

Remuneration report 2024

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 79-80 in the annual report for the fiscal year 2024. Information on the work of the remuneration committee during the fiscal year 2024 is set out in the corporate governance report available on page 45-46 in the annual report for the fiscal year 2024.

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 79 in the annual report for the fiscal year 2024.

Key developments during the fiscal year 2024

The CEO summarizes CellaVision’s overall performance in his statement on page 6 in the annual report for the fiscal year 2024.

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

Successful implementation of CellaVision’s business strategy requires CellaVision to recruit and retain highly qualified employees, including senior management. In order to achieve this, it is required that CellaVision can offer a market conformant total compensation which is made possible by the guidelines. The part of the total compensation which pertains to variable remuneration shall strive to promote CellaVision’s business strategy and long-term interests, including sustainability. 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 equivalent targets and targets within the members area of responsibility. The measurement period for the criteria connected to variable remuneration shall be one year for the short-term program and three years for the long-term programs.

The guidelines are outlined on pages 46-47 in the annual report for the fiscal year 2024. During the fiscal year 2024, 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.

Remuneration has not been paid from any other group company than the company where respective senior executive is employed within CellaVision. 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 2024 (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) *	5,296	206	718	346	0	6,566	84/16

* The allocation for the CEO's pension is replaced with a salary supplement. The cost of the gross salary supplement is cost-neutral for CellaVision.

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. When selecting performance criteria, the strategic goals and short-term and long-term business priorities for 2024 have been taken into account. The non-financial performance criteria also contribute to aligning operations with sustainability goals and are in line with the 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 variable program tied to revenue, EBITDA, and individual performance targets. The remuneration cannot exceed 60 percent of the yearly base salary for the CEO. Variable remuneration has been paid to CEO with 718 kSEK refers to the short-term program during the year. Additional 346 kSEK has been reserved as a cost for CEO for the long-term programs.

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)

	2020 compared to 2019	2021 compared to 2020	2022 compared to 2021	2023 compared to 2022	2024 compared to 2023	2024
Remuneration to the CEO	-1,643 (-37%)	+2 905 (103 %)	+292 (5 %)	+1,038 (17 %)	-487 (-7 %)	6,566
Group operating profit	+16,303 (-13%)	+52,460 (48%)	-4,467 (-3%)	+8,785 (6%)	+10,628 (6%)	177,679
Average remuneration on a full time equivalent basis of employees * of CellaVision	-17 (-17%)	+34 (7%)	-16 (-3%)	+ 107 (21%)	+ 59 (9%)	681

* Excluding the CEO