

## **The board of directors' proposal for guidelines for remuneration to the executive management in Synsam AB (publ) (the "Company")**

The board of directors proposes that the annual general meeting 2021 resolves, conditional upon listing of the Company's shares on Nasdaq Stockholm, to adopt the following guidelines for remuneration to the executive management.

### **Introduction**

The guidelines shall apply to remuneration that has been agreed upon, or to changes in already agreed remunerations after the guidelines have been adopted by the general meeting. The guidelines do not apply to remunerations that have been resolved by the general meeting. These guidelines apply to the managing director, deputy managing directors and other members of the executive management in the Company group, and all other remuneration to members of the board except fees to the board of directors.

### **The guidelines' promotion of the Company's business strategy, long-term interest and sustainability**

The guidelines shall contribute to establish conditions to attract and maintain qualified members of the executive management in the Company in order to successfully implement the Company's business strategy and meet the Company's long-term interests, including sustainability. The guidelines shall also stimulate an increased interest for the business and the result as a whole as well as to increase the motivation for the members of the executive management and to increase belonging within the Company. The guidelines' purpose is further to create a common interest for the Company's shareholders and the members of the executive management. The guidelines shall also contribute to a good ethic and culture within the Company.

In order to achieve the Company's business strategy, the total annual remuneration must be market-based and competitive in the employment market in which the member of the executive management is situated and taking into account the individual's qualifications and experience and that exceptional performance must be reflected in the total remuneration. Variable remuneration covered by these guidelines are intended to promote the Company's business strategy and long-term interests, including its sustainability.

### **Fixed Salary**

Fixed salary constitutes the basis of the total remuneration. It shall be based on the members of the group management's competence, responsibility and performance and shall be competitive in comparison with prevailing market standards. The fixed salary shall be reviewed annually by the remuneration committee.

**Principles for variable remuneration**

The variable remuneration is mainly based on the group's financial outcome for each year. It shall be based on pre-defined individual and group-wide targets, and may for instance be a combination of revenue, income, cash flow and activity targets. The targets shall be set annually by the remuneration committee based on the Company's business strategy and the long-term business plan approved by the board of directors. These targets are to be established and documented annually. Variable remuneration paid in cash may not exceed 100 per cent of the base salary. With respect to variable remuneration, the Company does not apply any deferral periods and it is not possible for the Company to limit or omit payments. Furthermore, the Company has no right to recoup variable remuneration pursuant to agreements.

The general meeting can decide that the variable remuneration may be paid in the form of long-term share-based incentive plans.

**Other benefits**

Other benefits, such as non-monetary benefits, pensions, insurances and company cars, if applicable, can be offered in accordance with the customary rules and market standards in each country. Pensions shall be formed in such a way that they reflect normally accepted levels and customs in the country where the member of the group management is employed. Pension premiums for premium-based pensions shall amount to no more than 35 per cent of the fixed annual base salary. For other benefits such as company cars, and medical and health insurance, the costs relating to such benefits may amount to not more than 15 per cent of the fixed annual base salary. These benefits shall not constitute a substantial part of the total remuneration.

**Notice of termination and remuneration after employment has ended**

The group applies a notice period of not more than twelve months. If an employee chooses to resign, a period of six months applies. No severance pay is payable in any case.

**Deviation from the principles for remuneration**

The board may resolve to deviate from these guidelines, in whole or in part, if in an individual case there are special reasons for it and a deviation is necessary to ensure the Company's long-term interests and sustainability or to ensure the Company's economic viability. The Remuneration Committee's tasks include preparing the Board's resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

**Preparation, decision processes etc.**

Decisions regarding salary and other remuneration to the managing director and other members of the executive management are prepared by the remuneration committee and resolved by the board of directors, with the exception of cases where the decision is made by the general meeting.

The remuneration committee shall also prepare the board of directors' decisions on issues concerning principles for remuneration. The remuneration committee shall also monitor and evaluate programs for variable remuneration, both ongoing and those that have ended during the year, for the members of the executive management and monitor and evaluate the application of these guidelines for remuneration to members of the executive management, as well as current remuneration structures and levels in the Company.

In the preparation of the board of directors' proposal for these remuneration guidelines, the Board has considered that the various benefits offered to the executive management need to be aligned with the general structures applicable for employees of the Company at levels that are competitive in the market. Thus, salary and employment conditions for other employees within the Company have been considered by including information thereon in the Remuneration Committee's and the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are appropriate.

The members of the remuneration committee are independent of the Company and its executive management. The CEO and other members of the executive management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.