

Remuneration Report 2021/22

Introduction

This report describes how Elekta AB (publ) has applied the guidelines for remuneration to executive management, adopted by the Annual General Meeting (AGM) 2020, in the fiscal year 2021/22. One senior executive at Elekta is covered by this report, Elekta's President and CEO. 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 Swedish Corporate Governance Board, and will be approved by the AGM. The remuneration report will be available on Elekta's website ► www.elekta.com at the time of the AGM 2022.

Further information on executive remuneration is available in ► **Note 7**. Information on the work of the compensation and sustainability committee during the fiscal year is set out in Elekta's corporate governance report available on ► **page 73**. Remuneration of the Board of Directors is not covered by this report, such remuneration is resolved annually by the AGM and disclosed in ► **Note 7** and on ► **page 87**.

Key events and key figures in 2021/22

On ► **page 6**, the President and CEO summarizes the fiscal year 2021/22 and Elekta's result. In the summary, information around key events which have impacted the remuneration will be available in more detail.

Elekta's remuneration guidelines: purpose, scope and deviations

A prerequisite for the successful implementation of Elekta's strategy and safeguarding of its long-term interests, including its sustainability, is that the company can recruit and retain qualified personnel. To this end, it is necessary that Elekta offers competitive remuneration. The remuneration structures shall encourage employees to do their utmost to safeguard shareholders' interests and thereby Elekta's sustainability and long-term value creation.

According to the remuneration guidelines for executive management, they shall include a well-balanced combination of fixed salary, variable remuneration, long-term incentive programs, pension benefits and other benefits, as well as terms governing termination, where applicable. This combination of remuneration strengthens and supports short- and long-term targeting and target fulfilment. The total compensation shall be on market terms on the geographic market where the individual resides or works. Applied remuneration levels shall be reviewed annually in comparison with equivalent positions on the market, to ensure that Elekta is able to attract and retain skills critical for the business where so required.

The auditor shall review if the company has complied with the remuneration guidelines to executive management. The auditor's report will be available on Elekta's website ► www.elekta.com at the time for the AGM 2022 together with other AGM material.

No remuneration has been reclaimed during the fiscal year.

Wolfgang Reim

Member, Elekta's compensation and sustainability committee

“ Our remuneration guidelines safeguard shareholders' interests by strengthening and supporting long-term sustainable value creation. ”

In addition to remuneration covered by the remuneration guidelines, the AGM of the company may resolve to implement long-term share-related incentive plans. Elekta has three outstanding share programs called performance share plans and they are described in ► **Note 7**.



Total remuneration of the President and CEO in 2021/22 (TSEK)

Name (position)	Fixed remuneration			Variable remuneration		Total remuneration	Proportion of fixed and variable	
	Annual base salary	Pension	Other benefits	One-year incentives ¹⁾	Multi-year incentives ²⁾		Fixed	Variable
Gustaf Salford (President and CEO)	7,896	1,969	114	4,810	594	15,384	59%	41%

¹⁾ One-year incentives (STI 2021/22 and other bonus) earned in 2021/22.

²⁾ Multi-year incentive cost allocated in 2021/22. For actual vested reward, see table multi-year variable remuneration (LTI 2019/22) below.

Performance of the President and CEO in 2021/22

One-year variable remuneration (STI 2021/22)

Name (position)	Performance criteria ¹⁾	Relative weighting of performance criteria	Measured performance and Remuneration outcome (MSEK)
Gustaf Salford (President and CEO)	Group net sales from Solutions	25%	Threshold for payout: 6,595 Cap for maximum payout: 13,048 Performance outcome ²⁾ : 8,385
	Group net sales from Service	25%	Threshold for payout: 4,590 Cap for maximum payout: 8,606 Performance outcome ²⁾ : 5,720
	Group operating income (EBIT)	25%	Threshold for payout: 1,676 Cap for maximum payout: 3,144 Performance outcome ³⁾ : 1,678
	Group cash flow ⁴⁾	25%	Threshold for payout: 720 Cap for maximum payout: 1,350 Performance outcome: 450

¹⁾ The performance criteria are reviewed and decided every year by the Board of Directors and the criteria shall support the short-term strategy but also have a long-term view. Therefore, the performance criteria can be changed year by year.

²⁾ Group net sales outcome adjusted to budgeted rates.

³⁾ Excluding the contribution to Elekta Foundation of SEK 35 M reported in Q3 2021/22.

⁴⁾ After continuous investments.

Multi-year variable remuneration (LTI 2019/22)

Name (position)	Performance criteria	Relative weighting of performance criteria	Measured performance and Remuneration outcome
Gustaf Salford (President and CEO)	Total shareholder return (TSR) development compared to OMXS30 share index ¹⁾	100%	Threshold for payout: +0.1% Cap for maximum payout: ≥15%

¹⁾ Performance share plan LTI 2019/22 described in detail under share programs in Note 7 in the Annual Report 2021/22.

Comparative information on the change of remuneration¹⁾ and company performance over the last three fiscal years (TSEK)

	2021/22	Change	2020/21	Change	2019/2020
Total remuneration for President and CEO position	15,384	12%	13,680	-9%	15,027
Group operating income (EBIT) ²⁾	1,678,296	-12%	1,906,000	15%	1,657,000
Average remuneration on full time equivalent basis employees ³⁾ in Sweden	773	-9%	852	4%	821

¹⁾ Fixed and variable remuneration earned during each fiscal year.

²⁾ Excluding the contribution to Elekta Foundation of SEK 35 M reported in Q3 2021/22.

³⁾ Excluding members of the executive management.