Note 11 Employees and personnel costs

Accounting policies
Accounting policies on employee benefits such as short-term benefits, termination benefits and share-based payment transactions are presented below. Post-employment benefits are presented in note 27, Provisions for pensions and similar obligations.

Short-term benefits
Short-term employee benefits are measured on an undiscounted basis and are expensed as the related services are provided. A provision is made for the anticipated cost of variable cash salary and profit-sharing contracts when the Group has a current obligation to make such payments (because services have been provided by employees) and when the obligation can be reliably estimated.

Termination benefits
The cost of termination benefits is recognized only if the company is demonstrably committed (without any realistic possibility of withdrawing the commitment) by a formal plan to prematurely terminate an employee's employment.

Share-based payment transactions
Within the Investor Group both equity-settled and cash-settled stock option and share programs and cash-settled (synthetic) shares have been issued.

Accounting for equity-settled programs
The fair value of stock options and share programs issued is determined at the grant date in accordance with the Black & Scholes valuation model, taking into consideration the terms and conditions that are related to the share price.

The value is recognized in the income statement as a personnel cost allocated over the vesting period with a corresponding increase in equity.

The recognized cost corresponds to the fair value of the estimated number of options and shares that are expected to vest. This cost is adjusted in subsequent periods to reflect the actual number of vested options and shares. However, no adjustment is made when options and shares expire only because share price related conditions do not reach the level needed for the options to vest.

When equity-settled programs are exercised, shares are delivered to the employee. The delivered shares are treasury shares that are repurchased when needed. When exercised, the payment of the exercise price that was received from the employee is reported as an increase in equity.

Equity-settled programs issued to employees in Group companies
In the Parent Company, the value of equity instruments, which is offered to employees of other companies belonging to the Group, is reported as a capital contribution to subsidiaries. The value of participations in subsidiaries increases simultaneously to the Parent Company's reporting of an increase in equity. The costs related to employees in companies concerned are invoiced to the subsidiaries. The cash settlement of the invoices then neutralizes the increase of participations in subsidiaries.

Accounting for cash-settled programs
Cash-settled stock option and share programs and cash-settled (synthetic) shares result in an obligation that is valued at fair value and recognized as an expense with a corresponding increase in liabilities. Initial fair value is calculated and the grant value is recognized over the vesting period as a personnel cost, which is similar to the recognition of equity-settled programs. However, cash settled programs are revalued at fair value every balance sheet date and at final settlement. All changes in the fair value as a result of changes in share price or fair value of the underlying instruments are recognized in the financial net with a corresponding change in liabilities.

When cash-settled programs are exercised, the liability to the holder of the synthetic shares is settled.

Accounting for social security attributable to share-based payment transactions
Social security expenses attributable to share-based remuneration are recognized and accrued in accordance with the same principles as the costs for synthetic shares.

Guidelines for remuneration for the President and other Members of the Extended Management Group
The AGM 2020 decided on guidelines for remuneration for the President and other Members of the Extended Management Group. The complete guidelines can be found on page 54.

Average number of employees in the Group

	2021		2020	
	Total	Of which women	Total	Of which women
Parent Company, Sweden	73	37	71	36
Sweden, excl. Parent Company	1,753	876	1,804	914
Europe excl. Sweden	3,615	2,041	3,527	1,984
North- and South America	5,370	2,310	4,693	1,807
Africa	1	1	1	1
Asia	3,842	2,742	3,717	2,568
Australia	157	90	151	90
Total Group	**14,812**	**8,097**	**13,964**	**7,400**

Gender distribution in Boards and Senior management

	2021		2020	
	Men	Women	Men	Women
Gender distribution in percent				
Board of the Parent Company	64	36	60	40
Extended Management Group of the Parent Company incl. the President	43	57	50	50
Boards in the Group[1)]	75	25	76	24
Management Groups in the Group	66	34	67	33

1) Based on all Group companies including small, internal companies with minor activity.

Expensed remunerations
The amounts in the table below are calculated according to the accruals concept, in which the terms basic salary and variable salary refer to expensed amounts, including any changes to the reserve for variable salary, vacation pay provisions, etc. Variable salary refers to the approved variable salary for the current financial year, unless specified otherwise.

Expensed remunerations to the President and other members of the Extended Management Group in the Parent Company

Total remunerations 2021 (SEK t)	Basic salary	Vacation remuneration	Change of vacation pay liability	Variable salary for the year	Cost of long-term share-based remuneration[1)]	Total	Pension costs[2)]	Other remuneration and benefits	Total expensed remuneration
President and CEO	12,600	180	827	1,197	11,165	**25,969**	4,623	131	**30,723**
Extended Management Group, excl. the President	21,059	300	1,374	6,223	11,130	**40,085**	9,822	982	**50,890**
Total	**33,659**	**480**	**2,201**	**7,420**	**22,295**	**66,054**	**14,445**	**1,113**	**81,613**
Total remunerations 2020 (SEK t)									
President and CEO	10,355	1,495	–851	2,796	8,838	**22,633**	3,937	116	**26,686**
Extended Management Group, excl. the President	39,903[3)]	1,724	–606	13,082[4)]	29,576	**83,678**	8,628	1,320	**93,626**
Total	**50,258**	**3,219**	**–1,457**	**15,878**	**38,413**	**106,310**	**12,565**	**1,437**	**120,312**

1) In the table above the cost is calculated based on the principles in IFRS 2 and allocated over the vesting period. The calculation is also adjusted for the actual outcome of allotted performance shares. Value at grant date for the president and CEO was SEK 12.600 (8.284). His own investment in long-term share-based remunerations was SEK 4,908m (3,331), corresponding to 39.0% of CEO basic salary pre-tax (32.2).
2) There are no outstanding pension commitments for the Extended Management Group including the President.
3) The amount includes expensed severance pay for a member of the Extended Management Group. Total severance pay for the executive includes fixed cash remuneration during 18 months, in accordance with the employment contract.
4) In addition to these amounts a member of the Extended Management Group have participated in incentive programs within former Investor Growth Capital. For more information about these programs see "Incentive program for selected employees within Patricia Industries" on page 78 and in note 33, Related party transactions.

Note 11 *Employees and personnel costs*

Total remuneration – expensed salaries, Board of Directors fees and other remuneration and social security costs

	2021							2020						
Total remuneration (SEK m), Group	Basic salary[1]	Variable salary	Long-term share-based remuneration	Pension cost	Cost for employee benefits	Social security contribu-tions	Total	Basic salary[1]	Variable salary	Long-term share-based remuneration	Pension cost	Cost for employee benefits	Social security contribu-tions	Total
Parent Company	111	11	56	31	12	62	282	99	15	40	29	13	58	254
Subsidiaries	6,532	1,781	91	537	564	999	10,503	6,059	986	156	491	489	1,001	9,181
Total	**6,642**	**1,792**	**147**	**567**	**576**	**1,061[2]**	**10,785**	**6,158**	**1,001**	**196**	**520**	**502**	**1,058[2]**	**9,435**

1) Includes vacation remuneration and change of vacation pay liability.
2) Of which SEK 109m refers to social security contribution for long-term share-based remuneration (112).

Expensed salaries and remuneration distributed between senior executives, Presidents and Boards in subsidiaries and other employees

	2021				2020			
Remuneration (SEK m), Group	Salary Senior executives Presidents and Boards in subsidiaries[1, 2]	Of which variable salary[1]	Other employees	Total	Salary Senior executives Presidents and Boards in subsidiaries[1, 2]	Of which variable salary[1]	Other employees	Total
Parent Company	55	7	66	121	46	9	68	114
Subsidiaries	143	42	8,169	8,313	156	35	6,889	7,044
Total	**199**	**49**	**8,235**	**8,434**	**202**	**45**	**6,957**	**7,159**

1) The number of people in the Parent Company is 17 (16) and in subsidiaries 71 (76).
2) Pension costs relating to senior executives, Presidents and Boards in subsidiaries amount to SEK 23m and are in addition to the amounts presented in the table (22).
3) Restated to reflect payments from profit-sharing program within former Investor Growth Capital.

Long-term variable remuneration – program descriptions

The Board of Directors encourages employees to build up a significant shareholding in Investor. Through the long-term variable remuneration programs, part of the remuneration to employees is linked to the long-term performance of the Investor share. Investor has two programs for long-term variable remuneration: Investor's program and the program for Patricia Industries.

Investor's program for long-term variable remuneration

The program consists of the following two components:

1) Stock Matching Plan

Through the Stock Matching Plan, an employee could acquire or commit shares in Investor (Matching share) at the market price during a period (determined by the Board) subsequent to the release of Investor's first quarterly report for each year, respectively (the "Measurement Period"). After a three-year vesting period, two options (Matching Options) are granted for each Investor share acquired or committed by the employee, as well as a right to acquire one Investor share (Matching Share) for SEK 2.50 (SEK 10.00 before the 4:1 share split completed during 2021). Matching Share may be acquired during a four-year period subsequent to the vesting period. Each Matching Option entitles the holder to purchase one Investor share, during the corresponding period, at a strike price corresponding to 120 percent of the average volume-weighted price paid for Investor shares during the Measurement Period.

The President, other members of the Extended Management Group and a maximum of 20 other executives within Investor ("holders of Business Critical Roles") are required to participate in the Stock Matching Plan with Participation Shares corresponding to a "Participation Value" of at least 5 percent of their fixed cash remuneration before taxes. "Participation Value" refers to the number of Participation Shares multiplied by the Participation Price.

In addition, holders of Business Critical Roles are offered to participate with Participation Shares to such an extent that the value of the allocated Matching Options and Matching Shares amounts to a maximum of between 10 and approximately 33 percent (for the President, approximately 33 percent) of their respective annual fixed cash remuneration before taxes, depending on position, performance, etc. Other employees are not obligated, but have a right, to participate with Participation Shares to an extent that the value of the allotted Matching Options and Matching Shares amounts to a maximum of 10 or 15 percent of fixed cash remuneration depending on position, performance, etc.

Under the Stock Matching Plan, the President is entitled to participate with (invest in) Participation Shares corresponding to a Participation Value of up to 40 percent of the annual fixed cash remuneration before taxes. If the President participates fully in the Stock Matching Plan, the possibility to receive a Matching Shares and Matching Options under the Stock Matching Plan corresponds to a theoretical value of approximately 33 percent of the annual fixed cash remuneration before taxes.

2) Performance Plan

Holders of Business Critical Roles have, in addition to the Stock Matching Plan, the right to participate in a Performance Plan. Under this plan, which presumes participation in the Stock Matching Plan, participants have, after a three-year vesting period, the right during a period of four years thereafter, to acquire additional Investor shares of class B ("Performance Shares") at a price corresponding to 50 percent of the Participation Price conditional upon the total return on the Investor shares exceeding a certain level during the vesting period. The total return is measured during a three-year qualification period (quarterly measurement on running 12-month basis where the total outcome is estimated as the average total return during the three years based on 9 measurement points). In order to give the participants the right to acquire the maximum number of Performance Shares, the average annual total return of the Investor share (including reinvested dividends) must exceed the interest on 10-year government bonds by more than 10 percentage points. If the total return does not exceed the 10-year interest on government bonds by at least 2 percentage points, then participants of the Performance Plan are not entitled to acquire any Performance Shares. If the total return is between the 10-year interest on government bonds plus 2 percentage points and the 10-year interest on government bonds plus 10 percentage points, then a proportional (linear) calculation of the number of shares that may be acquired shall be made. The theoretical value of the opportunity to acquire Performance Shares for the plan participants shall amount to between 20 and approximately 67 percent of the respective participant's fixed cash remuneration for 2021 (for the President, approximately 67 percent).

Dividend adjustment

When the Matching Shares and Performance Shares are acquired, the employee receives compensation for dividends paid during the vesting period and up to the date of acquisition in order for the program to be dividend neutral.

Hedge contracts for employee stock option and share programs

Investor's policy is to implement measures to minimize the effects on equity from the programs in the event of an increase in Investor's share price. For programs implemented in 2006 and later, Investor has previously been repurchasing its own shares in order to guarantee delivery. Investor's program for long-term variable remuneration includes in total 0.85 million shares, which corresponds to approximately 0.2 percent of total number of shares and approximately 0.03 percent of total number of votes in the company.

Note 11 *Employees and personnel costs*

Summary of Investor's long-term share-based variable remuneration programs 2015-2021[1)]

1) Where relevant in below tables, historic figures have been restated to reflect the 4:1 share split completed during 2021.

Matching Shares 2015-2021

Year issued	Number of Matching Shares granted	Number at the beginning of the year	Adjustment for dividend 2021	Matching Shares forfeited in 2021	Matching Shares exercised in 2021	Weighted average share price on exercise	Number of Matching Shares at year-end	Theoretical value[1)], SEK	Fair value[2)], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3)]
2021	91,598	–	443		960	201.19	91,081[4)]	167.31	186.04	2.50	12/31 2027	3
2020	112,356	111,524	2,103	636	1,732	202.40	111,259[4)]	116.98	129.24	2.50	12/31 2026	3
2019	130,684	127,856	2,413	408	2,600	203.04	127,261[4)]	94.95	105.63	2.50	12/31 2025	3
2018	128,688	122,180	1,914		47,257	190.56	76,837	83.25	92.62	2.50	12/31 2024	3
2017	113,928	74,760	882		37,089	172.83	38,553	88.88	98.92	2.50	12/31 2023	3
2016	199,792	51,132	795		21,122	193.35	30,805	61.60	68.50	2.50	12/31 2022	3
2015	150,684	28,740	333	36	29,037	196.85	–	73.33	81.55	2.50	12/31 2021	3
Total	**836,132**	**516,192**	**8,440**	**1,080**	**138,837**		**384,715**					

1) The value of Matching Shares on the grant date was based on a theoretical value calculated in accordance with the Black & Scholes valuation model.
2) The fair value on the grant date was calculated in accordance with IFRS 2, which was also used for calculating recognized value. See below for specification of the basis of calculation.
3) Under certain circumstances, in conjunction with the end of employment, Matching Shares can be exercised before the end of the vesting period. Matching Shares that have already vested must be exercised within 3 months from the end of employment if the employment lasted less than 4 years and 12 months if the holder has been employed longer.
4) Matching Shares not available for exercise at year-end.

Matching Options 2015-2021

Year issued	Number of Matching Options granted	Number at the beginning of the year	Matching Options forfeited in 2021	Number of Matching Options exercised in 2021	Weighted average share price on exercise	Number of Matching Options at year-end	Theoretical value[1)], SEK	Fair value[2)], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3)]
2021	183,196	–				183,196[4)]	12.52	14.60	226.20	12/31 2027	3
2020	224,712	223,464	1,276	3,836	198.03	218,352[4)]	7.24	9.39	158.15	12/31 2026	3
2019	261,368	249,128	792	5,032	203.35	243,304[4)]	5.49	6.11	129.80	12/31 2025	3
2018	257,376	230,664		109,928	202.56	120,736	5.38	5.99	114.15	12/31 2024	3
2017	227,856	163,312		89,748	181.99	73,564	6.89	7.68	121.73	12/31 2023	3
2016	399,584	90,652		37,600	195.51	53,052	7.08	8.17	85.23	12/31 2022	3
2015	301,368	47,112		47,112	193.37	–	9.69	11.19	100.83	12/31 2021	3
Total	**1,672,264**	**1,004,332**	**2,068**	**293,256**		**709,008**					

1) The value of Matching Options on the grant date was based on a theoretical value calculated in accordance with the Black & Scholes valuation model.
2) The fair value on the grant date was calculated in accordance with IFRS 2, which was also used for calculating recognized value. See below for specification of the basis of calculation.
3) Under certain circumstances, in conjunction with the end of employment, Matching Options can be exercised before the end of the vesting period. Matching Options that have already vested must be exercised within 3 months from end of employment if employment lasted less than 4 years and within 12 months if the holder has been employed longer.
4) Matching Options not available for exercise at year-end.

Performance Shares 2015-2021

Year issued	Maximum number of Performance Shares granted	Number at the beginning of the year	Adjustment for dividend 2021	Performance Shares, forfeited in 2021	Performance Shares exercised in 2021	Weighted average share price on exercise	Number of Performance Shares at year-end	Theoretical value[1)], SEK	Fair value[2)], SEK	Strike price, SEK	Maturity date	Vesting period (years)
2021	485,343	–	2,335				487,678[3)]	43.01	47.98	93.82	12/31 2027	3
2020	518,904	518,904	9,730				528,634[3)]	29.89	33.46	64.68	12/31 2026	3
2019	575,256	590,368	11,077				601,445[3)]	24.32	26.88	51.73	12/31 2025	3
2018	529,484	560,576	7,524	52,660	276,600	192.23	238,840	21.66	23.98	44.10	12/31 2024	3
2017	486,364	225,144	2,179		127,333	172.44	99,990	23.20	25.69	46.04	12/31 2023	3
2016	924,268	147,868	1,782		77,709	180.42	71,941	16.68	18.57	31.38	12/31 2022	3
2015	654,340	55,308	764		56,072	202.81	–	20.15	22.46	35.85	12/31 2021	3
Total	**4,176,294**	**2,098,168**	**35,391**	**52,660**	**537,714**		**2,028,528**					

1) The value of Performance Shares on the grant date was based on a theoretical value calculated in accordance with the Black & Scholes valuation model.
2) The fair value on the grant date was calculated in accordance with IFRS 2, which was also used for calculating recognized value. See below for specification of the basis of calculation.
3) Performance Shares not available for exercise at year-end.

The difference between the theoretical value and fair value is mainly due to the fact that the anticipated personnel turnover is taken into consideration when determining the theoretical value. When estimating the fair value in accordance with IFRS 2, personnel turnover is not taken into account; instead the anticipated number of vested shares or options is adjusted. The adjustment is based on average historical outcome.

The calculation of the fair value on the grant date, according to IFRS 2, was based on the following conditions:

	2021			2020		
	Matching Share	Matching Option	Performance Share	Matching Share	Matching Option	Performance Share
Averaged volume-weighted price paid for Investor B shares	188.55	188.55	188.55	131.79	131.79	131.79
Strike price	2.50	226.20	94.28	2.50	158.15	65.90
Assumed volatility[1)]	21%	21%	21%	21%	21%	21%
Assumed average term[2)]	5 years	5 years	5 years	5 years	5 years	5 years
Assumed percentage of dividend[3)]	0%	2.2%	0%	0%	2.9%	0%
Risk-free interest	-0.05%	-0.05%	-0.05%	-0.32%	-0.32%	-0.32%
Expected outcome[4)]			50%			50%

1) The assumed volatility was based on future forecasts based on the historical volatility of Investor B shares, in which the term of the instrument is an influencing factor. The historical volatility has been in the interval of 15 to 30 percent.
2) The assumption of average term for the instruments at grant is based on historical exercise patterns and the actual term of the instruments within each remuneration program.
3) The dividend for Matching Shares and Performance Shares is compensated for by increasing the number of shares.
4) Probability to achieve the performance criteria is calculated based on historic data and verified externally.
5) Comparable figures based on the Investor share has been recalculated due to the 4:1 share split in May 2021.

Note 11 *Employees and personnel costs*

Patricia Industries' program for long-term variable remuneration

It is the Board of Directors' ambition to continuously ensure a strong alignment between the variable remuneration of employees of Patricia Industries ("PI") and the value creation in the PI portfolio. The purpose of the PI program is to encourage employees to build up significant economic holdings in Investor shares as well as, directly or indirectly, in existing and future investments made by PI.

In summary, the PI program is built on the same structure as the Investor program, but is related to the value growth of PI. The instruments in the PI program are granted under two different Plans, as further described below: (i) The PI Balance Sheet Plan (the "PI-BS Plan") and (ii) The PI North America Subsidiaries Plan (the "PI-NA Plan"). The instruments have a duration of up to seven years and participants are granted, conditional upon making a personal investment in Investor shares or the use of already held Investor shares, instruments that vest after a three-year vesting period and may be exercised and/or settled during the four-year period thereafter (subject to applicable US tax laws).

Two categories of employees are offered to participate in the PI program: (i) PI Holders of Business Critical Roles and (ii) Other PI Employees. Participants employed within the PI Nordic organization are only offered to participate in the PI-BS Plan whereas participants employed within the PI North America organization are offered to participate with 60 percent of their grant value (determined as described below) in the PI-BS Plan and 40 percent of their grant value in the PI-NA Plan.

General terms of instruments

The instruments granted under the PI-BS Plan and the PI-NA Plan are governed by the following terms and conditions:

- Granted free of charge.
- Instruments granted to Other PI Employees under the two Plans will replicate the structure of the Stock Matching Plan in Investor.
- Instruments granted to holders of Business Critical Roles in PI under the two Plans consists both of instruments replicating the Stock Matching Plan in Investor and instruments subject to specific performance conditions replicating the structure of the Performance Plan in Investor.
- Vest three years after grant (the "Vesting Period").
- May not be transferred or pledged.
- Subject to vesting, the instruments may be exercised and/or settled during the four-year period following the end of the Vesting Period, subject to applicable US tax laws and provided that the participant, with certain exceptions, maintains the employment with PI and keeps the Participation Shares during the Vesting Period.
- Cash-settled.
- Participants receive remuneration for dividends paid from time of grant up to the date of exercise and/or settlement in order for the PI program to be dividend neutral.

Specific performance conditions for holders of Business Critical Roles in PI

The following performance conditions apply to the instruments under the PI program allocated to holders of Business Critical Roles in PI (replicating the structure of the Performance Plan in Investor).

Instruments granted under the PI-BS Plan: In order for participants to be awarded the maximum number of instruments, the compounded annual growth of the fair market value of PI's balance sheet must exceed the interest on 10-year Swedish government bonds by more than 10 percentage points. If the compounded annual growth of the fair market value of PI's balance sheet does not exceed the 10-year interest on Swedish government bonds by at least 2 percentage points, then participants will not be awarded any instruments. If the applicable compounded annual growth is between the 10-year interest on Swedish government bonds plus 2 percentage points and the 10-year interest on Swedish government bonds plus 10 percentage points, then a proportional (linear) calculation of the award shall be made. Performance is measured three times during the three-year Vesting Period, each measurement on a running 12-month basis.

Instruments granted under the PI-NA Plan: In order for participants to be awarded the maximum number of instruments the compounded annual growth of the North American subsidiaries of PI must exceed the interest on 10-year US government bonds by more than 12 percentage points. If the compounded annual growth of the fair market value of the North American subsidiaries of PI does not exceed the 10-year interest on US government bonds by at least 4 percentage points, then participants will not be awarded any instruments. If the applicable compounded annual growth is between the 10-year interest on US government bonds plus 4 percentage points and the 10-year interest on US government bonds plus 12 percentage points, then a proportional (linear) calculation of the award shall be made. Performance is measured once, at the end of the three-year Vesting Period.

Summary of Patricia Industries' long-term share-based variable remuneration programs 2017-2021[1)]

1) Where relevant in the following tables, historic figures have been restated to reflect the 4:1 share split completed during 2021.

PI-BS Plan

Matching Shares 2017-2021

Year issued	Number of Matching Shares granted	Number at the beginning of the year	Adjustment for dividend 2021	Matching Shares forfeited in 2021	Matching Shares exercised in 2021	Weighted average share price on exercise	Number of Matching Shares at year-end	Theoretical value[1)], SEK	Fair value[2)], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3)]
2021	65,702	–	1,246				66,948[4)]	167.31	186.04	2.50	12/31 2027	3
2020	79,028	79,028					79,028[4)]	116.98	129.24	2.50	12/31 2026	3
2019	95,644	97,880	1,864	52			99,692[4)]	94.95	105.61	2.50	12/31 2025	3
2018	101,120	95,500	1,760	44	3,108	143.30	94,108	83.25	92.61	2.50	12/31 2024	3
2017	83,320	70,180	1,152		5,284	159.51	66,048	88.88	98.94	2.50	12/31 2023	3
Total	**359,112**	**342,588**	**4,776**	**96**	**8,392**		**338,876**					

Matching Options 2017-2021

Year issued	Number of Matching Options granted	Number at the beginning of the year	Matching Options forfeited in 2021	Number of Matching Options exercised in 2021	Weighted average share price on exercise	Number of Matching Options at year-end	Theoretical value[1)], SEK	Fair value[2)], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3)]
2021	131,404	–				131,404[4)]	13.51	15.81	226.20	12/31 2027	3
2020	158,056	158,056				158,056[4)]	8.45	11.35	158.15	12/31 2026	3
2019	191,288	186,760				186,760[4)]	6.57	12.09	129.80	12/31 2025	3
2018	202,240	179,920		5,904	104.40	174,016	6.22	8.54	114.15	12/31 2024	3
2017	166,640	130,944		10,000	151.60	120,944	7.88	11.00	121.73	12/31 2023	3
Total	**560,168**	**497,624**		**15,904**		**481,720**					

1) The value of Matching Shares and Matching Options on the grant date was based on a theoretical value calculated in accordance with the Black & Scholes valuation model.
2) The fair value on the grant date was calculated in accordance with IFRS 2, which was also used for calculating recognized values. See page 77 for specification of the basis of calculation.
3) Under certain circumstances, in conjunction with the end of employment, Matching Shares and Matching Options can be exercised before the end of the vesting period.
Instruments that have already vested must be exercised within 3 months from end of employment if employment lasted less than 4 years and within 12 months if the holder has been employed longer.
4) Matching Shares and Matching Options not available for exercise at year-end.

Note 11 *Employees and personnel costs*

Performance Shares 2017-2021

Year issued	Number of Performance Shares granted	Number at the beginning of the year	Adjustment for dividend 2021	Performance Shares forfeited in 2021	Performance Shares exercised in 2021	Weighted average share price on exercise	Number of Performance Shares at year-end	Theoretical value[1], SEK	Fair value[2], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3]
2021	438,097	–	8,209				446,306[4]	43.01	47.98	92.54	12/31 2027	3
2020	511,596	511,596	20,756				532,352[4]	29.89	33.46	63.33	12/31 2026	3
2019	611,792	623,480	11,684	360			634,804[4]	24.32	27.24	50.73	12/31 2025	3
2018	646,448	618,360	8,108	176,312	9,196	132.33	440,960	21.66	24.42	44.06	12/31 2024	3
2017	529,768	285,456	4,660		18,880	160.02	271,236	23.20	26.53	46.62	12/31 2023	3
Total	**2,299,604**	**2,038,892**	**45,208**	**176,672**	**28,076**		**1,879,352**					

1) The value of Performance Shares on the grant date was based on a theoretical value calculated in accordance with the Black & Scholes valuation model.
2) The fair value on the grant date was calculated in accordance with IFRS 2, which was also used for calculating recognized values. See below for specification of the basis of calculation.
3) Under certain circumstances, in conjunction with the end of employment, Performance Shares can be exercised before the end of the vesting period.
Instruments that have already vested must be exercised within 3 months from end of employment if employment lasted less than 4 years and within 12 months if the holder has been employed longer.
4) Performance Shares not available for exercise at year-end.

PI-NA Plan

Matching Shares 2017-2021

Year issued	Number of Matching Shares granted	Number at the beginning of the year	Adjustment for dividend 2021	Matching Shares forfeited in 2021	Matching Shares exercised in 2021	Weighted average share price on exercise	Number of Matching Shares at year-end	Theoretical value[1], SEK	Fair value[2], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3]
2021	28,036	–					28,036[4]	167.39	186.14	2.50	12/31 2027	3
2020	37,356	37,356		6,708			30,648[4]	117.04	129.33	2.50	12/31 2026	3
2019	46,272	46,272		8,276			37,996[4]	95.21	106.03	2.50	12/31 2025	3
2018	52,440	47,076		6,796	2,116	140.40	38,164	83.54	93.08	2.50	12/31 2024	3
2017	41,928	31,360		4,416	1,144	164.27	25,800	89.08	99.24	2.50	12/31 2023	3
Total	**177,996**	**162,064**		**26,196**	**3,260**		**132,608**					

Matching Options 2017-2021

Year issued	Number of Matching Options granted	Number at the beginning of the year	Matching Options forfeited in 2021	Number of Matching Options exercised in 2021	Weighted average share price on exercise	Number of Matching Options at year-end	Theoretical value[1], SEK	Fair value[2], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3]
2021	56,072	–				56,072[4]	12.04	13.99	226.20	12/31 2027	3
2020	74,712	74,712				74,712[4]	8.83	11.91	158.15	12/31 2026	3
2019	92,544	92,544				92,544[4]	7.45	13.40	129.80	12/31 2025	3
2018	104,880	92,920		2,228	140.40	90,692	6.83	9.26	114.15	12/31 2024	3
2017	83,856	61,932		2,564	164.27	59,368	7.46	9.80	121.73	12/31 2023	3
Total	**281,280**	**247,396**		**4,792**		**242,604**					

Performance Shares 2017-2021

Year issued	Number of Performance Shares granted	Number at the beginning of the year	Adjustment for dividend 2021	Performance Shares forfeited in 2021	Performance Shares exercised in 2021	Weighted average share price on exercise	Number of Performance Shares at year-end	Theoretical value[1], SEK	Fair value[2], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3]
2021	190,408	–					190,408[4]	44.38	49.61	106.94	12/31 2027	3
2020	254,780	254,780		45,024			209,756[4]	30.57	34.48	89.15	12/31 2026	3
2019	289,988	289,988		51,240			238,748[4]	26.86	31.01	73.18	12/31 2025	3
2018	321,608	296,448		296,448			–	24.20	28.13	55.59	12/31 2024	3
2017	268,948	204,240		28,660	7,828	164.27	167,752	24.97	28.69	59.02	12/31 2023	3
Total	**1,135,324**	**1,045,456**		**421,372**	**7,828**		**616,256**					

1) The value of Matching Shares, Matching Options and Performance Shares on the grant date was based on a theoretical value calculated in accordance with the Black & Scholes valuation model.
2) The fair value on the grant date was calculated in accordance with IFRS 2, which was also used for calculating recognized values. See below for specification of the basis of calculation.
3) Under certain circumstances, in conjunction with the end of employment, Matching Shares, Matching Options and Performance Shares can be exercised before the end of the vesting period.
Instruments that have already vested must be exercised within 3 months from end of employment if employment lasted less than 4 years and within 12 months if the holder has been employed longer.
4) Matching Shares, Matching Options and Performance Shares not available for exercise at year-end.

The calculation of the fair value on the grant date, according to IFRS 2, was based on the following conditions:

	PI-BS Plan						PI-NA Plan					
	Matching Share		Matching Option		Performance Share		Matching Share		Matching Option		Performance Share	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Averaged volume-weighted price paid for Investor B shares	188.55	131.79	188.55	131.79	188.55	131.79	188.55	131.79	188.55	131.79	188.55	131.79
Strike price	2.50	2.50	226.20	158.15	94.28	65.90	2.50	2.50	226.20	158.15	94.28	65.90
Assumed volatility[1]	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
Assumed average term[2]	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years
Assumed percentage of dividend[3]	0%	0%	1.8%	2.1%	0%	0%	0%	0%	3.0%	2.3%	0%	0%
Risk-free interest	–0.05%	–0.32%	–0.05%	–0.32%	–0.05%	–0.32%	0.73%	0.24%	0.73%	0.24%	0.73%	0.24%
Expected outcome[4]					50%	50%					50%	50%

1) The assumed volatility was based on future forecasts based on the historical volatility of Investor B shares, in which the term of the instrument is an influencing factor.
The historical volatility has been in the interval of 15 to 30 percent.
2) The assumption of average term for the instruments at grant is based on historical exercise patterns and the actual term of the instruments within each remuneration program.
3) The dividend for Matching Shares and Performance Shares is compensated for by increasing the number of shares.
4) Probability to achieve the performance criteria is calculated based on historic data and verified externally.

Note 11 *Employees and personnel costs*

Other programs in subsidiaries

Incentive program for selected employees within Patricia Industries

A limited number of employees within the former Investor Growth Capital (IGC) participate in a profit-sharing program based on realized proceeds from investments that was made within IGC. During the year, a total of SEK 82m was paid out to employees from this program (29), where of nothing to member of the Extended Management Group in Investor (9). The provision (not paid out) on unrealized gains amounted to SEK 37m at year-end (66), where of nothing to member of the Extended Management Group in Investor (31).

Incentive programs in Patricia Industries' subsidiaries

Senior executives and selected senior staff in BraunAbility, Laborie and Sarnova, are offered the opportunity to invest in Stock Appreciation Rights and Stock Options in the respective subsidiary. These instruments are mainly cash settled and the participants do not need to make any initial investment.

Management Participation Programs

Board members and senior executives in unlisted investments, including Mölnlycke, Permobil, Piab, Vectura, BraunAbility, Sarnova, Laborie, Advanced Instruments and Atlas Antibodies are offered the opportunity to invest in the companies through management participation programs or similar. The terms of the programs are based on market valuations and are designed to yield lower return to the participants than that of the owners if the investment plan is not reached but higher return to the participants than that of the owners if the plan is exceeded.

Profit-sharing program for the trading operation

This program includes participants both from the trading organization and the investment organization. The participants in this program receive, in addition to their base salary, a variable salary equivalent to 20 percent of the trading function's net result. The program includes a clawback principle by which 50 percent of the variable salary allotment is withheld for one year and will only be paid out in full if the trading result for that year is positive. In order to receive full allotment, two consecutive profitable years are required. In total, approximately 10-15 employees participate in the program.

Accounting effects of share-based payment transactions

Costs relating to share-based payment transactions, SEK m	2021	2020
Group		
Costs relating to equity-settled share-based payment transactions	36	52
Costs relating to cash-settled share-based payment transactions	118	74
Social security relating to share-based payment transactions	109	112
Total	**263**	**238**
Parent Company		
Costs relating to equity-settled share-based payment transactions	34	28
Costs relating to cash-settled share-based payment transactions	20	12
Social security relating to share-based payment transactions	88	47
Total	**142**	**87**

Other effects of share-based payment transactions, SEK m	2021	2020
Group		
Effect on equity relating to Stock-Options exercised by employees	56	85
Carrying amount of liability relating to cash-settled instruments	552	401
Parent Company		
Effect on equity relating to Stock-Options exercised by employees	56	85
Carrying amount of liability relating to cash-settled instruments	62	38

Note 11 *Employees and personnel costs*

Remuneration to the Board of the Parent Company
At the 2021 Annual General Meeting (AGM), it was decided that Board remuneration should total SEK 12,205t (10,950), of which SEK 10,865t (9,675) would be in the form of cash and synthetic shares and SEK 1,340t (1,275) would be distributed as cash remuneration for committee work done by the Board of Directors.

Synthetic shares 2008-2021
Since 2008, Board members have been given the opportunity to receive a part of their gross remuneration, excluding committee fees, in synthetic shares. AGM's decision regarding synthetic shares 2021 is essentially identical to the decision of the AGM 2020. In 2021, Board members were entitled to receive 50 percent of the proposed remuneration before tax, excluding remuneration for committee work, in the form of synthetic shares and 50 percent in cash (instead of receiving 100 percent of the remuneration in cash). A synthetic share carries the same economic rights as a class B Investor share, which means that the value of the Board of Director's remuneration in synthetic shares, just like for class B shares, is dependent upon value fluctuations as well as the amount of dividends during the five-year period until 2026, when each synthetic share entitles the Board member to receive an amount corresponding to the share price, at the time, of a class B Investor share. At the statutory meeting in May 2021 the Board approved, as in 2020, establishment of a policy pursuant to which members of the Board (who do not already have such holdings) are expected to, over a five-year period, acquire ownership in Investor shares (or a corresponding exposure to the Investor share, for example in synthetic shares) for a market value that is expected to correspond to at least one year's remuneration for board work, before taxes and excluding remuneration for committee work.

The Director's right to receive payment occurs after the publications of the year-end report and the three interim reports, respectively, during the fifth year following the general meeting which resolved on the allocation of the Synthetic Shares, with 25 percent of the allocated Synthetic Shares on each occasion. In case the Director resigns as Board member prior to a payment date the Director has a right, within three months after the Director's resignation, to request that the time of payment shall be brought forward, and instead shall occur, in relation to 25 percent of the total number of allocated Synthetic Shares, after the publications of each of the year-end report and the three interim reports, respectively, which are made during the year after the year when such request was received by the Company.

Expensed remuneration to the Board 2021

Total remuneration for 2021 (SEK t)	Cash Board fee	Value of Synthetic Shares as at grant date	Committee fee	Total Board fee as at grant date	Effect from change in market value of previous years Synthetic Shares	Effect from change in market value of Synthetic Shares issued 2021	Effect from Synthetic Shares exercised 2021	Total fee, actual cost	Number of Synthetic Shares at the beginning of the year[1]	Number of Synthetic Shares granted 2021[2]	Adjustment for dividend	Exercised Synthetic Shares, 2021	Number of Synthetic Shares on December 31, 2021
Jacob Wallenberg	2,925		400	3,325	997			4,322	13,365		254		13,619
Marcus Wallenberg	1,700			1,700				1,700					
Josef Ackermann[3]					597		199	796	12,538		179	5,222	7,494
Gunnar Brock[4]	390	390	210	990	1,048	102	199	2,339	19,174	2,161	316	5,222	16,429
Johan Forssell													
Magdalena Gerger	390	390	210	990	529	102	199	1,821	11,709	2,161	174	5,222	8,822
Tom Johnstone, CBE	390	390	100	880	1,048	102	199	2,229	19,174	2,161	316	5,222	16,429
Isabelle Kocher	390	390		780		102		882		2,161	11		2,172
Sara Mazur	390	390		780	766	102		1,648	10,522	2,161	211		12,894
Sven Nyman	780			780				780					
Grace Reksten Skaugen	780		320	1,100				1,100					
Hans Stråberg	390	390	100	880	1,048	102	199	2,229	19,174	2,161	316	5,222	16,429
Lena Treschow Torell[5]					1,048		199	1,247	19,174		305	5,222	14,257
Sara Öhrvall[6]					281		199	481	8,652		105	5,222	3,535
Total	**8,525**	**2,340**	**1,340**	**12,205**	**7,361**	**613**	**1,395**	**21,574**	**133,482**	**12,967**	**2,187**	**36,557**	**112,079**

1) Recalculated due to the 4:1 share split in May 2021.
2) Based on weighted average stock price for Investor B in the period May 6 to May 14, 2021: SEK 180.46.
3) Member of the Board until 5/8 2019.
4) Additional remunerations of SEK 1,534t to Gunnar Brock have been expensed in the subsidiaries.
5) Member of the Board until 5/5 2021.
6) Member of the Board until 5/8 2018.

Expensed remuneration to the Board 2020

Total remuneration for 2020 (SEK t)	Cash Board fee	Value of Synthetic Shares as at grant date	Committee fee	Total Board fee as at grant date	Effect from change in market value of previous years Synthetic Shares	Effect from change in market value of Synthetic Shares issued 2020	Effect from Synthetic Shares exercised 2020	Total fee, actual cost	Number of Synthetic Shares at the beginning of the year[1]	Number of Synthetic Shares granted 2020[1, 2]	Adjustment for dividend[1]	Exercised Synthetic Shares, 2020[1]	Number of Synthetic Shares on December 31, 2020[1]
Jacob Wallenberg	2,800		380	3,180	325			3,505	13,124		241		13,365
Marcus Wallenberg	1,625			1,625				1,625					
Josef Ackermann[3]					305		28	332	16,586		269	4,318	12,538
Gunnar Brock[4]	375	375	200	950	392	83	28	1,452	20,100	3,058	334	4,318	19,174
Johan Forssell													
Magdalena Gerger	375	375	200	950	210	83	28	1,271	12,808	3,058	162	4,318	11,709
Tom Johnstone, CBE	375	375	95	845	392	83	28	1,347	20,100	3,058	334	4,318	19,174
Sara Mazur	375	375		750	181	83		1,014	7,330	3,058	134		10,522
Grace Reksten Skaugen	750		305	1,055				1,055					
Hans Stråberg	375	375		750	392	83	28	1,252	20,100	3,058	334	4,318	19,174
Lena Treschow Torell	375	375	95	845	392	83	28	1,347	20,100	3,058	334	4,318	19,174
Sara Öhrvall[5]					210		28	238	12,770		200	4,318	8,652
Total	**7,425**	**2,250**	**1,275**	**10,950**	**2,798**	**497**	**194**	**14,439**	**143,020**	**18,339**	**2,341**	**30,225**	**133,482**

1) Recalculated due to the 4:1 share split in May 2021.
2) Based on weighted average stock price for Investor B in the period June 22 to June 26, 2020: SEK 122.69 (recalculated due to the 4:1 share split in May 2021).
3) Member of the Board until 5/8 2019.
4) Additional remunerations of SEK 1,573t to Gunnar Brock have been expensed in the subsidiaries.
5) Member of the Board until 5/8 2018.