

Remuneration report 2023

This report describes how the guidelines for remuneration to senior executives of Rottneros AB, adopted by the 2023 Annual General Meeting, were applied in 2023. The report also includes information on remuneration to the Chief Executive Officer and a summary of the company's outstanding share and share price-related incentive plans. The report has been prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board's Rules on remuneration to senior executives and on incentive plans.

Further information on remuneration of senior management can be found in Note 7 (Personnel and remuneration) on pages 81–82 of the 2023 Annual Report. Information on the work of the remuneration committee in 2023 can be found in the Corporate Governance Report on pages 61–65 of the 2023 Annual Report.

Directors' fees are not covered by this report. Such fees are resolved annually by the AGM and are disclosed in Note 7 on page 81 of the 2023 Annual Report.

Developments in 2023

The Chief Executive Officer summarises the overall performance of the company in his statement on pages 6–7 of the 2023 Annual Report.

The company's remuneration guidelines:

Scope, purpose and derogations In order to successfully implement its business strategy and safeguard its long-term interests, including its sustainability, the company must be able to recruit and retain qualified employees. To this end, the company must offer competitive remuneration. The company's remuneration guidelines make it possible to offer senior executives a competitive remuneration package. According to these guidelines, the remuneration of senior executives should be market-based 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. These criteria may also be personalised, quantitative, or qualitative objectives. The criteria should be designed to promote the company's business strategy and long-term interests,

including its sustainability, by, for example, having a clear link to the business strategy or promoting the long-term development of the executive.

The guidelines can be found on pages 48–49 of the 2023 Annual Report. In 2023, the Company complied with the applicable remuneration guidelines adopted by the General Meeting. There have been no deviations from the guidelines and no derogations from the decision-making process that the guidelines require to determine the remuneration. The auditor's opinion on the company's compliance with the guidelines is available at www.rottneros.com/investors/corporate-governance/. No remuneration has been reclaimed.

Application of performance criteria

The performance criteria for the Chief Executive Officer's variable remuneration have been chosen to realise the company's strategy and to encourage behaviour that is in the long-term interest of the company. The selection of performance criteria has taken into account the strategic objectives and short- and long-term business priorities for 2023. The non-financial performance criteria further contribute to alignment with both sustainability and company values.

TOTAL REMUNERATION TO THE CEO IN 2023 (KSEK)*

Name of the executive (position)	1 Fixed remuneration		2 Variable remuneration		3	4	5	6
	Basic salary**	Other benefits***	Annual*	Multi-year*	Extraordinary items	Pension expenses	Total remuneration	Share of fixed and variable remuneration****
Lennart Eberleh, (CEO)	3,609	201	354	0	0	1,132	5,296	92/8

* Variable remuneration paid for 2023 amounts to 354 KSEK and is pensionable. Rottneros has no programmes classified under multi-year variable remuneration.
 ** Including holiday pay of 71 KSEK.
 *** Car benefit.
 **** Pension costs (column 4), which relate to basic salary (which is defined contribution) and to provisions for variable remuneration amounting to 57 KSEK, which are divided into fixed and variable remuneration (column 6).

PERFORMANCE OF THE CHIEF EXECUTIVE OFFICER DURING THE REPORTED FINANCIAL YEAR: VARIABLE CASH REMUNERATION

Name of the executive (position)	1 Description of criteria related to remuneration component	2 Relative weighting of performance criteria (%)	3 Measured performance (%)	4 actual allocation / remuneration outcome
Lennart Eberleh, (CEO)	EBIT 2023	30	10	0 KSEK
	Production	40		354 KSEK
	Fixed costs	30		0 KSEK

COMPARATIVE INFORMATION: CHANGES IN REMUNERATION AND COMPANY PERFORMANCE

CHANGES IN REMUNERATION AND COMPANY PERFORMANCE OVER THE LAST FIVE REPORTED FINANCIAL YEARS

