

Remuneration report 2023

Introduction

This report describes how the guidelines for executive remuneration of Abliva AB, adopted by the annual general meeting 2020, were implemented in 2023. The report also provides information on remuneration to the CEO and the deputy CEO. The report has been prepared in accordance with the *Swedish Companies Act and Rules on Remuneration of the Board and Executive Management and on Incentive Programmes* issued by the Swedish Corporate Governance Board (now administered by the Swedish Stock Market Self-Regulation Committee).

Further information on executive remuneration is available in note 10 Employees and personnel costs and note 11 Employee Stock Option Program on pages 47-50 in the annual report 2023. Information on the work of the remuneration committee in 2023 is set out in the corporate governance report available on pages 24-27 in the annual report 2023.

Remuneration of the board of directors is not covered by this report. Such remuneration is resolved annually by the annual general meeting and disclosed in note 10 on page 48 in the annual report 2023.

Key developments 2023

The CEO summarizes the company's overall performance in her statement on page 4 in the annual report 2023.

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

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. The company's remuneration guidelines enable the company to offer executives a competitive total remuneration. Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed remuneration, variable remuneration, other benefits and pension. The variable remuneration shall be based on the outcome of predetermined financial and operational targets. Variable remuneration shall be based on the fulfilment of the company's targets for project results and value growth divided in personal targets for the financial year. The terms and conditions and basis of computation of variable remuneration shall be determined for each financial year. The targets promote the company's business strategy, long-term interests and sustainability by linking the remuneration to senior executives to the company's project- and growth development.

The guidelines are found on pages 25-26 in the annual report 2023. During 2023, the company has complied with the applicable remuneration guidelines adopted by the general meeting. No deviations from the guidelines have been decided and no derogations from the

procedure for implementation of the guidelines have been made. The auditor's report regarding the company's compliance with the guidelines is available on <https://abliva.com/investors/corporate-governance/>. No remuneration has been reclaimed. In addition to remuneration covered by the remuneration guidelines, the annual general meeting 2023 resolved to implement a stock option program for the company's CEO and a warrant program for management and key personnel. Further, the 2023 annual general meeting decided on remuneration to the Board members, cash bonus payment to the Chairman of the board for the acquisition of Abliva shares on the stock market and the introduction of a warrant program for certain Board members.

Table 1 – Total CEO and deputy CEO remuneration in 2023 (KSEK)*

	1		2		3	4	5	6
	Fixed remuneration		Variable remuneration					
Name of director (position)	Base Salary**	Other Benefits***	One-year variable	Multi year variable	Extraordinary items	Pension expense	Total remuneration	Proportion of fixed and variable remuneration****
Ellen Donnelly, CEO	3,802	0	1,711	-	-	94	5,607	69/31
Catharina Johansson, Deputy CEO and CFO	1,323	1	405	-	-	398	2,126	81/19

* Compensation earned during 2023. Payment may not have been made during the same year.

** Including holiday pay of KSEK 278 for Ellen Donnelly and KSEK 181 for Catharina Johansson.

*** Travel allowance

****Pension expense (column 4), which in its entirety relates to Base salary and is premium defined, has been counted entirely as fixed remuneration.

Incentive programs

As of December 31, 2023, the Company has two stock option programs and two warrant programs.

Stock option program

Four-year incentive stock option program 2021/2025 for the Company's CEO. The incentive stock option program entitles the holder to a new ordinary share in Abliva AB up to a maximum of 4,600,000 ordinary shares. The redemption price amounts to SEK 0.725. The program is vested at 25% per year on June 1, 2022, June 1, 2023, June 1, 2024 and June 1, 2025. Latest redemption date is December 31, 2025.

Four-year incentive stock option program 2023/2027:1 for the Company's CEO. The incentive stock option program entitles the holder to a new ordinary share in Abliva AB up to a maximum of 17,500,000 ordinary shares. The redemption price amounts to SEK 0.27. The program is vested at 25% per year on April 1, 2024, April 1, 2025, April 1, 2026, and April 1, 2027. Latest redemption date is December 31, 2027.

Employee warrant program

Warrant program

Employee warrant program 2023/2027:2 for management and other key employees. The program includes 23.75 million options at a price of SEK 0.06 per warrant, corresponding to a subscription price of SEK 0.67 per share. Vice President and CFO Catharina Johansson acquired a total of 3,000,000 warrants at market value. A total of 8,877,850 options are held by management and other key personnel. The remaining warrants have been canceled as of

March 14, 2024. One warrant entitles the holder to one new share in Abliva AB. Redemption date is 1 June - 31 December 2027.

Warrant program 2023/2027 II for certain board members. The program includes a maximum of 4.5 million warrants at a price of SEK 0.05 per option and a subscription price of SEK 0.5767 per share. All options have been subscribed. One warrant entitles the holder to one new share in Abliva AB. Redemption date is 1 June - 31 December 2027.

In case of full utilization of all incentive programs the maximum dilution amounts to 3.24 per cent on a fully diluted basis. The dilution effects have been calculated as the number of additional shares and votes in relation to the number of existing shares and votes plus the number of additional shares and votes. The dilution is only expected to have a marginal effect on the Company's key performance indicator "Earnings (loss) per share".

Table 2 - Share-related compensation to the CEO during 2023 (SEK thousand)*

Name of Director (position)	The main condition of share option plans							Information regarding the reported financial year*					
								Opening balance			Closing Balance		
Name of Plan	Performance Period	Award date	Vesting date	End of retention period	Exercise period	Exercise price (SEK)	Share options held at beginning of year (000)	Share options awarded (000)	Share options vested (000)	Share options subject to performance condition (000)	Share Options awarded and unvested (000)	Share options subject to retention period(000)	
Ellen Donnelly CEO	Abliva AB 2021	e/t	06/01/2021	June 2022, June 2023, June 2024, June 2025	12/31/2025	June 1, 2025 to Dec 31, 2025	0.725	4,600	4,600	2,300	e/t	2,300	4,600
Ellen Donnelly CEO	Abliva AB 2023	e/t	04/01/2023	April 2024, April 2025, April 2026, April 2027	12/31/2027	April 1, 2027 to Dec 31, 2027	0.27	17,500	17,500	0	e/t	17,500	17,500

Stock option program

The fair value of the employee stock options is calculated according to Black & Scholes' valuation model at the time the options are granted. The cost, which is distributed over the vesting period of four years, is reported as personnel cost and credited against equity. No costs for social security contributions are expected to occur.

Application of performance criteria

The performance measures for the CEO's and the deputy CEO's variable remuneration have been selected to deliver the company's strategy and to encourage behavior which is in the long-term interest of the company. In the selection of performance measures, the strategic objectives and short-term and long-term business priorities for 2023 have been taken into account. The non-financial performance measures further contribute to alignment with sustainability as well as the company values.

Table 3 - Performance of the CEO and deputy CEO in the reported financial year: variable remuneration

Name of director (position)	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance and b) actual award/ remuneration outcome
Ellen Donnelly, CEO	Project results and value growth	100%	a) 100% b) 1,711
Catharina Johansson, deputy CEO and CFO	Project results and value growth	100%	a) 100% b) 405

Comparative information on the change of remuneration and company performance

Table 4 – Change of remuneration and company performance over the last five reported financial years (RFY) (KSEK)*

Annual change	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019	RFY 2023
CEO remuneration**	+809 (17%)	+1,385 (+41%)	-1 (-0%)	+300 (+10%)	5,169
Deputy CEO and CFO remuneration***	+338 (+19%)	+5 (0%)	n/a	n/a	2,126
Group operating profit	-13,358 (+16%)	+40,292 (-33%)	-63,411 (+106%)	+17,004 (-22%)	-96,548
Average remuneration on a full time equivalent basis of employees**** of the parent company	+37 (+7%)	-172 (-24%)	32 (+5%)	-41 (-6%)	575

*As this document is the third produced remuneration report, the above table only entails information for financial year 2023 in relation to 2022, financial year 2022 in relation to 2021, financial year 2021 in relation to 2020 and financial year 2020 in relation to 2019.

**Erik Kinnman CEO until Feb 2, 2021, there after Ellen Donnelly

*** The position of Deputy CEO was introduced in 2021.

****Excluding members of the group executive management