

# Remuneration report 2021

## Cary Group Holding AB

### Introduction

This remuneration report gives an overview of how Cary Group's guidelines for remuneration for senior executives, adopted by the extraordinary general meeting held on August 13, 2021, were implemented in 2021. Senior executives includes the CEO, the deputy CEO (if applicable) and certain other executives who, from time to time, are members of the Group management and directly report to the CEO. The report also includes specific information regarding remuneration to Cary Group's CEO. Further, the report also includes a summary of Cary Group's outstanding share- 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.

The report does not cover remuneration of the Board of Directors resolved by the annual general meeting. Such remuneration is presented in note 6 on pages 98-100 of the annual report 2021.

Information required by Chapter 5, Sections 40-44 of the Annual Reports Act (*Sw. årsredovisningslagen (1995:1554)*) is included in note 6 in the annual report 2021.

Information on the work of the Remuneration Committee in 2021 is included in the corporate governance report, on pages 69-76 in the annual report 2021.

### Key developments 2021

The CEO summarizes the company's overall performance in his statement on pages 8-10 in the annual report 2021.

### Guidelines for remuneration

In Cary Group's guidelines for remuneration to senior executives, it is stated that remuneration for the CEO shall be on market terms, competitive and reflect the performance and responsibilities of the position.

The remuneration to the CEO consists of base salary, performance based remuneration, pension and non-financial benefits. Additionally, the annual general meeting can resolve on share based long term incentive plans, which the CEO can participate in.

A successful implementation of the Company's business strategy and the Company's long defined sustainability agenda requires that the Company can recruit, develop and retain qualified senior executives. Accordingly, the Company needs to be able to offer a competitive total remuneration.

Performance based remuneration can amount to a maximum of 75 percent of the annual base salary. Pension benefits may not amount to more than 35 percent of the annual base salary.

The guidelines for remuneration, adopted by the extraordinary general meeting on August 31, 2021, is included in Board of Directors report on pages 62-64 of the annual report 2021. The auditor's report

regarding the Company's compliance with the guidelines is available on the Company's website, [www.carygroup.com](http://www.carygroup.com).

### Total CEO remuneration

*Table 1 – Total CEO remuneration during financial year 2021*

|                    |                             | Base salary | Performance based cash salary            |   | Benefits | Occupational pension | Other remuneration | Total remuneration |
|--------------------|-----------------------------|-------------|--|---|----------|----------------------|--------------------|--------------------|
|                    |                             |             | Short-term performance based cash salary | Long-term performance based cash salary |          |                      |                    |                    |
| Anders Jensen, CEO | TSEK                        | 2,721       | -  | -                                       | 184      | 573                  | -                  | 3,478              |
|                    | Share of total remuneration | 78%         | -  | -                                       | 5%       | 16%                  | -                  | -                  |

Base salary includes holiday pay. Benefits includes costs for company car including fuel as well as health insurance. Performance based cash salary amounted to 0 percent of fixed cash salary (base salary) during 2021. The CEO have not received remuneration from any other company within the group during the financial year 2021.

### Performance based cash salary

Short-term performance based cash salary is based on a set of predetermined and measurable performance criteria that reflect the key drivers for pursuing the Company's business strategy, long-term interests and sustainable business practices. The outcome of the 2021 plan relates to fulfillment of set goals for the Group regarding EBITDA<sup>1</sup>, Repair rate, NPS<sup>2</sup> and ENPS<sup>3</sup>. The Board of Directors is responsible for the assessment of the outcome for the CEO. The outcome for the 2021 financial year amounted to 0 percent of the maximum opportunity.

No long term performance based cash salary has been paid during 2021. Long term incentive plans which is not paid out in cash is described in the following sections.

### Outstanding warrant program

In addition to the remuneration above, the Group management was offered to participate in Cary Group's warrant program when the Board of Directors and the general meeting decided on the program. Under this program, the group management is offered the opportunity to acquire warrants on market terms. Cary Group had one outstanding warrant program during 2021, which is described below. No changes were made in the terms since the issue.

### *Warrant program*

<sup>1</sup> Earnings before interest, taxes, depreciation and amortization.

<sup>2</sup> Net Promoter Score

<sup>3</sup> Employee Net Promoter Score

A general meeting held on September 22, 2021, resolved on issuing warrants as a part of an investment program to certain senior executives and key employees in the Group (the "**Participants**").

In total, the investment program was offered to 30 individuals at the most and a maximum of 2,351,122 warrants. If fully exercised, the maximum number of warrants which may be subscribed by the Participants, correspond approximately to 1.8 percent of the total number of shares in the Company. The warrants was issued to the Participants at market value calculated in a valuation done according to the Black & Scholes model. The number of warrants offered to each Participant is dependent on the Participant's position and responsibility within the Group. The CEO has been allocated 338 047 warrants within the warrant program.

The warrants can be exercised during a subscription period which runs during 6 months from the day which falls 3 years after the commencement of trade in the Company shares at Nasdaq Stockholm. Each warrant can be used to subscribe for a share in the Company during the subscription period.

The exercise price will correspond to 135 percent of the offer price for the shares in Cary Group in connection with the IPO of SEK 70, but may not be lower than the quotient value of the share.

#### Incentive program for the group management

During 2021, before the date for the IPO of Cary Group, the then ongoing MIP-program was terminated. The program was not a share of the participant's salary.

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

Table 2 – Change of remuneration and company performance over the last reported financial years

| Annual change  | 2021 vs 2020 <sup>4</sup> | Reference year 2021 |
|--|---------------------------|---------------------|
| <i>Remuneration to the CEO<sup>5</sup></i>   |                           |                     |
| Annual change in total remuneration  | -                         | 3,478               |
| <i>The Company's change in results<sup>6</sup></i>   |                           |                     |
| Adjusted EBITA   | -                         | 294,000             |
| Profit for the period  | -                         | 39,000              |
| <i>Annual change of average remuneration for all other employees (full-time equivalents)<sup>7</sup></i> |                           |                     |
| Cary Group AB & Cary Group Holding AB <sup>8</sup>   | -                         | 1,173               |

### Reclaim of remuneration

The Board of Directors have the opportunity to reduce or reclaim paid remuneration, which has not occurred during the year.

### Implementation of the guidelines

No deviations from the guidelines has been decided during the year. The Board of Directors and the Remuneration Committee has treated the remuneration in accordance with the procedure and principles stated in the guidelines.

---

<sup>4</sup> The IPO of Cary Group Holding AB took place on September 23, 2021. Accordingly, table 2 only includes data from the financial year 2021 and no annual change can be presented.

<sup>5</sup> The change of total remuneration refers to the total of all remuneration components as presented in table 1.

<sup>6</sup> For more detailed information on the yearly changes regarding adjusted EBITA, profit for the period and other relevant key figures, see page 113 in Cary Groups annual report 2021.

<sup>7</sup> Annual change of average remuneration for other employees refers to total remuneration corresponding to the remuneration components as presented in table 1.

<sup>8</sup> Total remuneration for all other employees in Cary Group AB and Cary Group Holding AB divided by the number of full time equivalents during each year. Average total remuneration for other employees also includes remuneration to an employee in Cary Group Bidco AB, a subsidiary to Cary Group Holding AB, before the IPO on September 23, 2021.