

# Remuneration Report 2021

## Introduction

The 2020 AGM of Projektengagemang Sweden AB (publ) ("Projektengagemang" or "the Company") resolved to adopt the guidelines on remuneration to senior executives as proposed by the Board of Directors. It was decided that the guidelines would apply until further notice, although for no more than the period up to 2024 Annual General Meeting. This report described how the guidelines were applied during the 2021 financial year. The report also describes the remuneration paid to the Chief Executive Officer ("CEO"), the Deputy Chief Executive Officer ("Deputy CEO") and the incentive programme for the Board of Directors.

Further information on remuneration paid to senior executives of the Company is provided in Note 6 in the 2021 Annual Report. Information regarding the work of the Remuneration Committee in 2021 is provided on pages 24–30 of the 2021 Corporate Governance Report, included as part of the 2021 Annual Report.

Information on remuneration to the Board of Directors is not included in this report. Information on Board of Directors' remuneration is provided in Note 6 in the 2021 Annual Report and in the minutes from the 2021 AGM. The Board has not received any further remuneration.

This Remuneration Report has been prepared in accordance with the Swedish Companies Act (2005:551) and Rules on Remuneration of the Board and Executive Management and on Incentive Programmes, issued by the Swedish Corporate Governance Board.

## Summary of 2021

The CEO summarises the overall performance of the Company in his statement on pages 6–7 of the 2021 Annual Report.

## Projektengagemang's guidelines on remuneration: scope, purpose and deviations

The guidelines on remuneration are included on pages 36–38 of the 2020 Annual Report and in the minutes from the 2021 AGM.

Successful implementation of Projektengagemang's business strategy, long-term interests and sustainability based on the desire to renew and improve requires Projektengagemang to recruit and retain qualified, motivated and committed employees with the right skills. To achieve this, Projektengagemang needs to be able to offer the competitive total remuneration enabled by the remuneration guidelines. There must be provision for the CEO's and the Deputy CEO's remuneration to include fixed salary, variable remuneration, long-term incentive programmes, pension and other benefits, which must be in line with the market and competitive. The variable remuneration should be conditional on the fulfilment of defined and measurable criteria that are decided annually by the Remuneration Committee and the Board of Directors. They should be designed to promote the fulfilment of the Company/Group's short- and long-term targets, strategy, long-term development, value creation, sustainability and financial growth, as well as individual targets for the financial year, and should be defined and measurable and designed such as to discourage excessive risk-taking.

The remuneration guidelines adopted by the 2020 AGM were applied in all respects during the 2021 financial year. There were no departures from the guidelines or deviations from the decision-making process that according to the guidelines must be applied in determining the remuneration. The auditor's written statement on the Company's compliance with the guidelines is available at [www.pe.se/bolagsstyrning/stamma](http://www.pe.se/bolagsstyrning/stamma). No remuneration has been reclaimed. No changes to the remuneration guidelines are proposed for the 2022 AGM.

## Total remuneration to CEO and Deputy CEO during the 2021 financial year (SEK th.)

Name, position (Start/end)	Year*	Fixed remuneration		Variable remuneration			Pension <sup>4</sup>	Total remuneration	Relative proportions of fixed/variable remuneration <sup>5</sup>
		Fixed basic salary	Other benefits <sup>1</sup>	Annual <sup>2</sup>	Multi-year <sup>3</sup>	Exceptional remuneration			
Helena Hed, CEO	2021	2,955	86	0	N/A	N/A	837	3,877	100/0
Peter Sandberg, Deputy CEO	2021	1,837	41	0	N/A	N/A	440	2,318	100/0

<sup>1</sup> Other benefits include, for example, sickness insurance, travel, healthcare, company car or other benefit

<sup>2</sup> Variable remuneration associated with results and performance in 2020

<sup>3</sup> Multi-year variable remuneration under Share Purchase Programme described below

<sup>4</sup> Related to fixed salary, other than as accruing under the ITP Plan

<sup>5</sup> According to the guidelines, variable cash remuneration may be paid to a maximum of 75 percent of the annual fixed salary

<sup>6</sup> Total compensation to be paid in 2021

## Long-term incentive programmes

### Outstanding Share Purchase Programme

The 2019, 2020 and 2021 AGMs resolved to introduce performance-based share purchase programmes (Share Purchase Programme 2019, Share Purchase Programme 2020 and Share Purchase Programme 2021) for senior executives and other key personnel in the Group. Every Series B share in the Company that participants in the programme invest in (savings share) entitles the holder to receive a matching share free of charge and up to four performance-based shares.

Matching shares and performance-based shares are allocated on the condition that the participant has retained it for the three-year vesting period and, with certain limited excep-

tions, that the participant remains employed in the Group for the entire vesting period. Allocation of matching shares is also conditional on the total shareholder return (TSR) for the share is positive during the vesting period, and allocation of performance-based shares is conditional on targets set for TSR and earnings (EBITA percent) calculated on an annualised basis over the three-year vesting period.

For further details of the Share Purchase Programmes, see page 40 of the 2019 Annual Report regarding Share Purchase Programme 2019, page 42 of the 2020 Annual Report regarding the Share Purchase Programme 2020 and pages 25–26 of the 2021 Annual Report regarding the Share Purchase Programme 2021.

## Total remuneration to CEO and Deputy CEO during the 2021 financial year (SEK th.)

Name, position	Programme	Main conditions for the Share Purchase Programmes			Information regarding the reported financial year		
		Investment period	Vesting period	Vesting date	Savings shares invested	Matching and performance-based shares vested	Matching and performance-based shares allocated
Helena Hed, CEO (from 01/12/20)	Share Purchase Programme 2019	N/A	N/A	N/A	N/A	N/A	N/A
	Share Purchase Programme 2020	30/06/20–31/07/20	01/08/20–31/07/23	01/09/23	17,116	–	–
	Share Purchase Programme 2021	30/06/21–31/07/21	01/08/21–31/07/24	01/09/24	16,087	–	–
Peter Sandberg, Deputy CEO	Share Purchase Programme 2019	30/06/19–31/07/19	01/08/19–31/07/22	01/09/22	8,748	–	–
	Share Purchase Programme 2020	30/06/20–31/07/20	01/08/20–31/07/23	01/09/23	14,394	–	–

### Share purchase/incentive programmes ended during the year

No share purchase/incentive programmes ended during the year. The performance requirements for the second year of the Share Purchase Programme 2019 and the first year of the Share Purchase Programme 2020 were not achieved.

### Variable remuneration

During the 2021 financial year, the CEO and Deputy CEO did not receive any variable remuneration and no performance criteria were applied during the 2021 financial year to determine variable remuneration. Performance criteria for 2021 were linked to the EBITA margin at Group level, which were not achieved.

### Comparative information regarding changes in remuneration and Projektengagemang's earnings

Comparison table for the changes in remuneration and the Company's earnings in the three most recently reported financial years

	2019	2020	2021
<b>Annual change in the CEO's and Deputy CEO's remuneration</b>			
CEO <sup>2</sup>	1% (SEK 24,000)	9% (SEK 322,000)	1% (SEK 49,000)
Deputy CEO, Peter Sandberg	0% (SEK 10,000)	-12% (SEK -269,000)	15% (SEK 297,000)
<b>Development of the Company</b>			
EBIT, MSEK (adjusted earnings)	0.5	67.4	39.9
<b>Annual change in average remuneration paid to employees, converted to full-time equivalents</b>			
Employees at Projektengagemang <sup>1</sup>	1%	2%	3%

<sup>1</sup> Employees at the Projektengagemang Group excluding senior executives.

<sup>2</sup> Changes regarding the CEO are based on the people who held that position during each period. For the comparative figures, 2018 refers to Per Hedebäck. 2019 refers to Per Hedebäck and Per-Arne Gustavsson, 2020 refers to Per-Arne Gustavsson and Helena Hed and 2021 refers to Helena Hed.