

## Remuneration report 2020

This report describes how the guidelines for executive remuneration of Strax AB (publ), adopted by the annual general meeting 2020, were implemented in 2020. The report also provides information on remuneration to the CEO and a summary of the company's outstanding share-related and share price-related incentive plans. 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 executive remuneration is available in note 14 (Employees and personnel costs) on pages 107-108 in the annual report 2020. Information on the work of the remuneration committee in 2020 is set out in the corporate governance report available on pages 44-49 in the annual report 2020.

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 14 on page 107-108 in the annual report 2020.

### Key developments 2020

The CEO summarizes the company's overall performance in his statement on page 10-13 in the annual report 2020.

### The company's remuneration guidelines: scope, purpose and deviations

A prerequisite for the successful implementation of Strax business strategy and safeguarding of its long-term interests, including its sustainability, is that the company can recruit and retain qualified personnel. Strax principle is that the Company shall offer remuneration levels and employment conditions needed to enable recruitment and retention of senior executives with the required competence, experience and expertise in order to achieve the business objective, implement the Company's business strategy and to safeguard the Company's long-term interests, including its sustainability. The remuneration shall be decided on market-based terms.

The remuneration is not to be discriminating on grounds of gender, ethnic background, national origin, age, disability or other such factors.

Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed salary, variable remuneration, pension benefits and other benefits. The variable cash remuneration may be linked to financial as well as non-financial criteria, which are to be predetermined and measurable. The criteria shall be structured in such a way that they promote the Company's business strategy and long-term interests, including its sustainability, for example by being clearly linked to the business strategy or promoting the executive's long-term development.

The guidelines are found on pages 107-108 in the annual report 2020. During 2020, the company has complied with the applicable remuneration 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 the company's compliance with the guidelines is available on [investors.strax.com](https://investors.strax.com). No remuneration has been reclaimed. In addition to remuneration covered by the remuneration guidelines, the annual general meetings of the company have resolved to implement long-term share-related incentive plans.

## Total CEO remuneration in 2020 (kEUR)

Name of director (position)	1 Fixed remuneration		2 Variable remuneration		3 Extraordinary items	4 Pension expense	5 Total remuneration	6 Proportion of fixed and variable remuneration <sup>1</sup>
	Base salary <sup>1</sup>	Other benefits <sup>2</sup>	One-year variable	Multi-year variable				
Gudmundur Palmason (CEO)	281	-	-	-	-	8	289	100%/0%

1 Pension expenses (column 4), which in its entirety relates to Base salary and is premium defined, has been counted entirely as fixed remuneration

## Share-based remuneration

### **Outstanding share-related and share price-related incentive plans**

The company has an outstanding share-related incentive program, resolved upon at the annual general meeting 2020. The incentive program includes 4,095,000 warrants and has no more than 26 participants. The program is allocated such as that the CEO may receive no more than 850,000 warrants, others of the executive management may together receive no more than 2,500,000 warrants, and other employees may receive no more than 1,450,000 warrants.

The warrants have a vesting period of three years, after which the holder is entitled to exercise the warrants to subscribe for shares. Each warrant entitles to subscription of one share in Strax during the period from and including 1 July 2023 up to and including 30 September 2023 to an exercise price corresponding to 130 per cent of the average volume weighted Strax share price as quoted on Nasdaq Stockholm's official price list during the period 10 trading days calculated from and including the day after the Annual General Meeting 2020. Right to hold and exercise the warrants assumes that the holder is employed in the Strax group up until when the warrants may be exercised.

### **Share option plans (CEO)**

Name of director (position)	The main conditions of share option plans							Information regarding the reported financial year						
	1 Name of plan	2 Performance period	3 Award date	4 Vesting date	5 End of retention period	6 Exercise period	7 Exercise price (SEK)	8 Opening balance Share options held at beginning of year	9 During the year Share options awarded		10 Share options vested	11 Closing balance Share options subject to performance condition		12 Share options awarded and unvested
Gudmundur Palmason (CEO)	Warrant Program 2020	2020-2021	2020-10-15	2020-2023	2022-06-01	2023-07-01 2023-10-30	4.10	0	850,000	0	0	0	850,000	850,000
<b>Total</b>								<b>0</b>	<b>850,00</b>	<b>0</b>	<b>0</b>	<b>850,000</b>	<b>850,000</b>	

## Comparative information on the change of remuneration and company performance

### **Change of remuneration and company performance over the last five reported financial years (RFY) (kEUR)**

	RFY 2020
CEO remuneration	<b>289</b>
Group operating profit	<b>6,774</b>
Average remuneration on a full time equivalent basis of employees* of the parent company	<b>74</b>

\* Excluding members of the group executive management