

*The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

## **Enea AB remuneration report 2022**

### Introduction

This remuneration report describes how the guidelines for remuneration to senior executives in Enea AB ("Enea"), adopted by the Annual General Meeting 2022, have been applied during 2022. The report also includes information on remuneration to the CEO and a summary of Enea's outstanding share and share-price related incentive programs. The report has been prepared in accordance with the Swedish Companies' Act and *the Rules on Remuneration of the Board and Executive Management and on Incentive Programmes* issued by the Stock Market Self-Regulation Committee.

Further information on remuneration to senior executives is available in note 4 (Employees and Other Senior Executives) on pages 78-81 of the 2022 Annual Report. Information on the work of the Remuneration Committee in 2022 is set out in the Corporate Governance Report, available on pages 52-55 of the 2022 Annual Report.

Remuneration to the board of directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and is disclosed in note 4 on page 81 of the 2022 Annual Report.

### Key developments 2022

The CEO summarizes Enea's overall performance in his statement on pages 6-7 of the 2022 Annual Report.

### Enea's remuneration guidelines: scope, purpose and deviations

A prerequisite for the successful implementation of Enea's business strategy and safeguarding of its long-term interests, including its sustainability, is that Enea can recruit, motivate and retain qualified personnel. To this end, Enea must offer competitive remuneration. Enea's remuneration guidelines enable the company to offer executives competitive total remuneration. Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed salary, variable remuneration and pension. The variable remuneration shall be linked to financial or non-financial criteria. There may be individualized, quantitative, or qualitative objectives. The criteria shall be designed to contribute to Enea's business strategy, long-term interests and sustainability, and thereby Enea's long-term value creation by for example being clearly linked to the business strategy or promote the executive's long-term development.

The guidelines are found on pages 78-79 of the 2022 Annual Report. During 2022, Enea complied with the applicable remuneration guidelines adopted by the General Meeting. No deviations from the guidelines have taken place and no deviations have been made from the decision-making process that, according to the guidelines, is to be applied when determining remuneration. The auditor's report regarding Enea's compliance with the guidelines is available on [www.enea.com/investors/corporate-governance/](http://www.enea.com/investors/corporate-governance/). No remuneration has been reclaimed. In addition to remuneration covered by the remuneration guidelines, the General Meetings of Enea have resolved to implement long-term share-related incentive programs.

**Table 1 – Total CEO remuneration (including LTI) in 2022 (kSEK)**

Name (position)	Fixed remuneration		Variable remuneration		Pension <sup>2/</sup>	Total	Fixed/Variable
	Base salary <sup>1/</sup>	Other benefits	One-year	Multi-year			
Jan Häglund (CEO)	3,593	3	624	1,534	1,510	7,264	70%/30%

1/ Including holiday pay of kSEK 293.

2/ Refers to the allotment of 13,698 shares within the framework of LTIP19. See more in Table 4 below.

3/ Pension expense, which is premium defined, has been counted entirely as fixed remuneration.

## Share-based remuneration

### Outstanding and terminated share-related and share price-related incentive programs

Enea terminated a share-based incentive program (LTIP19) in 2022 and has one ongoing share-related incentive program (LTIP21) as of December 31, 2022. Participants in this incentive program have been Group Management and other persons with senior positions in Enea. The share rights have been allotted free of charge, are subject to three-year vesting periods, and may entail free allocation of shares after the vesting period. The allocation is based on an initial allocation, which can be adjusted downwards depending on the outcome of the performance conditions for each incentive program. For LTIP21 allocation is determined by fulfilment of the performance condition earnings per share. The incentive program requires further employment during the vesting period. For the terminated incentive program LTIP19 allocation was determined by fulfilment of performance condition earnings per share. A total of 117,548 shares were allocated for LTIP19, which at that time corresponded to 0.5% of the shares in Enea after dilution. For more information about Enea's incentive programs, see [www.enea.com/investors/corporate-governance/incentive-program/](http://www.enea.com/investors/corporate-governance/incentive-program/). The CEO has been allotted 21,000 share rights in LTIP21 (maximum allocation before any adjustment after compliance with performance conditions). Outstanding shares for LTIP21 amounted to 243,000 as of December 31, 2022. The program represented 1.1% of the shares in Enea after dilution.

Vesting period for LTIP21 expires April 29, 2024.

**Table 2 – Share-related incentive program to the CEO**

Jan Häglund (CEO)					Information related to the current financial year					
Main conditions					Opening balance <sup>2/</sup>	Shares during the year		Closing balance <sup>4/</sup>		
Name of program	Performance period	Allocation date	<sup>1/</sup>	<sup>1/</sup>	Holding	Allotted	Vested	<sup>5/</sup>	Share rights at the end of the year	Conditional lock-in
			Vesting date	End date lock-in				Conditional performance		
LTIP19	2019-2021	2019-07-01	2022-04-29	2022-04-29	42,000	0	13,698	0	0	0
LTIP21	2021-2024	2021-07-01	2024-04-29	2024-04-29	21,000 <sup>3/</sup>	0	0	21,000	21,000	0

1/ The date of vesting and the end date lock-in (for employment) is the date of publication of the interim report for Q1 2022 (LTIP19) respectively interim report for Q1 2024 (LTIP21). The preliminary date is April 29, 2024 for LTIP21.

2/ Opening balance 2022-01-01.

3/ Value: kSEK 4,305 calculated as market price per share at allocation (SEK 205) multiplied by the number of rights (21,000).

4/ Closing balance 2022-12-31.

5/ Number of shares subject to performance conditions (Development of Enea's earnings per share compared to target).

## Application of performance criteria

The performance criteria for the CEO's variable remuneration have been selected to support implementation of Enea's strategy and to encourage actions that are in Enea's long-term interest.

When selecting performance criteria, the strategic goals and short- and long-term business priorities for 2022 have been taken into account.

**Table 3 – Performance of the CEO in the reported financial year: variable cash remuneration**

Name (position)	Criteria related to the remuneration component	Relative weighting	Measured performance	Remuneration outcome
Jan Häglund (CEO)	Operating profit Group	50%	MSEK 142.1 <sup>1/</sup>	SEK 0
	Income Group	30%	MSEK 964.7	SEK 400,312
	Individual goals <sup>2/</sup>	20%	69% of target	SEK 223,560

<sup>1/</sup> Operating profit adjusted for non-recurring items.

<sup>2/</sup> Refers to the successful execution of Enea's organic growth initiatives, delivery of key projects as well as sales of business unit SDS.

**Table 4 – Performance of the CEO in the reported financial year: share-related remuneration**

Name (position)	Program	Remuneration part	Relative weighting	Measured performance	Remuneration outcome (SEK)
Jan Häglund (CEO)	LTIP19	Earnings per share 2019-2021 <sup>1/</sup>	100%	33%	1,533,902
	LTIP21	Earnings per share 2021-2023 <sup>2/</sup>	100%	Performance period in progress	Performance period in progress

<sup>1/</sup> The main rule was a range of accumulated earnings per share during the years 2019-2021, where the minimum level for allocation was SEK 24.26 and the maximum level was SEK 29.27. In addition to the general rule, there was an alternative rule that took effect if the total outcome per year yielded a better result than the main rule. In the alternative rule, the years 2019, 2020 and 2021 were calculated separately, whereby a maximum of 1/4 of full allocation was awarded based on the growth of earnings per share for each year. Remuneration outcome in the program was based on the main rule.

<sup>2/</sup> The main rule is a range of accumulated earnings per share during the years 2021-2023, where the minimum level for allocation is SEK 24.75 and the maximum level is SEK 29.86. In addition to the general rule, there is an alternative rule that takes effect if the total outcome per year yields a better result than the main rule. In the alternative rule, the years 2021, 2022 and 2023 are calculated separately, whereby a maximum of 1/4 of full allocation is awarded based on the growth of earnings per share for each year.

### Comparative information on changes in remuneration and Enea's performance

**Table 5 – Changes in remuneration and Enea's performance over the last five years (kSEK) <sup>1/</sup>**

	2022	2021	2020
CEO remuneration	7,264	5,725	5,148
Group operating profit	118,103	215,963	188,603
Average remuneration on a full-time equivalent basis of employees (FTE) <sup>2/</sup>	559	477	468

<sup>1/</sup> As from and including the financial year 2020, which is the first financial year for this type of remuneration report.

<sup>2/</sup> Average remuneration FTE (Full-time equivalent) has been calculated by dividing the total remuneration with the average number of full-time employees in the parent company (excluding the group executive management).

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Kista, March 2023  
Enea AB (publ)  
The Board of Directors