

# Catella AB

## Remuneration Report 2023

This report describes how the guidelines for remuneration to senior executives in Catella AB, adopted by the annual general meeting 2022, have been applied during 2023. The report also contains information about remuneration to the CEO and, if applicable, members of the board of directors in addition to the remuneration resolved upon by the general meeting. The report further contains a general description of Catella's share and share price related incentive programmes. This report has been prepared in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) and the Swedish Stock Market Self-Regulation Committee's *Rules on Remuneration of the Board and Executive Management and on Incentive Programmes*.

### DEVELOPMENT DURING 2023

The CEO summarizes the company's overall result in the CEO comment on pages 6-8 in the annual report 2023.

### COMPLIANCE WITH REMUNERATION GUIDELINES

The company's business is dependent on the ability to recruit and retain qualified employees. The combined remuneration shall be competitive and in line with market practice, which is a prerequisite for a successful implementation of the company's business strategy and the safeguarding of Catella's long-term interests, including sustainability. The remuneration shall also be a reflection of responsibility and capacity.

The company's remuneration guidelines ensure that the senior executives can be offered a competitive total remuneration. According to the remuneration guidelines, the remuneration to senior executives shall be in line with market practice and may comprise of the following components: fixed salary, variable remuneration, pension benefits and other benefits. The variable cash remuneration shall be based on financial or non-financial criteria in relation to individually defined qualitative and quantitative targets that consider the company's business strategy, long-term goals and sustainability efforts.

The remuneration committee monitors and evaluates programmes for variable remuneration to the CEO, both ongoing and those that have ended during the year, and the actual and expected outcome of such programmes has been reported to the board of directors and discussed at board meetings.

Based on the remuneration committee's evaluation of the CEO's remuneration, the board of directors has determined that the current remuneration structure and level of remuneration is appropriate, reflects market practice, is competitive and suitable for achieving Catella's objectives. Both the remuneration committee and Catella's auditor have assessed that the company has complied with the applicable remuneration guidelines, and that no deviations from the guidelines nor the decision-making process to be applied according to the guidelines to determine remuneration have been made during 2023. No remuneration has been reclaimed.

### TOTAL REMUNERATION TO THE CEO DURING 2023<sup>1</sup>

(SEK)	Fixed remuneration		Variable remuneration			Pension costs	Total remuneration	Proportion fixed/variable remuneration <sup>(3)</sup>
	Base salary <sup>(1)</sup>	Other benefits <sup>(2)</sup>	One-year	Mult i-year	Non-recurring items			
Christoffer Abramson, CEO	4,409,000	19,000	1,739,000	0	0	1,656,000	7,823,000	78%/22%

(1) The base salary is inclusive of holiday pay of SEK 92,058.

(2) Relates to health benefit, health care insurance and lunch.

<sup>1</sup> With the exception of any multi-year variable remuneration, the table accounts for remuneration attributable to the year 2023. Any multi-year variable remuneration is reported if it has been subject to so-called vesting during 2023 and in that sense has been earned in accordance with what is stated herein, regardless of whether or not payment has been made the same year.

(3) Pension costs (column 6), which pertain entirely to base salary and comprise defined-contribution plans, have been reported in their entirety as fixed remuneration.

## APPLICATION OF PERFORMANCE CRITERIA

According to Catella's remuneration guidelines, variable cash remuneration shall be based on financial or non-financial criteria in relation to individually defined qualitative and quantitative targets that consider the company's business strategy, long-term objectives and sustainability efforts. The below table sets out the performance criteria applied to the CEO's variable cash compensation and the weighting and level of fulfilment of these targets. The table refers to remuneration for 2023 and thus refers to performance targets for 2023.

Name of the Executive (role)	Performance criteria	Relative weighting of performance criteria	a) performance achieved; and b) actual outcome of the remuneration
Christoffer Abramson, CEO	Drive growth	15%	a) 10% b) SEK 434,761
	Drive AUM growth	25%	a) 0% b) SEK 0
	Drive business development and M&A	10%	a) 10% b) SEK 434,761
	Organizational objectives	10%	a) 10% b) SEK 434,761
	Financial objectives	25%	a) 0% b) SEK 0
	Investment objectives	15%	a) 10% b) SEK 434,761
	<b>Totalt</b>	<b>100%</b>	<b>a) 40%</b> <b>b) SEK 1,739,042</b>

## SHARE AND SHARE PRICE RELATED INCENTIVE PROGRAMMES

At the extraordinary general meeting held on 21 December 2020, it was resolved to adopt an incentive programme for senior executives and other key employees in Catella through the issue and subsequent transfer of warrants in two series, series 2020/2024:A and series 2020/2025:B (the "**Warrant Programme 2020**"). Each warrant entitled the holder to subscribe for one (1) new class B share in the company during the period from 1 June 2024 up to and including 15 June 2024 for series 2020/2024:A, and during the period from 1 June 2025 up to and including 15 June 2025 for series 2020/2025:B. As of 31 December 2023, the Warrant Programme 2020 comprised 2,800,000 warrants divided equally between the two series, as well as an additional 200,000 warrants not allocated to the participants. The CEO's holding amounted to 1,000,000 warrants in series 2020/2024:A and 1,000,000 warrants in series 2020/2025:B.

Following a resolution by the extraordinary general meeting held on 20 March 2024, the company has made an offer to repurchase all outstanding warrants in the Warrant Programme 2020 to holders still employed in the Catella group against a consideration on market terms of SEK 0.213 per warrant in series 2020/2024:A and SEK 1.783 per warrant in series 2020/2025:B. The repurchase offer was conditional upon at least 50 percent of the consideration received upon acceptance of the offer being reinvested in the new warrant programme adopted by the extraordinary general meeting held on 20 March 2024 (the "**Warrant Programme 2024**"). On 2 April 2024, Catella announced that 2,450,00 warrants had been repurchased. Repurchased warrants, together with warrants previously held by Catella, has subsequently been cancelled. 175,000 warrants in series 2020/2024:A and 175,000 warrants in series 2020/2025:B are outstanding following completion of the repurchase offer.

For further information on the Warrant Programme 2024, please refer to the documentation from the extraordinary general meeting held on 20 March 2024, which is available on the company's website, [www.catella.com/en/corporate-governance/general-meetings](http://www.catella.com/en/corporate-governance/general-meetings).

## CHANGES IN REMUNERATION AND THE COMPANY'S DEVELOPMENT OVER THE PAST FIVE FINANCIAL YEARS REPORTED

(SEK, unless stated otherwise)	2023 compared to 2022	2022 compared to 2021	2021 compared to 2020	2020 compared to 2019	2019 compared to 2018
Remuneration to the CEO <sup>(1)</sup>	7,823,000 (-17%)	9,479,564 (+34%)	7,056,000 (+231.6%)	2,128,000 (-64%)	5,975,000 (+13%)
Group net sales (MSEK) <sup>(2)</sup>	1,697 (-15%)	1,996 (+15%)	1,735 (-15%)	2,047 (-15%)	2,353 (+8%)
Group operating profit (MSEK) <sup>(3)</sup>	145 (-82%)	822 (+491%)	139 (-51%)	284 (+56)	182 (-)
Average remuneration to employees in the parent company <sup>(4)</sup>	1,350,000 (3%)	1,320,000 (-9%)	1,460,000 (-10%)	1,630,000 (46%)	1,120,000 (-30%)
Average remuneration to employees in the group <sup>(5)</sup>	945,841 (-8%)	1,032,193 (+4%)	990,689 (+1.7%)	973,958 (-0.2%)	975,862 (+3.1%)

(1) Remuneration is reported in note 11 (*Remuneration to the board of directors and senior executives*) in the annual report for each financial year.

(2) Pertains to remaining operations.

(3) In 2023, certain equity and fund holdings have been reclassified from financial to operational business-related holdings. As a result, changes in the fair value of the holdings are no longer recognised in the group's net financial income and expenses but in operating profit. Comparative figures for previous periods have been adjusted accordingly.

(4) Including members of the group management. Excluding the CEO. Remuneration is reported in note 42 – Employees (*Salaries, other remuneration and social security expenses/Average number of full-time employees*) in the annual report for each financial year.

(5) The remuneration is reported in note 10 – Employees (*Employee benefits/Salaries and other benefits*) in the annual report for each financial year.

## ADDITIONAL INFORMATION AVAILABLE IN THE ANNUAL REPORT FOR 2023 OR ON CATELLA'S WEBSITE

Catella's remuneration guidelines, which were adopted at the annual general meeting 2022, are available on the company's website [www.catella.com/en/corporate-governance/management-work-and-compensation](http://www.catella.com/en/corporate-governance/management-work-and-compensation). Catella's website also contains the auditor's statement on whether Catella has complied with the adopted remuneration guidelines, [www.catella.com/en/corporate-governance/general-meetings](http://www.catella.com/en/corporate-governance/general-meetings). Additional information on Catella's remunerations in 2023 not covered by this report is available in the annual report 2023. The information can be found at:

page 49

The work of the remuneration committee in 2023.

Note 11 on page 96

Information required by Chapter 5, Sections 40-44 of the Annual Accounts Act (*Sw. årsredovisningslagen (1995:1554)*), including detailed information on remuneration to other senior executives covered by the remuneration guidelines adopted by the annual general meeting 2022, and on Catella's share and share price related incentive programmes.

Note 11 on page 96

Remuneration to the board of directors.

Stockholm in April 2024

**Catella AB**

*Board of Directors*