

# Remuneration Report 2021



## 1. Introduction

This remuneration report provides an outline of how OX2's guidelines for executive remuneration, adopted by the annual general meeting 2021, have been implemented in 2021. The report also provides details on the remuneration to OX2's CEO.

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 7 on pages 104-105 in the annual report 2021.

Information required by Chapter 5, Sections 40-44 §§ of the Annual Accounts Act (1995:1554) is set out on note 7 in the annual report 2021.

Information on the work of the remuneration committee in 2021 is set out in the corporate governance report available on pages 60-76 in the annual report 2021.

## 2. Key developments 2021

The CEO summarizes the company's overall performance in statement on pages 4-5 in the annual report 2021.

## 3. Guidelines for remuneration

In OX2's guidelines for remuneration it is stated that remuneration principles are designed to ensure responsible and sustainable remuneration decisions that support the Company's business strategy, long-term interests and sustainable business practices. To this end, salaries and other employment terms shall enable the Company to retain, develop and recruit skilled senior executives with relevant experience and competence. The remuneration shall be on market terms, competitive and reflect the performance and responsibilities of individual senior executives.

The remuneration guidelines, adopted by the annual general meeting 2021, are set out on pages 68-69 in the annual report 2021. The auditor's report regarding the company's compliance with the guidelines is available on the company's website [www.OX2.com](http://www.OX2.com).

Remuneration to the CEO consists of fixed cash salary, variable cash salary, pension benefit and other non-financial benefits. While there is no current share-based long-term incentives currently in place, it is the aim of the board of directors to propose such programs to the annual general meeting each year.

## 4. Total remuneration of the CEO

Base salary includes holiday pay. Benefits includes health insurance. Other remuneration includes, where applicable, severance pay. Variable cash compensation refers to compensation earned and actually paid related to the financial year and performance in 2021. Annual variable cash remuneration amounted to 26 percent of the total remuneration.

### 4.1 Variable cash salary

Variable cash salary (i.e., cash bonuses) shall be based on a set of predetermined and measurable performance criteria that reflect the key drivers for pursuing the Company's business strategy, long-term interests and sustainable business practices. Variable cash remuneration may amount to a maximum of 100 percent of the fixed annual cash salary.

**Table 1 - Total remuneration to the CEO for the financial year 2021**

KTSEK	Base salary	Variable cash based remuneration		Long-term variable remuneration			Occupational pensions	Other remuneration	Total remuneration
		Annual Variable cash rem.	Annual Share-based rem.	Share-based remuneration	Benefits				
Paul Stormoen, CEO	2,823	1,198	-	-	12	575	-	4,609	
Percentage of total remuneration	61.25%	26%	-	-	0.27%	12.5%	-	100%	

The outcome in 2021 is related to the achievement of set targets regarding the Group's Profit for the period, portfolio development and growth as well as employees' individual targets. The board of directors is responsible for the evaluation of the CEO's outcome. The outcome for the financial year 2021 amounted to 54.4 percent of the maximum possible outcome.

## 5. Outstanding share and share-price related incentive programmes

Key employees and board members were, before the listing of OX2, offered to invest in shares that at the time of listing was converted into OX2 shares. The investment offering consisted of 11 880 652 shares, of which the CEO acquired 790 467 and board members a total of 789 168 shares. The investment was made at market price. Shareholders' agreements for these shares cover terms for vesting, a call option that entitles the company to buy back shares in certain situations, and a prohibition to sell unvested shares. The option and prohibition to sell expire as the shares vest. Vesting is based on the initial investment date according to a linear vesting schedule starting from year two, for most individuals up until Q3 2026. The first vesting event for the CEO is in November 2022.

## 6. Comparative information on the change of remuneration and company performance

### 6.1 Reclaimed remuneration

The Board of directors has the possibility to reduce or reclaim remuneration paid. No such possibility has been utilised.

### 6.2 Implementation of the guidelines

No deviations from the guidelines were made during the year. The Board of directors and the remuneration committee have handled the remuneration in accordance with the process and the principles set out in the guidelines.

**Table 2 - Change in remuneration and the company's performance during the last reported financial years (KSEK)**

Annual change	2021 vs 2020 <sup>9</sup>	Reference year 2021
<i>CEO Remuneration</i>		
Yearly change in total remuneration	-11%	4,609
<i>Company's performance</i>		
Net Result	11.9 % 298,110 (2020)	333,810 (2021)
Operating income	0.3 % 415,841 (2020)	414,399 (2021)
<i>Annual change in average remuneration on a full time equivalent basis of employees</i>		
OX2 AB	-7%	989
OX2 AB (including local branches)	-13%	906
OX2 Construction (including Poland, Finland & Sweden)	-10%	883
OX2 Technical and Commercial Management (Including Sweden & Finland)	-8%	636
OX2 Group	-11%	862