

Remuneration report 2023

This report describes how the guidelines for executive remuneration of Elanders AB, adopted by the Annual General Meeting 2022, were implemented in 2023. The report also provides information on remuneration to the CEO. The report has been prepared in accordance with the Swedish Companies Act and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Further information on executive remuneration is available in note 5 (Personnel) on pages 67-69 in the Annual Report 2023. Information on the work of the remuneration committee in 2023 is set out in the Corporate Governance Report available on page 53 in the Annual Report 2023.

Remuneration of the board of directors is not covered by this report. Such remuneration is resolved annually by the annual general meeting and disclosed in note 5 on pages 67-69 and in the Corporate Governance Report on page 50 in the annual report 2023.

Key developments in 2023

The CEO summarizes the company's overall performance in his statement on pages 12-15 in the Annual Report 2023.

The company's remuneration guidelines: scope, purpose and deviations

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company can recruit and retain qualified personnel. To this end, the company must offer competitive remuneration. The company's remuneration guidelines enable the company to offer executives a competitive total remuneration. Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The variable cash remuneration shall be linked to financial or non-financial criteria. They may be individualized, quantitative or qualitative objectives. The criteria shall be designed to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development.

During 2023, the company has complied with the applicable remuneration guidelines adopted by the general meeting. No deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made. No remuneration has been reclaimed.

The auditor's report regarding the company's compliance with the guidelines 2023 is available on www.elanders.com/about-elanders/corporate-governance/annual-general-meeting/annual-general-meeting-2024/.

Table 1 – Total remuneration to the CEO, Magnus Nilsson, in 2023 (kSEK)*

Fixed remuneration		Variable remuneration		Extraordinary items	Pension expense	Total remuneration	Proportion of fixed and variable remuneration*****
Base salary**	Other benefits***	One-year variable	Multi-year variable****				
11,140	143	0	E/T	0	3,890	15,173	100 / 0

* The table reports remuneration earned in 2023. Disbursement of any payments may or may not have been made the same year

** Including holiday pay of kSEK 219

*** Car benefit, free healthcare insurance benefit, health examination benefit etc.

**** The company does not have any outstanding share-related or share price-related incentive plans

***** Pension expense, which in its entirety relates to base salary and is premium defined, has been counted entirely as fixed remuneration

Application of performance criteria

The performance measures for the CEO's variable remuneration have been selected to deliver the company's strategy and to encourage behaviour which is in the long-term interest of the company. In the selection of performance measures, the strategic objectives and short-term and long-term business priorities for 2023 have been taken into account.

Table 2 - Performance of the CEO in the reported financial year: variable cash remuneration

Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance and b) actual award/ remuneration outcome
Maximum compensation, if a result before tax of MSEK 766 is reached	100%	a) MSEK 397,9 b) kSEK 0/ 0%

Comparative information on the change of remuneration and company performance

Table 3 – Change of remuneration and company performance over the last five reported financial years (RFY)

	RFY-4 vs RFY-5	RFY-3 vs RFY-4	RFY-2 vs RFY-3	RFY-1 vs RFY-2	RFY vs RFY-1	RFY 2022 (RFY)
CEO remuneration (kSEK)	-1,439 (-9.5%)	+4,714 (+34.4%)	+927 (+5.0%)	+2,393 (+12.4%)	-6,564 (-30.2%)	15,173
Group operating profit (MSEK)	-100 (-21.8%)	+187 (+52.2%)	+34 (+6.2%)	+269 (+46.4%)	-125 (-14,8%)	724
Average remuneration on a full-time equivalent basis of employees* of the parent company (kSEK)	+11 (+1.0%)	+87 (+8.0%)	+270 (+22.8%)	-74 (-5.1%)	-35 (-2,5%)	1,344

* Excluding members of the group management