

## The board of directors' of Synsam AB (publ) remuneration report 2021

### Introduction

This remuneration report describes how the guidelines for remuneration to the executive management (the so-called remuneration guidelines) for Synsam AB (publ), reg. no. 556946-3358, which were adopted by the annual general meeting 2021, have been applied during 2021. The report also includes specific information regarding remuneration to the company's CEO. The report has been prepared in accordance with the Swedish Companies Act (2005:551) (*Sw. aktiebolagslagen (2005:551)*) as well as the Rules on Remuneration of the Board and Executive Management and on Incentive Programmes (*Sw. Regler om ersättningar till ledande befattningshavare och om incitamentsprogram*) adopted by the Swedish Corporate Governance Board (*Sw. Kollegiet för svensk bolagsstyrning*).

Additional information regarding remuneration to senior executives can be found in note 5 on pages 76–78 in the annual report for 2021.

Information regarding the work of the remuneration committee during 2021 can be found in the corporate governance report on pages 47–52 in the annual report for 2021.

The report does not cover board fees. Such fees are resolved by the annual general meeting and presented in note 5 on pages 76–78 in the annual report for 2021.

### Development during 2021

The CEO summarizes the overall results for the company and the group in his statement on pages 8–10 in the annual report for 2021.

### The company's remuneration guidelines

#### The scope and purpose of the remuneration guidelines

The company's remuneration guidelines cover the CEO, deputy CEOs (if any) and other members of the group management, as well as other

remuneration than board fees to members of the board of directors in the company.

For information regarding the company's business strategy, reference is made to the annual report for 2021 and the company's website. A prerequisite for the company to be able to successfully implement its business strategy and accommodate the company's long-term interests, including sustainability, is that the company can attract and retain competent and engaged employees. In order to achieve that, the overall annual remuneration must be market-based and competitive in the employment market in which the executive is situated and taking into account the individual's qualifications and experience and that exceptional performance shall be reflected in the total remuneration, which the company's remuneration guidelines shall contribute to. The company's remuneration guidelines shall stimulate an increased interest for the overall business and earnings trend as well as increase the motivation for the senior executives and increase the belonging within the company. The purpose of the guidelines is further to increase the community of interest between the senior executives and the company's shareholders. Furthermore, the guidelines shall contribute to good ethics and culture within the company.

According to the remuneration guidelines, the total remuneration may consist of the components fixed salary, variable remuneration and other benefits. Fixed salary constitutes the basis of the total remuneration, and the fixed salary shall be based on the executive's competence, responsibility and performance and shall be competitive relative to prevailing market standards. Variable remuneration covered by the remuneration guidelines shall aim to promote the company's business strategy and long-term interests, including sustainability, and shall mainly be based on the group's financial outcome for each year. Other benefits, e.g. pension and insurance, can be offered in accordance with customary rules and market

standards in each country.

The complete remuneration guidelines can be found on [www.synsamgroup.com](http://www.synsamgroup.com).

#### Deviations from the remuneration guidelines

The board of directors has exercised its right to deviate from the remuneration guidelines that were adopted by the annual general meeting 2021 as regards the exemptions described below, based on the assessment that granting of the compensations – and the deviation from the remuneration guidelines that it entailed – was necessary in order to meet the company's long-term interests and economic viability. The company has during 2021 otherwise complied with the remuneration guidelines that were adopted by the annual general meeting 2021, without deviations.

During the second half of 2021, each member of the company's group management received a performance based, one-off cash compensation (in addition to ordinary variable remuneration) corresponding to one monthly salary, as a gratuity for significant work efforts and a strong result for the first half of 2021.

In addition to the one-off compensation paid as set out above, the

company's CFO also received a performance based, one-off cash compensation (in addition to ordinary variable remuneration) corresponding to one year's salary, by reason of the additional significant work efforts required by reason of the company's listing process, in addition to ordinary work assignments. Payment of the compensation was conditional upon that the company's shares were admitted to trading on Nasdaq Stockholm.

The grants of the one-off cash compensations constitute deviations from the remuneration guidelines, in part because the compensations were not based on pre-defined individual and group-wide targets but also because they resulted in that the CEO and CFO of the company received total variable remuneration for performance during 2021 which exceeded 100 per cent of their respective fixed salaries for 2021.

No deviations have been made from the decision process which, according to the guidelines, shall apply when determining remuneration.

The board of directors has not reduced or reclaimed any paid remuneration during 2021.

The auditor's statement regarding the company's compliance with the remuneration guidelines can be found on [www.synsamgroup.com](http://www.synsamgroup.com)

#### **Total remuneration to the CEO during 2021**

Name and position of the executive	Fixed salary (SEKm)		Variable remuneration (SEKm)		Pension (SEKm)	Total remuneration (SEKm)	Proportion of fixed salary out of total remuneration (%) <sup>3)</sup>	Proportion of variable remuneration out of total remuneration (%) <sup>3)</sup>
	Base salary	Other benefits <sup>1)</sup>	One year or shorter <sup>2)</sup>	Multi-year				
Håkan Lundstedt, CEO <sup>4)</sup>	7.80	0.21	8.45	-	2.65	19.11	56	44

1) Other benefits refer to car benefit, health care benefit, broadband, accident and travel insurance as well as cellphone subscription.

2) Variable remuneration based on performance/performance targets in respect of 2021, but which – with the exception of the one-off compensation corresponding to one extra monthly salary, as described above – are paid during 2022.

3) Pension, which is premium based with a premium corresponding to 34 per cent of the base salary (excluding vacation pay and other benefits), has been reported as fixed salary.

4) Håkan Lundstedt is also a member of the board of directors of the company.

### Variable remuneration to the CEO during 2021

The performance criteria for the CEO's variable remuneration have been selected based on the company's business strategy and long-term business plan, with the purpose of accommodating the company's long-term interests, including its sustainability. The performance criteria comprise a combination of financial targets and activity targets, where activity targets are targets related to projects that are of importance for the group.

### The CEO's performance during 2021: variable cash remuneration

Description of the performance criteria in respect of 2021	Relative weighting of the performance criteria (%)	Measured performance (%)	Actual remuneration outcome (SEKm)
<b>Like-for-like growth, % (for the group, annual)</b> Growth in net sales adjusted for the sales of recently opened stores in the current year for the months during which these stores were not open during the preceding year, currency, franchise stores and acquisitions.	20	100	1.56
<b>Adjusted EBITDA (for the group, annual), excluding newly opened stores during 2021</b> EBITDA adjusted for items affecting comparability and for the effect of newly opened stores during 2021.	40	100	3.12
<b>Operational targets related to important projects (annual)</b>	40	100	3.12

### Remuneration to the CEO compared to the company's results and remuneration to other employees during 2021<sup>1)</sup>

	2021 (SEKm)
Total remuneration Håkan Lundstedt, CEO <sup>2)</sup>	19.11
Adjusted EBITDA (for the group)	1,274
Average remuneration for other employees <sup>3)</sup>	0.43

1) The table will be extended over time to eventually include a five-year comparison.

2) Håkan Lundstedt is also a member of the board of directors of the company.

3) Refers to employees (full time equivalents) in segment Sysam Sweden (which does not include the CEO). The average remuneration includes the total remuneration, *inter alia* including variable cash remuneration (for one year or less). The amount for the variable cash remuneration which has been included in the table is preliminary in respect of the financial year 2021, and is finally approved and paid during the first half of 2022.

### **Share-related incentive programs**

In connection to the listing of the company on Nasdaq Stockholm on 29 October 2021, the company's CEO, certain other senior executives of the company, certain other employees within the group as well as certain members of the board of directors of the company, received shares in the company in exchange for shares they held since previously in another company which at that time indirectly owned shares in the company (the share exchange). In connection with the listing, some of the abovementioned individuals sold up to 15 per cent of the shares in the company that they received in the share exchange. As regards the shares in the company that were not sold in connection with the listing, the abovementioned individuals have, towards the banks who acted as managers in connection with the listing, undertaken (with certain exceptions) not to sell or otherwise dispose of their respective holdings in the company during a period of one year after the listing (so-called "lock-up"). For more information regarding said lock-up, reference is made to the prospectus published in connection with the listing. Except for the lock-up, there are no restrictions against board members, senior executives or other employees within the group selling or otherwise transferring their respective shares in the company (except for restrictions laid down by the Market Abuse Regulation (EU) 596/2014 and the company's insider policy). For information regarding the number of shares in the company that are currently held by the company's board of directors and senior executives, reference is made to the company's website, [www.synsamgroup.com](http://www.synsamgroup.com).

The company has no outstanding share-related incentive programs.

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Stockholm, March 2022  
Synsam AB (publ)  
The board of directors