

# Remuneration report 2021

On behalf of the Board, Nordisk Bergteknik AB (publ) presents this remuneration report for the financial year 2021.

## Introduction

This report describes how the guidelines for remuneration of senior executives of Nordisk Bergteknik AB (publ) ("Nordisk Bergteknik" or "the company"), as adopted by the 2021 AGM, were applied in 2021. The report also provides information about the remuneration of the Chief Executive Office ("CEO") and a summary of the company's variable remuneration programs and other benefits. The report has been prepared in accordance with the Companies Act and the Swedish Corporate Governance Board's Remuneration Rules. More information about remuneration of senior executives is available in Note 6 on pages 75–79 in the Annual and Sustainability Report for 2021. Information about the work of the Remuneration Committee in 2021 is presented in the Corporate Governance Report on pages 40–50 in the Annual and Sustainability Report for 2021. The Board's remuneration is not covered in this report. Such remuneration is approved each year by the AGM and is reported in Note 6 on page 76 of the 2021 Annual Report.

The auditor's report on Nordisk Bergteknik's compliance with the guidelines is available on the company's website, [www.nordiskbergteknik.se](http://www.nordiskbergteknik.se).

## Key events and key figures in 2021

The CEO summarizes the company's overall performance in his statement on pages 8–11 in the Annual and Sustainability Report for 2021.

## Nordisk Bergteknik's guidelines for remuneration of senior executives and remuneration in 2021

A prerequisite for the successful implementation of the company's business strategy and the protection of its long-term interests, including its sustainability, is that the company can recruit and retain qualified staff. To this end, the company must offer competitive and market-based remuneration and benefits. According to the guidelines, total remuneration and benefits to senior executives is to correspond to market practice and be competitive in the senior executive's field of profession. The remuneration is offered as fixed salary, variable remuneration, other benefits such as car benefits, pension, and healthcare benefits.

The total remuneration is to be proportionate to the senior executive's position and authority and the responsibility this entails based on the financial scope and business impact, as well as market complexity. Total remuneration is decided on an individual basis at a level that, in combination with the various remuneration components, is considered to correspond to market practice and is competitive taking into account performance. Table I shows the total remuneration of senior executives in 2021 and the relationship between fixed and variable remuneration. Remuneration was not received from other Group companies and no remuneration was refunded.

The remuneration guidelines, which were adopted unanimously by the 2021 AGM, are described on pages 77–79 in the 2021 Annual and Sustainability Report.

Table I. Total remuneration of the CEO in 2021<sup>1</sup>

Name, position	Financial year	Fixed remuneration		Variable remuneration			Total salary and remuneration	Proportion fixed and variable remuneration (%) <sup>5</sup>
		Fixed salary <sup>2</sup>	Other benefits and remuneration <sup>3</sup>	Short-term remuneration <sup>4</sup>	Long-term remuneration	Pension costs		
Andreas Christoffersson CEO	2021	2 516,6	106,3	1 129,4	-	673,7	4 426,0	74/26

<sup>1</sup> The table shows remuneration that is attributable and expensed in 2021

<sup>2</sup> Fixed salary is based on a fixed monthly salary and holiday pay

<sup>3</sup> Other benefits and remuneration mainly consist of car benefits and healthcare benefits

<sup>4</sup> Of the amount, SEK 192 thousand refers to the bonus for 2020 that was paid out in 2021 and was not reserved as of December 31, 2020. The other part refers to a reserved bonus for 2021 that will be paid out in 2022

<sup>5</sup> Pension costs, which in their entirety refer to basic salary and are premium-based, have been fully reported as fixed remuneration

## Variable remuneration

The variable remuneration shall aim to benefit the Company's business strategy and long-term interests, including sustainability. Such a variable remuneration may, as far as the CEO is concerned, amount to a maximum of 50 % of the annual fixed salary. Variable remuneration may, as far as other senior executives are concerned, amount to a maximum of 40 % of the annual fixed salary. The variable remuneration is not pensionable.

Additional variable cash remuneration may be paid in exceptional circumstances, provided that such extraordinary arrangements are only made at the individual level either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary work in addition to the person's ordinary duties. Such compensation may not exceed an amount corresponding to 30 % of the fixed annual salary and must not be paid more than once a year per individual. Decisions on such remuneration shall be made by the Board after preparation by the Remuneration Committee.

The variable remuneration shall primarily be based on the development for the entire Nordisk Bergteknik Group. The development must refer to the fulfilment of various improvement targets or the achievement of various financial targets.

## Pension benefits

Senior executives may be offered premium-based pension agreements with premiums that on an annual basis amount to a maximum of 30 % of the fixed salary, including the pension benefits to which each senior executive is entitled according to the ITP plan. In the premium-based pension agreement, the pension will correspond to the sum of paid-in premiums and any return, without any guaranteed pension level. The CEO's pension costs in 2021 amount to 30 % of the fixed salary.

## Other benefits

The senior executives can also be covered by other benefits, such as life insurance, health insurance and car benefits. Premiums and other costs that arise through other benefits, excluding car benefits, may in total amount to a maximum of 10% of the fixed salary for each individual person. The CEO's other benefits in 2021 are less than 10% of the fixed salary.

## Share-based remuneration

The company has no ongoing long-term or short-term share-based incentive programs. In 2020, the company issued warrants to the CEO, who acquired the options at a market price. The warrants entitle the holder to subscribe for new shares in the company during the period 1 November 2023 – 30 November 2023 for a subscription price of SEK 26.2837 per share. See Table 2 for information on the warrants.

Table 2. Warrants

Name, position	Date of allocation	Number of allocated warrants	Acquisition price / share, SEK	Period of utilization	Redemption price, SEK
Andreas Christoffersson CEO	Dec 2020	75 000	2,43	1 Nov - 30 Nov 2023	26,2837

## Application of performance criteria

The performance criteria for the CEO's variable remuneration have been chosen to realize the company's strategy and to encourage actions that are in the company's long-term interest, including its sustainability. The performance targets for 2021 consisted of adjusted operating profit (adjusted EBIT) and target

outcome amounted to 74 %. The CEO has also in 2021 received an additional variable remuneration for the extraordinary work efforts that have been required of the CEO in 2021 linked to the successful IPO. The additional variable remuneration and the outcome of the performance targets are described in Table 3.

Table 3. Outcome of short-term variable remuneration program 2021

Name, position	Target	Weighting of target, %	Maximum outcome, TSEK	Target outcome, %	Remuneration, TSEK
Andreas Christoffersson CEO	Adjusted EBIT	100	754,3	74	560,3
	Additional variable remuneration linked to the IPO				377,0

## Deviation from the guidelines

In 2021, a deviation was made from the guidelines regarding variable remuneration to the CFO. According to the guidelines, variable remuneration may amount to a maximum of 40 % of the annual fixed salary and additional compensation may be paid at 30 % of the fixed annual salary in exceptional circumstances. In 2021, the CFO received total variable remuneration amounting to 52 % of the annual fixed salary. The reason for the deviation is the IPO bonus received, which amounts to 33 % of the annual fixed salary. The Board is entitled to deviate from the guidelines if there are special reasons for the deviation. With regard to the extraordinary work required by the CFO in 2021 linked to the IPO, the Board considers that the deviation is justified, and the deviation amounts to only SEK 40 thousand. No other deviations from the guidelines took place in 2021.

## Comparative information on the change of remunerations and the Group's performance

Comparative information about changes in total remuneration of senior executives and average remuneration per full-time employee in the Group and the company's performance results, is provided under Table 4. 2021 is the third year that Nordisk Bergteknik prepares and submits audited consolidated accounts. The comparison period thus extends to include the year 2019. Total remuneration in the table includes fixed salary, short- and long-term variable remuneration, pension costs and other benefits.

**Table 4. Comparative information on the change of remunerations and the Group's performance**

Name, position	Total remunerations 2021, MSEK	Change in remunerations 2021 vs 2020 (%)	Total remunerations 2020, MSEK	Change in remunerations 2020 vs 2019 (%)	Total remunerations 2019, MSEK
Andreas Christoffersson CEO	4,4	23%	3,6	50%	2,4
The Group's adjusted operating profit	134,1	144%	54,9	29%	42,6
Average remuneration per employee <sup>1</sup>	0,5	19%	0,5	-18%	0,6

<sup>1</sup> Refers to the Group's employees (converted to full-time equivalents) excluding the CEO and Group Management. Remuneration is based on fixed salary and other remuneration, including pension

Gothenburg, April 1, 2022

Board of Directors

Nordisk Bergteknik AB (publ)