

Remuneration report 2024

Introduction

This remuneration report describes how the guidelines for remuneration to the senior executives, adopted by the 2022 annual general meeting, have been applied during 2024. The report contains information on remuneration to the CEO of Instalco and the outstanding share-based incentive programs currently in effect.

This report has been prepared in accordance with Chapter 8, section 53 a–b of the Swedish Companies Act (2005:551) and the Rules on Remuneration of the Board and Executive Management and on Incentive Programs administered by the Swedish Stock Market Self-Regulation Committee.

Further information on remuneration to senior executives in accordance with Chapter 5, section 40-44 of the Annual Accounts Act (1995:1554) can be found in Note 5 on pages 86-87 in the company's 2024 annual report. Information regarding the remunerations committee's work during 2024 can be found in the corporate governance report on pages 30-39 in the 2024 annual report.

The remuneration to the board is not covered in this report. Such remuneration is resolved each year at the ordinary general meeting and information regarding this can be found in note 5 on pages 86-87 in the 2024 annual report.

Performance in 2024

The CEO has summarised the company's overall results on pages 6-7 in the 2024 annual report.

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

A successful implementation of the company's business strategy and the safeguarding of its long-term interests, including sustainability, requires that the company can recruit and retain qualified employees. To achieve this, the company must offer competitive remuneration. The company's remuneration guidelines allow senior executives to be offered a competitive total remuneration.

According to the remuneration guidelines, remuneration to the senior executives must be market-based and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits and in accordance with the summary below.

The remuneration guidelines, adopted by the 2022 annual general meeting, can be found on pages 40-41 in the 2024 annual report. In 2024, the company has fully complied with the applicable guidelines, meaning that no deviations from the guidelines have been made and no deviations have been made from the decision-making process, which according to the guidelines shall be applied to determine the remuneration.

The auditor's statement regarding the company's compliance with the guidelines can be found on Instalco's website: <https://instalco.se/en/investors/corporate-governance/general-meetings/>. No remuneration has been subject to claw back.

In addition to the remuneration covered by the remuneration guidelines, Instalco's general meetings have decided to implement long-term incentive programs.

Fixed remuneration (base salary)

The salary is market-based aligned with well-established and local market salary statistics.

Variable cash remuneration and performance criteria

The variable cash remuneration is capped and related to the fixed salary and shall not exceed 50 per cent of the fixed annual cash salary. The variable cash remuneration is linked to predetermined and measurable criteria, which may be financial or non-financial.

The performance criteria for the CEO's variable cash remuneration have been selected by the board to realise the company's strategy and to encourage behaviour aligned with the long-term interest of the company. In selecting the performance criteria, strategic objectives and the short- and long-term business priorities for 2024 have been taken into consideration. The non-financial performance criteria further contribute to alignment with sustainability and the company's values.

Pension

In the opinion of the board, pension commitments are made in accordance with Swedish market practice.

Other benefits

Notice period and severance pay is according to the employment contract. Other benefits are of limited value.

Table 1 – The CEO's total remuneration in 2024 (MSEK)

Name of the senior executive (position)	Fixed remuneration		Variable remuneration		Extra-ordinary items	Pension	Total remuneration	Portion of fixed/variable remuneration ²
	Base salary ¹	Other benefits	One-year	Multi-year				
Robin Boheman, CEO	4.6	0.08	1.1	-	-	1.9	7.7	85%/15%

¹ Base salary includes 72 TSEK vacation pay.
² Fixed remuneration includes fixed salary and pension.

Long-term incentive programs

Instalco had three outstanding warrant programs at the end of the financial year, under which a maximum of 7,300,000 new shares may be issued. These programs target the extended group management, CEOs of subsidiaries, and other key individuals within the group.

The purpose of the long-term share-based incentive programs is to create conditions that enhance participants' motivation both in the short and long term by allowing them to benefit from the company's share value development.

Further information on the outstanding incentive programs can be found in note 5 on pages 86-87 in the 2024 annual report.

LTI 2022

The annual general meeting on 5 May 2022 resolved to implement an incentive program for the group's senior executives and other key employees through an issue of warrants entitling the warrant holders the right to subscribe for new shares in the company.

At full subscription of all 2,600,000 warrants, a maximum of 2,600,000 new shares may be issued corresponding to a dilution of approximately 1 percent of the number of outstanding shares and the maximum number of additional shares from previous programs based on the share capital and votes at the time of the resolution, subject to the recalculation of the number of shares that each warrant entitles to subscribe for. Each warrant entitles the holder to subscribe for one new share in the company at a subscription price corresponding to 115 per cent of the volume weighted average price according to Nasdaq Stockholm's official price list for the share during the period of five business days following the 2022 annual general meeting.

The warrants have been transferred on market terms at a price (premium) determined based on an estimated market value for the warrants, using the Black & Scholes valuation model calculated by an independent valuation institute. Application for subscription of shares may take place during the period from and including 22 May 2025 up to and including 16 June 2025, or such earlier dates as may follow under certain circumstances as specified in the terms and conditions for the warrants.

LTI 2023

The annual general meeting on 5 May 2023 resolved to implement an incentive program for the group's senior executives and other key employees through an issue of warrants entitling the warrant holders the right to subscribe for new shares in the company.

At full subscription by exercise of all 2,350,000 warrants, a maximum of 2,350,000 new shares may be issued corresponding to a dilution of approximately 0.9 percent of the number of outstanding shares and the maximum of additional shares from previous programs based on the share capital and votes at the time of the resolution, subject to recalculation of the number of shares that each warrant entitles to subscribe for. Each warrant entitles the holder to subscribe for one new share in the company at a subscription price corresponding to 115 per cent of the volume weighted average price according to Nasdaq Stockholm's official price list for the share during the period of five business days following the 2023 annual general meeting.

The warrants have been transferred on market terms at a price (premium) determined based on an estimated market value for the warrants, using the Black & Scholes valuation model calculated by an independent valuation institute. Application for subscription of shares may take place during the period from and including 22 May 2026 up to and including 16 June 2026, or such earlier dates as may follow under certain circumstances as specified in the terms and conditions for the warrants.

LTI 2024

The annual general meeting on 6 May 2024 resolved to implement an incentive program for the group's senior executives and other key employees through an issue of warrants entitling the warrant holders the right to subscribe for new shares in the company.

At full subscription by exercise of all 2,350,000 warrants, a maximum of 2,350,000 new shares may be issued corresponding to a dilution of approximately 0.9 percent of the number of outstanding shares and the maximum of additional shares from previous programs based on the share capital and votes at the time of the resolution, subject to recalculation of the number of shares that each warrant entitles to subscribe for. Each warrant entitles the holder to subscribe for one new share in the company at a subscription price corresponding to 115 per cent of the volume weighted average price of the company's share during the period 13 May 2024 up to and including 17 May 2024.

The warrants have been transferred on market terms at a price (premium) determined based on an estimated market value for the warrants, using the Black & Scholes valuation model calculated by an independent valuation institute. Application for subscription of shares may take place during the period from and including 24 May 2027 up to and including 18 June 2027, or such earlier dates as may follow under certain circumstances as specified in the terms and conditions for the warrants.

Table 2 - The CEO's participation in the outstanding incentive programs

Program	The CEO's holding of warrants	Price per warrant	Excercise price per warrant	Excercise period
2022/2025	50,000	SEK 7.80	SEK 50,92	22 May 2025 - 16 June 2025
2023/2026	100,000	SEK 2.09	SEK 64,90	22 May 2026 - 16 June 2026
2024/2027	50,000	SEK 7.74	SEK 44,32	24 May 2027 - 18 June 2027

There are no outstanding share-based incentive programs other than the warrants described above.

Comparative information on changes in remuneration and company performance over the last five reported financial years

Table 3 - Changes in remuneration and company performance over the last five reported financial years (RFY) (MSEK)

	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023	Total 2024
Robin Boheman ¹⁾	-	-	+0.2 (+4%)	+2.2 (+37%)	-0.2 (-3%)	7.7
Per Sjöstrand ²⁾	+0.7 (+21%)	+0.3 ³⁾ (+7%)	-	-	-	-
The group's operating profit	+112 (+23%)	+118 (+20%)	+62 (+9%)	+115 (+15%)	-209 (-23%)	690
Average remuneration for a full-time employee of the group ⁴⁾	-0.0 (-1%)	+0.0 (+2%)	+0.0 (+5%)	+0.0 (+7%)	+0.0 (+3%)	0.6
<p>1) CEO from 1 September 2021. 2) CEO until 31 August 2021. 3) Total compensation calculated over 12 months. 4) Including members of the executive management, excluding the CEO.</p>						