

Remuneration report 2023

Introduction

This report describes how the guidelines for remuneration of senior management of CellaVision AB (publ) (hereinafter “**CellaVision**”), adopted by the annual general meeting 2023, were implemented during the fiscal year 2023. The report also provides information on remuneration to the CEO and a summary of CellaVision’s outstanding and during the year concluded share or share price related incentive programs. The report has been prepared in accordance with the Swedish Companies Act and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Further information on senior management remuneration is available in note B6 (Remuneration to senior management) on pages 82-83 in the annual report for the fiscal year 2023. Information on the work of the remuneration committee during the fiscal year 2023 is set out in the corporate governance report available on page 47-48 in the annual report for the fiscal year 2023.

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 B6 on page 82 in the annual report for the fiscal year 2023.

Key developments during the fiscal year 2023

The CEO summarizes CellaVision’s overall performance in his statement on page 6 in the annual report for the fiscal year 2023.

CellaVision’s remuneration guidelines: scope, purpose, and deviations

Successful implementation of CellaVision’s business strategy and safeguarding CellaVision’s long-term interests, including its sustainability, requires CellaVision to recruit and retain highly qualified employees, including senior management. In order to do so, CellaVision must offer competitive total remuneration, which is made possible through the guidelines for remuneration. According to the guidelines, remuneration to senior management should be on market terms and may consist of fixed salary, benefits in kind, variable remuneration and pension. The variable remuneration shall be linked to pre-determined and measurable criteria with the purpose of advancing CellaVision’s long term value creation, business strategy and long-term interests, including sustainability. The variable remuneration shall be based on the fulfilment of individual objectives as determined by the Board of Directors based on proposals from the remuneration committee. For the CEO, such objectives should be connected to CellaVision’s general targets, including earnings, turnover and/or cash flow. For other members of the senior management, the variable remuneration shall be based on corresponding objectives and targets within the members area of responsibility. The measurement period for the criteria connected to variable remuneration shall be one year.

The guidelines are found on pages 47-48 in the annual report for the fiscal year 2023. During the fiscal year 2023, CellaVision has complied with the applicable guidelines adopted by the general meeting. No deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made. The auditor’s report regarding CellaVision’s compliance with the guidelines is available on CellaVision’s website www.cellavision.com/en/for-investors/corporate-governance/annual-general-meetings. No remuneration has been paid from any other affiliate than CellaVision AB to CellaVision’s senior management. No remuneration has been reclaimed. CellaVision does not have any share or share price related incentive program.

Table 1 - Total CEO remuneration during the fiscal year 2023 (kSEK)

	Fixed remuneration		Variable remuneration		Pension expenses***	Total remuneration	Portion of fixed and variable remuneration
	Base salary	Other benefits	One year variable	Multi-year variable			
Simon Østergaard (VD) *	5,969	203	257	74	328	7,381	84/12

* Pension expense which in its entirety relates to base salary and is premium defined, has been counted entirely as fixed remuneration in the relationship portion of fixed and variable remuneration. During the year, the allocation for the CEO's pension During the year, the allocation for the CEO's pension has been renegotiated and is now replaced with a salary supplement. The cost of the gross salary supplement is cost-neutral for CellaVision compared to the previous pension allocation.

Application of performance criteria

The performance criteria for the CEO's variable remuneration have been chosen to realize CellaVision's strategy and to encourage actions in line with CellaVision's long-term interest. The strategic objectives and short- and long-term business priorities for 2023 have been taken into account when choosing the performance criteria. The non-financial performance criteria contribute to the adaption to sustainability and CellaVision's values.

CellaVision has an incentive program for senior management consisting of a long-term program related to the development of the earnings per share and a yearly individual program. The remuneration cannot exceed 75 percent of the yearly base salary for the CEO. No variable cash compensation has been paid to Simon Østergaard during the year.

Comparative information regarding changes in remuneration and CellaVision's result

Table 2 - Change of remuneration and company performance over the last five reported financial years (kSEK)

	2019 compared to 2018	2020 compared to 2019	2021 compared to 2020	2022 compared to 2021	2023 compared to 2022	2023
Remuneration to the CEO	+640 (+17%)	-1,643 (-37%)	+2 905 (103 %)	+292 (5 %)	+1,038 (17 %)	7,053
Group operating profit	+14,969 (+13%)	+16,303 (-13%)	+52,460 (48%)	-4,467 (-3%)	+8,785 (6%)	167,051
Average remuneration on a full time equivalent basis of employees * of CellaVision	-24 (-4%)	-17 (-17%)	+34 (7%)	-16 (-3%)	107 (21%)	622

* Excluding the CEO