and its upstream and downstream value chains.

E1-2 – Policies related to climate change mitigation and adaptation

Implementation

The group's environmental and climate policy is part of the environmental management system. Bouvet's environmental system incorporates a number of guidelines and procedures:

- Instructions for environmental managers, including areas where expertise development is needed
- Internal audits
- Guidelines for supplier assessments, including risk assessment
- Conduct of due diligence assessments

The environmental policy describes the group's environmental and climate impacts and its commitments and strategies related to purchasing, energy consumption, waste management and transport, as well as the group's environmental and climate impacts and commitments.

Following completion of a materiality assessment in which climate will be one of the most important topics in accordance with the Paris Agreement, this part of the policy will be further developed in 2024.

Responsibility for implementing the guidelines rests mainly with the head of information security and the head of HR. Regional managers bear primary responsibility for ongoing monitoring. The environmental agents in the environmental network are responsible for implementation in their regions.

Implementation is covered by Bouvet's environmental management systems as certified under ISO 14001 and in accordance with the Eco-Lighthouse framework. The fact that Bouvet is certified in accordance with these standards demonstrates that the group is adopting a systematic approach to the environment and climate.

The management systems are available on the company's intranet.

Stakeholder engagement

The policy has been developed as part of the work on ISO and Eco-Lighthouse certification and in collaboration with the internal environmental network. External information sources such as climate and environmental reports, industry reports and other expert information have also been utilised. Bouvet is continuously working to embed the group's policy among employees.

E1-3 – Actions and resources in relation to climate change policies

Objectives and measures are as described below.

Disclosure of key action:

Scope 2:

- Reduce energy consumption at individual offices
- Increase the share of renewable energy sources

Scope 3:

- Reduce emissions per employee related to travel
- Continue implementing increased mobile and PC/Mac lifetime per employee
- Evaluate and, if relevant, update the presentation of Bouvet's operational sectors in market reporting
- Monitor own suppliers' climate emissions in order to provide valid figures on the company's negative impact linked to purchases of products/services
- Continue implementing climate accounting for use in own operations and when assessing suppliers
- Continuous expertise development
- Continue motivating and facilitating the sharing of expertise and experience among employees

The overall purpose of the key actions is to boost expertise within Bouvet so that the group can be proactive in its dealings with customers and possesses the expertise to achieve customers' sustainability goals. The key actions have a time horizon of one to five years.

Action taken in the 2023 financial year:

- Information to and dialogue with management teams to increase knowledge and awareness of local goals and local initiatives.
- Quarterly reporting of climate accounts to the regions to visualise their CO2 emissions in Scopes 1, 2 and 3, to give the regions a better decision-making basis for their efforts to reduce emissions.
- Individual regions have implemented various forms of expertise development and sharing.

Bouvet links the results of the double materiality analysis to its existing strategy, business model, operating model and management principles. As a result, no specific investment funds were allocated in 2023. The group continuously assesses measures by reference to ESRS-E1 in the areas in which it can exert influence.

E1-4 – Targets related to climate change mitigation and adaptation

Bouvet is continuously working to improve its operations. This also applies to efforts to reduce greenhouse gas emissions. As a consultancy firm, Bouvet's greenhouse gas emissions are closely linked to the size of its workforce. The group has therefore decided to use targets based on emissions per employee and to apply Norway's commitments as its starting point. The group has adopted the overarching target of reducing its own emissions by 55% by 2030, and by 90%–95% by 2050.

As at 31 December 2023, transport and mileage allowance accounted for a significant proportion of the group's CO2 emissions.

Bouvet has not adopted scientific targets.

Scope 2 – Targets related to measures to reduce emissions in own operations:

- All new premises must be BREEAM certified.

As at 31 December 2023, the group was leading 17 office premises – 14 in Norway and three in Sweden. Bouvet will work with landlords to reduce its emissions.

Scope 3 – Targets related to measures to reduce emissions among suppliers:

The targets are to:

- Motivate employees to maintain an average Mac/PC lifespan of four years or more.
- Motivate employees to maintain an average mobile phone lifespan of three years or more.
- Provide employees with information to enable them to make informed choices regarding travel and their own CO2 emissions.
- Facilitate easy reuse of electronic equipment at the group's offices.

As regards supplier impact, the company will focus on identifying a basis for future targets in the coming year.

Scope 3 – Targets related to Bouvet's downstream contribution

The targets are to:

- Increase customer scores in the annual customer survey indicating that Bouvet is perceived to be proactive.
- Maintain and/or increase customers' perception that Bouvet's employees have relevant expertise.
- Maintain and/or increase the score on the job content theme in the employee survey.
- Maintain a high percentage of repeat purchases from existing customers.

Together, the four targets provide a starting point for assessing whether the group's expertise and services are relevant to the customers' sustainability-related transformation.

Table 6: Scores from 2023 and 2022 in target areas

	2023	2022
Proactiveness, according to customer survey (scale from 0–100, where 100 is the highest score)	77	74
Relevant expertise, according to customer survey (scale from 0–100, where 100 is the highest score)	87	82
Job content, according to employee survey (scale from 0–100, where a score above 75 is considered a good result)	80	81
Percentage of operating revenue from customers who were also customers the previous year	98.6%	98.0%

The medium-term objective is for 20% of the group's assignments on behalf of new customers to comprise sustainability-related transformation activities in line with the group's vision.

The time period has been set to facilitate development and assessment of valid metrics.

In terms of downstream impact, the company will continue to work on identifying the basis for future targets in the coming year.

The group has not amended its targets, methods, sources or processes in 2023, with the exception of its continuous efforts to improve data quality.

Base year

Bouvet has published climate accounts since 2018, but due to data quality issues and deviations linked to the Covid-19 pandemic, the group has adopted 2022 as the base year. In 2022, the company's emissions totalled 102,957 tonnes of CO₂. This corresponds to 0.5 tonnes of CO₂ per employee.

E1-6 – Gross Scopes 1, 2, 3 and total GHG emissions

Table 7: Gross Scope 1, 2 and 3 and total greenhouse gas emissions, including per employee.

TEMA	RETROSPECTIVE					YEAR OF TARGET ACHIEVEMENT	
	2019	2020	2021	BASE YEAR 2022	2023	CHANGE SINCE 2022	2030
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (tCO ₂ eq)	57.4	25.6	3.5	1.9	0.9	-53,2%	
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	261.9	284.2	265.8	239.6	401.0	67.4%	
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)					1 489.0		
Scope 3 GHG emissions							
Total gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	861.4	126.8	122.5	788.1	631.3	-19.9%	
Waste				4.6	4.7	2.8%	
Business travel				718.5	574.3	-20.1%	
Mileage allowance				65.1	52.3	-19.1%	
Total GHG emissions							
Total GHG emissions (location-based) (tCO ₂ eq)	1 180.7	436.6	391.8	1 029.6	1 033.2	0.4%	
Total GHG emissions (market-based) (tCO ₂ eq)					2 121.2		
Total emissions (location-based) per employee	0.76	0.26	0.21	0.50	0.45	-10.6%	0.28
Total emissions (market-based) per employee					0.92		

Emissions linked to employees have been calculated based on the number of employees at year-end.

The company has used the Eco-Lighthouse framework in the development of its climate accounts. No changes have been made to the calculations in the climate accounts.

III. Social

ESRS-S1 Own workforce

S1-SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Bouvet's workforce consists mainly of permanently employed consultants who deliver services and products related to technology, communications, design and advisory services. Management and support functions account for 9.5% and 3% of the workforce, respectively. The group also utilises a small number of sub-consultants in the event of capacity shortages.

Bouvet sells expertise and is dependent on having motivated and competent employees. This applies to the entire workforce, including hired sub-consultants.

Bouvet's employees emphasise fair pay, and the company has a significant impact on the level of pay and the perception of fair pay. Similarly, the group impacts employees' ability to experience equal treatment and equal opportunities regardless of gender, ethnicity, religion, beliefs, disability, sexual orientation, gender identity, gender expression and age. In addition, Bouvet is responsible for ensuring that employees can grow professionally through assignments, courses, management and professional development programmes, etc.

The group has major influence on these topics through its policies, values, culture and ways of working. If Bouvet is unsuccessful with its efforts, this will have a significant negative impact on employees.

On a positive note, the group has a material impact on employees' perception of having an interesting and secure job. Bouvet's large network of offices allows employees to work close to home. The organisation and planning of work tasks impacts the ability of employees to combine work with private life. A good balance is important for employees, and is one reason why employees want to work for Bouvet.

A fair culture in which employees experience equal treatment must be founded on policies and values. In addition, providing interesting tasks and skills development opportunities allows employees to experience mastery, development and job satisfaction.

Bouvet is clear about the fact that employees come first. Anything else represents a risk. If employees do not experience wellbeing, development and security, the result can be high staff turnover, which will have a negative impact on delivery capacity.

Bouvet's culture and employee policy strengthen the group's good reputation, which in turn secures access to employees, reduces staff turnover and fosters high job satisfaction. Local

reputation and local workplaces ensure local competitiveness and attract local labour.

Skills development helps ensure that the group's employees have the right expertise – a critical factor in continuing to win assignments.

S1-1 – Policies related to own workforce

Bouvet's strategic platform confirms the group's policy and objectives related to its employees. The group's ambition is to be the most credible consultancy firm with the most satisfied employees and customers. The long-term goal is to be the best workplace. The group's management principles describe the conduct expected of managers. Bouvet's values outline the basis on which judgements and decisions should be founded.

The group's business concept also emphasises employees. Culture, expertise, community and proximity to customers are key elements.

The annual employee survey is the most important means of analysing employee satisfaction.

Bouvet's policy and Code of Conduct for employees also apply to hired staff, partners and sub-contractors. The policy covers all activities aimed at attracting, retaining and developing employees.

The group's senior management is responsible for the implementation of and compliance with the strategic platform.

Bouvet respects the human rights and labour rights of colleagues, employees of clients, suppliers and partners as set out in internal guidelines and instructions, legislation and international conventions.

Employees must comply with applicable laws and regulations. This applies to both external requirements and internal rules, including laws and regulations, guidelines and instructions.

Violations of applicable laws and regulations are not accepted. Any violations or non-conformances must be addressed in accordance with the group's procedures, and may have consequences under employment law, criminal law and/or tort law.

Bouvet's strategic platform and Code of Conduct are compliant with Norwegian law, human rights recognised by the UN and ILO conventions.

Bouvet's Code of Conduct affirms that the group will maintain a healthy physical and psychological working environment, and that all employees are equal. Discrimination and

harassment are unacceptable, and will be actively addressed if they observed. Bouvet's rules on equality and non-discrimination apply equally to all grounds of discrimination recognised by Norwegian law.

The group works systematically on health, safety and environment (HSE) issues in accordance with documented procedures and defined responsibilities. A contingency plan describes responsibilities and roles in the event of a crisis.

One of Bouvet's management principles is to cultivate diversity, and managers have a particular responsibility in this regard. Diversity is about fostering different experiences, characteristics and ways of thinking and working. Doing this strengthens the company as an organisation and the development of individual employees. Diversity promotes job satisfaction, innovation and value creation.

The group's guidelines on equality and non-discrimination, as well as instructions on how to respond actively to non-conformances, are included in the onboarding programme for new employees. These documents are also available on bouvet.no and the group's intranet. Values and leadership principles are embedded in management development programmes. Specialised management training addresses measures and procedures for prevention and monitoring.

S1-2 – Processes for engaging with own workers and workers' representatives about impacts

Dialogue between managers and employees takes place in several different arenas.

- Employee appraisals involving individual employees and their manager are a tool for dialogue and feedback. During such appraisals, ambitions, needs and development requests are analysed and implemented in the form of goals and concrete measures. Employee appraisals are held annually, and are followed up on throughout the year by means of shorter status reviews.
- The working environment committee consists of representatives of both the employees and the group. The committee is an important arena for discussing overall objectives and measures related to the workforce, as well as evaluation of activities. The working environment committee meets quarterly. The meetings minutes and annual reports of the committee are published on the group intranet.
- Safety representatives/employee representatives at each office location help ensure that the perspectives of all locations are heard. The safety representatives/employee representatives attend monthly safety representative lunches, conduct annual safety inspections and are invited to participate in discussions when necessary.
- The diversity and inclusion network plays a special role in raising awareness of diversity, inclusion and gender balance issues. The network organises lectures featuring internal and external speakers, workshops and networks for sharing.

- A cooperative committee composed of representatives from various disciplines supports the working environment committee on matters related to the working environment and HSE.

Bouvet is not party to collective pay agreements or other labour agreements.

The group's senior management is responsible for ensuring good dialogue between Bouvet and its employees.

Bouvet's channel strategy describes the channels used for information-provision, and how this should be done. The strategy informs employees about which channels they should always follow to obtain necessary information, which channels they can choose to follow out of their own interest and where they can find information they need in their daily work. The channel strategy is described on the group intranet, and new employees are familiarised with it as part of the onboarding process.

S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns

Bouvet's Code of Conduct describes basic obligations and requirements relating to the conduct of the company and its employees. Such conduct must be credible and compliant with laws and regulations. Moreover, the Code states that employees must be provided with the training and support they need to fulfil the identified obligations and requirements.

Bouvet seeks to create a working environment which is characterised by open communication, inspires effort and offers room to speak up and learn from mistakes. Securing these things ensures the group's development.

Managers have a particular responsibility to nurture and mentor new employees, build a feedback culture and work closely with employees to ensure they receive the support they need.

Employee appraisals are an important forum for individuals to raise concerns and needs with their manager. All employees can report matters they wish to have addressed to the working environment committee, or via a safety representative/employee representative.

In addition, the anonymous annual employee survey permits the submission of feedback in free text form.

Censurable conditions must always be reported to the group. While reports are generally submitted through official channels, it is also possible to notify an employee representative or make a report via the group's whistleblowing mechanism (available on bouvet.no), which also permits anonymous reports. The whistleblowing procedures are described in greater detail under GOV1-1 on page 32.

The group is keen to ensure a high level of participation in the employee survey. It is important that as many persons as possible take the opportunity to give feedback. In 2023, the response rate was 88%, giving the results high validity.

The employee survey includes questions about the degree of trust in management decisions, perceptions of an open and trusting work culture, equal treatment and the extent to which employees can freely express their opinions. The group scores highly on these.

HR is always involved in matters concerning censurable conditions. HR is responsible for ensuring that the correct procedures are followed, maintaining an overview of the matter, securing proper documentation and following up on involved parties.

S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

A description follows of measures linked to material impacts on Bouvet's workforce and the group's plan for mitigating material risks and pursuing significant opportunities related to its own employees, as well as the effect of these:

1. Amplify employee experiences

The concept of employee experiences includes activities such as onboarding, social and professional gatherings, company trips, student projects and recruitment events. Responsibility for employee experiences will be delegated to each region to ensure the implementation of these activities and coordination across the company. The employee annual report is an important measure for visualising employee experiences. The report has been produced for the past three years.

The company enhances employee experiences because doing so

- reinforces culture, cohesion and community
- promotes good mental and physical health
- fosters increased collaboration across units
- boosts reputation both internally and externally
- attracts new employees
- reduces staff turnover.

2. Strengthen and raise the profile of specialist units

This includes activities such as individual skills development, internal expertise-sharing, internal skills development programmes, sharing of expertise knowledge with customers and other partners, participation in conferences and networks, and the development of methodology. To ensure progress, expert ambassadors from each region will be appointed to form an inter-regional network.

The company strengthens its specialist units and promotes expertise development because doing so

- promotes pride in the company and improves its reputation
- facilitates exciting projects and provides interesting tasks and challenges
- creates safe arenas for development and mastery
- attracts new skilled employees
- reduces staff turnover.

Bouvet is constantly striving to offer positive employee experiences and a strong professional environment. While activities to ensure wellbeing and job satisfaction are primarily aimed at Bouvet's own employees, they are also relevant to potential employees and clients, particularly with regard to reputation-building.

To reduce negative impacts on employees with regard to fair pay and help assure the quality of pay-setting, the company has implemented a reporting tool which provides an overview of the pay situation and allows simulation of various pay scenarios. Management training is also provided, and pay-setting tools will be refined further.

Bouvet has a diversity and inclusion network which does important work to increase understanding and awareness of diversity, inclusion and gender balance within the company. The network's initiatives include presentations by internal and external speakers, workshops and networks for sharing, and help to reduce the risk of differential treatment and harassment.

In 2023, no negative incidents were registered which required action related to employees.

Bouvet's efforts to maintain high employee satisfaction are a continuous endeavour in which the group reinforces, renews and improves its policies, culture and activities aimed at employees' working conditions, health and development. The company will continue its efforts to achieve its goals in these areas, including in the form of employee surveys.

Annual internal audits help to determine whether the company is succeeding. The review of any identified non-conformances promotes learning and facilitates the improvement of policies and procedures. Among other things, internal audits are performed for the company's certifications. This ensures that Bouvet adopts a holistic approach which covers different operational areas.

Bouvet does not operate with budgets for these activities. The most important resource investment is the time spent by managers on ensuring that employees are given exciting tasks, experience professional development and enjoy a health-promoting working environment. The efforts of the diversity and inclusion network, works councils and other employee committees are further key investments in this context.

S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Working conditions and equality are defined as areas in which the company has a material impact. Although these areas are assessed by means of annual employee surveys, no specific targets have been set for them.

Bouvet has maintained approximately the same high level of performance in all areas covered by the survey since 2019. The objective going forward is to maintain this high level and to outperform the benchmark.

The group's long-term goal is to be the best workplace in its industry. Current and potential employees must view Bouvet as the leading place to work. This goal is assessed on the basis of employee satisfaction, which the employee survey expresses as job satisfaction and loyalty. Survey results have revealed that there are two particular factors which impact employee satisfaction, and these are therefore monitored specifically:

1. Job content – interesting tasks and autonomy
2. Reputation – pride in your workplace

Employee survey results are shown as points on a scale from 10 to 100, where 100 is the best score. A score above 75 constitutes high goal attainment. The survey incorporates a benchmark which permit comparison with Norwegian companies of the same size and in the same industry. Bouvet's goal is to maintain its strong track record and to outperform the benchmark on both factors by maintaining the following minimum scores:

1. 80 points
2. 90 points

Job content and reputation are priorities for all units. The minimum-score target also applies to all units, and is important with respect to Bouvet's clients because it promotes perceived quality and stable delivery capacity.

The employee survey was first carried out in 2019, and is conducted annually by an external service provider. The survey is based on recognised insights into human behaviour, as well as market-leading statistics. The minimum-score target reflects Bouvet's desire to maintain a) high goal attainment (over 75 points) and b) scores above the benchmark.

The results of the survey are reviewed and discussed by all Bouvet units. New goals and measures are clarified.

No material changes have been made to the employee survey in terms of targets and indicators.

Bouvet has largely maintained the same high level of performance in relation to key factors for several years. During the same period, the number of employees has increased considerably. This demonstrates that the company's focus and activities aimed at its own workforce are having the desired effect.

Table 8: Results of employee surveys 2019–2023

	2023	2022	2021	2020	2019
Job satisfaction	78	78	79	79	79
Loyalty	85	85	86	79	87
Job content	80	81	81	81	81
Reputation	89	89	91	91	90
Response rate	88	83	91	87	83
Number of employees as at 31 December	2 311	2 041	1 841	1 656	1 557

Goals and measures are decided by each unit in cooperation with the unit's employees. These goals form the basis for the targets set at the next level within the organisation and all the way up to senior management, which adopts company-wide targets.

The results of the employee survey are reviewed by senior management at group level, and then by all levels down to each individual unit's employees. Achieved results and improvements are discussed in all units and at all levels.

S1-6 – Characteristics of Bouvet's employees

Table 9: Number of employees by gender

GENDER	NUMBER OF EMPLOYEES (HEADCOUNT)
Men	1 588
Women	723
Other	N/A
Not reported	0
Total	2 311

Employee distribution by region as at 31 December 2023, see page 5.

Table 10: Number of permanent, temporary and hourly employees

	WOMEN	MEN	TOTAL
Permanent employees	720	1 583	2 303
Temporary employees	3	5	8
Hourly employees	N/A	N/A	N/A

The presented figures are based on the head count as at 31 December 2023.

Bouvet only has full-time positions. Employees who work part-time do so for reasons related to their personal wellbeing. Temporary employees are mainly students on internships.

S1-9 – Diversity metrics

Table 11: Gender distribution, senior management

GENDER	NUMBER	PERCENTAGE DISTRIBUTION
Men	9	56.25%
Women	7	43.75%
Total	16	100%

S1-10 – Adequate wages

All employees receive appropriate and adequate pay in accordance with legal and industry standards.

S1-15 – Work-life balance

Table 12: Proportion of employees who took parental leave in 2023

TOTAL PROPORTION	MEN	WOMEN
9.41%	3.78%	5.54%

All employees have rights under the National Insurance Act. In addition, all permanent employees are entitled to coverage of a large part of the difference between the national insurance benefit and actual salary.

S1-16 – Compensation metrics (pay gap and total compensation)

Table 13: The gender pay gap is defined as the percentage difference between the average salary paid to women and the average salary paid to men.

METRIC	TOTAL
Wage gap in %	4.48%

The average salary of women is 4.48% lower than the average salary of men.

Table 14: Annual remuneration ratio for total benefits shows the difference between the total remuneration received by the highest-paid employee and the median total annual remuneration received by all other employees.

METRIC	TOTAL
Annual remuneration ratio, total remuneration	584.34%

Table 15: Remuneration difference between women and men, expressed as the difference in % between the average for women and the average for men.

METRIC	TOTAL
Difference in total remuneration	4.68%
Difference in basic salary	4.38%
Difference in variable remuneration	8.33%

The average for women is lower than the average for men.

The calculations are based on quantitative data extracted from Bouvet's own systems, and include all permanent employees in 2023. In the case of part-time employees, basic salary and fixed supplements are recalculated to reflect a full-time position. A full-time position corresponds to 1,950 hours. Temporary positions are not included, as these constitute a very low proportion of employees and do not represent a comparable picture of the salary situation.

Cybersecurity

Table 16: Percentage of employees who have completed cybersecurity training.

METRIC	TOTAL
Proportion	76.98%

IV. Corporate governance

ESRS-G1 Business conduct

G1-1 – Business conduct policies and corporate culture

How Bouvet operates and manages its business greatly affects the group's work in the area of sustainability and the results achieved (see GOV-1 to GOV-3 for more information). Bouvet has identified sustainability as important based on the group's size, regional structure and values (such as freedom and commitment). The group has identified what the various ESG themes – environment, climate, and social and corporate governance – entail in terms of risks and opportunities, and thus which areas should be emphasised going forward. As part of this exercise, the group has assessed its distinctive characteristics related to corporate governance, and how these impact and are impacted by sustainability-related issues.

As a consultancy firm, Bouvet can have a positive impact through its digital expertise and implementation capacity on behalf of clients, other stakeholders and society as a whole. Bouvet's environmental and climate impact is maximised when the company executes assignments collaboratively with clients.

Bouvet supports increased equality and diversity in its own organisation and in the IT sector in general. For consultancy firms like Bouvet, whose workforce is composed of knowledge workers, continuous skills development is a fundamental prerequisite for employee satisfaction.

Through its procurement function, the group will safeguard human rights, promote good working conditions and avoid the inclusion of conflict minerals in its supply chain.

As part of its corporate governance activities, Bouvet advises its customers on data security and data protection issues. In addition, the group takes responsibility for its own data security and the security of client and employee data.

Bouvet also has a responsibility to ensure integrity and avoid corruption in its assignments and its own operations. The group's approach to its supply chain must be ethical and transparent.

The group's strategy for ensuring sustainability in its supply chain encompasses both its business partners and its suppliers, as well as stakeholders as described in ESRS 2.

Bouvet's senior management is responsible for incorporating the group's sustainability strategy into its strategic platform, management principles and governance structure. This includes the ISO standards under which the group is certified (see BP-1, page 8). The standards establish the framework for all group operations, including sustainability initiatives, and form the basis for the development of Bouvet's approach to sustainability. In addition, a separate sustainability manifesto has been developed and is available on [bouvet.no](https://www.bouvet.no).

Bouvet's sustainability strategy is available in the management system, and the group's approach and manifesto are published on [bouvet.no](https://www.bouvet.no).

Description of the mechanisms for identifying, reporting and investigating concerns about unlawful behaviour or behaviour in contradiction of Bouvet's code of conduct or similar internal rules

Employees, contractors, partners and others must be able to submit reports easily and safely if they have knowledge of or suspect circumstances which violate laws and regulations or ethical and moral standards.

Reports must generally be sent through official channels, i.e. to an employee's immediate superior. If this is not appropriate, a report may be submitted to a different manager, to a safety representative/employee representative, or via Bouvet's electronic whistleblowing mechanism on [bouvet.no](https://www.bouvet.no).

All reports must be given serious consideration and be handled in a manner which safeguards the principles of impartiality and confidentiality and the right of contradiction. Reference is otherwise made to section 2-3 and chapter 2-A of the Working Environment Act.

All employees have been briefed on how to report censurable conditions. They are familiar with the Bouvet Code of Conduct, which contains clear guidelines for the conduct of managers and employees.

Necessary training has been provided to all managers by an external partner.

In cases where the persons who receive such reports are not impartial, the company uses an external legal partner to process received reports.

Description of Bouvet's procedures to investigate business conduct incidents, including incidents of corruption and bribery, promptly, independently and objectively

The company's whistleblowing procedures cover whistleblowing reports and the response to corruption and other financial crime. All whistleblowing reports are assessed seriously and handled in accordance with the principles of impartiality and confidentiality and the right of contradiction.

Transparent processes and application of the four-eyes principle in connection with invoicing, expense claims and accounting processes reduce the risk of embezzlement and improper advantages.

Bouvet's Code of Conduct is published on [bouvet.no](https://www.bouvet.no). It describes basic conduct-related obligations and requirements, gives guidance on ethical dilemmas and helps all employees to make good decisions.

The code of conduct applies to all of Bouvet's permanent and temporary employees, hired consultants and others who act on behalf of the company, including board members. Everyone is expected to help each other to comply with the rules, to speak up if improvements are needed and to report any censurable conditions. In cases of doubt, employees must consult their immediate superior.

All employees receive training on the Bouvet Code of Conduct as part of the onboarding programme and through the "Grunnsteiner i Bouvet" training programme. Managers also receive thorough training through the company's management programme.

In an organisation like Bouvet, sales and management representatives are at greatest risk of being exposed to attempts at corruption and bribery.

G1-3 – Prevention and discovery of corruption and bribery

During its more than 20 years of operation, Bouvet has never received any reports of or registered any incidents of bribery or corruption. The group maintains a simple and transparent organisational structure, as well as a continuous focus on its Code of Conduct and culture. Well-established authorisation structures reduce the risk of bribery and corruption and ensure that Bouvet does not face an enhanced risk of bribery or corruption when entering into customer contracts, sub-contracts or procurements.

The group will maintain its successful approach and continue to focus on compliance with its values and management principles. These must permeate all activities within the group.

G1-4 – Incidents of corruption or bribery

Table 17: Incidents related to corruption and bribery

INDIKATOR	TOTAL
Number of incidents related to violations of anti-corruption and anti-bribery laws	0
Number of confirmed incidents of corruption and/or bribery	0
Number of confirmed cases where employees were dismissed or disciplined for incidents related to corruption/bribery	0
Number of confirmed incidents involving withdrawal from contracts with business partners due to violation of laws related to corruption/bribery	0

Table 18: Number of convictions for offences related to corruption and bribery

METRICS	UNIT	TOTAL
Number of convictions for violation of anti-corruption and bribery laws	#	0

Table 19: Fines for violation of anti-corruption and bribery laws

METRICS	UNIT	TOTAL
Paid fines	NOK	0

Table 20: Number of confirmed incidents involving corruption or bribery

INDIKATOR	ENHET	TOTAL
Number of confirmed incidents involving corruption or bribery	#	0

Table 21: Number of incidents where own employees have been dismissed or disciplined for corruption or bribery-related incidents

METRICS	UNIT	TOTAL
Number of incidents where own employees have been dismissed or disciplined for corruption or bribery-related incidents	#	0

Table 22: Number of confirmed incidents related to contracts with business partners which were cancelled or not renewed due to violations related to corruption or bribery

METRICS	UNIT	TOTAL
Number of confirmed incidents related to contracts with business partners which were cancelled or not renewed due to violations related to corruption or bribery	#	0

Statement on equality and anti-discrimination

The employees are Bouvet's most important asset. At Bouvet, everyone shall be valued for their contributions, experience personal development and feel secure – regardless of their characteristics and their background, and of who they are and where they come from. With these factors in place, individuals enjoy optimum conditions for well-being and success – and it gives us as a group a broader perspective on and greater understanding of client and user needs. Securing equal rights and opportunities – for everyone – is where it all starts.

Part 1 Status of gender equality

Gender balance

		2023		2022		2021	
		WOMEN	MEN	WOMEN	MEN	WOMEN	MEN
Gender balance	Per cent of employees	31.3	68.7	30.9	69.1	29.6	70.4
Gender balance in management	Per cent of employees	36.4	63.6	36.4	63.6	33.9	66.1
Gender balance in corporate management	Per cent of employees	43.8	56.2	53.8	46.2	35.7	64.3
Gender balance on the board	Per cent of directors	40.0	60.0	40.0	60.0	40.0	60.0
Temporary employees	Per cent of employees	0.4	0.3	0.2	0.2	0.2	0.3
Actual part-time employment	Per cent of employees	4.0	2.0	1.5	1.4	1.7	1.5
Involuntary part-time employment	Per cent of employees	0	0	0	0	0	0
Parental leave	Average no. of weeks	18.6	12.7	18.6	11.0	20.7	11.3

- It is Bouvet's objective to increase the number of women in the group, and this was achieved in 2023. From 2022 to 2023 the corporate management team went from 14 to 16 members; seven of these are women. There are five persons on the board of directors, two women and three men.
- All permanent positions at Bouvet are full-time positions. All our permanent employees who work part-time have decided to reduce their working hours for personal reasons.
- Most of our temporary employees are students working part-time on work experience.
- On average, women take longer parental leave than men, but men have the same opportunity to take longer leave. We cover the gap between regular pay and national insurance rates for both women and men. Employees also retain other employee benefits when they are on parental leave.

Pay surveys

Bouvet surveys pay every other year in accordance with the activity and reporting obligation. The objective is to identify any unintended wage disparities between women and men.

Position types and survey sample

Bouvet operates with the following position types: consultants, business support and management. Consultants are the people

who deliver our services to customers. They are our largest position group and represent 87.5% of the sample. The people working in business support have supporting roles in finance, sales support, HR, internal IT, office management and training. The management includes all employees with management responsibilities, be they responsibility for staff, for deliveries or for sales. Business support and management make up 3% and 9.5% of the sample respectively.

The survey is based on quantitative data from our own systems. The sample includes all permanent employees in 2023. For employees working part-time, basic salary and fixed supplements have been converted to what they would have earned, had they worked full-time. Temporary positions are not included in the survey, as they make up a very low percentage of employees and do not give a representative picture of the wage situation.

Employee benefits

Fixed salaries

At Bouvet, salaries are set individually on the basis of objective and known criteria. The group maintains its continuous focus on avoiding unequal treatment in wage setting and wage adjustments.

Bonuses

Bonuses mostly consist of profit-sharing. In addition, Bouvet has recruitment bonuses and certification bonuses; in some cases, signing bonuses apply. Profit-sharing is managed according to a regional profile, and there can be considerable differences among the regions. Within regions, profit-sharing is managed equally, independent of professional area or position level. Additional pay increments are also offered to the management group. Profit-sharing is calculated on the basis of attendance during the relevant year. Leave linked to statutory holidays, childbirth and breast-feeding does not reduce the basis for an individual's profit share.

Compensation for overtime

In Bouvet, importance is given to work-life balance. Projects are planned on the premise that they shall be undertaken during regular working hours. The group has relatively little

overtime. Only 13% of the employees had paid overtime in 2023. All employees except the management are paid overtime for required overtime.

Taxable benefits-in-kind

Taxable benefits-in-kind consist mainly of bonus shares awarded through the share programme, plus the value of insurances and electronic communication services. The value of the bonus shares is linked to participation in the share programme three years ago, as well as the share price development in recent years. Participation in the share programme is voluntary. The same conditions apply, regardless of position type or level. Management employees can participate with a higher amount. The share programme has a high level of participation, and the distribution between women and men among participants is almost equal to the general gender distribution in the group.

Results

Differences in pay – women's share of men's pay given in per cent

POSITION TYPES	PERCENTAGE OF WOMEN	PERCENTAGE OF MEN	OVERALL BENEFITS	FIXED SALARY	BONUSES	COMPENSATION FOR OVERTIME	TAXABLE BENEFITS-IN-KIND
2023							
Total	31.3	68.7	95.5	95.8	93.3	62.3	90.6
Consultants	29.7	70.3	95.2	95.7	89.9	39.9	89.6
Business support	60.3	39.7	91.9	90.4	107.9	2 309.7	124.2
Management	36.4	63.6	91.1	91.9	86.2	0.0	81.5
2021							
Total	29.6	70.4	94.3	95.7	91.9	71.9	80.8
Consultants	27.7	72.3	95.5	97.2	93.4	58.1	85.5
Business support	60.8	39.2	94.0	88.3	106.7	1 337.4	75.4
Management	33.9	66.1	86.1	86.8	87.8		60.8

Consultants

Consultants make up our largest position group. In our industry, expertise and responsibilities are the main drivers for salary development. These factors are closely connected to experience, so that salary development is significantly influenced by seniority within the group and in the industry in general.

There are no major gender disparities when it comes to fixed salary, although there has been a slight increase since the 2021 survey. If we look at the average for employees with up to five years' experience since graduating, the wage gap is even smaller. If we take this into account, women earn 98% of what men earn. This is in line with our focus on eliminating any unintended disparities. The percentage of women is lower among employees with long industry experience than among the group's employees overall, and there is thus greater variation in wage levels at this level, affecting the group's average. Since the last survey, we have made adjustments to the group's profit-sharing, which now also accrues during parental and breastfeeding leave. The survey shows that these measures have not yet had a positive impact on disparities in bonus payments. We have also looked into

whether there is a difference between women and men in terms of who obtains different certifications, entitling them to certification bonuses. This mapping exercise has indicated no signs of any discrimination in this area. The pay survey shows that there are more men than women who take payment for overtime. As regards taxable benefits-in-kind, the fact that there were fewer women in 2020, and that fewer women therefore participated in the share programme in 2020, accounts for the gender pay gap.

Business support

Unlike the gender distribution in the group generally, there are more women than men in this position group. Business support comprises a very small group of positions; as a result, the region individuals belong to and their seniority have a greater impact on the average than for other position types. When it comes to fixed salaries, disparities between men and women have decreased by 2.1 percentage points since the last survey. This can be attributed to the focus on levelling out these differences when determining and adjusting basic salaries. As regards other benefits, women's share has risen relative to the benefits paid to men; the average of bonuses,

overtime pay and taxable benefits-in-kind is now higher for women than for men. This is mainly because there has been considerable new recruitment to this position group, which now has a large number of women with high seniority. These have earned full profit-sharing and have participated in the share programme for longer. When it comes to overtime pay, the average is very much affected by individuals taking overtime pay due to extraordinary circumstances at work and does not reflect the general picture.

Management

In management, there are more men with many years' experience in the industry and as managers. This accounts for the pay disparities between women and men in this group. Differences in bonuses and taxable benefits are also an outcome of the fact that many of the women employed in this group are relatively new to the position group. However, a comparison of this survey with the 2021 survey shows that we have succeeded in increasing the number of women in senior positions and materially reduced the disparities in total benefits – by 5 percentage points.

Part 2 Our work to promote equality and prevent discrimination and harassment

It is Bouvet's long-term goal to be the best workplace. Being a good workplace is largely about employees experiencing mastery, development and a sense of community. In our work to promote gender equality and prevent discrimination and harassment, we give importance to creating a culture of involvement and inclusion.

Guidelines, principles and procedures

Our work on equality and anti-discrimination is an integral part of our corporate guidelines, principles and processes:

- We have internal guidelines that promote respect and equity and prohibit discrimination in accordance with the Norwegian Equality and Anti-Discrimination Act. Our Code of Conduct has been published on bouvet.no and clearly sets out our expectations – for ourselves and for the rest of the world. We also have correspondingly high ethical standards for our suppliers and partners.
- Our internal guidelines specify that we share responsibility for ensuring that each employee develops in line with both the group's needs and those of the respective employee. Our procedures for systematic follow-up and development are the same for all employees.
- Our whistleblowing procedures build on the principles of impartiality and confidentiality and giving both sides the opportunity to state their case. In our group, we seek to develop a climate that facilitates expression and transparency. This is promoted by a broad range of channels for expression and a clear channel strategy.
- Our values are important to us, and we build on them when making choices. Credibility, for instance, is about honesty and acting with integrity both as individuals and as a group. Our culture of sharing means that we pay attention when we listen and are curious, and that it is safe to take the initiative.

Other important values are freedom, being down-to-earth and enthusiasm – every day and everybody in their own way.

- The conduct of our managers builds on the principles of being close to employees, building good communities and fostering diversity. For us, diversity means a working environment that provides everyone with a real chance to bring their full range of abilities and expertise to the table. Our management principles also involve taking a long-term perspective in our work and seizing opportunity. Managers have a particular responsibility to encourage their staff to think innovatively and to support them in this. This means that there is room for making mistakes – and, if mistakes are made, to learn from them.
- Our work on HSE is certified as part of our Eco-Lighthouse certifications.
- Our recruitment toolbox provides support for managers at every stage of the recruitment process, from framing messages and visual design to candidate selection. This enables us to reach more of the candidates that we want to connect with, to appoint the most highly qualified candidates, and to ensure that our candidates perceive the recruitment process as positive and fair. Our internal, cross-regional recruitment network promotes sharing lessons learned, learning, and continuous development of our toolbox. One of Bouvet's express objectives is to increase the number of women working in the group, and we give importance to achieving a good gender balance also when recruiting students for our summer programme. When writing job advertisements, we pay particular attention to how these texts affect the range of applicants. We advertise vacant department manager positions internally and emphasise fair and objective selection processes.

Our equality and anti-discrimination work in practice

Bouvet works actively, purposefully and systematically to enhance gender equality and to prevent discrimination and harassment. That means that we work with preventive measures; we map and analyse the status quo and implement additional measures as needed. These efforts cover recruitment, pay and working conditions, promotions, training and development, accommodation and work-life balance. We have assessed these areas against all the requirements under the Norwegian Equality and Anti-Discrimination Act.

The work to enhance equality has the backing of the board and is driven by HR and management. The contributions of the Working Environment Committee (with the Norwegian acronym AMU) and the safety delegates at the various offices are important in these efforts. The AMU meets quarterly and the group's gender balance, the use of overtime and sickness absence are fixed agenda items. Safety inspections are conducted annually at all our offices with the objective of identifying HSE weaknesses and addressing any issues that are found.

Our diversity and inclusion network plays an important role in raising awareness on diversity issues, inclusion and the gender balance. The network runs a number of activities, including

talks given by in-house and external speakers, workshops, networks for sharing, and the celebration of observance days.

Guidelines and procedures are reviewed annually by HR in cooperation with the AMU and top management to ensure that they are updated and fit for purpose, including that they support our gender equality work.

Employee surveys are conducted annually and represent our most important mapping exercise. The survey covers such aspects as the physical working environment, whether people feel that there is mutual respect and that they are valued. All HR areas are covered, with the exception of recruitment. The results are reviewed and measures implemented at all organisational levels.

Other arenas and activities which contribute to equality and anti-discriminations efforts include the following:

- Job reviews are conducted annually between each employee and their manager and are followed up by status checks several times a year. This review is a tool for dialogue and feedback, where ambitions, needs and any desired developments are identified and followed up with goals and specific measures.
- Our internal development programme for managers ensures that the values and management principles are thoroughly embedded in the organisation. It also re-enforces the managers' understanding of their role and provides them with the tools to perform their role as manager. Managers are important role models with regard to attitudes, respect and equality, and play a key part in employee development.
- The Bouvet Conference for our managers and sales employees are also important arenas for learning and inspiration for managers in practising their role.
- The onboarding programme is intended to ensure a good and safe start for new employees, where they are included and quickly come to experience mastery. We pay particular attention to how we meet people who are starting their first job.
- BouvetOne, our internal technical conference, is an important and safe arena for skills sharing, training and learning. Virtual solutions for recording and video conferencing make courses and lectures available to all employees.
- Bouvet is a gold partner of the Oda network where we work together to create greater diversity in Tech.
- Bouvet is a partner of the ADA network at NTNU, which is working towards gender balance in study programmes.
- We participate annually in EY's SHE index where we have advanced each year. Our involvement with the SHE Index has been an opportunity to learn more about differences and how to improve the gender balance.
- Bouvet is a national partner of Girl Tech Fest, an important arena for teaching young girls about the exciting career opportunities in technology and science.

What do our surveys show?

- The employee survey shows high job satisfaction and strong loyalty among our employees. Job content such as interesting tasks and having autonomy, and pride in the job, are important drivers of job satisfaction. In this area we have

high scores, ahead of the benchmark. We find no pronounced differences between men and women or among age groups. The feedback received confirms that our employees feel that they are treated equally and valued and that our managers are successful in building a good and safe working culture. The high response rate also demonstrates high workplace engagement and confirms the validity of the feedback. This, combined with the good scores, commits us to consistent improvement and efforts to maintain this level. As regards employees' perception of the quality of processes and information flows, we have not yet reached the desired level; this is an area where we must do further work.

- Dialogue with the employee representatives has revealed that there is a need to conduct new discussions with union representatives about the self-certification of absence scheme. A desire has also been expressed that we should seek to make large-scale employee events even more varied and inclusive.
- Four reports concerning an unacceptable working environment have been received. These have been investigated and handled in accordance with our whistleblowing procedures.

Our measures

Our managers have a special responsibility to contribute to equality and anti-discrimination, since they serve as role models for our corporate culture and work most closely with our employees. Many of our initiatives are therefore about strengthening our managers. We do this with:

1. Bouvet's management school, a six-day development programme for managers
2. Management lunches – virtual lunches (talks) on relevant issues
3. The Meg som leder (Me as a manager) handbook that explains how we exercise management in Bouvet
4. Pulsen (the Pulse) – a reporting tool for managers

Recruitment

It is important to us that our recruitment activities attract the right candidates and make their meeting with Bouvet a positive and professional experience.

- We conducted a recruitment campaign that concentrated on attracting people with senior expertise. An important element of the campaign was to showcase our own employees as people that candidates can identify with, especially women in similar roles.
- We participated in more than 30 events for students and upper secondary students. At these events, we want to highlight all the exciting things one can do with technology, while also spotlighting our culture and everything we do to ensure that employees feel that they are developing and can have a sense of safety and inclusion.
- Girl Tech Fests were staged in seven towns across Norway.

Employment conditions and development opportunities

Our ability to offer good employment conditions and development opportunities is crucial for attracting and retaining employees. We give importance to ensuring that the terms of employment we offer are in line with our values and management principles.

- We have worked to strengthen our structural capital in terms of internal development opportunities and disseminating information about these.
- A new, externally accessible whistleblowing channel and new procedures have been published and managers have received training in how to handle whistleblowing.
- Another 46 managers completed the management programme Grunnsteiner i Bouvet's ledelse (Bouvet's Cornerstones of Management).
- Eighty-nine managers completed Lederskolen (the Management School).
- Whistleblowing procedures, use of the Pulsen reporting tool, how to work with the employee survey's results and regulations on contract workers, including equal treatment, have been among the topics discussed at management lunches throughout the year.
- Mental health, stress and burnout have been topics at Fagkaffe (Themed Coffee) events.
- Artificial intelligence and its impact on society and people was one of the topics at Bouvet's autumn conference for managers and salespeople.
- Three of this year's episodes of the Bouvet Bobler (Bouvet is bubbling) podcast dealt specifically with the topic of social responsibility in the use of technology.
- We value physical meetings between people and organise a number of professional and social activities to create a good climate of team spirit and community, both within and outside of working hours. Some of these events involve families.

Results of our work so far and expectations for the future

Bouvet is committed to being a responsible corporate citizen and a sought-after employer. Together with our employees, we are deeply committed to working on diversity and inclusion. We pursue a number of activities in a wide range of arenas to increase diversity in our group and in the tech industry in general. The employee survey shows great job satisfaction and loyalty among our employees. We have not received any reports of discrimination. Our surveys have not uncovered any intended or systematic discrimination.

We will continue our focus on improving the gender balance in Bouvet and in the industry as a whole, and increasing skills development and inclusion. We are continuing our established procedures, principles and processes, along with our arenas for development and community. Activities we have set out for the future are:

- Accommodation, inclusion and work-life balance**
- Our work on equality and inclusion is also inspired by the belief that we can always improve and that we develop through being curious and seeking out new knowledge.
- We have launched a new and more powerful reporting tool for managers. This enables them to better monitor gender balance and work-life balance in their respective areas of responsibility.
 - We have worked to strengthen our structural capital for sick leave procedures and accommodation in connection with sick leave.
 - We organise language cafés so that all colleagues who wish can get together and learn more about Norway's language and culture. These gatherings also provide an arena where people can practise speaking their respective foreign languages and learn more about the various cultures represented in our workforce. We also have our own Norwegian teachers who help employees learn Norwegian.
 - We celebrated various observance days across our regions with both professional and social activities:
 - World Hearing Day
 - Women's day, 8 March
 - Pride
 - World Mental Health Day
 - During this autumn's sustainability week, a panel discussion was held on Bouvet's role as a community builder, on how to work for an inclusive and diverse society.

- Continuing work on improving information flows and tools
- Clarifying how the group works with wage processes and the criteria for wage development
- Enhance awareness of our Code of Conduct
- Create inclusive celebrations of important observance days
- Discuss the self-certification of absence scheme and consider arrangements for accommodation for health issues
- Evaluate the possibility of employing more people with disabilities
- Hold a sign language course
- Organise themed talks on mental health, diversity and AI and drinking culture at work

Directors' report

Key events

2023 was a good year for Bouvet, with increases in turnover, profits and the number of employees.

Contracts signed during the year were characterised by further growth in existing clients' confidence in Bouvet's ability to assist them with problem-solving, development and innovation. The group's services fall into the categories of technology, design, communications, advisory services and security. Demand for the group's services remained strong in 2023, with a particular emphasis on technology services. A persistent trend which continued from 2022 was increasing demand for inter-disciplinary teams. In 2023, the group extended and entered into strategic partnerships with institutions such as the Norwegian National Courts Administration, the Norwegian Armed Forces, Innovation Norway, the Norwegian Directorate of Immigration and the Church of Norway.

Also in 2023, the group noted increasing activity levels in the power supply and oil, gas and renewables sectors. Bouvet is developing and managing societally critical solutions for Equinor and Statnett, among others. For Equinor, we have helped to effectivise and digitalise the process for early-stage evaluation of new offshore wind projects. For Statnett, the group is helping to strengthen the Norwegian power system.

Society has faced a number of complex challenges in the past year. Many of these external factors affect the security situations of the group's customers. Bouvet's efforts to increase its clients' digital security and crystallise business value have been important. The same is true of the group's long-term commitment to the defence sector, in which Bouvet made important deliveries in all service areas to clients including the Norwegian Armed Forces, the Norwegian Police and the Norwegian Directorate for Civil Protection (DSB) in 2023.

Healthcare and welfare is another sector in which Bouvet contributed to important societal developments in 2023. The health service of the future faces major challenges which will be difficult to overcome without the innovative use of digital solutions. Bouvet is engaged in finding solutions, not least through a new agreement with Sykehusinnkjøp HF (a procurement solution for all health trusts in Norway), under which Bouvet will deliver its full range of services. Bouvet's employees have acquired strong domain knowledge in the group's

operating sectors, including healthcare. This allows the group's consultants to function as important contributors to strategic discussions and as useful sparring partners related to innovation. During the course of the year, Bouvet joined the Health To Be (Health2B) network. This innovation network headed by Oslo University Hospital brings together industry partners to develop ideas and concepts for the health service of the future.

AI solutions, prediction, machine learning and AI-based assistants really started attracting public and commercial interest in 2023. The potential opportunities and value creation are enormous, but operationalisation requires robust security measures and control over proprietary data. Bouvet built up a strong position in this field over the course of the year, helping several clients to test solutions, develop knowledge and generate value using AI-based technologies. Internally, Bouvet has built up and shared expertise and positioned the company for future demand.

In 2023, Bouvet also shared expertise with external parties interested in the group's specialist fields. Bouvet's training department ran close to 600 courses, welcomed 7,123 participants and arranged breakfast seminars on various current issues.

In the autumn, the group conducted its annual employee and customer satisfaction surveys. The results showed a high level of job satisfaction and loyalty among employees, and clients gave Bouvet very high scores for metrics such as quality, relevant expertise and long-term partnerships. These results confirm Bouvet's strong position in the market and demonstrate that the group's long-term efforts to fulfil its ambition of being the most credible consultancy firm with the most satisfied employees and clients are yielding results.

The group's regional model and strategic platform mean that Bouvet is well-positioned to support local markets and leverage the expertise and skills of its offices and regional operations. This is exemplified by Bouvet's work for the Norwegian Communications Authority (Nkom), a project in

which several of the group's regional operations are collaborating on the establishment of a cloud platform.

During the year, Bouvet achieved high rankings in several surveys of employer attractiveness. This reflects the daily efforts of the company's employees, as well as the group's successful ongoing recruitment activities in a market characterised by strong competition from other stakeholders. The group expanded its workforce with 270 new staff during the year, bringing the total to 2,311 at year-end. Bouvet also performed well in other rankings, including recognition as a Manufacturing Industry Partner at the Microsoft Partner Awards.

One particular highlight in 2023 was the acquisition of Headit from Innlandet County, Norway. Although Bouvet has generally expanded through organic growth, in Headit the group found a small Bouvet with similar expertise, values that put employees first, a pronounced sense of community and a culture of sharing. The acquisition will allow the group to take on larger assignments and enable it to build a leading specialist and consultancy firm in inland Norway.

Activities

Its expertise in technology, design, advisory services, communications and security, make Bouvet an important digitalisation partner for many businesses. The group's problem-solving ability is strengthened by its inter-disciplinary approach and its specialist expertise in high-demand sectors. Clients appreciate Bouvet's capacity to develop delivery models tailored to individual businesses. Overall, this builds trust and fosters continuity in long-term relationships and collaborations.

Sharing culture

Culture and values are important to Bouvet and provide clear guidelines for the group's initiatives related to job satisfaction, social cohesion and team spirit. For more than 20 years, the company has been guided by the same values: credibility, a culture of sharing, freedom, pragmatism and enthusiasm. Our long-term efforts have created an association between the word 'sharing' and Bouvet's identity among both employees and clients. Sharing is not only apparent in various initiatives and events, but also guides our day-to-day work on behalf of clients. Bouvet is always focused on continuous improvement and learning, and we succeed and fail together – never alone.

Knowledge is also shared through Bouvet's communication channels – blogs, podcasts, newsletters, social media, lectures and courses. The 'Bouvet shares' section on [bouvet.no](#) allows all employees to post blog entries discussing specialist topics, methodology, technology, news, analyses, experiences and other content of interest to readers.

However, the biggest arena for sharing is BouvetOne, the in-house professional conference the group arranges twice a year and at which employees give presentations to their colleagues. In 2023, all of Bouvet's regions organised physical BouvetOne events, with streaming also available. In total, more

than 250 speakers contributed over 120 hours of presentation content.

Bouvet's regional model

The group's regional model allows individual regions, areas and departments to adapt to employee needs and market changes quickly and continuously. In combination with Bouvet's strategic platform, vision and values, this facilitates context- and trust-based management which avoids bureaucracy. In other words, the group's regions have a high degree of autonomy and can make decentralised decisions when necessary.

The success of the model is inextricably linked to managers' execution of their individual roles, since it is Bouvet's managers who communicate and model the group's values and culture, monitor organic growth and check whether the group is growing sufficiently in its priority markets.

Proximity to customers

More and more organisations are looking for suppliers with not only specific technical expertise, but also domain and industry knowledge, cultural understanding and a local presence. Bouvet's local model, proximity and sharing culture allow it to meet these needs while remaining well-positioned for ongoing adaptation to different local markets. Overall, the model facilitates long-term partnerships and an effective response to client challenges.

The group's regional collaboration approach gives local customers access to the full breadth of Bouvet's expertise, experience and capacity. It also strengthens and refines the quality of all deliveries and encourages local service development.

Strategic customer and supplier relationships

Market demand is shifting from standalone contractual deliverables to scalable service deliveries. Bouvet is continuously adapting its delivery modes in close consultation with its most important clients. This strategy adds value for clients and employees, and requires mutual commitment, high flexibility and a good breadth of expertise.

High level of expertise

Expertise lies at the heart of Bouvet's business. Combined with its commercial insight and domain knowledge in different sectors and industries, the group's overall portfolio of general and specialist expertise makes it a sought-after partner. Bouvet can assist with problem-solving throughout the value chain, from strategy to analysis, development and change. Safety and quality are integrated, guiding factors in all assignments.

Bouvet's overall expertise is broad, but can be categorised generally into the fields of technology, advisory services, design, communications and security. Skills development among employees is an ongoing high priority, and is ensured through both inter-disciplinary teamwork on behalf of customers and various targeted measures. Examples of such measures include professional networking, internal skills

training, courses, certifications, professional development days and lectures on various topics.

This focus and related efforts mean that Bouvet is well-equipped to meet current and future market needs, in terms of both individual expertise and its ability to put together teams of consultants with complementary expertise and personal qualities.

The group's customers include providers of services which form part of critical societal infrastructure, and protecting such companies against security attacks is of the utmost importance. Strengthening and refining the security expertise of Bouvet's employees is therefore an ongoing priority, including in 2023.

In 2023, Bouvet completed the recertification process for its management systems in accordance with three ISO standards: Quality (ISO9001), Environment (ISO14001) and Information Security (ISO27001). This will further increase existing and potential clients' confidence in the group's delivery quality and capability.

Balanced customer portfolio

Bouvet has long-term customer relationships and partnerships with various societally important organisations, representing a number of different sectors. In 2023, 98.6% of revenue stemmed from clients who also used Bouvet's services in 2022, and earnings from the group's 20 largest clients accounted for 72.3% of total revenue. Working closely and strategically with clients over time increases demand for Bouvet's services. Overall, this reduces the group's exposure to cyclical fluctuations, as well as its sale costs.

Close client relationships and satisfied customers secure brand ambassadors for the group and valuable references for use in sales and reputation building. This year's customer satisfaction survey was conducted in the autumn of 2023, and the results show that Bouvet improved on last year's already very good score.

In addition, Bouvet won several new assignments for new clients during the year. Combined with the increase in assignments from existing clients, this resulted in a substantial rise in earnings in most of the group's operating sectors.

Robust business

Bouvet's strategic platform, strong values and clear vision to lead the way in building the society of the future provide a foundation for a robust, well-run business with a strong reputation. The results achieved in 2023 confirm that Bouvet's business model is well-adapted to both customer needs and the desire of employees for professional challenges and societally beneficial assignments. The results also demonstrate that Bouvet's service portfolio is well-aligned with market demand.

Key market developments

Market demand for Bouvet's services is strong. In 2023 as a whole, the oil and gas, public, power supply and services sectors accounted for 80.4% of the group's revenue.

Security

The security landscape remained turbulent in 2023, with a significant increase in the number and complexity of cyberattacks. Ransomware attacks in particular featured prominently in the threat landscape, although attacks on supply chains, software developers and cloud service providers also increased. This illustrates, not least, the increasing risk associated with dependence on third-party suppliers.

Increased implementation of artificial intelligence solutions represented a major change in the security sector in 2023. Since these solutions can analyse large volumes of data and identify patterns and anomalies, they are frequently used to automate responses and prevent attacks, among other things.

Another key trend was the rise of Zero Trust security models which, unlike traditional security models, assume that no device or user can be automatically trusted. This represents a more robust approach to security, whereby system and data access are restricted on the basis of context and actual need.

The above developments emphasise the need to prioritise cybersecurity and invest in measures to protect systems, infrastructure and data. Efforts must be made to raise awareness and improve knowledge among employees, and plans and strategies must be developed for dealing with attacks. Bouvet's clients understand this, and therefore boosted their security investments in 2023, initiating various measures to counter ever-increasing threat levels.

As a stakeholder in society and a provider of services to clients with key societal functions, Bouvet must work continuously to protect both its own and its clients' interests. Close collaboration with customers to raise security levels is vital in this regard. Bouvet helps improve client security through such measures as security advice, identity and access management, delivery security and penetration testing to help identify vulnerabilities. In 2023, Bouvet also began delivering AppSec (application security) as a service.

Cloud technology

Organisations in both the private and public sectors see cloud technology as a crucial driver of continued success and viability. The possibilities offered by the technology mean that it is regarded as more efficient and flexible than traditional models of operation and development. By adopting cloud technology, organisations are gearing up to seize opportunities faster and push user- and business-driven innovation forward. Not least, cloud technology will allow businesses to seize existing and future opportunities in the field of artificial intelligence and generative AI.

It is also becoming increasingly common to combine cloud platforms with standardised components and SaaS services to meet operational needs. Bouvet worked closely with clients in 2023 to exploit opportunities offered by cloud platforms, in fields such as artificial intelligence, big data analysis, machine learning, automation, mobile applications and self-service solutions. Cloud platforms enable businesses to make better use of data, establish new forms of interaction and gain access to technology and functionality which facilitate continuous innovation and user-centric services.

Given the breadth of the group's services, clients expect Bouvet to have specific expertise, and want to engage Bouvet as a partner in their cloud ventures.

Low-code

The need for solutions and applications is growing as the digitalisation of society progresses. Low-code facilitates a faster response to market demands by offering a quicker alternative to the normal system development pathway. It enables organisations to adjust quickly and innovate in response to novel needs. In addition, employees with domain knowledge in specialist fields can develop their own work tools and solutions based on their specific needs and challenges.

The market is showing a growing understanding of and interest in the value which can be created through low-code, whether in relation to workflow, innovation, logic, data modelling or data capture. Bouvet advises clients on a broad range of low-code topics, from development to implementation and solution management. In 2023, the group helped develop solutions which have simplified the daily activities of employees at both Equinor and Statnett.

Generative AI and copilots were widely discussed in 2023. Low-code tools were among the first solutions to introduce copilots, and it is argued that these tools now have the best copilot solutions.

Bouvet is working continuously to train, and refine the expertise of, its own employees on low-code, including through its Power Platform Academy.

Data-driven operations

Being data-driven can give businesses a substantial advantage in areas such as analysis, effectivisation, collaboration, innovation, prediction and business development. Moreover, the rapid emergence of artificial intelligence and generative AI solutions offers increased scope for value creation. The drivers of this trend include tools such as ChatGPT, Microsoft 365 Copilot and Microsoft Fabric, an end-to-end analytics solution which combines the best of Azure and Power BI. Solutions and reports which previously required major machine learning projects can now be solved instantly using generative language models.

Against this backdrop, Bouvet's customers have been developing cloud-based data platforms for several years.

These projects continued in 2023, and more and more organisations are recognising the value of the technology and launching their own initiatives. Many people regard the adoption of a data-driven approach as vital for success in the technological society of tomorrow.

Bouvet is working strategically with clients to realise the benefits of such efforts. A good example in this regard is Digi Rogaland, which Bouvet has assisted with the development of a Microsoft Fabric-based joint platform for climate-related data and analysis. The group has also delivered services in areas such as machine learning, development of digital twins, maintenance prediction, effectivisation and general decision support.

The breadth of Bouvet's overall expertise and services allows the group to assist clients strategically and holistically, from start-up to ongoing management of solutions. The objective for assignments of this type is to facilitate user- and business-driven development. Bouvet's deliverables in such assignments often include specialist disciplines such as advisory services, service design, user experience, data science, cloud technology and system development.

Digitalisation of operations

Digitalisation is a demanding exercise which often involves people as much as systems, as it impacts organisational culture and demands robust management of the entire process. Accordingly, in order to succeed with digitalisation companies have to navigate a changing and complex digital landscape while simultaneously managing internal change. Bouvet has registered this complexity in the form of demand for advisers on digital management, change management and project management. To meet this demand, the group is constantly working to strengthen and refine its portfolio of integrated advisory services focused on the intersection of technology, business and interpersonal relationships.

Based on their inter-disciplinary expertise, and by maintaining close cooperation with clients, Bouvet's consultants help clients identify opportunities, limitations and obstacles, thereby enabling clients to realise their gains as efficiently as possible. Bouvet advises on all assignment stages, from overall strategy to the design and development of specific solutions.

Design

When digitalising, it is crucial to safeguard users before, during and after the development of relevant solutions, so that the customer and/or employee experience is integrated, seamless and secure. Bouvet's customers are well aware of this, and therefore continued to demand design and user adoption services in 2023. This applies to both the development of new solutions and the management and refinement of existing solutions.

Under the group's inter-disciplinary approach, designers with expertise in service design, visual design, user experience and universal design are crucial resources. Their creative insights

and skills help shape solutions which are both user-friendly and effective. From building deep insight into and understanding of user needs to designing and implementing systems, Bouvet's designers play a central role in ensuring that solutions not only work, but also enrich the user experience and fulfil operational objectives. Overall, this makes the group a sought-after partner in target markets and sectors.

Focus on sustainability

The demands and expectations of the group's clients are growing as sustainability-related regulatory requirements become more stringent and society intensifies its focus on the topic. As a result, clients are asking for help with the development of climate-transparent solutions. These changes and needs are being felt in all of the group's operating sectors, and are impacting all of Bouvet's specialisms and service areas.

Bouvet's greatest arena for exerting sustainability-related influence is the solutions which it develops and delivers to clients. In 2023, the group was involved in several assignments relevant to different aspects of sustainability. Examples include strengthening the Norwegian and Swedish power grid on behalf of Statnett, developing important services for Sykehusinnkjøp HF (which serves all health trusts in Norway), and developing and effectivising a number of public digital services.

Financial information

Operating revenue

Bouvet generated operating revenue of NOK 3,525.8 million in 2023, compared to NOK 3,085.5 million the previous year. This represents an increase of 14.3% on 2022. In 2023, Bouvet increased its average number of employees by 12.5% year-on-year, contributing to the rise in operating revenue. The 6.5% uplift in the group's hourly rates implemented in 2023 also affected operating revenue positively. On the other hand, operating revenue was negatively impacted by a 2.5 percentage point drop in the billing rate of the group's consultants from 2023 to 2022.

Revenue from existing customers developed favourably in 2023. Customers who were also customers in 2022 accounted for 98.6% of operating revenue. In addition, new customers added during the year contributed NOK 48.3 million to total operating revenue.

Bouvet's strategy is to utilise its own employees for service deliveries. In the event of capacity shortages, sub-consultants are used as permitted by applicable regulations. The share of total revenue attributable to sub-consultants was 10.3% in 2023, down from 11.1% in 2022.

Operating costs

Overall, Bouvet's operating costs increased by 16.2% in 2023. At year-end, the group's total operating costs stood at NOK 3,118.8 million, compared to NOK 2,683.8 million in 2022.

Cost of goods rose by 6.9%, to NOK 347.5 million. For the year as a whole, personnel costs increased by 16.8%, to NOK 2,360.9 million, with NOK 18.3 million of this total being attributable to a special 5% uplift in employer's national insurance contributions for salaries and remuneration exceeding NOK 750,000. Depreciation and amortisation amounted to NOK 96.9 million, up from NOK 79.0 million in 2022. Other operating costs rose by a total of NOK 54.9 million year-on-year, to NOK 313.5 million. The increase in other operating costs is largely explained by the group's overall growth and general price inflation.

The group's average wage costs per employee grew by 3.7% in 2023, compared to the 2.6% increase observed in 2022.

Results

Bouvet achieved an operating profit (EBIT) of NOK 407.0 million in 2023, up from NOK 401.7 million in 2022. This represents an increase of 1.3%. The EBIT margin ended at 11.5%, compared to 13.0% in 2022.

Pre-tax profits totalled NOK 418.4 million in 2023, compared to NOK 401.0 million in 2022. This corresponds to an increase of 4.3%.

Post-tax profits totalled NOK 325.3 million in 2023, compared to NOK 316.3 million in 2022. This corresponds to an increase of 2.8%. Earnings per issued share totalled NOK 3.15 in 2023, up from NOK 3.06 in 2022.

Balance sheet, cash flow and financial position

At the end of the financial year, Bouvet's balance sheet totalled NOK 1,715.8 million, compared to NOK 1,444.9 million the previous year. The group has insight into and good control of its receivables, and considers them to be robust.

Consolidated equity totalled NOK 458.4 million on the balance-sheet date, compared to NOK 457.0 million the year before. In 2023, Bouvet distributed dividends totalling NOK 316.6 million to shareholders. Measured using the book equity ratio, the group's debt-to-equity ratio was 26.7% as at 31 December 2023, compared to 31.6% as at 31 December 2022.

The group generated positive cash flow of NOK 506.1 million from operating activities in 2023, up from NOK 321.9 million in 2022. As at 31 December 2023, the group had no interest-bearing liabilities, and liquid bank deposits totalling NOK 482.0 million.

Group investments in 2023 totalled NOK 69.4 million. Of the investments made during the year, NOK 28.9 million related to the purchase of new operating assets and NOK 22.7 million to investments in intangible assets. Further, NOK 17.8 million was paid in connection with the acquisition of Headit AS. During the year, the group sold operating assets for NOK 0.4 million and received interest payments totalling NOK 16.3 million (primarily on bank deposits), bringing the net annual

investment total to NOK 52.7 million, compared to NOK 33.8 million in 2022.

On 2 October 2023, Bouvet acquired 100% of the shares in the consultancy firm Headit AS for a purchase price of NOK 30.0 million, comprising a cash payment of NOK 17.8 million, NOK 6.7 million in Bouvet ASA shares and NOK 5.5 million to be paid on 2 October 2025 (subject to the fulfilment of certain conditions). The company has been consolidated into Bouvet as of the fourth quarter of 2023.

The board of directors considers that Bouvet has sufficient capital to finance its liabilities, investment needs and operations from own funds.

The annual profit of the parent company Bouvet ASA totalled NOK 356.6 million, compared to NOK 376.8 million in 2022. The majority of the annual profit stems from dividends and group contributions received from the subsidiary Bouvet Norge AS. The investment in Bouvet Norge AS is the parent company's largest asset. The parent company's liabilities mainly comprise allocated dividends and liabilities to subsidiaries. Operational cash flow totalled NOK 336.0 million in 2023, up from NOK 279.9 million in 2022. Cash flow is positively affected by transfers from subsidiaries.

Going concern

In accordance with section 3-3a of the Norwegian Accounting Act, the board of directors confirms that the going-concern assumption is met, and that the annual accounts for 2023 have been prepared on this basis. This conclusion is founded on the group's long-term forecasts and its equity and liquidity situation.

Risks and uncertainties

The group's risk picture is marked by an unstable geopolitical and security policy situation, as well as energy shortages and resulting uncertainty in both the global and the Norwegian economies. The consequences include higher inflation. The prevailing uncertainty is being exacerbated by the ongoing wars in Ukraine and the Middle East.

Bouvet is exposed to various risks and uncertainties of an operational, financial and market-related nature. Management and handling of uncertainties is an integral aspect of the group's business operations, and vital for achievement of strategic and financial goals.

The board of directors ensures that the group's management identifies all relevant risk factors, and that the necessary risk management systems and tools are in place to reduce the occurrence of undesirable strategic, operational or financial events.

Operational risk factors

The most important operational risk factors to which Bouvet is exposed relate to the execution of projects for clients and access to employees with relevant expertise.

Estimate risk

Estimate risk is the risk of deviations in estimates adopted as the basis for entering into contracts with customers, where those contracts include fixed-price elements.

Reputational risk

Reputational risk is most likely to materialise if a delivery is of insufficient quality. Bouvet monitors this risk closely through quality networks and continuous development of its quality management system.

Risks linked to access to expertise

Bouvet is dependent on having access to relevant expertise in order to deliver quality and meet client demand. A generally tight labour market is an important factor with respect to this risk. The risk is reduced by measures focusing on employee satisfaction and reputation-building.

IT security risk

Global instability translates into a high national and global threat level with regard to IT security. This entails an increasing data security risk in customer deliveries and with regard to the group's internal infrastructure and proprietary systems. Bouvet's role as a societal stakeholder and important developer of socially critical infrastructure for large private and public organisations makes personnel security, physical security and IT security high priorities.

Supply chain attacks have been classed as a major threat by both the Norwegian National Security Authority (NSM) and Bouvet's customers. The group works actively to counter security breaches in its own systems by constantly updating technological security solutions, procedures and routines. This also includes evaluation of suppliers and partners. Bouvet is also engaged in active threat monitoring to prevent incidents.

Bouvet responds actively to NSM guidelines and recommended measures to strengthen security, and cooperates actively with its clients on emergency preparedness measures targeting security incidents. In addition, the group runs regular awareness-raising campaigns and exercises aimed at maintaining a robust security culture.

Financial risk factors

The most important financial risk factors to which Bouvet is exposed relate to liquidity and credit. The board of directors carries out ongoing assessments and issues guidelines on how management should handle these.

Credit risk

Bouvet's customer portfolio consists mainly of large, financially sound companies and organisations with high creditworthiness, and the group has no significant credit risk associated with

any individual counterparty or multiple counterparties which can be treated as a group due to similarities in credit risk. The group reduces its exposure by subjecting counterparties to a credit assessment before approving any significant credit.

Liquidity risk

Liquidity risk is the risk of Bouvet being unable to meet its financial liabilities as they fall due. The group manages this type of risk by always maintaining sufficient cash and cash equivalents to be able to meet its financial liabilities as they fall due, in both normal and extraordinary circumstances. The group maintains a constantly updated overview of the maturity structure of the group's financial liabilities, taking into account all possible demands for early redemption. At year-end, the group had no interest-bearing liabilities and bank deposits totalling NOK 482.0 million. In addition, the group had unutilised credit facilities totalling NOK 100.0 million.

Market risk

Market risk mainly comprises external factors which may impact fair values or future cash flows.

Interest rate risk

Changes in interest rates affect financial income, financial costs and the income statement. Bouvet had no interest-bearing liabilities as at the end of 2023. The group's interest rate risk is therefore limited to a possible reduction in financial income, and can thus be characterised as limited.

Currency risk

The majority of Bouvet's operational transactions are denominated in Norwegian kroner (NOK). The exceptions are the Swedish business, which uses the Swedish krona (SEK) as its functional currency, and Sesam, which uses US dollars (USD) in its subscription service. The risk associated with currency fluctuations can thus be characterised as limited.

Price risk

Bouvet's financial development is primarily dependent on market and price trends in the Scandinavian market for services related to technology, communications and general enterprise management. Given its high proportion of fixed costs, the group is vulnerable to fluctuations in activity levels. Bouvet's strategy is to utilise its own employees to execute service deliveries. In the event of capacity shortages, sub-consultants are used as permitted by applicable regulations.

Risk coverage

Although Bouvet seeks to reduce the consequences of undesirable incidents through risk management systems, there will always be some residual risk factors which cannot be adequately managed through preventive measures. Wherever possible, therefore, Bouvet endeavours to manage this type of risk by purchasing insurance, such as indemnity and liability insurance.

Shares and shareholder relations

Shareholder structure

At year-end, Bouvet had 5,611 shareholders. The 20 largest shareholders owned 53,393,666 shares, corresponding to 51.44% of the total number of issued shares.

Share price development and revenue

The Bouvet share price stood at NOK 60.90 at year-end 2023, compared to NOK 60.00 at the end of 2022. During the year, the price fluctuated between a low of NOK 52.60 and a high of NOK 70.00. The Bouvet share price rose by 1.50% over the course of the year.

In 2023, 9.85 million Bouvet shares were traded in 30,649 transactions. By comparison, in 2022, 16.85 million shares were traded in 43,122 transactions.

Changes in capital

At the end of 2023, the share capital of Bouvet ASA totalled NOK 10,380,063.70, distributed across 103,800,637 shares with a nominal value of NOK 0.10 each. There was no change compared to the previous year. As at year-end, the company held 189,323 treasury shares, compared to 61,506 treasury shares at the end of 2022.

At Bouvet's ordinary general meeting on 23 May 2023, the board of directors was authorised to increase the group's share capital by up to NOK 1 million to finance the acquisition of other companies and businesses. In addition, the board of directors was authorised to increase the share capital by up to NOK 200,000 in connection with a share programme for group employees. The board of directors was further authorised to acquire treasury shares with a total nominal value of NOK 1,000,000 to (i) facilitate full or partial payment in connection with the acquisition of businesses and maintain a holding of shares for this purpose, and (ii) facilitate implementation of the group's share programme for employees. The authorisations expire on 30 June 2024.

Dividends

Bouvet aims to provide its shareholders with a return – in the form of dividends and share price increases – which is at least on a par with investment alternatives carrying comparable risk. Dividends are proposed if, in the judgement of the board of directors, payment of such dividends will not impact negatively on the group's future growth ambitions and capital structure.

At Bouvet's ordinary general meeting on 23 May 2023, the board's proposal to distribute a dividend of NOK 2.50 per share was adopted, and the share began trading ex. dividend on 24 May 2023.

At a board meeting on 8 November 2023, the board of directors resolved to exercise the authorisation granted by the general meeting to approve a supplementary dividend of NOK 0.55 per share for the 2022 financial year. The share began trading ex. dividend on 13 November 2023.

Share programme for employees

Bouvet has implemented incentive schemes for employees in the form of profit-sharing and share-saving programmes.

Allocation of annual profit

Bouvet ASA's post-tax profit totalled NOK 356.6 million in 2023, compared to NOK 376.8 million in 2022. As at 31 December 2023, the parent company's equity before dividend allocations totalled NOK 466.0 million.

The board of directors of Bouvet ASA is proposing the distribution of a dividend totalling NOK 269.9 million, corresponding to NOK 2.60 per share. The residual post-dividend profit is to be transferred to other equity.

Liability insurance for board members and management

Bouvet ASA has taken out liability insurance for members of the boards of directors of Bouvet and its subsidiaries, as well as for members of group management and the management teams of subsidiaries.

Social responsibility

Role in society

Bouvet aims to have positive ripple effects throughout society. The main mechanisms for this are the group's value creation, employees' contributions to development and efficiency improvements for clients, and the group's role as an employer. Bouvet undertakes assignments in most sectors. In collaboration with its customers, it defines and develops solutions which influence and impact society. The group's vision of leading the way and building the society of the future provides direction and motivation. It also influences individual day-to-day choices in assignments, in customer and partner relationships and in collaborations with educational institutions.

Bouvet exercises social responsibility by:

- respecting rights and emphasising social conditions and professional development for its employees
- delivering products and services which create value for customers, their customers and society as a whole
- sharing expertise with customers, specialist institutions and others, thereby helping to develop Norway as a technological nation
- taking environmental considerations into account in daily operations, including through Eco-Lighthouse certification of offices and ISO 14001 certification of operations
- basing business activities on principles of good business practice and actively combating crime and corruption
- promoting the development of society through individual projects and by running its own operations in accordance with society's values based on global guidelines
- participating in assignments where the drivers are not only financial, but also include sustainable development incentives.

Clarity in the area of social responsibility improves Bouvet's ability to attract new employees and customers, which in turn enables the group to develop digitalisation expertise to help meet society's need to develop a sustainable world for current and future generations.

The group has identified four priority areas:

- Focusing on sustainability in all relationships with customers and partners.
- Developing and sharing sustainability-related expertise.
- Embracing an inclusive and diverse culture.
- Leading the way and keeping our own house in order.

The group has adopted the European Sustainability Reporting Standard (ESRS) – which will become mandatory as of 2024 – for the 2023 financial year; see the separate chapter containing the Bouvet ESRS Sustainability Statement 2023 on page 8 of the annual report.

Employees and organisation

Bouvet's employees and their expertise are the group's most important resource. Great emphasis is therefore given to professional development through seminars, certifications and knowledge-sharing, and to integrating learning into work performance. Bouvet's employees are highly committed, which helps to highlight the group's expertise and make Bouvet an attractive workplace. In addition to offering challenging work assignments, the group works actively to maintain and reinforce a positive social environment. In 2023, Bouvet implemented the management programme Grunnsteiner i Bouvet for new managers, as well as the Lederskolen programme for managers with personnel responsibility. These programmes emphasise culture-building, confidence in the management role and management tools. The employee survey conducted in the autumn of 2023 showed that Bouvet employees have a high level of job satisfaction as a result of being given interesting tasks and exciting challenges, and that the group's employees take pride in their workplace.

Sickness absence totalled 4.8% in 2023, down from 5% in 2022. Total sick leave amounted to 190,809 hours. No accidents involving personal injury were reported in 2023.

Bouvet offers an occupational health services under an agreement with local medical centres. Health, safety and the environment is a high-priority area for which Bouvet has documented procedures and responsibilities. The arrangement includes local safety representatives and working environment committees.

Bouvet is making long-term efforts to increase its proportion of women employees. The proportion of women in the company is currently 31.3%, up from 30.9% in 2022. The proportion of women managers is 36.4%, unchanged since last year.

For further information on efforts related to equality and non-discrimination pursuant to section 26a of the Equality and Anti-Discrimination Act, see page 34 of the annual report.

Diversity and inclusion

All Bouvet employees are obliged to contribute to a positive and professional working environment. Accordingly, all employees are expected to treat each other with respect, and all forms of discrimination are unacceptable. This includes discrimination based on beliefs, ethnicity, gender, gender identity, gender expression, sexual orientation, age, disability, pregnancy and care responsibilities, professional background or experience.

Bouvet seeks to provide a safe employee environment founded on diversity, broad expertise and space for people from different backgrounds to contribute. Diversity also includes diversity in terms of professional background. Such versatility is an important factor in Bouvet's capacity to deliver advice, solutions and services to the group's clients in a way which addresses clients' needs holistically. Bouvet regards diversity and inclusion as prerequisites for a modern organisation, societal engagement and success.

Environment

Bouvet is focusing on continuous improvements to support achievement of the goals set out in the Paris Agreement. The group therefore finds it important to consider what steps it can take to address its own climate and environmental footprint. These efforts are integrated into all the group's operations and form a natural part of its responsibilities. Bouvet holds environmental certifications under the Eco-Lighthouse framework and the ISO 14001 standard. New offices are certified as they are opened. A description of the group's sustainability work is included in a separate chapter in the Sustainability Statement 2023.

Bouvet's activities in the 2023 financial year are not subject to reporting requirements pursuant to the EU taxonomy.

Corruption

Bouvet considers all forms of corruption unacceptable, and requires all its employees to exercise great caution with regard to gifts and invitations from clients, suppliers and partners. No censurable business relationships were reported in 2023.

Ethics

Bouvet recognises the importance of having clear ethical guidelines for its employees, particularly given its role as a consultancy firm. The Bouvet Code of Conduct states that employees must always give advice which is in the client's best interests, that applicable laws and regulations must always be followed and that employees must treat other people with respect in their work. The codes of conduct for employees and suppliers are available on [bouvet.no](https://www.bouvet.no). Four reports of harassing behaviour were received and processed in 2023.

Fundamental human rights and decent working conditions

Bouvet has concluded that it operates in an industry and in locations with a low risk of breaches in key areas such as data protection, business conduct, HSE, human rights and working conditions.

As at 1 January 2024, Bouvet had commercial relationships

with 1,443 suppliers. The group has chosen to initiate dialogue with all direct suppliers where the group's purchases of goods and services exceed NOK 2 million per year. Sole proprietorships and sub-consultants with a maximum of three employees have been omitted, as we consider the risk of rights violations to be low for this type of sub-contractor. Accordingly, follow-up dialogues will be held with 82 direct suppliers.

Bouvet issues a separate group-level report on its efforts to safeguard fundamental human rights and decent working conditions. The 2023 Transparency Act Report is available on [bouvet.no](https://www.bouvet.no).

Organisation

Bouvet has adopted a regional model which gives high priority to client proximity. Under this structure, the group operates as an organisational network of local, relevant and forward-looking knowledge centres.

The group has fourteen offices in Norway and three in Sweden. These are located in Arendal, Bergen, Drammen, Førde, Grenland, Haugesund, Innlandet County, Kristiansand, Oslo, Sandefjord, Sandvika, Skara, Stavanger, Stockholm, Tromsø, Trondheim and Örebro. The number of employees increased to 2,311 at the end of 2023, which is 270 more than at the end of 2022.

Bouvet will continue to refine its regional model while remaining community-orientated. Our ambition is to be an industry leader in the regions in which we operate.

Sesam

Sesam, a subsidiary of Bouvet, supplies a unique solution called Sesam Hub, which focuses on data integration and master data management. The company also markets Sesam Talk, a self-service data synchronisation framework which can be used across cloud services without a need for setup.

The company has both national and international customers.

As at the end of 2023, Sesam had 29 customers.

Olavstoppen

Olavstoppen is a subsidiary of Bouvet located in Stavanger, and delivers design-driven digital product development services to clients such as Equinor, AkerBP, Zaptec and Lyse in close collaboration with Bouvet.

The company specialises in defining and solving new problems, and designing and developing full-service, cutting-edge solutions for leading drivers of societal developments.

Olavstoppen has grown organically since its inception, and currently employs over 75 designers and developers.

Outlook

Digitalisation remains a crucial factor with respect to the ability of organisations in both the public and private sectors to keep pace with societal and technological developments. This applies not only to adaptation to altered and new market conditions and forms of interaction, but also to factors such as an aging population, an increased focus on sustainability and elevated security requirements. In addition, digitalisation and the opportunities and value it offers can be drivers of change in themselves. An example of digitalisation driven by rapid societal change is provided by the energy sector's response to the need to manage power deficit situations in connection with production and distribution. Here, Bouvet is helping to address problems through its robust client relationships and strategic partnerships.

Society as a whole is in a challenging phase, and the security situation facing organisations is constantly changing, not least due to a growing number of threats. Unsurprisingly, the group's clients are increasingly focused on security. Through its well-established market presence and sizable portfolio of defence-related assignments, Bouvet has acquired considerable sector-specific expertise.

Sustainability continues to drive organisational transformation and change. Current and future regulatory requirements are relevant not only to expected reporting standards, but also to action taken and accountability measures. Going forward, both individual organisations and markets as a whole will have to revise their thinking and adopt an active approach to sustainability. Bouvet is already working with customers to guide global developments in the right direction.

Data insight, access and control facilitate better and quicker innovation, increase the pace of development and expand the range of opportunities available to individual organisations. To capitalise on the potential offered by available technologies, more and more businesses are looking to adopt cloud technology and become data-driven. Opportunities in the field of artificial intelligence and generative AI are reinforcing this trend,

and several enterprises have already reprioritised investments – or are in the process of doing so – in order to benefit more from the technology than previously planned. Bouvet is engaging actively with these technologies alongside clients and partners. Low-code is another technology of which more and more businesses are becoming aware. Low-code platforms facilitate faster value creation, and Bouvet has acquired considerable expertise on the technology in recent years.

Successful digitalisation is as much about people as about technology, and there is growing awareness of structural and/or organisational obstacles to digitalisation. Involving employees in change and digital development of the workplace is crucial if digitalisation is to have the desired impact. In this regard, expertise on technological developments is not the only important factor – digital management, change management, agile development, project management and development processes are also crucial.

Against this backdrop, businesses are increasingly demanding a multidisciplinary approach to problem-solving, and multidisciplinary expertise in areas such as technology, advisory services and design. In addition, general requirements and expectations related to quality, security and commercial value are increasing across markets and sectors, and domain and sector knowledge are becoming increasingly important factors in meeting these. Bouvet's breadth of services, regional model and experience of continuous, value-driven product and organisational development make the group well-equipped to deliver on these client requirements. The group also anticipates an increase in demand for the provision of teams to undertake execution of main contracts.

By focusing on employees first, skills development, a culture of sharing and a strong reputation in connection with recruitment, Bouvet is ensuring that it has the expertise demanded by the market. In combination with the group's client portfolio and other market developments, this focus paves the way for further refinement of an already competent and motivated organisation which continues to secure satisfied clients, a high client return rate and ongoing growth.

The board of directors considers the group's outlook to be favourable.

Oslo, 23 April 2024

The board of directors

Sign.

Pål Egil Rønn
Chair

Sign.

Lill Hege Hals
Director

Sign.

Tove Raanes
Deputy chair

Sign.

Egil Christen Dahl
Director

Sign.

Sverre Hurum
Director

Sign.

Per Gunnar Tronsli
CEO

Declaration by the board and CEO

The board of directors and the chief executive officer have today reviewed and approved the directors' report and the annual consolidated and parent company financial statements for Bouvet ASA at 31 December 2023.

- We hereby confirm that, to the best of our knowledge:
- the annual financial statement for Bouvet ASA have been prepared in accordance with the IFRS and IFRIC as adopted by the European Union (EU) and additional Norwegian disclosure requirements in the Norwegian Accounting Act, and the annual financial statements for Bouvet ASA have been prepared in accordance with the Norwegian Accounting Act
- the director's report for the group and the parent company fulfils the requirements of the Norwegian Accounting Act and the Norwegian Accounting Standard no 16
- the information presented in the financial statements gives a true and fair view of the assets, liabilities, financial position and results of the group and the company at 31 December 2023
- the director's report for the group and the parent company gives a true and fair view of the development, performance, financial position, and principle risks and uncertainties of the group and parent company.

Oslo, 23 April 2024
The board of directors

Sign.

Pål Egil Rønn
Chair

Sign.

Tove Raanes
Deputy chair

Sign.

Sverre Hurum
Director

Sign.

Lill Hege Hals
Director

Sign.

Egil Christen Dahl
Director

Sign.

Per Gunnar Tronsli
CEO

Financial statements

Group

Consolidated income statement	52
Consolidated statement of other income and costs	53
Consolidated balance sheet	54
Consolidated statement of cash flows	56
Consolidated statement of changes in equity	57
Notes	58
Note 1 Accounting principles	58
Note 2 Overview of subsidiaries	60
Note 3 Income	61
Note 4 Cost of sales	63
Note 5 Salary costs and remunerations	63
Note 6 Pensions	64
Note 7 Transactions with related parties	64
Note 8 Share scheme for employees	66
Note 9 Other operating expenses	67
Note 10 Income taxes	68
Note 11 Earnings per share	69
Note 12 Estimation uncertainty	70
Note 13 Impairment test of goodwill	70
Note 14 Intangible assets	72
Note 15 Property, plant and equipment	75
Note 16 Leases	76
Note 17 Financial instruments	78
Note 18 Trade accounts receivable	80
Note 19 Other short-term receivables and prepayments	81
Note 20 Liquid assets	81
Note 21 Share capital, shareholder information and dividend	82
Note 22 Other short-term debt	83
Note 23 Events after the balance sheet date	83

Consolidated income statement

1 January – 31 Desember

(NOK 1 000)	NOTE	2023	2022
Revenue	3	3 525 761	3 085 470
Operating expenses			
Cost of sales	4	347 460	325 165
Personnel expenses	5, 6	2 360 906	2 020 934
Depreciation fixed assets	15, 16	79 178	70 956
Amortisation intangible assets	14	17 740	8 090
Other operating expenses	9, 16	313 485	258 633
Total operating expenses		3 118 769	2 683 778
Operating profit		406 992	401 692
Financial items			
Other interest income		16 274	6 131
Other financial income		4 666	590
Other interest expense lease		-8 748	-6 712
Other finance expense		-766	-717
Net financial items		11 426	-708
Ordinary profit before tax		418 418	400 985
Income tax expense			
Tax expense on ordinary profit	10	93 126	84 669
Total tax expense		93 126	84 669
Profit for the year		325 292	316 316
Assigned to:			
Shareholders in parent company		325 419	315 708
Non-controlling interests		-127	608
Diluted earnings per share	11	3.13	3.03
Earnings per share	11	3.15	3.06

Consolidated statement of other income and costs

1 January – 31 Desember

(NOK 1 000)	NOTE	2023	2022
Profit for the year		325 292	316 316
Items that may be reclassified through profit or loss in subsequent periods			
Currency translation differences		1 660	-946
Sum other income and costs		1 660	-946
Total comprehensive income		326 952	315 370
Assigned to:			
Shareholders in parent company		327 080	314 763
Non-controlling interests		-127	608

Consolidated balance sheet

At 31 December

(NOK 1 000)	NOTE	2023	2022
ASSETS			
Non-current assets			
Intangible assets			
Deferred tax asset	10, 12	7 013	4 552
Goodwill	12,13,14	53 871	32 732
Other intangible assets	12,14	50 122	43 062
Total intangible assets		111 006	80 346
Fixed assets			
Office equipment	15	31 495	29 201
Office machines and vehicles	15	4 345	3 684
IT equipment	15	26 975	23 795
Right-of-use assets	16	316 468	222 299
Total fixed assets		379 283	278 979
Financial non-current assets			
Other financial assets		10	10
Other long-term receivables		2 223	1 900
Total financial non-current assets		2 233	1 910
Total non-current assets		492 522	361 235
Current assets			
Work in progress	3,12	51 486	17 508
Trade accounts receivable	18	629 880	563 485
Other short-term receivables and prepayments	19	59 818	59 258
Liquid assets	20	482 048	443 427
Total current assets		1 223 232	1 083 678
TOTAL ASSETS		1 715 754	1 444 913

Consolidated balance sheet

At 31 December

(NOK 1 000)	NOTE	2023	2022
EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital	21	10 380	10 380
Own shares - nominal value		-19	-6
Share premium		179	179
Total paid-in capital		10 540	10 553
Earned equity			
Other equity		442 760	441 210
Total earned equity		442 760	441 210
Non-controlling interests		5 074	5 202
Total equity		458 374	456 966
DEBT			
Long-term debt			
Lease liabilities	16	253 550	178 908
Other provisions for liabilities	14	5 545	0
Total long-term debt		259 095	178 908
Short-term debt			
Current lease liabilities	16	67 317	50 055
Trade accounts payable		119 685	37 509
Income tax payable	10	95 210	82 626
Public duties payable		304 440	283 473
Deferred revenue	3,12	5 899	5 096
Other short-term debt	22	405 734	350 280
Total short-term debt		998 285	809 039
Total liabilities		1 257 380	987 947
TOTAL EQUITY AND LIABILITIES		1 715 754	1 444 913

Oslo, 23 April 2024
The board of directors

Sign.
Pål Egil Rønn
Chair

Sign.
Tove Raanes
Deputy chair

Sign.
Sverre Hurum
Director

Sign.
Lill Hege Hals
Director

Sign.
Egil Christen Dahl
Director

Sign.
Per Gunnar Tronsli
CEO

Consolidated statement of cash flows

1 January – 31 December

(NOK 1 000)	NOTE	2023	2022
Cash flow from operating activities			
Ordinary profit before tax		418 418	400 985
Taxes paid	10	-82 627	-71 304
(Gain)/loss on sale of fixed assets		-135	-103
Ordinary depreciation	15,16	79 178	70 956
Amortisation intangible assets	14	17 740	8 090
Share based payments		19 218	18 998
Changes in work in progress, accounts receivable and accounts payable		-18 197	-161 263
Interest income and interest cost		-14 887	581
Changes in other accruals		87 377	54 938
Net cash flow from operating activities		506 085	321 878
Cash flows from investing activities			
Sale of fixed assets		382	199
Purchase of fixed assets	15	-28 907	-26 659
Payments made to develop software	14	-22 674	-14 359
Acquisition of business		-17 801	0
Received interest payments		16 274	6 131
Purchase of business		0	928
Net cash flow from investing activities		-52 726	-33 760
Cash flows from financing activities			
Purchase of own shares		-63 545	-62 122
Sales of own shares		28 710	25 178
Payments interests on lease liabilities	16	-7 361	-5 558
Payments on lease liabilities	16	-54 563	-46 026
Interest payments		-1 387	-6 712
Purchase of fixed assets	21	0	-50 862
Dividend payments	21	-316 592	-239 779
Net cash flow from financing activities		-414 738	-385 882
Net changes in liquid assets		38 621	-97 764
Liquid assets at the beginning of the period		443 427	541 191
Liquid assets at the end of the period		482 048	443 427
Unused credit facilities		100 000	101 323

Consolidated statement of changes in equity

1 January – 31 December

NOTE	(NOK 1 000)	SHARE CAPITAL	OWN SHARES - NOMINAL VALUE	SHARE PREMIUM	TOTAL PAID-IN EQUITY	OTHER EQUITY	TRANSLATION DIFFERENCES	TOTAL EARNED EQUITY	NON-CONTROLLING INTERESTS	TOTAL EQUITY
	Equity at 01.01.2022	10 380	0	51 041	61 422	384 483	-316	384 168	3 666	449 255
	Profit for the year				0	315 708		315 708	608	316 316
21	Other income and costs				0		-946	-946		-946
8, 21	Purchase of own shares		-95		-95	-62 027		-62 027		-62 122
8, 21	Sales of own shares		89		89	25 089		25 089		25 178
8	Employee share scheme				0	18 998		18 998		18 998
2	Change non-controlling interests				0				927	927
21	Dividend				0	-239 779		-239 779		-239 779
21	Share issue			-50 862	-50 862					-50 862
	Equity at 31.12.2022	10 380	-6	179	10 553	442 472	-1 262	441 210	5 202	456 966
	Equity at 01.01.2023	10 380	-6	179	10 553	442 472	-1 262	441 210	5 202	456 966
	Profit for the year				0	325 419		325 419	-127	325 292
21	Other income and costs				0		1 660	1 660		1 660
8, 21	Purchase of own shares		-100		-100	-63 432		-63 432		-63 532
8, 21	Sales of own shares		87		87	35 277		35 277		35 364
8	Employee share scheme				0	19 218		19 218		19 218
21	Dividend				0	-316 592		-316 592		-316 592
	Equity at 31.12.2023	10 380	-19	179	10 540	442 362	398	442 760	5 074	458 374

Notes

Note 1 Accounting principles

The consolidated financial statements of Bouvet ASA for the period ending 31 December 2023 were approved in a board meeting on 23 April 2024.

Bouvet ASA is a public limited company incorporated in Norway and listed on Oslo Børs. The group's head office is located at Sørkedalsveien 8, NO-0369 Oslo, Norway. Bouvet is a Scandinavian company providing consultancy services in IT and digital communication. The group's business concept is to create opportunities and increase the efficiency of its clients' processes with the aid of new ideas and technology in close collaboration with the client.

Basis for preparation of the financial statements

The consolidated financial statements for the accounting year 2023 have been prepared in accordance with the international financial reporting standards (IFRS) and interpretations adopted by the EU and mandatory for the accounting year 2023.

The financial statements are based on the historical cost principle.

The consolidated financial statements have been prepared on the basis of uniform accounting principles for uniform transactions and events under otherwise equal circumstances.

The group's presentation currency is the Norwegian krone (NOK) and the parent company's functional currency is the NOK. Balance sheet items in subsidiaries with a functional currency other than NOK are converted to NOK by applying the exchange rate applicable on the balance sheet date. Currency conversion differences are booked against other comprehensive income. Income statement items are converted by applying the average exchange rate for the period. All values are presented in the nearest thousand (NOK 000), unless otherwise specified.

Changes in accounting principles and disclosures

Effective from 1 January 2023, amendments to IAS 1 have shifted the focus from significant accounting principles to

material accounting principles. This change necessitates the disclosure of accounting principles that are inherently material for comprehending other substantial information in the financial statements.

In relation to this, general and material accounting principles not otherwise specified in the financial statements are elaborated in Note 1. Principles specific to certain themes have been relocated to their corresponding notes.

Segments

The group does not report internally on separate business areas. The group's business is uniform and in the Scandinavian market for IT consultancy services. Risks and earnings are followed up by the business as a whole with common markets, on a project basis and per consultant. On that basis, the group has one reportable business segment.

Financial information regarding the geographical allocation of revenue is presented in note 3.

Consolidation principles

The consolidated financial statements include Bouvet ASA and companies under the controlling interest of Bouvet ASA. An entity is considered to be controlled by the group when the group is exposed, or has the rights, to variable returns from its involvement with the entity in question, and has the ability to affect those returns through its power over the entity. A controlling interest is normally achieved when the group owns more than 50 per cent of the shares in the company, and the group is able to exercise actual control over the company.

The purchase method is applied when accounting for mergers. Companies sold or purchased during the year are included in the group accounts from the date when a controlling interest is achieved and until the control ends. See the section on business combinations.

Inter-company transactions and balances, including internal profit and unrealised profit and loss, have been eliminated.

Currency

Transactions in foreign currency are translated at the exchange rate applicable on the transaction date. Monetary items in foreign currency are translated at the end of every period at the rate applicable on the balance sheet date. Non-monetary items valued at historical cost are translated at the transaction date. Non-monetary items assessed at fair value denominated in foreign currency are translated at the rate applicable on the balance sheet date. Exchange rate changes are recognised in the income statement as they occur during the accounting period.

Revaluation of foreign subsidiaries

Asset and liabilities in foreign enterprises with a functional currency other than Norwegian kroner are converted to Norwegian kroner by applying the rate applicable on the balance sheet date. Revenue and expenses are converted on the basis of the average rate for the reporting period.

Currency translation differences are reported in the statement of other income and costs. When a foreign enterprise is disposed of in a way which leaves Bouvet ASA no longer in control, currency translation differences are expensed and simultaneously reversed in the statement of other income and costs.

Equity

Liabilities and equity

Interest payments, dividend, profit and loss related to a financial instrument classified as debt will be presented as an expense or income. Distributions to owners of financial instruments classified as equity will be set off directly against equity.

Own shares

On repurchase of the group's own shares, costs including directly attributable expenses are recorded as a change in equity. Own shares are disclosed as a reduction of equity. Gains or losses on transactions with own shares are not recognised in the income statement.

Costs of equity transactions

Transaction costs directly relating to an equity transaction are set off directly against equity after deducting tax expenses.

Translation differences

Translation differences arise in connection with exchange-rate differences when consolidating foreign entities.

Exchange-rate differences in monetary amounts (liabilities or receivables) which are in reality a part of a company's net investment in a foreign entity are also included as translation differences.

If a foreign entity is sold, the accumulated translation difference linked to the entity is reversed and recognised in the statement of comprehensive income in the same period as the gain or loss on the sale is recognised.

Government grants

Government grants are recognised when it is reasonably certain that the group will meet the conditions stipulated for the grants and that the grants will be received. The group mainly receives government grants through the tax incentive scheme for R&D projects. These grants are recognised in line with the project's progress. Grants covering expensed costs are recognised as cost reductions and grants covering capitalised expenses are recognised as a reduction of the acquisition cost of the capitalised asset. The R&D grants are deducted directly from tax payable by the group. Operating grants are recognised systematically over the life of the grant. Grants are deducted from the cost which they are meant to cover. Investment grants are capitalised and recognised systematically over the asset's useful life. Investment grants are recognised as a deduction from the asset's carrying amount.

Provisions

A provision is recognised when the group has an obligation as a result of a previous event and it is probable that a financial settlement will take place as a result of this obligation and the size of the amount can be measured reliably. If the effect is considerable, the provision is calculated by discounting estimated future cash flows using a discount rate before tax that reflects the market's pricing of the time value of money and, if relevant, risks specifically linked to the obligation.

Potential restructuring provisions are recognised when the group has approved a detailed, formal restructuring plan and the restructuring has either started or been publicly announced in the group.

Provisions for loss-making contracts are recognised when the group's estimated revenues from a contract are lower than unavoidable costs which were incurred to meet the obligations pursuant to the contract.

Amendments to standards and interpretations with a future effective date

There are no standards and interpretations adopted up to the time of preparation of the consolidated financial statements that are considered to have a significant effect on the accounts.

Note 2 Overview of subsidiaries

The following subsidiaries are included in the consolidated accounts:

COMPANY	COUNTRY	MAIN BUSINESS LINE	RESULTS 2023	EQUITY 31.12.2023	RESULTS 2022	EQUITY 31.12.2022	OWNER- SHIP	VOTING SHARE
HeadIt AS ¹	Norway	IT consultancy company	-281	7 532	0	0	100%	100%
Olavstoppen AS	Norway	IT consultancy company	10 453	15 026	8 328	12 710	100%	100%
Bouvet AB ²	Sweden	IT consultancy company	-7 307	12 102	6 737	18 279	100%	100%
Sesam.IO AS	Norway	Software company	-1 285	55 216	6 138	55 665	90.1%	90.1%
Bouvet Norge AS	Norway	IT consultancy company	333 456	471 746	288 356	492 928	100%	100%

¹ HeadIt AS was acquired by Bouvet Norge AS, with the transfer of control occurring on the 2nd of October, 2023. All 35 employees, who were present at the time of the acquisition, have been integrated into Bouvet Norge AS.

² As of December 31, 2022, Bouvet AB had two subsidiaries; Bouvet Sverige AB and Bouvet Public Skills AB. The companies were merged into Bouvet AB in 2023. The table presents Sweden as a group in 2022 and 2023.

Interests held by non-controlling interests in the Group's activities and cash flows:

COMPANY	LOCATION	MAIN BUSINESS LINE	OWNERSHIP	VOTING SHARE
Sesam.IO AS	Oslo	Software company	9.9%	9.9%

Summary P&L & Balance sheet Sesam.IO AS 31.12.

(NOK 1 000)	2023	2022
Revenue	59 703	68 468
Profit for the year	(1 285)	6 138
Total comprehensive income	(1 285)	6 138
Non-current assets	49 569	41 874
Current assets	16 954	27 992
Total assets	66 523	69 866
Equity	55 216	55 665
Short-term debt	11 307	14 201
Total equity and liabilities	66 523	69 866

Summary financial information allocated to non-controlling interest:

(NOK 1 000)	2023 (9.9%)	2022 (9.9%)
Equity start of period for Non-controlling interest	5 202	3 666
Change non-controlling interest	0	927
Profit for the year non-controlling interest	-127	608
Equity end of period for Non- controlling interest	5 074	5 202

Cash flow

(NOK 1 000)	2023 TOTAL	2023 (9.9%)	2022 TOTAL	2022 (9.9%)
Cash flow from operating activities				
Ordinary profit before tax	-1 633	-162	8 131	805
Taxes paid	-236	-23	-413	-41
Ordinary depreciation	391	39	338	34
Amortisation intangible assets	15 879	1 572	7 118	705
Changes in work in progress, accounts receivable and accounts payable	-4 123	-408	4 150	411
Interest income and interest cost	522	52	258	26
Changes in other accruals	933	92	479	47
Net cash flow from operating activities	11 734	1 162	20 061	1 986
Cash flows from investing activities				
Purchase of fixed assets	-395	-39	-373	-37
Payments to proprietary software	-22 685	-2 246	-14 359	-1 422
Purchase of fixed assets	-522	-52	-258	-26
Net cash flow from investing activities	-23 602	-2 337	-14 990	-1 484
Cash flows from financing activities				
Sales of own shares	-	-	132 787	13
Net cash flow from financing activities	-	-	132 787	13
Net changes in liquid assets	-11 868	-1 175	5 204	515
Liquid assets at the beginning of the period	19 395	1 920	14 191	1 405
Liquid assets at the end of the period	7 526	745	19 395	1 920

Note 3 Income

The group provides the majority of its services on a running account basis and, in most cases, has an enforceable right to payment for services rendered to date. To the extent that the group has income from projects where the group is to deliver a predefined result at a price that is either fixed or has elements that mean the hourly income is unknown until completion of the project, the income is recognised in line with the degree of completion. Progress is measured as accrued hours in relation to total estimated hours. In these cases, it is the customer who controls the asset being created or enhanced.

When the transaction's outcome cannot be reliably estimated, only revenue equalling accrued project costs is recognised as income, provided that it is likely that the revenue will be greater than accrued project costs. Any estimated loss on a project will be fully recognised in the income statement in the

period when it is identified that the contract will result in a loss.

Revenue from the sale of goods is recognized at the point in time when control of the asset is transferred to the customer. The group also produces and delivers custom products to customers, consisting of both goods and significant integrated service components. Such products will constitute a single performance obligation unless the promise to transfer the goods and services to the customer can be identified separately from each other. Such products are recognized over time in cases where the customer controls the asset being developed and where there is no alternative use and has an enforceable right to receive payment for services performed to date. Revenue from the sale of licenses, etc., where Bouvet acts as an agent, is recognized net over income instead of gross over income and cost of goods sold.

Information on geographical distribution of income

Revenue from external customers attributable to:

(NOK 1 000)	2023	2022
Norway	3 423 129	2 955 286
Sweden	101 103	128 493
Other countries	1 530	1 691
Total income	3 525 761	3 085 470

Information about major customers

Included in revenue in 2023 is NOK 1 691.4 million (2022: NOK 1 273.3 million) from the groups two largest customers.

No other customer makes up more than 10% of total revenue.

Recurring clients from 2022 consist of 98.6 percent of total revenue. In addition new clients emerged after 2022 did contribute to a total of NOK 48.3 million in 2023.

Specification revenue:

(NOK 1 000)	JAN-DEC 2023	JAN-DEC 2022
Contract category		
Fixed- and target price	4 561	5 207
Variable contracts	3 521 200	3 080 263
Total revenue	3 525 761	3 085 470
Business sector		
Power supply	600 427	476 723
Health	54 873	121 552
Industry	148 796	127 694
Info and communication	141 705	132 545
Public admin	608 459	571 592
Oil & gas	1 445 690	1 128 721
Service industry	181 015	141 321
Transportation	170 843	140 405
Retail	109 645	119 871
Other	64 308	125 045
Total revenue	3 525 761	3 085 470
Public/private sector		
Public sector (100% owned)	1 453 345	1 359 318
Privat sector	2 072 416	1 726 152
Total revenue	3 525 761	3 085 470
Work in progress	51 486	17 508
Deferred revenue	5 899	5 096

As of the balance sheet date, there were a total of MNOK 51.5 (2022: MNOK 17.5) in accrued but not yet billed services. Services delivered on a running account at the end of the fiscal year 2023 were invoiced to customers at the beginning of January 2024. Accrued revenues related to customer projects with elements of fixed price are settled based on the degree of completion as described above.

Note 4 Cost of sales

(NOK 1 000)	2023	2022
Hired consultants ¹	316 867	295 706
Hired training instructors	19 980	15 386
Purchase of training documentation	1 471	1 911
Purchase of software and hardware for resale ¹	9 142	12 163
Total cost of sales	347 460	325 165

¹ Comparative figures for 2022 have been redistributed among the rows as a result of an adjustment in classification.

Income from sales of licenses and reimbursements is netted against revenue.
Refer to Note 3 for a detailed description of the principle for netting.

Note 5 Salary costs and remunerations

(NOK 1 000)	2023	2022
Salary	1 792 103	1 542 348
Bonus/profit sharing	133 681	119 554
Social security tax	314 319	259 121
Pension costs (see note 6)	108 400	88 528
Personnel insurance	10 767	8 847
Share scheme for employees (see note 8)	22 438	17 104
Other expenses	2 193	1 902
Government grant related to R&D	-310	-684
Capitalised development expenses (see note 14)	-22 685	-15 787
Total salary expenses	2 360 906	2 020 934
Average number of man-labour years:		
Administration, sales and management	269	242
Other employees	1 891	1 700
Total	2 159	1 942
Average number of employees:		
Administration, sales and management	273	242
Other employees	1 942	1 711
Total	2 215	1 953

See note 7 for transactions with related parties.

For details, refer to the Executive remuneration report available at [Bouvet.no](https://www.bouvet.no)

Note 6 Pensions

The Group is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension ("lov om obligatorisk tjenstepensjon"). The Group's pension schemes satisfy the requirements of this law, and represents a defined contribution plan.

Defined contribution plan

The Group has a defined contribution plan for all employees in Norway and Sweden. The Group is committed to give contribution between 5 percent and 10 percent of employee salary to each employee's pension savings. The future pension depends on the size of the contributions and the return on the pension savings. The Group's commitment is fully met when paid. At the end of the accounting year, 2 311 employees were part of this scheme. The expensed contribution in Norway amounted to NOK 100 204 thousand and NOK 81 880 thousand in 2023 and 2022 respectively. In Sweden the expensed contribution amounted to NOK 8 196 thousand in 2023 and NOK 6 648 thousand in 2022, thus for the group the total expensed contribution amounted to NOK 108 400 thousand for 2023 and NOK 88 528 thousand for 2022.

Reconciliation of this year's total pension expense:

(NOK 1 000)	2023	2022
Contribution plan - paid contribution for the year	108 400	88 528
This year's recognised pension costs (note 5)	108 400	88 528

Note 7 Transactions with related parties

Bouvet ASA is the ultimate parent of the Group and publishes the consolidated financial statement for the Group. Intercompany balances and transactions with related parties is eliminated at such. Transactions with related parties is performed after the arm's length principle. Refer to note 2 for a list of investments in subsidiaries. Balance- and profit/loss balances is conducted in the normal course of Bouvet's business and consist of investments in subsidiaries, short- term assets and liabilities and revenue/ expenses in relation to intercompany services.

(NOK 1 000)

Compensation to the Board

	FEES PAID IN 2023	FEES PAID IN 2022
Total	1 245	1 135

Refer to www.bouvet.no for details for each member available in the remuneration report.

Compensation to key management 2023

	SALARY	PROFIT SHARING	PENSION CONTRIBUTION	OTHER REMUNERATION	TOTAL 2023
Total	5 994	2 144	213	94	8 445

Refer to www.bouvet.no for details for each member available in the remuneration report.

See note 8 for information about the share scheme.

Compensation to key management 2022

	SALARY	PROFIT SHARING	PENSION CONTRIBUTION	OTHER REMUNERATION	TOTAL 2022
Total	5 663	1 695	192	168	7 718

Refer to www.bouvet.no for details for each member available in the remuneration report.

See note 8 for information about the share scheme.

Shares in the company directly or indirectly owned by the Board at 31.12.2023

	NO. OF SHARES
Total	5 409 030

Shares in the company directly or indirectly owned by management at 31.12.2023

	NO. OF SHARES
Total	107 416

Grand total number of shares

	NO. OF SHARES
Grand total number of shares	5 516 446

Refer to www.bouvet.no for details for each member available in the remuneration report.

Note 8 Share scheme for employees

Share scheme

The Group has a share scheme including all employees not under notice and who have, at the latest, started work on the first day of the month when the offer is made. The offer does not include employees paid by the hour. The scheme consists of annual offers where each employee can subscribe for shares once per calendar year. The share scheme is approved for one year at a time.

The share scheme gives the employee the opportunity to subscribe for shares at a value from NOK 7 500 to NOK 15 000 per year against a deduction in salary of 80 per cent of subscription amount. Bouvet will give a corresponding number of shares free of charge if the employee keeps the shares for three years and is still employed. For the program that started in 2022, no discount was given and the salary deduction made corresponded to 100% of the subscription value.

In 2023 a total of 438 812 shares were sold to employees at a rate of NOK 56.69 with 20 per cent discount. 1 684 employees have participated in the scheme. The previous year 385 486 were carried through as a private placement towards employees and sold at a rate of NOK 56.58 with no discount. 1 494 employees participated in the scheme.

The Group also has established an additional share scheme for the management. The share scheme consist of annual offers where each member can subscribe for shares once per calendar year. The share scheme is approved for one year at a time.

The share scheme gives members of the management the opportunity to subscribe for shares at a value of NOK 22 500 per year at market value without any subsidising from Bouvet. Bouvet will give a corresponding number of shares free of charge if the manager keeps the shares for three years and is still employed.

In 2023 a total of 64 944 shares were sold to the management at a rate of NOK 56.69. A total of 170 employees from the management have participated in the scheme. The previous year 59 953 shares were carried through as a private placement towards the management and sold at a rate of NOK 56.58. A total of 173 employees from the management participated in the program.

In 2023 a total of 248 099 shares were provided free of charge as part of the 2020 share scheme. In 2022 a total of 447 725 shares were provided free of charge as part of the 2019 share scheme.

The share scheme is treated in accordance with IFRS 2. The fair value of the scheme is calculated at the grant date and expensed over the vesting period of three years. NOK 17 554 thousand in compensation costs have been charged in 2023 (in 2022 NOK 16 751 thousand). Remaining estimated compensation costs at 31 December 2023 for the years 2024 to 2026 are NOK 33 312 thousand (in 2022: for the year 2023 to 2025 NOK 31 845 thousand). The compensation cost is recognised as payroll expense with equity as the contra entry. The employer's tax is recognized in the results over the expected earning period. Costs related to the share scheme with contra entry in equity is in 2023 recognised with NOK 19 218 thousand (in 2022: NOK 18 998 thousand).

Note 9 Other operating expenses

(NOK 1 000)	2023	2022
Office premises	27 562	22 085
Travel and transport	17 555	11 718
Social costs and welfare initiatives	79 773	67 648
ICT-costs	82 392	68 290
Competence development	21 153	14 867
Recruitment costs	26 360	19 970
Marketing expenditure	14 545	12 584
External services	18 303	19 007
Meeting costs	11 651	5 417
Electronic communications	7 375	10 525
Other expenses	6 816	6 522
Total other operating expenses	313 485	258 633

Auditor fees

ART	2023	2022
Ordinary audit	2 129	1 742
Tax advice	220	290
Other services	140	235
Other attestation services	189	161
Total	2 679	2 428

Note 10 Income taxes

Tax expense consists of tax payable and changes in deferred tax. Deferred tax/tax assets are calculated on all temporary differences between the carried and tax value of assets and liabilities, with the exception of:

- temporary differences related to non-tax-deductible goodwill
- temporary differences related to investments in subsidiaries, associated companies or joint ventures when the group controls the timing of the reversal of the temporary differences and it is assumed that this will not happen in the foreseeable future.

Deferred tax assets are recognised when it is probable that the group's business in the tax jurisdiction will make sufficient profit in future periods to utilise the tax asset.

The companies recognise previous unrecorded deferred tax assets to the extent that it is probable that the group can utilise the deferred tax asset. Likewise, the group will reduce the deferred tax asset when it is considered unlikely that the deferred tax asset can be utilised.

Deferred tax and deferred tax assets are measured on the basis of the adopted future tax rates of the group companies where temporary differences have arisen.

Deferred tax and deferred tax assets are recorded at a nominal value and classified as long-term debt/assets in the balance sheet.

Tax payable and deferred tax assets are set off directly against equity to the extent that the underlying items are booked against equity.

Income tax expense

(NOK 1 000)	2023	2022
Tax payable	95 604	84 953
Changes in deferred tax	-2 478	-283
Tax expense	93 126	84 669

Tax payable in balance sheet

(NOK 1 000)	2023	2022
Calculated tax payable	95 520	84 953
Government grant related to R&D	-310	-2 327
Total income tax payable	95 210	82 626

Reconciliation of effective tax rate

(NOK 1 000)	2023	2022
Ordinary profit before tax	418 418	400 985
Calculated tax 22%	92 052	88 217
Non tax deductible costs	479	688
Non taxable revenue	739	-2 757
Government grant related to R&D	-68	-198
Tax losses carry forward not recognised	-76	-1 281
Tax expense	93 126	84 669
Effective tax rate	22%	21%

Specification of basis for deferred tax

(NOK 1 000)	2023	2022
Basis for deferred tax asset		
Fixed assets	-131	-10
Other differences	-21 986	-23 514
Tax losses carry forward (Sweden) ¹	-49 212	-39 193
Of this tax losses carry forward Sweden, not recorded in the balance sheet ¹	30 465	32 877
Basis deferred tax asset - gross	-40 865	-29 841
Basis deferred tax liability		
Intangible assets	1 792	887
Fixed assets	6 060	7 540
Deferred income	40	322
Basis deferred tax liability - gross	7 892	8 750
Basis deferred tax - net	-32 972	-21 091
Net recognised deferred tax/deferred tax asset (-)	-7 013	-4 552

¹ Company tax in Sweden 2023 and 2022: 20.6%

Note 11 Earnings per share

The basic earnings per share are calculated as the ratio between the profit for the year that is attributable to the shareholders in the parent company of NOK 325.4 million (NOK 315.7 million in 2022) divided by the weighted average number of ordinary shares throughout the year of 103.3 millions (103.2 millions in 2022).

When calculating diluted earnings per share, the weighted average basic shares outstanding is adjusted for dilutive effects from the employee share scheme (see note 8).

	2023	2022
Profit for the year (NOK 1000)	325 419	315 708
Weighted average shares issued	103 800 637	103 800 637
Weighted average basic shares outstanding	103 258 878	103 233 238
Weighted average diluted shares outstanding	104 069 876	104 157 700
Earnings per share (NOK)	3.15	3.06
Diluted earnings per share (NOK)	3.13	3.03
Weighted average shares		
Weighted average shares issued	103 800 637	103 800 637
Weighted average own-shares	-541 759	-567 399
Weighted average basic shares outstanding	103 258 878	103 233 238
Dilutive effects from employee share scheme	810 997	924 462
Weighted average diluted shares outstanding	104 069 876	104 157 700

Note 12 Estimation uncertainty

In preparing the financial statements in accordance with IFRS, the Group's management has applied estimations based on their best judgement and on assumptions considered to be realistic. Unexpected situations or changes in market conditions can result in changed estimations and thereby have an effect on the company's assets, liabilities, equity and result.

The Group's most significant accounting estimations concern the following items:

- Write-down/reversal of goodwill and other intangible assets (note 13)
- Number of employees that quit their job during the vesting period of the employee share program (note 8)
- Number of employees that quit their job before profit share payments.
- Calculation of the fair value of assets and liabilities in acquisitions and indication of permanent impairment (note 14)

Estimates and the underlying assumptions are continuously evaluated. Changes in accounting estimates are recognized in the period in which the changes occur. If the changes also apply to future periods, the effect is distributed over the current and future periods. See note 3.

The Group's balance recorded goodwill and other intangible assets are annually assessed for impairment and any reversal of previous write-downs (ref. note 13 and 14). The impairment test is based on expectations from the time of acquisition and when substantial changes in these expectations a write-down must be considered. The expectations are attached to moderate growth in number of employees, market and customers.

Bouvet allocates the cost price for acquired businesses to acquired assets and assumed liabilities based on estimated fair value. The Group has made the necessary calculations to determine the fair value of acquired assets and assumed liabilities. The valuations assume that management makes significant judgments in the choice of method, estimates, and assumptions. Significant acquired intangible assets that the Group has recognized include customer contracts and customer relationships. Assumptions underlying the valuation of intangible assets include, but are not limited to, estimated lifetime of customer contracts and customer relationships based on customer churn. Assumptions underlying the valuation of assets include, but are not limited to, replacement cost for fixed assets. Management's calculations of fair value are based on assumptions that are believed to be reasonable, but which have an inherent uncertainty, and as a result of this, the actual results may differ from the calculations.

Note 13 Impairment test of goodwill

Capitalised goodwill derives from former acquisitions, being the residual value from the acquisition cost and the identified net realisable value less any subsequent accumulated impairment. Goodwill is allocated to cash-generating units (CGUs) or groups of CGUs that are expected to gain synergies from the merger, and is tested at least annually for indications of impairment. Allocation of the compensation for mergers is changed if any new information on fair value at the date of the takeover of control emerges up to 12 months after the acquisition. Acquired assets and liabilities from mergers are measured and recognised at fair value in the group's opening balance (see note 12 and 14).

Capitalised goodwill in the group at 31 December 2023 amounted to NOK 53.9 million (2022: NOK 32.7 million). The change between the two years reflects acquisition of HeadIT AS and currency translation differences. Goodwill relates mainly

to the acquisitions of Nordic Integrator Management AS (NOK 15.3 million) in 2007 and Bouvet AB (NOK 3 million) in 2008, and the acquisitions of the Capgemini Trondheim business (NOK 8.9 million) in 2014 and the Ciber business in Stockholm (NOK 5.1 million) in 2016. Upon the acquisition of HeadIT AS in 2023, NOK 20.6 million is included as goodwill.

Following the acquisition of Nordic Integrator Management AS, Capgemini Trondheim and Ciber in Stockholm, these businesses have been integrated into Bouvet's business in Bergen, Trondheim and Stockholm respectively in such a way that they do not represent separate cash-generating units, but will be measured together with cash flows from the rest of the business in Bergen, Trondheim and Stockholm respectively. Bouvet Sverige AB is considered to be a separate cash-generating unit in the group. The goodwill from the acquisition of HeadIT is allocated to Innlandet as a cash-generating unit.

All goodwill from these acquisitions is allocated to their respective cash flow generating units.

Society is undergoing a digital transformation expected to produce major structural changes. This process is being accelerated by the war in Ukraine, a greater risk of sensitive information going astray and a general increase in the security risk related to IT, as well as a stronger concentration on sustainability and the introduction of ESG. The group offers services and solutions which are much needed for this social transformation, and has experienced a high level of demand from its clients. This is expected to persist. The impairment test of goodwill is therefore not considered to be affected negatively by these factors. Goodwill identified and recognised in the balance sheet is not considered to be directly affected by climate change.

Recoverable amounts are determined on the basis of an assessment of the enterprise's utility value. This utility value is calculated on the basis of discounting expected future cash flows before tax by a relevant discount rate before tax which takes account of duration and risk. Future cash flows are based on budgeted values and an expectation of moderate growth. A two-per-cent annual rise in hourly rates and operating costs has been assumed. The interest rate applied for discounting cash flows is 8.25 per cent before tax. This is based on a risk-free rate of 3.29 per cent, supplemented by a risk premium of 4.96 per cent. The discount rate is based on a calculated weighted average cost of capital (WACC) obtained using the capital asset pricing model (CAPM) method. The WACC rate used to discount future cash flows is based on a risk-free interest rate, the market's expected return, asset beta, return on debt and tax rates. The WACC at 31 December 2023 is about 0.31 percentage points above the rate a year earlier. This moderate increase is primarily attributable to the rise in the risk-free interest rate being offset by a reduction in the risk premium on equity. The beta value is virtually unchanged (0.94 in 2023 compared with 0.93 in 2022). The EBIT margin aim is 12-15 per cent for the Norwegian companies and five per cent for operations in Sweden.

Cash generating units

The projection of cash flows is based on the budget for the first five years, which includes an expectation of moderate growth in the total market, market share and prices for services. In the management's opinion, this assumption is reasonable given that demand for IT services remains substantial. After the five-year period, a prudent estimate of two per cent nominal growth in net cash flows before tax has been included.

Sensitivity analysis of key assumptions

Ciber Stockholm / part of the business in Bouvet Sverige AB

Ciber's business in Stockholm was acquired in 2016. In the management's view, this purchase has added value to the group. However, this value is based on certain key assumptions. In the event that these assumptions develop differently

from expectations, a write-down of goodwill which totals NOK 5.1 million could be necessary. If employees depart and no growth and further progress occur in Stockholm, but rather stagnation, this business may need a write-down should other assumptions remain constant.

Capgemini Trondheim / part of the business in the North

Capgemini's business in Trondheim was acquired in 2014. In the management's view, this purchase has added value to the group. However, this value is based on certain key assumptions. In the event that these assumptions develop differently from expectations, a write-down of goodwill which totals NOK 8.9 million could be necessary. If employees depart and no growth and further progress occur in Trondheim, but rather stagnation, this business may need a write-down should other assumptions remain constant.

Bouvet AB

Bouvet AB was acquired in 2008. In the management's view, this purchase has added value to the group. However, this value is based on certain key assumptions. In the event that these assumptions develop differently from expectations, a write-down of goodwill which totals NOK 3 million could be necessary. If employees depart and no growth and further progress occur in Sweden, but rather stagnation, this business may need a write-down should other assumptions remain constant.

Nordic Integrator Management AS / part of the business in Bergen

Nordic Integrator Management AS was acquired in 2007, where the business was integrated with Bouvet Norge AS's operations in Bergen. During 2022, Nordic Integrator Management AS was merged into Bouvet Norge AS. The cash-generating unit was not affected by the merger as this was included in Bouvet's operations earlier. In the management's view, this purchase has added value to the Group, and that the value of the company at least exceeds the compensation of NOK 15.3 million. The value is, however, based on some key assumptions. In the event that these assumptions develop considerably differently from expectations, this may imply a necessity to write down the goodwill. If employees leave as a consequence of the acquisition, if there is no growth in services delivered or if Bergen as a geographic area experiences stagnation, the business area could be subject to write downs if other assumptions are constant.

Headit AS

In 2023, Headit AS was acquired by Bouvet Norge AS, and it will be merged in 2024. The management is of the opinion that this acquisition has added value to the group, and that the value of the company at least exceeds the goodwill of a total of MNOK 20.5. However, the value is based on certain key assumptions. In the event that these assumptions develop considerably differently from expectations, this may imply a necessity to write down the goodwill.

In the assessment of indications of impairment and thus the potential need for write-downs, value calculations have been carried out as described above for all the mentioned cash-generating units. The results of the calculations show values

that well exceed the balance sheet goodwill items. Similarly, the key assumptions are still maintained. Therefore, there are no indications of impairment leading to write-downs for any of the goodwill items.

Note 14 Intangible assets

Intangible assets acquired separately are capitalised at their acquisition cost. Costs related to intangible assets acquired through acquisitions are capitalised at fair value in the group's opening balance. Capitalised intangible assets are recognised at cost less any accumulated amortisation and impairment losses.

The acquisition cost of intangible assets includes the purchase price and any duties/taxes.

Internally generated intangible assets, with the exception of capitalised development costs, are not capitalised, and expenditure is charged to profit and loss in the year in which the expenditure is incurred.

The useful lives are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Goodwill and other intangible assets with indefinite useful lives are not depreciated, but tested annually for impairment. The amortisation period and method are assessed at least once a year. Changes in amortisation method and/or period are treated as a change in estimate.

Research and development

Expenses relating to research are recognised in the income statement when incurred.

Expenses related to development are capitalised to the extent that the product or the process is technically and commercially viable, and:

- the group has adequate resources and the intention to complete the development
- it is probable that this will accrue future financial benefits for the group
- costs related to development can be measured reliably.

Expenses recorded in the balance sheet include materials, direct payroll costs and a portion of directly attributable joint expenses.

Development costs are capitalised at cost less accumulated depreciation and impairment losses.

Capitalised development costs are depreciated on a straight-line basis and over the asset's estimated useful life.

(NOK 1 000)	CUSTO- MER RELA- TIONS	SOFT- WARE	INTER- NET	GOOD- WILL	TOTAL 2023	CUSTO- MER RELA- TIONS	SOFT- WARE	INTER- NET	GOOD- WILL	TOTAL 2022
Acquisition cost										
Accumulated 1 January	16 993	84 382	6 241	32 732	140 348	17 019	70 023	6 241	32 982	126 265
Addition purchase of subsidiary	2 078			20 559	22 637					0
Self-developed intangible assets		22 675			22 675		15 786			15 786
Tax refund (government grants)					0		-1 427			-1 427
Disposals of the year					0					0
Exchange rate variances	46			580	626	-27			-250	-277
Accumulated 31 December	17 039	107 057	6 241	53 871	186 286	16 993	84 382	6 241	32 732	140 348
Amortisation										
Accumulated 1 January	15 971	42 342	6 241	0	64 554	14 979	35 434	6 051	0	56 464
Disposals of ordinary amortisation					0					0
This year's ordinary amortisation	1 850	15 890			17 740	992	6 908	190		8 090
Exchange rate variances					0					0
Accumulated 31 December	17 821	58 232	6 241	0	82 294	15 971	42 342	6 241	0	64 554
Book value										
Book value 1 January	1 021	42 041	0	32 732	75 794	2 040	34 589	190	32 982	69 801
Book value 31 December	1 295	48 826	0	53 871	103 993	1 021	42 041	0	32 732	75 794
Economic life	10 years	5-10 years	5 years	not decided		10 years	5 years	5 years	not decided	
Amortisation method	linear	linear	linear	N/A		linear	linear	linear	N/A	

¹ Additions in 2023 are in connection with business consolidation..

Amortisations relates to amortisation of customer relations, software and internally developed internet homepage. The value of customer relations is based on expected future cash flows before tax, discounted with a relevant discount rate taking into consideration expected term to maturity and risk at the time of group formation. The value of software is based on expected future maintenance income. Internet homepage are amortised based on estimated useful life.

The group is developing Sesam, a software as a service (SaaS). This software provides a stand-alone, generic data platform component – a master data hub which continuously exchanges data with the business' core systems. Sesam delivers a unique platform component which continually ensures optimal data quality and makes it simpler and faster to build cost-effective, value-enhancing solutions on the basis of the platform. The latter is in continual development. NOK 105 004 thousand has so far been invested, which is capitalised and amortised in modules. These modules have an expected service life of three to ten years.

In connection with the development of the Sesam software, the group receives SkatteFUNN. From the fiscal year 2023, a change in principle has been made which indicates that SkatteFUNN applicable for 2023 will only be included in the financial statements for 2024.

Changes in group structure

Acquisition of Headit AS:

2 October 2023, Bouvet Norge AS (subsidiary of Bouvet ASA) acquired 100 percent of the shares in Headit AS. This implies taking over the employees, customer relations and customer contracts together with existing obligations. The takeover was financed by NOK 17.8 million in cash and NOK 6.7 million in shares in Bouvet ASA, as well as a clause on residual settlement after 2 years of NOK 5.5 million in cash, subject to fulfilment of certain conditions. Total purchase price is 30 million.

The 35 employees of this consultancy Hamar-based, whose activities coincide with services offered by Bouvet, will become part of the acquiring group's eastern region. The acquisition will give Bouvet a presence in eastern Norway with offices in Oslo, Sandvika, Drammen and Hamar. As part of the agreement, Bouvet will enter into Headit's assignments in the region to ensure a seamless transition for clients. The purchase resulted in a goodwill of NOK 20.6 million and an added value of NOK 2.1 million related to customer relations. Customer relations are subject to 6 months amortisation. It is expected that the acquisition will have a positive influence on future earnings and have synergy effects on existing business.

From 2 October 2023, Headit AS is consolidated with the Bouvet Group and will be merged with Bouvet Norge AS from 1 January 2024.

The acquisition of Headit AS had the following effect on Bouvet ASA's group account per acquisition date:

(NOK 1 000)	BALANCE SHEET VALUE	ADDED VALUE	ACQUISITION 2023
Fixed assets/customer relations	745	2 078	2 823
Current assets	14 005		14 005
Deferred tax		-457	-457
Short-term debt	-6 930		-6 930
Net identifiable assets and liabilities	7 820	1 621	9 441
Goodwill at acquisition		20 559	20 559
Purchase amount	7 820	22 180	30 000
Cash			23 346
Shares			6 654
Purchase amount			30 000
Paid in cash			17 801
Net cash out			17 801
Other provisions for obligations, remuneration due 2 October 2025			5 545

The acquired company has an estimated contribution with NOK 11.4 million to the Group's turnover and NOK -2.8 million to the Group's profit before tax in the period between the purchase and the balance sheet date.

Included in the value of goodwill are employees and expected synergies with existing business of Bouvet Norge AS.

If the acquisition had been carried out on 1 January 2023, the Group's estimated total turnover for the entire period would have been NOK 3 558.5 million and the Group's estimated profit before tax would have been NOK 418.1 million.

Note 15 Property, plant and equipment

Fixed assets are valued at cost less accumulated depreciation and impairment losses. When assets are sold or disposed of, the gross carrying amount and depreciation are reversed, and any gain or loss on the sale or disposal is recognised in the income statement.

The gross carrying amount of fixed assets is the purchase price, including duties/taxes and direct acquisition costs related to making the fixed asset ready for use. Subsequent costs, such as repair and maintenance costs, are normally expensed when incurred, whereas other expenses expected to increase future economic benefits are recognised in the balance sheet.

The depreciation periods and methods are assessed each year. The residual value is estimated every 31 December and changes in the estimate for residual value are accounted for as an estimation change.

(NOK 1 000)	IT EQUIP- MENT	OFFICE MACHINES AND VEHICLES	FIXTURES AND FITTINGS	TOTAL 2023	IT EQUIP- MENT	OFFICE MACHINES AND VEHICLES	FIXTURES AND FITTINGS	TOTAL 2022
Acquisition cost								
Accumulated 1 January	80 416	12 931	50 820	144 168	65 945	12 452	43 697	122 094
Additions of the year	18 624	2 066	7 484	28 174	17 041	1 309	8 309	26 659
Additions purchase of subsidiary	0	428	305	733	0	0	0	0
Disposals of the year	-3 620	-2 255	-1 206	-7 081	-2 496	-830	-1 167	-4 494
Exchange rate variances	163	0	47	209	-73	0	-19	-92
Accumulated 31 December	95 583	13 170	57 450	166 203	80 416	12 931	50 820	144 168
Depreciation								
Accumulated 1 January	56 621	9 248	21 619	87 487	44 278	8 293	17 650	70 220
Disposals of ordinary depreciation	-3 772	-2 007	-1 278	-7 057	-2 506	-831	-1 079	-4 417
This year's ordinary depreciation	15 653	1 586	5 577	22 817	14 892	1 786	5 074	21 752
Exchange rate variances	107	0	36	143	-43	0	-25	-68
Accumulated 31 December	68 609	8 827	25 954	103 389	56 621	9 248	21 619	87 487
Book value								
Book value at 1 January	23 795	3 684	29 201	56 679	21 667	4 160	26 047	51 874
Book value at 31 December	26 975	4 345	31 495	62 815	23 795	3 684	29 201	56 681
Economic life	3-5 years	5 years	5-10 years		3-5 years	5 years	5-10 years	
Depreciation method	linear	linear	linear		linear	linear	linear	

Booked value of total fixed assets, except for deferred tax assets, right-of-use-assets and financial assets, located in Norway is NOK 156 million (2022: NOK 123 million), and the remaining fixed assets are located in Sweden NOK 11 million (2022: NOK 9 million).

Note 16 Leases

The Group has entered into agreements with commercial entities for the rental of office premises at the 17 locations where it operates. For some of these locations, parking spaces are also included. The length of the agreements varies between 1-10 years, with several agreements including options for extension. For lease agreements that are considered significant in size and length, the Group identifies a lease obligation with the associated right-to-use asset based on discounted cash flows derived from the content of the contract. Each individual contract, or where different elements of a contract can be identified as separate assets and liabilities, the balance sheet items are recognized as separate elements. Reassessment of balance sheet items is done continuously in line with changes in the nature and scope of the contract or with price adjustment.

Contracts that are considered insignificant either due to short duration or low value are expensed directly. Examples of leases that are expensed directly are the rental of coffee machines, water machines, and parking spaces.

- Short-term leases are defined as lasting 12 months or shorter.
- Low-value assets are defined as valued at NOK 50,000 or lower.

Right-of-use-assets

(NOK 1 000)	PREMISES 2023	PREMISES 2022
Acquisition cost		
Accumulated 1 January	374 331	315 873
Price adjustments of the year	14 542	6 223
Adjustments options	2 959	11 571
Additions	233 422	53 596
Disposals of the year	-167 660	-12 913
Exchange rate variances	72	-20
Accumulated 31 December	457 666	374 331
Depreciation		
Accumulated 1 January	152 033	110 720
Disposals of ordinary depreciation	-67 224	-7 881
This year's ordinary depreciation	56 361	49 198
Exchange rate variances	28	-5
Accumulated 31 December	141 198	152 033
Book value		
Book value at 1 January	222 299	205 153
Book value at 31 December	316 468	222 299

The right-of-use asset is depreciated from the commencement date to the earlier of the lease term and the remaining useful life of the right-of-use asset. At the beginning of the fiscal year rental contracts is adjusted for CPI amounting to NOK 8 491 thousand (2022: 6 223). The remaining adjustments of NOK 2 959 thousand is due to adjustments of the option for the leases in Stockholm and Arendal.

The change in this year's additions and disposals is mainly due to Stavanger and Olavstoppen entering into new lease agreements, which resulted in previous lease agreements being settled and new lease agreements being recognized.

Lease liabilities

Change in lease liabilities

(NOK 1 000)	2023	2022
Total lease liabilities at 1 January	228 963	210 394
CPI adjustments	14 542	6 223
Adjustments options	2 959	11 571
New lease liabilities recognised in the period	233 422	53 596
Disposal lease liabilities during in the period	-104 484	-7 283
Cash payments for the principal portion of the lease liability	-61 924	-51 069
Cash payments for the interest portion of the lease liability	7 361	5 558
Currency exchange differences	28	-27
Total lease liabilities at 31 December	320 867	228 963
Long-term lease liabilities	253 550	178 908
Current lease liabilities	67 317	50 055

In 2023 a total payment of NOK 63,8 million (2022: NOK 53,9 million) was made in lease agreements, of which NOK 1.9 million (2022: NOK 2.9 million) was lease agreements not recognised in the balance sheet.

Reconciliation of changes in liabilities arising from financing activities

(NOK 1 000)	1 JAN	NON-CASH CHANGES					31 DEC
		CASH FLOWS	FOREIGN EXCHANGE MOVEMENT	FAIR VALUE CHANGES	NEW LEASES	OTHER	
Lease liabilities 2023	228 963	-61 924	28	0	233 422	-79 622	320 867
Lease liabilities 2022	210 394	-51 069	-27	0	53 596	16 069	228 963

FUTURE LEASE PAYMENTS PER YEAR							
(NOK 1 000)	FUTURE LEASE PAYMENTS	< 1 YEAR	1-2 YEARS	2-3 YEARS	3-4 YEARS	4-5 YEARS	> 5 YEARS
Undiscounted lease liabilities 31.12.2023	529 266	88 058	81 978	80 469	57 707	53 748	167 306

FUTURE LEASE PAYMENTS PER YEAR							
(NOK 1 000)	FUTURE LEASE PAYMENTS	< 1 YEAR	1-2 YEARS	2-3 YEARS	3-4 YEARS	4-5 YEARS	> 5 YEARS
Undiscounted lease liabilities 31.12.2022	251 438	56 409	54 446	47 192	44 609	22 144	26 637

The leases do not put any restrictions on the Group's dividend policy or financing. The Group does not have significant residual value guarantees related to its leases.

Other lease expenses recognised in profit or loss

(NOK 1 000)	2023	2022
Operating expenses related to short-term leases	0	0
Operating expenses related to low value leases	1 919	2 873
Total lease expenses included in other operating expenses	1 919	2 873

Extension options

The Group's lease agreements concerning rent of office premises have lease terms that vary from 1 year to 10 years, and several agreements involve a right of renewal which may be exercised during the last period of the lease term. The Group assesses at the commencement whether it is reasonably certain to exercise the renewal right. The Group's potential future lease payments not included in the lease liabilities related to extension options is NOK 271.4 million (gross) at 31 December 2023 (2022: NOK 239.5 million (gross)).

Note 17 Financial instruments

Financial risk

The Group has only financial instruments related to trade and other receivables and trade accounts payable, involving both credit risk and liquidity risk.

(i) Liquidity risk

The liquidity risk is the risk that the Group will not be able to service its financial obligations when due. The Group's strategy to manage liquidity risk is to have adequate liquid funds at all times to be able to meet the financial obligations when due, under normal as well as extraordinary circumstances, without risking unacceptable losses or bad reputation. Unused credit facilities are described in note 20.

The following table illustrates the maturity structure of the Group's financial commitments, based on non discounted contractual payments. In instances where the counterpart can require an earlier redemption, the amount is stated in the earliest period payment can be demanded. In the event that commitments can be required redeemed at request, these are included in the first column (less than 1 month).

(NOK 1 000)	REMAINING PERIOD					TOTAL
	LESS THAN 1 MONTH	1-3 MONTHS	3-12 MONTHS	1-5 YEARS	MORE THAN 5 YEARS	
31.12.2023						
Trade accounts payable	119 307	205	118	0	55	119 685
Other financial commitments ¹	7 338	14 676	66 044	273 902	167 306	529 266
31.12.2022						
Trade accounts payable	30 586	6 924	0	0	0	37 509
Other financial commitments ¹	4 660	9 319	41 937	166 363	29 159	251 438

¹ Maturity not-accounted commitments related to lease agreements.

(ii) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is mainly exposed to credit risk connected with trade accounts receivable, deposits with banks and other short-term receivables.

The Group is reducing its exposure against credit risk by requiring that all third parties, like customers, shall be approved and subject to an assessment of credit verification procedures.

The Group has no significant credit risk connected with one single contracting party or several that can be considered a group due to similarities in credit risk.

The Group has guidelines ensuring that sales are made only to customers without previous payment problems and that outstanding balances do not exceed set credit limits.

In the Group's view, the maximum risk exposure is the carrying value of trade accounts receivable (note 18), deposits with banks (note 19) and other short-term receivables (note 20).

Financial assets and financial liabilities

Classification of financial instruments:

(NOK 1 000)	AMORTISED COSTS	TOTAL 31.12.2023	FAIR VALUE 31.12.2023	AMORTISED COSTS	TOTAL 31.12.2022	FAIR VALUE 31.12.2022
Loans and receivable						
Work in progress ¹	51 486	51 486	51 486	17 508	17 508	17 508
Trade accounts receivable	629 880	629 880	629 880	563 485	563 485	563 485
Liquid assets	482 048	482 048	482 048	443 427	443 427	443 427
Liabilities						
Lease liabilities	320 867	320 867	320 867	228 963	228 963	228 963
Trade accounts payable	119 685	119 685	119 685	37 509	37 509	37 509

¹ Primarily services based on time and material used, which is invoiced in the beginning of January the following year.

Trade accounts receivable

At 31 December 2023, the Group had 14 customers (2022: 12) that owed it more than NOK 5 000 thousand each and accounted for approximately 69 percent (2022: 64 percent) of all the receivables and contract assets outstanding.

The Group seldom experience credit loss on trade receivables, but an analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on loss patterns and on days past due. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

The Group evaluates the concentration of risk with respect to trade receivables as low, as customers are located in several jurisdictions and industries and operate in largely independent markets.

Capital structure and equity

The main objective of the Group's management of the capital structure is to ensure a solid equity to secure further operations and also to have the ability to pursue opportunities for further profitable growth.

By producing satisfactory ratios connected with equity and debt, the Group will be able to support operations and thereby maximise the value of the shares.

The Group controls its capital structure and carries out required changes based on a continuous assessment of the present financial conditions and the possible prospects and opportunities in the short and mid-long term.

The capital structure is managed by adjusting dividend distributions, repurchasing own shares, reducing the share capital or by issuing new shares. There have been no changes in guidelines in this area in 2022 or 2023.

The Group is following up its capital structure by reviewing the equity share, defined as equity in percent of total capital. Group policy is to have a solid equity. The equity share was 26.7 percent per 31.12.2023.

(NOK 1 000)	2023	2022
Equity	458 374	456 966
Total capital	1 715 754	1 444 913
Equity share	26.7%	31.6%

Note 18 Trade accounts receivable

(NOK 1 000)	2023	2022
Gross trade accounts receivable	631 057	563 743
Expected credit losses	-1 177	-258
Trade accounts receivable	629 880	563 485

Accounts receivables are non-interest bearing. See note 17 for an analyse of accounts receivables, description of allowance for expected credit losses and description of the Group's credit risk management. Expected credit losses are classified as other operating expenses in the income statement.

Movements in the expected credit losses are as follows:

(NOK 1 000)	2023	2022
Opening balance	258	284
Expected credit losses of the year	974	27
Realised loss this year	-13	-53
Reversal of previous provision	-42	0
Closing balance	1 177	258

At 31.12., the Group had the following trade accounts receivable due, but not paid or written off:

(NOK 1 000)	TOTAL	NOT DUE	<30 d	30-60D	60-90D	>90d
2023	629 880	396 957	214 772	12 334	3 765	2 052
2022	563 485	382 949	170 020	8 659	1 857	-

Contract assets for the Group are related to customer projects with elements of fixed price and recognised in balance sheet under work in progress. These projects constitute a small part of the Group's business. See note 3 for further description. A credit loss is not expected on these projects.

Note 19 Other short-term receivables and prepayments

(NOK 1 000)	2023	2022
Advances to employees	23 991	27 120
Prepaid rent	0	94
Prepaid software	18 305	18 400
Prepaid other expenses	17 270	13 492
Other receivables	252	152
Total other short-term receivables and prepayments	59 818	59 258

Note 20 Liquid assets

Liquid assets are bank deposits and short-term liquid investments that can be converted to cash within three months and for a known amount. Cash originally tied up for more than three months is not included in liquid assets.

(NOK 1 000)	2023	2022
Liquid assets - unrestricted funds	398 074	367 093
Employee withheld taxes - restricted funds	83 974	76 334
Liquid assets in the balance sheet	482 048	443 427

The group has unused credit facilities of NOK 100 000 thousand per 31.12.2023 (NOK 101 323 thousand in 2022). There are no restrictions on the use of these funds.

Note 21 Share capital, shareholder information and dividend

(SHARES IN THOUSANDS)	2023	2022
Ordinary shares, nominal value NOK 0.1	103 801	103 801
Total number of shares	103 801	103 801

Changes in share capital and premium

(NOK 1 000)	NO. OF SHARES		SHARE CAPITAL	
	2023	2022	2023	2022
Ordinary shares issued and fully paid at 31.12.	103 801	103 801	10 380	10 380
Own shares at nominal value	-189	-62	-6	0

Bouvet ASA has a share scheme including all employees. During 2023 Bouvet ASA bought 1 000 000 of its own shares at an average price of NOK 63.44 per share and sold 751 855 shares to employees for a total amount of NOK 46 623 thousand at an average price of NOK 56.69 per share. The cash consideration for these shares was NOK 28 558 thousand. In connection with the acquisition of Headit AS, 120 328 own shares were distributed at a total value of NOK 6 654 thousand at a rate of NOK 55.30 per share, as part of the consideration for the purchase. At the balance sheet day Bouvet ASA hold a total of 189 323 of its own shares.

The nominal value of each share is NOK 0.10. All shares in the company have equal voting rights and are equally entitled to dividend. The computation of earnings per share is shown in note 11.

The 20 main shareholders at 31.12.2023 are:

AKSJONÆR	NUMBER OF SHARES	OWNERSHIP INTEREST
FOLKETRYGDFONDET	8 157 144	7.86%
VARNER KAPITAL AS	6 051 000	5.83%
VERDIPAPIRFOND ODIN NORDEN	5 807 586	5.59%
STENSHAGEN INVEST AS	5 366 990	5.17%
The Bank of New York Mellon (nominee acc.)	4 574 063	4.41%
SVERRE FINN HURUM	3 479 060	3.35%
MP PENSJON PK	2 650 820	2.55%
VERDIPAPIRFONDET NORDEA AVKASTNING	2 411 393	2.32%
VEVLEN GÅRD AS	1 828 020	1.76%
MUSTAD INDUSTRIER AS	1 300 000	1.25%
UBS Switzerland AG (nominee acc.)	1 278 296	1.23%
VERDIPAPIRFOND ODIN NORGE	1 270 570	1.22%
VERDIPAPIRFONDET FIRST VERITAS	1 269 494	1.22%
The Bank of New York Mellon SA/NV (nominee acc.)	1 250 000	1.20%
VERDIPAPIRFONDET NORDEA NORGE PLUS	1 230 866	1.19%
VERDIPAPIRFONDET NORDEA KAPITAL	1 213 587	1.17%
ERIK STUBØ	1 183 900	1.14%
The Bank of New York Mellon (nominee acc.)	1 108 995	1.07%
Landkreditt Utbytte	1 012 286	0.98%
VERDIPAPIRFONDET KLP AKSJENORGE IN	949 596	0.91%
OTHER SHAREHOLDERS	50 406 971	48.56%
Total	103 800 637	100.00%

Dividend

The company has paid the following dividends:

(NOK 1 000)	2023	2022
Ordinary dividend for 2022: NOK 0.55 per share (November 2023)	57 090	
Ordinary dividend for 2022: NOK 2.50 per share (May 2023)	259 502	
Paid back capital 2021: NOK 0.49 per share (November 2022)		50 862
Ordinary dividend for 2021: NOK 0.01 per share (November 2022)		1 038
Ordinary dividend for 2021: NOK 2.30 per share (May 2022)		238 741
Total	316 592	290 641

Proposed dividend to be approved at the annual general meeting amounts to NOK 2.60 per share, totalling TNOK 269 883.

Note 22 Other short-term debt

(NOK 1 000)	2023	2022
Accrued salary, holiday pay and bonus	383 384	325 968
Employees' holiday and time-off balance	12 438	12 375
Other short-term debt	9 912	11 938
Total	405 734	350 280

Note 23 Events after the balance sheet date

New information on the group's position at the balance sheet date is taken into account in the financial statements. Events after the balance sheet date that do not affect the group's position at the balance sheet date, but will affect the group's position in the future, are stated if significant.

There have been no events after the balance sheet date significantly affecting the group's financial position.

Financial statements

Parent company

Income statement	85
Balance sheet	86
Statement of cash flows	88
Statement of changes in equity	89
Notes	90
Note 1 Accounting principles	90
Note 2 Revenue	91
Note 3 Salary costs and remunerations	91
Note 4 Transactions with related parties	92
Note 5 Share scheme for employees	93
Note 6 Other operating expenses	94
Note 7 Financial items	94
Note 8 Income taxes	95
Note 9 Earnings per share	96
Note 10 Overview of subsidiaries	97
Note 11 Financial instruments	98
Note 12 Other short-term receivables and prepayments	98
Note 13 Liquid assets	98
Note 14 Share capital, shareholder information and dividend	99
Note 15 Other short-term debt	100
Note 16 Events after the balance sheet date	101

BOUVET ASA – PARENT COMPANY

Income statement

1 January – 31 December

(NOK 1 000)	NOTE	2023	2022
Revenue	2	451	436
Operating costs			
Salary costs	3, 4, 5	1 512	1 368
Other operating costs	6	4 013	3 832
Total operating costs		5 525	5 200
Operating profit		-5 074	-4 764
Financial items			
Other interest income	7	784	286
Received dividend and group contribution	7	366 877	371 744
Other finance income	7	2	11 004
Other interest expense	7	-2 457	-1 372
Other finance expense	7	-3 499	-77
Net financial items		361 707	381 585
Ordinary profit before tax		356 633	376 821
Income tax expense			
Tax expense on ordinary profit	8	0	0
Total tax expense		0	0
Profit for the year		356 633	376 821
Attributable to:			
Proposed ordinary dividend		269 882	259 502
Other equity		86 751	117 319
Total		356 633	376 821

BOUVET ASA – PARENT COMPANY

Balance sheet

At 31 December

(NOK 1 000)	NOTE	2023	2022
ASSETS			
NON-CURRENT ASSETS			
Financial non-current assets			
Shares in subsidiaries	10	211 946	211 946
Total financial non-current assets		211 946	211 946
Total non-current assets		211 946	211 946
CURRENT ASSETS			
Trade accounts receivable group company	10	373 914	364 199
Other short-term receivables and prepayments	12	796	198
Liquid assets	13	9 095	17 897
Total current assets		383 805	382 294
TOTAL ASSETS		595 751	594 240

BOUVET ASA – PARENT COMPANY

Balance sheet

At 31 December

(NOK 1 000)	NOTE	2023	2022
EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital	14	10 380	10 380
Own shares - nominal value	14	-19	-6
Share premium	14	179	179
Total paid-in capital		10 540	10 553
Earned equity			
Other equity		185 572	164 844
Total earned equity		185 572	164 844
Total equity		196 112	175 397
Long-term debt			
Loan from group company	10	40 000	40 000
Total long-term debt		40 000	40 000
Short-term debt			
Short term debt to group company	10	87 984	118 507
Trade accounts payable		741	0
Public duties payable		694	720
Other short-term debt	14, 15	270 220	259 616
Total short-term debt		359 639	378 843
Total liabilities		399 639	418 843
TOTAL EQUITY AND LIABILITIES		595 751	594 240

Oslo, 23 April 2024
The board of directors

Sign.

Pål Egil Rønn
Chair

Sign.

Lill Hege Hals
Director

Sign.

Tove Raanes
Deputy chair

Sign.

Egil Christen Dahl
Director

Sign.

Sverre Hurum
Director

Sign.

Per Gunnar Tronsli
CEO

BOUVET ASA – PARENT COMPANY

Statement of cash flows

1 January – 31 December

(NOK 1 000)	NOTE	2023	2022
Cash flows from operating activities			
Ordinary profit before tax		356 633	376 821
Group contribution and dividend	7	-366 877	-363 928
Changes in accounts receivable and accounts payable		143	41
Received group contribution and dividend		267 502	212 140
Changes in other accruals		78 557	54 851
Net cash flows from operating activities		335 958	279 925
Cash flows from investing activities			
Investments in subsidiaries	10	0	886
Net cash flows from investing activities		0	886
Cash flows from financing activities			
Purchase of own shares	14	-63 445	-62 959
Sales of own shares	14	35 277	25 223
Dividend payments	14	-316 592	-239 779
Payback of share premium	14	0	-50 861
Net cash flows from financing activities		-344 760	-328 378
Net changes in liquid assets		-8 801	-47 567
Liquid assets at the beginning of the year		17 897	65 464
Liquid assets at the end of the year		9 095	17 897

Statement of changes in equity

1 January – 31 December

NOTE	(NOK 1 000)	SHARE CAPITAL	OWN SHARES - NOMINAL VALUE	SHARE PREMIUM	TOTAL PAID-IN EQUITY	TOTAL EARNED EQUITY	TOTAL EQUITY
	Equity at 01.01.2022	10 380	0	51 041	61 421	67 252	128 673
	Income for the year				0	376 821	376 821
14	Purchase own shares		-95		-95	-62 864	-62 959
14	Sales of own shares		89		89	25 176	25 265
5	Employee share scheme				0	18 998	18 998
14	Dividend payments				0	-1 038	-1 038
14	Paid back capital			-50 861	-50 861	0	-50 861
14	Proposed dividend				0	-259 502	-259 502
	Equity at 31.12.2022	10 380	-6	179	10 553	164 844	175 397
	Equity at 01.01.2023	10 380	-6	179	10 553	164 844	175 397
	Income for the year				0	356 633	356 633
14	Purchase own shares		-100		-100	-63 345	-63 445
14	Sales of own shares		87		87	35 193	35 280
5	Employee share scheme				0	19 218	19 218
14	Dividend payments				0	-57 090	-57 090
14	Proposed dividend				0	-269 882	-269 882
	Equity at 31.12.2023	10 380	-19	179	10 540	185 572	196 112

Notes

Note 1 Accounting principles

The financial statements of Bouvet ASA for the period ending 31 December 2023 were approved in a board meeting on 23 April 2024.

Bouvet ASA is a public limited company incorporated in Norway and listed on Oslo Børs. The company's head office is located at Sørkedalsveien 8, NO-0369 Oslo, Norway.

Basis for preparation of the financial statements

The financial statements of Bouvet ASA for the accounting year 2023 have been prepared in accordance with the Norwegian Accounting Act and Norwegian general accepted accounting principles (NGAAP). The financial statements are based on the historical cost principle.

The company's functional and presentation currencies are the Norwegian krone (NOK). All values are presented in the nearest thousand (NOK 000), unless otherwise specified.

The use of estimates in the preparation of the financial statements

Management has used estimates and assumptions that have affected the income statement and the valuation of assets and liabilities, together with potential assets and liabilities at the balance sheet date during preparation of the financial statements in accordance with Norwegian general accepted accounting principles (NGAAP).

Currency

Transactions in foreign currency are translated at the exchange rate applicable on the transaction date. Monetary items in foreign currency are translated at the end of every period at the exchange rate applicable on the balance sheet date. Non-monetary items valued at historical cost are translated at the transaction date. Non-monetary items assessed at fair value denominated in foreign currency are translated at the exchange rate applicable on the balance sheet date. Exchange-rate changes are recognised in the income statement as they occur during the accounting period.

Shares in subsidiaries

Shares in subsidiaries are initially recognised at cost in the parent company financial statement. Subsequently, the

investments are recognised at cost unless there is a need for impairment. An impairment of fair value will be recognised if the decrease in value is not assessed to be temporary and the impairment is in accordance with good accounting practice. Any impairment will be reversed if the basis for impairment no longer exists.

Dividend, group contribution and other distributions from subsidiaries are recognised as income in the year the distribution has been recognised as a liability in the subsidiary or at the point where it is highly probable that the dividend will be approved for payment by the general meeting for those entities preparing the financial statements in accordance with the IFRS. If the distribution from the subsidiary exceeds the company's share of profit after the subsidiary was acquired, the excess amount will be treated as repayment of invested capital and thereby recognised as a reduction of the investment.

Income tax

The tax expense consists of tax payable and changes in deferred tax. Deferred tax/tax assets are calculated on all temporary differences between carried and tax value on assets and liabilities, with the exception of

- temporary differences related to non-tax-deductible goodwill
- temporary differences related to investments in subsidiaries, associated companies or joint ventures when the company controls the timing of the reversal of the temporary differences and it is assumed that this will not happen in the foreseeable future.

Deferred tax assets are recognised when it is probable that the company will make sufficient profit in future periods to utilise the tax asset. The company recognises previous unrecorded deferred tax assets to the extent that it is probable that the company can utilise the deferred tax asset. Likewise, the company will reduce the deferred tax asset when it is considered unlikely that the deferred tax asset can be utilised.

Deferred tax and deferred tax assets are measured on the basis of the adopted future tax rate.

Deferred tax is disclosed at a nominal value and recognised as long-term debt in the balance sheet.

Tax payable and deferred tax assets are set off directly against equity to the extent that the underlying items are recorded against equity.

Liquid assets

Liquid assets are bank deposits and short-term liquid investments that can be converted to cash within three months and at a known amount.

Cash flow statement

The cash flow statement is prepared in accordance with the indirect method. Liquid assets comprise bank deposits and other liquid short-term assets.

Short-term receivables

Trade and other short-term receivables are recognised at a nominal amount less any impairment. Provision for doubtful debt is based on individual assessments for each receivable.

Equity

Own shares

On repurchase of the company's own shares, costs including directly attributable expenses are recorded as a change in equity. Own shares are recognised as a reduction of equity. Gains or losses on transactions with own shares are not recognised in the income statement.

Costs of equity transactions

Transaction costs directly relating to an equity transaction are set off directly against equity after deducting tax expenses.

Share scheme for employees

The company has a share scheme covering all employees in the group not under notice and who have, at the latest, started work on the first day of the month when the share offer is made. The fair value of the scheme is measured at the grant date and expensed over the vesting period of three years. The scheme is charged in its entirety to the subsidiaries and is an arrangement with settlement in shares with cost recognised as a payroll expense with liability against the parent company. The contra entry in the parent company is equity. The employer's National Insurance contribution on the award is recognised in profit and loss over the expected vesting period.

Events after the balance sheet date

New information on the company's position at the balance sheet date is taken into account in the financial statements. Events after the balance sheet date that do not affect the company's position at the balance sheet date, but will affect the company's position in the future, are stated if significant.

Note 2 Revenue

(NOK 1 000)	2023	2022
Revenue		
Re-invoiced operating costs group	451	436
Sum Revenue	451	436

Note 3 Salary costs and remunerations

(NOK 1 000)	2023	2022
Board remuneration ¹	1 245	1 199
Social security tax	187	169
Other benefits	80	0
Total salary expenses	1 512	1 368

¹ Includes NOK 55 thousand remuneration to members of the election committee

Note 4 Transactions with related parties

Compensation to the board

(NOK 1 000)	FEES PAID IN 2023	FEES PAID IN 2022
Total	1 245	1 135

Refer to www.bouvet.no for details for each member available in the remuneration report.

Compensation to key management

Key management has received its remuneration from Bouvet Norge AS. For information about the remuneration to the management see note 7 to the consolidated financial statements and the remuneration report available at www.bouvet.no

Shares in the company directly or indirectly owned by the board at 31.12.2023

	NO. OF SHARES
Total	5 409 030

Shares in the company directly or indirectly owned by the management at 31.12.2023

	NO. OF SHARES
Total	107 416

Refer to www.bouvet.no for details for each member available in the remuneration report.

Note 5 Share scheme for employees

The Company did not have any employees in 2023 or 2022. All of the Group's costs related to the share scheme are expensed in the respective subsidiaries.

Share scheme

The Group has a share scheme including all employees not under notice and who have, at the latest, started work on the first day of the month when the offer is made. The offer does not include employees paid by the hour. The scheme consists of annual offers where each employee can subscribe for shares once per calendar year. The share scheme is approved for one year at a time.

The share scheme gives the employee the opportunity to subscribe for shares at a value from NOK 7 500 to NOK 15 000 per year against a deduction in salary of 80 per cent of subscription amount. Bouvet will give a corresponding number of shares free of charge if the employee keeps the shares for three years and is still employed. For the program that started in 2022, no discount was given and the salary deduction made corresponded to 100% of the subscription value.

In 2023 a total of 438 812 shares were sold to employees at a rate of NOK 56.69 with 20 per cent discount. 1 684 employees have participated in the scheme. The previous year 385 486 were carried through as a private placement towards employees and sold at a rate of NOK 56.58 with no discount.

The Group also has an additional share scheme for the management. The share scheme consist of annual offers where each member can subscribe for shares once per calendar year. The share scheme is approved for one year at a time.

The share scheme gives members of the management the opportunity to subscribe for shares at a value of NOK 22 500 per year at market value without any subsidising from Bouvet. Bouvet will give a corresponding number of shares free of charge if the manager keeps the shares for three years and is still employed.

In 2023 a total of 64 944 shares were sold to the management at a rate of NOK 56.69. A total of 170 employees from the management have participated in the scheme. The previous year 59 953 shares were carried through as a private placement towards the management and sold at a rate of NOK 56.58. A total of 173 employees from the management participated in the program.

In 2023 a total of 248 099 shares were provided free of charge as part of the 2020 share scheme (In 2022 a total of 447 725 shares were provided free of charge as part of the 2019 share scheme.)

The share scheme is treated in accordance with Norwegian Accounting Standard 15A. The fair value of the scheme is calculated at the grant date and expensed over the vesting period of three years. NOK 17 554 thousand in share based payment costs have been charged to subsidiaries in 2023. In 2022 corresponding amount was NOK 16 751 thousand. Remaining estimated compensation costs at 31 December 2023 for the years 2024 to 2026 are NOK 33 312 thousand (2022: 2023-2025 NOK 31 845 thousand). The compensation cost is recognised as payroll expense with equity as the contra entry. The employer's tax is recognized in the results over the expected earning period. Costs related to the share scheme with contra entry in equity is in 2023 recognised with NOK 19 218 thousand (2022: NOK 18 998 thousand).

Note 6 Other operating expenses

(NOK 1 000)	2023	2022
Travel and transport	3	0
ICT-costs	712	55
External services	1 488	2 038
Stock exchange expenses	1 655	1 687
Other expenses	155	52
Total other operating expenses	4 013	3 832

Auditor fees

ART	2023	2022
Ordinary audit	647	561
Tax advice	80	89
Other services	35	173
Other attestation services	45	52
Total	807	875

Note 7 Financial items

(NOK 1 000)	2023	2022
Finance income		
Accrued Dividend and Group contribution	366 877	363 928
Recognised and received dividend	0	7 500
From investments in subsidiaries ¹	0	316
Other finance income ² and other interest income	786	11 289
Total financial income	367 663	383 034
Finance expense		
Other interest expense	2 457	1 372
Other finance expense ²	3 499	77
Total financial expenses	5 956	1 449

¹ income from sales of shares in subsidiary Sesam.io AS

² Settlement share scheme for employees to subsidiaries.

Note 8 Income taxes

Income tax expense

(NOK 1 000)	2023	2022
Tax payable	0	0
Changes in deferred taxes	0	0
Tax expense	0	0

Income tax payable

(NOK 1 000)	2023	2022
Ordinary profit before tax	356 633	376 821
Permanent differences	3 367	-11 321
Changes to temporary differences	0	0
Dividend	-360 000	-365 500
Basis for tax payable	0	0
Tax 22% being tax payable on this year's profit	0	0

Tax payable in balance sheet

(NOK 1 000)	2023	2022
Calculated tax payable	0	0
Tax payable recognised directly in equity	0	0
Total income tax payable	0	0

Reconciliation of effective tax rate

(NOK 1 000)	2023	2022
Profit before tax	356 633	376 821
Tax calculated based on 22%	78 459	82 901
Non taxable income	-78 459	-82 901
Tax expense	0	0
Effective tax rate	0%	0%

Specification of basis for deferred tax

(NOK 1 000)	2023	2022
Basis for deferred tax asset		
Other differences	0	0
Basis deferred tax asset - gross	0	0
Basis deferred tax liability		
Other differences	0	0
Basis deferred tax liability - gross	0	0
Basis deferred tax - net	0	0
Net recognised deferred tax/ deferred tax asset (-)	0	0

Note 9 Earnings per share

The basic earnings per share are calculated as the ratio between the profit for the year that is attributable to the shareholders of NOK 356.63 million (NOK 376.82 million in 2022) divided by the weighted average number of ordinary shares throughout the year of 103.26 millions (103.23 millions in 2022).

When calculating diluted earnings per share, the weighted average basic shares outstanding is adjusted for dilutive effects from the employee share scheme (see note 5).

	2023	2022
Profit for the year (NOK 1000)	356 633	376 821
Weighted average shares issued	103 800 637	103 800 637
Weighted average basic shares outstanding	103 258 878	103 233 238
Weighted average diluted shares outstanding	104 069 876	104 157 700
Earnings per share (NOK)	3.45	3.65
Diluted earnings per share (NOK)	3.43	3.62
Weighted average shares		
Weighted average shares issued	103 800 637	103 800 637
Weighted average own-shares	-541 759	-567 399
Weighted average basic shares outstanding	103 258 878	103 233 238
Dilutive effects from employee share scheme	810 997	924 462
Weighted average diluted shares outstanding	104 069 876	105 290 979

Note 10 Overview of subsidiaries

Overview of shares in subsidiaries:

(NOK 1 000)					
COMPANY	COUNTRY	MAIN BUSINESS LINE	BOOK VALUE	OWNERSHIP	VOTING SHARE
Olavstoppen AS	Norway	IT consultancy company	14 590	100%	100%
Bouvet AB	Sweden	IT consultancy company	45 004	100%	100%
Sesam.IO AS	Norway	Software company	37 842	90.1%	90.1%
Bouvet Norge AS	Norway	IT consultancy company	114 510	100%	100%
Total subsidiaries			211 946		

Loans, receivables and liabilities between Bouvet ASA and its subsidiaries

COMPANY	CURRENT RECEIVABLES DUE FROM SUBSIDIARIES	LOANS FROM SUBSI- DIARIES	CURRENT LIABILITIES TO SUBSIDIARIES
Bouvet Norge AS	363 783	40 000	87 984
Olavstoppen AS	10 007	0	0
Sesam.IO AS	7	0	0
Bouvet AB	118	0	0
Total	373 913	40 000	87 984

See note 2 in Group accounts for specification of results and equity in subsidiaries, and information about non-controlling interests.

Bouvet ASA has furnished guarantee in connection with tenancy agreements in Bouvet Norge AS

CITY	LEASE TERM	AMOUNT OF GUARANTEE
Oslo	17.12.2016-16.12.2026	For all contractual obligations
Porsgrunn	03.05.2021-31.12.2026	For all contractual obligations
Stavanger	01.12.2023-30.11.2033	For all contractual obligations
Stavanger (Olavstoppen)	01.12.2023-30.11.2033	For all obligations under the lease agreement, limited upwards to 12 months of rent and operating costs.
Drammen	08.02.2022-07.02.2027	6 months rent included common costs.
Sandvika	01.06.2022-01.06.2027	6 months rent included common costs.
Trondheim	01.09.2022-31.08.2024	300

Note 11 Financial instruments

The Company is a holding company, and has limited financial instruments except for its investment in subsidiaries and group receivables and group payables. For information about the Company's management of financial risks such as liquidity risk and capital management, see note 17 to the consolidated financial statements.

Note 12 Other short-term receivables and prepayments

(NOK 1 000)	2023	2022
Prepaid expenses	643	103
Prepaid software	152	95
Total other short-term receivables and prepayments	796	198

Note 13 Liquid assets

(NOK 1 000)	2023	2022
Liquid assets - unrestricted funds	8 522	17 340
Employee withheld taxes - restricted funds ¹	573	557
Liquid assets in the balance sheet	9 095	17 897

¹ Includes tax payables on remuneration to the election committee, see note 3.

Note 14 Share capital, shareholder information and dividend

(SHARES IN THOUSANDS)	2023	2022
Ordinary shares, nominal value NOK 0.10	103 801	103 801
Total number of shares	103 801	103 801

Changes in share capital and premium

(NOK 1 000)	NO. OF SHARES		SHARE CAPITAL	
	2023	2022	2023	2022
Ordinary shares issued and fully paid at 31.12.	103 801	103 801	10 380	10 380
Own shares at nominal value	-189	-62	-19	-6

Bouvet ASA has a share scheme including all employees. During 2023 Bouvet ASA bought 1 000 000 of its own shares at an average price of NOK 63.44 per share and sold 751 855 shares to employees for a total amount of NOK 46 623 thousand at an average price of NOK 56.69 per share. The cash consideration for these shares was NOK 28 558 thousand. In connection with the acquisition of Headit AS, 120 328 own shares were distributed at a total value of NOK 6 654 thousand at a rate of NOK 55.30 per share, as part of the consideration for the purchase. At the balance sheet day Bouvet ASA hold a total of 189 323 of its own shares.

The nominal value of each share is NOK 0.10. All shares in the company have equal voting rights and are equally entitled to dividend. The computation of earnings per share is shown in note 9.

The 20 main shareholders at 31.12.2023 are:

AKSJONÆR	NUMBER OF SHARES	OWNERSHIP INTEREST
FOLKETRYGDFONDET	8 157 144	7.86%
VARNER KAPITAL AS	6 051 000	5.83%
VERDIPAPIRFOND ODIN NORDEN	5 807 586	5.59%
STENSHAGEN INVEST AS	5 366 990	5.17%
THE BANK OF NEW YORK MELLON (NOMINEE ACC.)	4 574 063	4.41%
SVERRE FINN HURUM	3 479 060	3.35%
MP PENSJON PK	2 650 820	2.55%
VERDIPAPIRFONDET NORDEA AVKASTNING	2 411 393	2.32%
VEVLEN GÅRD AS	1 828 020	1.76%
MUSTAD INDUSTRIER AS	1 300 000	1.25%
UBS SWITZERLAND AG (NOMINEE ACC.)	1 278 296	1.23%
VERDIPAPIRFOND ODIN NORGE	1 270 570	1.22%
VERDIPAPIRFONDET FIRST VERITAS	1 269 494	1.22%
THE BANK OF NEW YORK MELLON SA/NV (NOMINEE ACC.)	1 250 000	1.20%
VERDIPAPIRFONDET NORDEA NORGE PLUS	1 230 866	1.19%
VERDIPAPIRFONDET NORDEA KAPITAL	1 213 587	1.17%
ERIK STUBØ	1 183 900	1.14%
THE BANK OF NEW YORK MELLON (NOMINEE ACC.)	1 108 995	1.07%
LANDKREDITT UTBYTTE	1 012 286	0.98%
VERDIPAPIRFONDET KLP AKSJENORGE IN	949 596	0.91%
OTHER SHAREHOLDERS	50 406 971	48.56%
Total	103 800 637	100.00%

Dividend

The company has paid the following dividends:

(NOK 1 000)	2023	2022
Ordinary dividend for 2022: NOK 0.55 per share (November 2023)	57 090	
Ordinary dividend for 2022: NOK 2.50 per share (May 2023)	259 502	
Paid back capital 2021: NOK 0.49 per share (November 2022)		50 862
Ordinary dividend for 2021: NOK 0.01 per share (November 2022)		1 038
Ordinary dividend for 2021: NOK 2.30 per share (May 2022)		238 741
Total	316 592	290 641

Proposed dividend to be approved at the annual general meeting amounts to NOK 2.60 per share, totalling NOK 269 882 thousand.

Note 15 Other short-term debt

(NOK 1 000)	2023	2022
Other short-term debt	339	114
Accrued dividend payment	269 882	259 502
Total	270 220	259 616

Note 16 Events after the balance sheet date

There have been no events after the balance sheet date significantly affecting the group's financial position.

Shareholder information

Key figures

NOK	2023	2022	2021	2020 ¹
Market value at 31 Dec	6 321,5 mill.	6 228,0 mill.	7 836,9 mill.	7 303,3 mill.
Share price at 31 Dec	60.90	60.00	75.50	71.00
Dividend paid	3.00	2.80	2.70	1.65

¹ Bouvet's annual general meeting on 20 May 2021 approved a share split whereby one (1) old share was converted to ten (10) new ones with a nominal value of NOK 0.10. The table is adjusted for the share split.

The Bouvet share is listed on the Oslo Stock Exchange under the ticker code BOUV.

Its price increased by 1.50 per cent during 2023. The company's market value was NOK 6 228 million at 1 January 2023 and had increased to NOK 6 321.5 million at 31 December 2023.

Dividend

The Bouvet share will be a profitable investment for its owners through the increase in its value and payment of dividend. In accordance with the company's dividend policy, a significant part of the previous year's net profit will be distributed to the owners.

The annual general meeting held in 2023 resolved to pay a dividend of NOK 2.50 per share. In November 2023, the board of Bouvet ASA resolved to exercise the mandate received from the general meeting to approve a supplementary dividend of NOK 0.55 per share for fiscal 2022.

Shareholder policy

Bouvet communicates openly about conditions relevant to its financial position and future development so that market players can form the best possible picture of the company. All shareholders will be treated equally, and information will be provided at the right time, in a precise form and sufficiently comprehensive.

Price-sensitive information is made available to the whole market simultaneously through the Oslo Stock Exchange announcement system. The company's website is an important

tool for ensuring that available information is comprehensive and updated. All information is also made available on the company's website at www.bouvet.no. Bouvet will work continuously on improving the site, so that its pages are updated with relevant data at all times.

Bouvet does not publish forecasts for key figures in coming periods, but bases its comments on expected general market trends.

In connection with the presentation of interim results, the company's management holds a presentation for investors, analysts, the media and other stakeholders. Four such presentations were given in 2023.

Analyst coverage

Five Norwegian stockbrokers provide analysis of the company:

- ABG Sundal Collier
- Sparebank1 Markets
- Kepler Cheuvreux
- Pareto Securities
- Arctic Securities

Share data

The Bouvet share traded between NOK 52.60 per share and NOK 70.00 per share in 2023. A total of 9 850 696 shares were traded on the Oslo Stock Exchange through 30 649 transactions. The company's share price at 31 December 2023 was NOK 60.90 per share. Issued shares at 31 December 2023 totaled 103 800 637, with a nominal price of NOK 0.10 per share.

	2023	2022	2021	2020 ¹
Highest share price (NOK)	70.00	75.00	79.20	74.80
Lowest share price (NOK)	52.60	52.00	56.00	29.10
Number of trades	30 649	43 122	41 427	26 843
Number of shares traded	9 850 696	16 815 020	15 785 026	28 494 480
Shares at 31 December	103 800 637	103 800 637	103 800 637	102 863 630

¹ Bouvet's annual general meeting on 20 May 2021 approved a share split whereby one (1) old share was converted to ten (10) new ones with a nominal value of NOK 0.10. The table is adjusted for the share split.

Shareholders

The company had 5 611 shareholders at 31 December, including 5 383 Norwegian and 228 foreign.

The 20 largest shareholders owned 51.44 per cent of the shares. Bouvet owned 189 323 of its own shares at 31 December 2023, compared with 61 506 the year before.

SPREAD	NO OF SHAREHOLDERS	TOTAL NO OF SHARES	PERCENTAGE
1 - 100	1 122	48 026	0.05%
101 - 1 000	2 436	1 038 538	1.00%
1 001 - 10 000	1 475	4 855 323	4.68%
10 001 - 100 000	455	12 543 902	12.08%
100 001 - 1 000 000	104	32 870 778	31.67%
1 000 001 -	19	52 444 070	50.52%
Total	5 611	103 800 637	100.00%

Financial Calendar 2024

EVENT	DATE
Annual General Meeting	22 May 2024
First quarter 2024	22 May 2024
Second quarter 2024	27 August 2024
Third quarter 2024	12 November 2024
Fourth quarter 2024	18 February 2025

In connection with the presentation of interim results, the company's management holds a presentation where investors, analysts, the media and other stakeholders can meet senior executives. The presentations are held in Oslo.

Investor relations contacts

The chief financial officer is the company's primary spokesperson for financial information, such as interim and annual reports. The chief executive will be the primary contact on other issues, such as important contracts and other price sensitive information. Other members of Bouvet's executive management may serve as spokespersons in special cases where appropriate.

Share registrar

Nordea Bank Norge ASA
Registrar service
P O Box 1166 Sentrum
NO - 0107 Oslo

Corporate governance

Bouvet ASA (Bouvet) gives high priority to practising good corporate governance in order to strengthen confidence in the group and thereby secure the best possible long-term value creation with the lowest possible risk for the benefit of shareholders, employees and other stakeholders. The purpose of good corporate governance is to regulate the division of roles between shareholders, the board and executive management more comprehensively than required by legislation.

Bouvet is subject to formal corporate governance reporting requirements. Pursuant to section 3, sub-section 3b, of the Norwegian Accounting Act, the group is obliged to report on its principles for and practice of corporate governance. In addition, the Oslo Stock Exchange requires the preparation of an annual report on the group's principles in accordance with the Norwegian Code of Practice for Corporate Governance (the code) issued by the Norwegian Corporate Governance Board.

This report relates to the financial year 2023 and reflects the reporting structure specified in applicable legislation, as well as key points in the code.

Corporate governance report pursuant to the Accounting Act and its specified reporting structure

1. The group complies with the Norwegian Code of Practice for Corporate Governance.
2. The code can be found on www.nues.no
3. The board has approved the below corporate governance report, and possible deviations from the code are commented on under each point.
4. Chapter 10 of the report describes the main components of Bouvet's risk management and internal control systems related to the financial reporting process.
5. There are no provisions in Bouvet's articles of association which extend or deviate from the provisions of chapter 5 of the Norwegian Public Limited Liability Companies Act.
6. The composition of the board, the control committee and the executive committees of the board are presented in chapter 8. The main elements of their instructions and guidelines are described in chapters 8 and 9.
7. Provisions in the articles of association which regulate the term of office of directors are described in chapter 8 of the report.
8. Provisions in the articles of association and authorisations of the board to issue or buy back shares or equity certificates are described in chapter 3.

1. Implementation of and reporting on corporate governance at Bouvet

Compliance

Bouvet's board of directors complies with the Norwegian Code of Practice for Corporate Governance published on 14 October 2021. The board is responsible for ensuring that the group practises good corporate governance. Bouvet provides an overall explanation of its corporate governance principles and compliance with these in its annual report, and this information is also made available on the group's website, www.bouvet.no.

The board and executive management review the corporate governance report annually. The report for 2023 was adopted on 23 April 2024.

Confidence in the group's management and business is crucial for Bouvet's present and future competitiveness. The group practises transparent management, and thereby builds trust both in-house and externally.

Relations between shareholders and the group must be characterised by respect for the shareholders, reliable and timely provision of information, and equal treatment of shareholders.

Fundamental values, ethics and corporate social responsibility (CSR)

Bouvet has adopted the guiding principle that it will conduct itself in a trustworthy manner towards its employees, clients, authorities and other stakeholders. Guidelines on Bouvet's CSR work are available on the group's website and are discussed both in the annual report and in a separate report on corporate social responsibility, ESG and sustainability.

2. The business

Bouvet delivers design, communication, information technology and advisory services. The group is a strategic partner for a number of enterprises, particularly with respect to digitalisation. This includes developing strategies and the analysis, design, development and administration of digital solutions.

Together with clients, Bouvet's employees work to generate value in financial, social and environmental terms. The group's workforce strives to realise Bouvet's vision of leading the way and building the society of tomorrow, meaning that individual employees are involved in creating value for society, clients and shareholders in a sustainable way.

Bouvet has a regional model where closeness to the clients is the key element. Long-term client relationships are forged through local expertise and entrenchment, while expertise and experience are shared across the group.

A detailed presentation of Bouvet's business is available on its website, [bouvet.no](https://www.bouvet.no).

3. Equity and dividends

Equity

Bouvet has boosted its revenues and see further opportunities for profitable expansion. To benefit from these opportunities, the group will maintain a robust equity position and strong liquidity.

Consolidated equity totalled NOK 458.4 million as at 31 December 2023, corresponding to an equity ratio of 26.7%. The board regards the group's capital structure as satisfactory.

Dividend policy

The Bouvet share must be a profitable investment for shareholders in terms of value appreciation and dividend payments. The group's dividend policy is to distribute a significant proportion of the previous year's net profit to shareholders. When considering dividend proposals, executive management and the board take the following factors into account:

- Bouvet must maintain adequate reserve liquidity in the form of bank deposits or credit facilities.
- Bouvet must maintain robust capital adequacy and balanced financing.

Major investments are normally funded through new financing in the form of debt, equity or a combination of these. However, the dividend payout ratio can be reduced if substantial investments are planned.

Authorisations to increase share capital

In the board's view, authorisations from the general meeting to increase the company's share capital should be limited to defined purposes and should only remain in effect for one year. The general meeting should therefore consider board authorisations to increase share capital separately by reference to each specific purpose, rather than issuing an umbrella authorisation.

Bouvet held its annual general meeting on 23 May 2023. The general meeting authorised the board to increase the company's share capital by up to NOK 1 million for the purpose of financing the acquisition of other companies and

businesses. The board is also authorised to increase the company's share capital by a maximum of NOK 200,000 to facilitate implementation of the employee share programme.

Both authorisations remain in effect until 30 June 2024.

Existing shareholders generally have pre-emption rights in the event of significant share issues. If this general rule is waived, the reason for doing so will be stated in the stock exchange announcement issued in connection with the capital increase.

Authorisations to purchase treasury shares

The board considers that authorisations to purchase treasury shares should only remain in effect until the next annual general meeting.

As at 31 December 2023, the board held an authorisation to acquire up to NOK 1,000,000 in treasury shares on behalf of the company (each share having a nominal value of NOK 0.10 and subject to the restriction that the company's total post-acquisition holding of treasury shares shall not exceed 10% of the company's share capital), for the following purposes: i) full or partial settlement of any business acquisition, ii) preparation for a business acquisition, and iii) implementation of the group's employee share programme. Such share acquisitions must be effected through a stock exchange or by other means at prevailing stock exchange prices, and in such a way that the principle of equal treatment of shareholders is observed. The authorisation remains in effect until 30 June 2024.

4. Equal treatment of shareholders and transactions involving related parties

Equal treatment

Bouvet has a single share class, and each share carries one vote. Shareholders are treated equally unless qualified grounds exist for an alternative approach. Efforts are made to implement transactions involving the Bouvet share through a stock exchange or otherwise at prevailing stock exchange prices.

Transactions involving related parties

Bouvet's procedures specify that, in general, no transactions should be effected between the group and its shareholders, directors or senior executives, or their related parties. If any such parties have an interest in a transaction involving the group, the board must be informed and, if necessary, consider the matter. Unless the transaction is insignificant, the board will commission third-party assessments of the transaction and otherwise assure itself that there will be no unfair treatment of shareholders, elected officers, employees or others.

5. Freely negotiable shares

Bouvet's shares are freely negotiable, and the group's articles of association impose no restrictions on transferability.

6. General meeting

The general meeting is the group's highest authority.

Bouvet facilitates the participation of as many shareholders as possible in general meetings and ensures that general meetings function as an effective meeting place for shareholders and the board, so that shareholders can exercise their rights.

Meeting notices

Meeting notices and supporting documents are issued in good time before a general meeting is to take place, and are published on the group's website no later than 21 days beforehand. All shareholders with a known address registered in the Norwegian Central Securities Depository (VPS) are sent relevant documents by post no later than 21 days before a general meeting. Article 6 of the company's articles of association states that it is sufficient for relevant documents to be made available on the group website. However, a shareholder may ask to be sent supporting documents relating to matters to be considered at a general meeting. Supporting documents must include all necessary documentation to enable shareholders to decide on all matters to be discussed. The deadline for registering attendance is five working days before a general meeting.

Implementation

General meetings are held in person, although provision is made for shareholders to participate electronically.

Shareholders who are unable to attend in person may vote by proxy. The group provides information on the procedure for appointing a proxy, or alternatively appoints a person to act as proxy for the shareholder. A proxy form is prepared which allows shareholders to specify how their proxy should vote on each agenda item and on individual candidates for election.

Participation

The chair of the board and the chair of the nomination committee attend the annual general meeting, together with representatives of executive management. Other directors have a right to attend. In addition, at least one director attends all extraordinary general meetings. The auditor attends when one or more agenda items are of such a type that the auditor's attendance must be deemed necessary.

Provision is made for dialogue with shareholders at general meetings.

Independent chair

The board decides the agenda for general meetings. The main items on the agenda are included to comply with the requirements of the Public Limited Liability Companies Act and Article 6 of the group's articles of association. As recommended by the code, each general meeting appoints a person to act as its independent chair.

Minutes of general meetings are published on the Bouvet and Oslo Stock Exchange websites.

7. Nomination committee

Article 7 of the group's articles of association specifies that Bouvet shall have a nomination committee. Instructions for the committee's work have been drawn up and been adopted by the general meeting.

Pursuant to the articles of association, the committee must comprise three members elected for a two-year term.

The committee is mandated to recommend candidates for election to the board and to make a recommendation on directors' fees. These recommendations must be reasoned and must include relevant information on the candidates and their independence.

An overview of the nomination committee's members is available on the group's website.

8. Board of directors: composition and independence

Composition of the board

Article 5 of the articles of association specifies that the board must consist of five to eight directors. As at 31 December 2023, the group's board of directors consisted of five shareholder-elected directors: two women and three men. The CEO is not a director.

The shareholder-elected directors have long and varied experience from the construction, energy, banking/finance, information technology and public administration sectors, in addition to expertise in the fields of organisation, marketing, management and finance. An overview of the directors can be found on the group's website.

Board independence

The composition of the board of directors ensures that it can operate independently of special interests. All shareholder-elected directors are regarded as independent of executive management, material business contacts and the group's principal shareholders.

An overview of the board's collective shareholding in Bouvet is provided in note 7 to the consolidated financial statements. Details of each director's individual shareholding are provided in the remuneration report available on [Bouvet.no](https://www.bouvet.no).

Deviation from the code: By law, directors may be elected for up to four years, but the code recommends that their term of office be limited to two years. Bouvet's articles of association do not regulate the process of electing and replacing directors.

9. The work of the board of directors

Duties of the board

The board has overall responsibility for planning and executing the group's strategy and activities, including its organisation,

remuneration policy and risk management. The board also has overall responsibility for control and supervision. The duties and responsibilities of the board are dictated by applicable legislation, the parent company's articles of association, and mandates and instructions adopted by the general meeting.

These duties and responsibilities can be divided into two principal categories:

- Management of the group pursuant to section 6, sub-section 12, of the Public Limited Liability Companies Act.
- Supervision pursuant to section 6, sub-section 13, of the Public Limited Liability Companies Act.

The board has adopted an annual plan for its work. This focuses on the board's duties to develop the group's strategy and monitor its implementation. In addition, the board exercises supervision to ensure that the group meets its business goals and manages risk in a wise and satisfactory manner.

The board discusses all matters relating to the group's activities which are of material importance or of a special character. A total of nine board meetings were held in 2023.

Board instructions

Pursuant to the Public Limited Liability Companies Act, the division of the board's roles and duties is enshrined in a formal mandate which includes specific rules and guidelines for the board's work and decisions.

The chair is responsible for ensuring that the work of the board is conducted in an efficient and proper manner and in compliance with applicable legislation.

When the chair is disqualified or unable to attend, the board appoints an independent chair to lead the discussion of relevant issues.

Agreements with related parties

Pursuant to the Public Limited Liability Companies Act, the board is required to consider all agreements between the group and related parties. The purposes of detailed consideration of such agreements are to ensure that the group is aware of possible conflicts of interest and to prevent transfers of value from the group to related parties.

Conflicts of interest and disqualification

The board must ensure that the group is aware of significant interests at all times, so that issues and questions can be dealt with in an impartial and reassuring manner.

Directors and the CEO may not participate in the consideration of matters in which they have a material special interest. See further the rules on disqualification in the Public Limited Liability Companies Act.

Instructions for the CEO

The board is responsible for appointing the CEO. The board also adopts instructions, authorisations and terms applicable to the CEO.

Financial reporting

Periodic reports commenting on the group's financial status are submitted to the board. As regards interim reports, the group observes the deadlines set by the Oslo Stock Exchange.

Board chair

The chair is responsible for ensuring the effective and efficient organisation of board work, and that the board fulfils its duties. The CEO prepares matters for consideration by the board in consultation with the chair.

The chair has duties in connection with the holding of general meetings.

To ensure independent consideration, a different director chairs board discussions on material matters in which the chair is or has been actively involved. This applies even if the chair is not disqualified pursuant to section 6, sub-section 27, of the Public Limited Liability Companies Act.

Board sub-committees

The board has established two sub-committees, respectively dealing with audits and remuneration. The board has adopted instructions on the work of these bodies.

Audit committee

The audit committee is elected by and from among the directors for a period of two years or until a director ceases to sit on the board. The committee has three members with the expertise required to exercise their duties. At least one member must be independent of the company and have accounting or auditing qualifications.

A list of committee members is available on the group website. The committee's primary function is to conduct an independent check of the group's financial reporting, auditing, internal control and overall risk management.

Pursuant to section 6, sub-section 43, of the Public Limited Liability Companies Act on the duties of the audit committee, the committee will:

- a. brief the board on the results of statutory audits and explain how such audits promote the integrity of financial reporting, and report on the committee's involvement in the audit process
- b. prepare the board's monitoring of the financial reporting process and make recommendations to safeguard its integrity
- c. monitor internal control, risk management and internal audit systems without undermining the audit committee's independent role
- d. maintain ongoing contact with the group's elected auditor regarding auditing of the annual report, including in particular monitoring of the conduct of the audit by reference to any supervisory letters received from the Financial Supervisory Authority of Norway and other considerations
- e. assess and monitor the auditor's independence, including approving, assessing and monitoring the use and scope of non-audit services

- f. prepare and recommend the group's choice of auditor, and the auditor's fee or other terms of assignment
- g. review its mandate and mode of working on an annual basis and recommend possible changes to the board.

The committee decides itself who should attend meetings. Apart from the committee members, the CFO, chief accounting officer and a representative of the external auditor normally attend.

The committee holds separate meetings with a representative of the external auditor and with the CEO, respectively, at least once a year.

Remuneration committee

Bouvet has established a remuneration committee comprising three directors, which is independent of executive management. Members of the committee are appointed by the board for a period of two years or until they cease to be directors. A list of the committee's members is available on the group website.

This sub-committee is charged with evaluating the content and principles of the group's pay and bonus system, and with preparing discussions of these issues by the full board, in cooperation with the CEO. The remuneration committee compares Bouvet's remuneration arrangements with those of other companies and presents proposed changes to the full board.

Board self-evaluation

The board evaluates its work and expertise annually.

10. Risk management and internal control

Bouvet's board and executive management place great emphasis on establishing and maintaining risk management and internal control procedures. The board carries out an annual review of the most important risks affecting the business, paying special attention to the following topics.

Training and motivation of employees

Training and motivating employees is a key driver of Bouvet's operations. The group regards high work quality, transparency and honesty in relations between individuals and the group as very important principles. Systematic efforts are made to ensure that the group's workforce is professionally up-to-date and developing well. The group is committed to maintaining a good social environment. A further goal is that the working day should not be so long that employees do not have sufficient leisure time. Bouvet conducts annual working environment surveys as part of its internal controls.

Work procedures, regulations, instructions and authorisations

In addition to the instructions enshrined in its employment contracts, Bouvet has adopted in-house rules for employees and pays attention to training in and understanding of these.

Financial reporting

The Bouvet group has adopted internal guidelines for monthly, quarterly and annual financial reporting, including internal control procedures. The audit committee monitors the group's internal control systems, and the group's CFO attends audit committee meetings. Consolidated financial statements are presented in accordance with applicable IAS/IFRS standards.

Financial results and key figures are presented to the board on a monthly basis, together with executive management's presentation of the group's position. The group does not use budgets, but prepares a business plan for the year as a whole. Deviations from the business plan, with a particular focus on key figures, are reported to and considered by the board on a monthly basis. Forecasts for the development of profits and liquidity over the coming 12 months are prepared on a monthly basis and presented to the board.

All projects in which the group has a delivery responsibility are reviewed, and outstanding work is re-estimated, on a monthly basis in order to ensure correct accrual of projects in financial reports.

Client satisfaction

Regular surveys are conducted to secure information on client satisfaction.

Projects

Bouvet invoices most of its projects on an ongoing basis. However, the group also executes some projects in which a predefined result is to be supplied for a price which is fixed or contains elements of fixed pricing. In such cases, variances may arise between the final income per hour and the income per hour calculated at start-up or during project execution. Project-related risk is assessed continuously.

Counterparty risk

Bouvet conducts an annual review of both clients and suppliers to identify counterparty risk. New clients are also subject to a thorough assessment to identify any risk they may present.

11. Board remuneration

The general meeting decides directors' fees on the basis of proposals from the nomination committee.

Fees are fixed and independent of achieved results. An overview of total board remuneration can be found in note 7 to the annual financial statements. Details of remuneration paid to individual directors are provided in the remuneration report available on the group's website. No options are awarded to directors.

12. Executive remuneration

The board determines the CEO's terms of employment and sets guidelines for the remuneration of other senior executives. These guidelines are presented to the general meeting.

The main principle applied by Bouvet when determining the pay and other remuneration of the CEO and other senior executives is that these persons should be offered competitive terms.

In addition, Bouvet offers terms which encourage commitment to and value creation on behalf of the group and its shareholders, and which strengthen the loyalty of senior employees to the business.

Bouvet's profit-sharing model comprises two components:

- profit-sharing at regional level for unit managers, sales staff and consultants
- profit-sharing at corporate level for personnel in joint administrative and staff functions.

Performance-based remuneration may not exceed 50% of ordinary annual salary. The CEO and other senior executives are subject to three-month notice periods, calculated from the end of the calendar month in which they resign/are dismissed. A presentation of the guidelines on remuneration of senior executives is available on the group's website.

Information on overall remuneration paid to executive management is provided in note 8 to the annual accounts. Details of the remuneration paid to each senior executive can be found in the remuneration report available on [bouvet.no](https://www.bouvet.no).

13. Information and communication

Bouvet takes the view that providing objective, detailed and frequent information to the market is essential for correct valuation of the Bouvet share, and accordingly pursues continuous dialogue with analysts and investors.

Information about important events involving Bouvet, as well as its periodic performance reports, are published in accordance with the guidelines which apply to the group due to its listing on the Oslo Stock Exchange.

Bouvet always seeks to disclose all relevant information to the market in a timely, efficient and non-discriminatory manner. All stock exchange announcements are made available on the Bouvet and Oslo Stock Exchange websites.

The group provides the same information to all shareholders at the same time. When analysts or shareholders contact the company for further details, Bouvet and the board ensure that only information which has already been made public is provided.

Bouvet's website is an important instrument in its communication policy. All published information is posted on the site, which can also be used to submit proposals to the nomination committee and other communications from shareholders.

The group holds quarterly open presentations. These provide an overview of operational and financial developments in the previous quarter and an overview of market prospects and the outlook for the business. These presentations are given by the CEO. Interim reports and presentation materials are made available on the group's website.

The board adopts the group's financial calendar, which specifies the dates for the publication of interim reports and the annual general meeting. This calendar is published through the Oslo Stock Exchange information system and on the Bouvet website no later than the end of December.

14. Takeovers

In the event of a bid for the parent company's shares, the board and executive management will ensure that all shareholders are treated equally and have access to sufficient information to be able to reach a decision on the bid. Unless otherwise instructed by the general meeting, the board will not deploy defensive measures to prevent the implementation of a bid.

The board will provide shareholders with its view on the bid and, providing that they have made a decision in this regard, directors are duty-bound to inform shareholders whether they personally intend to accept the bid.

If the board finds that it cannot issue a recommendation to shareholders regarding acceptance or rejection of the bid, it will explain the reasons for this. An explanation must be provided if the board's decision is not unanimous.

The board will consider whether an assessment should be commissioned from an independent expert.

15. Auditor

Bouvet is audited by Ernst & Young AS.

The group does not use the auditor as a consultant unless this has been approved in advance by the audit committee or its chair. The external auditor submits a plan for audit work to the audit committee annually, and this plan must specify all planned non-audit services.

The auditor attends meetings of the audit committee and the board meeting which deals with the annual financial statements. During this meeting, the auditor reviews performed audits, possible changes to the company's auditing principles, the assessment of significant accounting estimates, the assessment of the company's internal controls, and all instances of disagreement between the auditor and executive management.

At least once a year, the auditor meets with the audit committee to review the company's internal control system and possible weaknesses, as well as suggested improvements. In addition, the board and auditor meet at least once a year without the CEO or other executives being present.

The auditor's fee is submitted to the audit committee, which evaluates it and makes a recommendation to the board, which in turn makes a recommendation to the general meeting. Information on the auditor's fee is provided in note 10 to the annual financial statements.

Key figures Group

(NOK 1 000)	2023	2022	2021	2020	2019
INCOME STATEMENT					
Operating revenue	3 525 761	3 085 470	2 695 124	2 401 844	2 132 052
EBITDA	503 910	480 738	409 793	381 527	292 728
Operating profit (EBIT)	406 992	401 692	340 086	314 559	232 051
Ordinary profit before tax	418 418	400 985	335 114	311 738	228 214
Profit for the year	325 292	316 316	265 858	241 199	180 133
EBITDA margin	14.3%	15.6%	15.2%	15.9%	13.7%
EBIT margin	11.5%	13.0%	12.6%	13.1%	10.9%
BALANCE SHEET					
Non-current assets	492 522	361 235	333 215	345 808	353 578
Current assets	1 223 232	1 083 678	1 027 026	949 536	725 876
Total assets	1 715 754	1 444 913	1 360 241	1 295 344	1 079 454
Equity	458 374	456 966	449 255	422 921	317 751
Long-term debt	259 095	178 908	168 211	188 688	201 352
Short-term debt	998 285	809 039	742 775	683 735	560 351
Equity ratio	26.7%	31.6%	33.0%	32.5%	29.4%
Liquidity ratio	1.23	1.34	1.38	1.39	1.30
CASH FLOW					
Net cash flow operations	506 085	321 878	294 144	450 876	277 054
Net free cash flow	453 359	288 118	264 900	423 491	253 081
Net cash flow	38 621	-97 764	-35 595	232 061	66 337
Cash flow margin	14.4%	10.4%	10.9%	18.8%	13.0%
SHARE INFORMATION					
Number of shares	103 800 637	103 800 637	103 800 637	102 863 630	102 500 000
Weighted average basic shares outstanding	103 258 878	103 233 238	102 956 511	102 536 065	102 288 395
Weighted average diluted shares outstanding	104 069 876	104 157 700	104 186 828	103 569 241	103 324 629
EBIT per share	3.94	3.88	3.30	3.07	2.27
Diluted EBIT per share	3.91	3.81	3.26	3.04	2.25
Earnings per share	3.15	3.06	2.58	2.35	1.76
Diluted earnings per share	3.13	3.03	2.55	2.33	1.74
Equity per share	4.42	4.40	4.33	4.11	3.10
Dividend per share	3.05	2.30	2.70	1.65	1.30
EMPLOYEES					
Number of employees (year end)	2 311	2 041	1 841	1 656	1 557
Average number of employees	2 191	1 948	1 761	1 609	1 474
Operating revenue per employee	1 609	1 584	1 530	1 493	1 447
Operating cost per employee	1 423	1 378	1 337	1 297	1 289
EBIT per employee	186	206	193	195	157

Definitions

Cash flow margin	Net cash flow operations / Operating revenue
Diluted earnings per share	Profit after tax / weighted average diluted shares outstanding
Diluted EBIT per share	EBIT / weighted average diluted shares outstanding
Dividend per share	Paid dividend per share throughout the year
Earnings per share	Profit after tax / weighted average basic shares outstanding
EBIT	Operating profit
EBIT per employee	EBIT / average number of employees
EBIT per share	EBIT / weighted average basic shares outstanding
EBIT-margin	EBIT / operating revenue
EBITDA	Operating profit + depreciation fixed assets and intangible assets
EBITDA-margin	EBITDA / operating revenue
Equity per share	Equity / number of shares
Equity ratio	Equity / total assets
Liquidity ratio	Current assets / Short-term debt
Net free cash flow	Net cash flow operations + Net cash flow investments
Number of shares	Number of issued shares at the end of the year
Operating cost per employee	Operating cost / average number of employees
Operating revenue per employee	Operating revenue / average number of employees
Weighted average basic shares outstanding	Issued shares adjusted for own shares on average for the year
Weighted average diluted shares outstanding	Issued shares adjusted for own shares and share scheme on average for the year

Our offices

Bouvet ASA has 17 offices in Norway and Sweden. Our philosophy is that competence should be utilised across the group, while projects are entrenched locally.

OSLO

Sørkedalsveien 8
NO-0369 Oslo
PO Box 5327 Majorstuen
NO-0304 Oslo
Tel: +47 23 40 60 00

ARENDAL

Frolandsveien 6
NO-4847 Arendal
Tel: +47 23 40 60 00

BERGEN

Solheimsgaten 15
NO-5058 Bergen
Tel: +47 55 20 09 17

DRAMMEN

Doktor Hansteins gate 13
NO-3044 Drammen
Tel: +47 23 40 60 00

FØRDE

Elvevegen 13
NO-6800 Førde
Tel: (+47) 55 20 09 17

GRENLAND

Hydrovegen 55
NO-3936 Porsgrunn
Tel: +47 23 40 60 00

HAUGESUND

Diktervegen 8
NO-5538 Haugesund
Tel: +47 52 82 10 17

INNLANDET

Løvstadvegen 7
NO-2312 Ottestad
Tel: +47 23 40 60 00

KRISTIANSAND

Kjøita 6
NO-4630 Kristiansand
Tel: +47 23 40 60 00

SANDEFJORD

Fokserødveien 12
NO-3241 Sandefjord
Tel: +47 23 40 60 00

SANDVIKA

Malmskriverveien 18
NO-1337 Sandvika
Tel: +47 23 40 60 00

STAVANGER

Laberget 28
NO-4020 Stavanger
P. O. Box 130
NO-4065 Stavanger
Tel: +47 51 20 00 20

TRONDHEIM

Kjøpmannsgata 35
NO-7011 Trondheim
Tel: +47 23 40 60 00

TROMSØ

Kirkegata 1
NO-9008 Tromsø
Tel: +47 73 53 70 00

STOCKHOLM

Östermalmsgatan 87 A
SE-114 59 Stockholm
Tel: + 46 0 771 611 100

SKARA

Klostergatan 4
SE-532 39 Skara
Tel: +46 0 732 005 009

ÖREBRO

Kungsgatan 1
SE-702 11 Örebro
Tel: +46 0 709 431 411

