

Remuneration Report 2022

1. Introduction

This report describes how the remuneration guidelines for senior executives at Ambea AB, as adopted by the Annual General Meeting on 12 May 2021, were applied in 2021 and 2022, respectively. The report also contains information about remuneration paid to the Chief Executive Officer and a summary of the company's outstanding share-based and share-price related incentive programmes. The report was prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board's Rules on Remuneration of the Board and Executive Management and on Incentive Programmes. For more information about the remuneration of senior executives, refer to Note 7 (Employees and personnel costs) on pages 83-86 of the 2022 Annual Report. For information about the Remuneration Committee's work in 2022, refer to the Corporate Governance Report on pages 51-52 of the 2022 Annual Report.

Board fees are not covered by this report. Such fees are decided annually by the Annual General Meeting (AGM) and are presented in Note 7 on page 84 of the 2022 Annual Report.

2. Development 2022

The CEO summarises the company's overall results in a presentation on pages 5-6 of the 2022 Annual Report and in the Directors' Report on page 64.

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

In order to implement the company's business strategy successfully and protect the long-term interests of the company, including its sustainability, Ambea must be able to recruit and retain qualified employees. This means that the company must be able to offer competitive remuneration. According to Ambea's remuneration guidelines, the remuneration shall be market-based and may include the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The AGM may also – and independently of the guidelines – make decisions regarding, for example, share-based and share-price related payments. The guidelines are set out on pages 67-68 of the 2022 Annual Report.

In 2022, the company did not make any deviations from the current guidelines, or from the decision-making process that, under those guidelines, are to be applied when determining the remuneration. The auditor's opinion on the company's compliance with the guidelines is available at <https://www.ambea.com/investor-relations/corporate-governance/>.

In addition to the remuneration covered by the remuneration guidelines, the company's AGMs have decided to introduce long-term share-based incentive programmes.

Remuneration of CEO 2022

Name, position SEK	Basic salary	Variable remuneration	Other remuneration	Pension costs	Total
Mark Jensen, CEO	6,158,200	2,459,398*	117,396	1,842,588	10,577,582

* Variable remuneration for 2022 was awarded to Mark Jensen in March 2023.

4. Share-based remuneration

The company has two outstanding warrant programmes for the Management Team (Warrant Programme 2021/2024 and Warrant Programme 2022/2025). The incentive programmes entail that senior executives who have entered into a pre-emption agreement with the company are

able to purchase warrants at their market value, calculated using the Black-Scholes model. The warrants in Warrants Programme 2021/2024 can be exercised during two periods – during two weeks from the day after the publication of the interim report for the first quarter of the 2024 financial year, and during two weeks from the day after the publication of the interim report for the third quarter of the 2024 financial year. The warrants in Warrants Programme 2022/2025 can be exercised during two periods – during two weeks from the day after the publication of the interim report for the first quarter of the 2025 financial year, and during two weeks from the day after the publication of the interim report for the third quarter of the 2025 financial year.

CEO Mark Jensen has purchased a total of 145,616 warrants, comprising 80,000 warrants under the 2022/2025 programme, and 65,616 warrants under the 2021/2024 programme. Participants in the 2021/2024 and 2022/2025 programmes have subscribed to a total of 692,756 warrants, corresponding to 0.73 per cent of the shares in the company after dilution.

5. Application of performance criteria

Variable cash remuneration for Ambea shall be linked to pre-determined and measurable criteria that may be financial or non-financial. The criteria may also comprise quantitative or qualitative goals for individuals. The criteria shall be designed to promote the company’s business strategy and long-term interests, including its sustainability, by having a clear connection with the business strategy, for example, or by promoting the executive’s long-term development. At the end of the period for measuring the fulfilment of criteria for payment of variable cash remuneration, the extent to which the criteria have been met shall be assessed/determined. The Remuneration Committee is responsible for the assessment. In regard to financial targets, the assessment shall be based on the company’s most recently available financial information.

For 2022, SEK 2,459,398 was awarded to Ambea’s President and CEO Mark Jensen based on the following pre-determined financial, sustainability and quality targets.

Name, position	Description of the criteria linked to the remuneration component	Relative weighting of performance criteria	a) Performance for maximum bonus outcome b) performance achieved, and c) actual remuneration outcome
Mark Jensen, CEO	Net sales, Group	20%	a) 12,394 SEK Million b) 12,635 SEK Million c) 612,000 SEK
	EBITA, Group	60%	a) 988 SEK Million b) 953 SEK Million c) 1,235,398 SEK
	Quality/sustainability, Group*	20%	a) >100% b) 102.9% c) 612,000 SEK

* Entitlement to a bonus according to the Quality/sustainability parameter requires a higher year-on-year score on the company’s internal Quality and HR Index. The Quality and HR Index consists of KPIs linked to employee survey results as well as sick leave, customer satisfaction, business processes and improvement activities.

6. Comparative information for changes in remuneration and the company’s results

	2022	2021	2020
Remuneration of CEO	10,577,582 (+6.6%)	9,926,356 (8.4%)	9,161,283
Remuneration of Deputy CEO	0 (0.0%)	0 (-100.0%)	1,293,720

Total remuneration, CEO and Deputy CEO	10,577,582 (+6.6%)	9,926,356 (-5.1%)	10,455,003
Consolidated operating profit (SEK million)	843 (+41.0%)	598 (-16.6%)	717
Average remuneration based on the number of FTEs in the Group*	508,683 (+6.4%)	477,890 (1.5%)	470,871

* Excluding senior executives. Number of FTEs calculated at 14,437 (2021: 14,292, 2020: 13,794)