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Remuneration Report 2024
Investor AB (publ)

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Remuneration Report 2024

Introduction

This Remuneration Report provides an overview of how Investor's guidelines for remuneration for executives, adopted by the Annual General Meeting 2024, have been implemented in 2024. It contains information on short-term and long-term variable remuneration as well as details on the remuneration of Investor's 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 Stock Market Self-Regulation Committee, (Sw. Aktiemarknadens självregleringskommitté).

Investor is an engaged long-term owner and through substantial ownership and board participation, we drive the initiatives that we believe will create the most value for each of our portfolio companies. Our compensation philosophy is based on our strategy and focuses on long-term value creation and must be competitive compared to the external market. It consists of fixed cash remuneration, variable short-term and long-term remuneration, pension and other benefits.

Further information on executive remuneration is available in note 11 (Employees and personnel costs) on pages 114-123 in the Annual Report 2024. Information on the work of the Remuneration Committee in 2024 is set out in the Corporate Governance Report available on page 58 in the Annual Report 2024.

Key developments for Investor 2024

Investor's CEO, Christian Cederholm [8], summarizes key events and Investor's overall performance in his statement on pages 10-11 in the Annual Report 2024. He comments on the performance of the portfolio companies as well as the development of Investor's Total Shareholder Return.

Remuneration guidelines

Implementation 2024

During 2024, Investor 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. No remuneration has been reclaimed.

The remuneration guidelines are found on pages 66-67 in the Annual Report 2024 and on www.investorab.com, under section Corporate Governance. The auditor's report regarding Investor's compliance with the guidelines is available on www.investorab.com, under section Corporate Governance.

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Scope and purpose

A prerequisite for the successful implementation of our business strategy and safeguarding of Investor's long-term interests, including sustainability, is that we are able to recruit and retain people with key competences and experiences. The remuneration guidelines enable Investor to offer executives a competitive total remuneration. Under Investor's remuneration guidelines, remuneration of the CEO and other members of the Executive Leadership Team shall be on market terms and may consist of fixed cash remuneration, short-term variable remuneration (STVR), pension and other benefits. As further set out in the remuneration guidelines, long-term variable remuneration (LTVR) is also included in the total remuneration.

Short-term variable remuneration shall be dependent upon the individual's fulfillment of annual targets. The criteria for the annual targets can be financial or non-financial, qualitative or quantitative, and shall support Investor's business strategy and long-term interests, including fulfillment of our sustainability targets.

The Annual General Meetings of Investor have resolved to implement long-term variable remuneration programs. The rationale is that a substantial part of the total remuneration for Investor's executives should be long-term, as Investor's business model is to be an engaged long-term owner. Through substantial ownership and board participation, we drive the initiatives that we believe will create the most value for each individual company, for the longer term.

There is one long-term variable remuneration program for Investor AB and one for Patricia Industries. These programs are described briefly in this report and in detail in the Board's proposal to the Annual General Meeting that is presented on www.investorab.com.

Remuneration of the Board of Directors is resolved annually by the Annual General Meeting and disclosed in note 11 (Employees and personnel costs) on pages 122-123 in the Annual Report 2024. The remuneration of the Board includes a possibility to elect to receive part of the remuneration in the form of so-called synthetic shares instead of cash, as further described on page 122 in the Annual Report 2024.

Total CEO remuneration in 2024 (SEK) - Table A

The remuneration to the CEO is in line with the remuneration guidelines adopted by the Annual General Meeting. The table below shows the total remuneration for the CEO in 2024 (all amounts in SEK). For history prior to 2024, we refer to previous Remuneration Reports and Annual Reports. In addition to the remuneration specified in the table below, former CEO Johan Forssell [9], received board fees related to Investor's Listed Companies, amounting to approximately SEK 1.8m attributable to his employment as CEO in 2024.

Name and position	Financial year	1 Fixed remuneration		2 Variable remuneration		3	4	5	6
		Fixed cash remuneration	Other benefits[1]	STVR[2]	LTVR[3]	Extraordinary items[4]	Pension[5]	Total remuneration[6]	Proportion of fixed and variable remuneration[7]
Christian Cederholm, present CEO [8]	2024	8,422,041	184,112	757,984	16,900,000	84,535	2,947,753	29,296,424	39/61
Johan Forssell, former CEO [9]	2024	4,991,734	154,863	470,951	6,196,721	2,717,733	2,417,901	16,949,903	45/55

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Notes on Table A:

(1) Other benefits: Other benefits mainly include health care insurance, domestic services, meal contribution and vacation supplement.

(2) STVR / Short-term (one-year) variable remuneration:
Present CEO, Christian Cederholm:
- In 2024, the maximum STVR was 10% of fixed cash remuneration. The outcome for 2024 was 90% of maximum STVR, and is prorated for the period May 8 to December 31.

Former CEO, Johan Forssell:
- In 2024, the maximum STVR was 10% of fixed cash remuneration. The outcome for 2024 was 95% of maximum STVR, and is prorated for the period January 1 to May 7. The average outcome for the last three years has been 93% of the maximum STVR.

(3) LTVR / Long-term (multi-year) variable remuneration: The value shown is the grant value for respective year.
Present CEO, Christian Cederholm:
- The 2024 LTVR program was the first program in which Christian Cederholm participated in related to his role as CEO. The grant value was 130% of fixed annual cash remuneration, (SEK 16,900,000).
- No LTVR-programs have been vested or exercised in 2024 related to the role as CEO.

Former CEO, Johan Forssell:
- In 2024 the former CEO received a cash payment of SEK 6,196,721 as a compensation for not participating in the 2024 LTVR program. This amount corresponds to the grant value prorated for the period January 1 to May 7.
- In 2024, in his role as CEO, Johan Forssell exercised instruments from previous already vested programs from 2020.
- The net value of vested instruments for the financial year of 2024 was SEK 55.7m before taxes. This is calculated using the share price as of December 31, 2024 less strike, multiplied by the number of instruments (granted in 2022) as well as applying performance vesting percentages.
- To be able to receive the above stated value in 2024 Johan Forssell invested (or committed shares) corresponding to SEK 5.1m upon grant (in 2022) and the grant amount was SEK 13.5m. Exercise amount to be paid is SEK 29.7m.
- The 2023 LTVR program was the last program the former CEO participated in. He is entitled to fully vest and exercise the programs he has participated in based on his role as CEO throughout the full duration of the programs.

(4) Extraordinary items: Unused vacation paid out in cash. Any unused vacation days, exceeding 60 saved days or older than five years, are paid out in cash.
Present CEO, Christian Cederholm:
- In 2024, the accumulated number of unused vacation days, (exceeding 60), amounted to 0.
- Board fees related to Patricia Industries portfolio companies.

Former CEO, Johan Forssell:
- In 2024, the accumulated number of unused vacation days, (exceeding 60), amounted to 11, (SEK 623,700).
- The former CEO has also received cash payment for remaining vacation days when he left the company. The value of those days amounted to SEK 2,094,033.

(5) Pension: Pension according to Investor's pension plan for the Executive Leadership Team.

(6) Total remuneration: Sum of Columns 1-4.

(7) Proportion of fixed and variable remuneration: Pension premiums (column 4), which in its entirety relates to fixed cash remuneration has been counted entirely as fixed remuneration.

(8) CEO from May 8, 2024.

(9) CEO until May 7, 2024.

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Long-term variable remuneration (LTVR) programs

Outstanding LTVR programs
Investor has LTVR programs in place for Investor AB and for Patricia Industries. The programs have been prepared by the Remuneration Committee, approved by the Board of Directors and, finally, decided annually by the Annual General Meeting.

The implementation of the Investor Program and the Patricia Program is conditional upon decision by simple majority at the Annual General Meeting.

LTVR - Investor AB
The outstanding LTVR programs for Investor AB are, as of December 31, 2024, the vintages launched annually from 2018 until 2024.

The program has a seven-year lifetime; three years of vesting, during which all instruments are locked, and a four-year exercise window, when instruments can be exercised and turned into cash or shares. Participation requires investment in Investor shares.

The program has two key components; a Stock Matching Plan and a Performance Plan. The Stock Matching Plan is offered to all employees, and the Performance Plan is offered to the CEO, other members of the Executive Leadership Team (unless included in the Patricia Industries program) and other Holders of Business Critical Roles.

The Stock Matching Plan: Each participation share gives the right, post vesting, to receive a matching unit consisting of *two* “Matching Options” and a right to purchase *one* “Matching Share”. Allocation of the matching instruments occurs after the three-year vesting period. Employees, who remain employed at Investor, has subsequently a four-year window to exercise the instruments. The Matching Share can be acquired for SEK 10.00, (however, for programs granted between 2018 and 2021 the acquisition price was SEK 2.50), and each Matching Option entitles the holder to purchase one Investor share at a price corresponding to 120 percent of the Participation Price. (The Matching Share is proposed to be acquired for 5 percent of the Participation Price for the 2025 Plan).

The Performance Plan: Participation in the Performance Plan requires participation in the Stock Matching Plan. Under the Performance Plan, participants have the right to acquire additional Investor shares (“Performance Shares”) at a price corresponding to 50 percent of the Participation Price. However, this possibility is conditional upon achievement of certain pre-defined performance criteria. Performance is measured as Total Shareholder Return (TSR) and is measured during the three-year vesting period through nine quarterly measurement points, each on a running 12-month basis. The total outcome of all of the nine measurements is assessed as the average total return.

> At each measurement, the TSR development is compared with the 10-year Swedish government bond plus a hurdle. Maximum target fulfilment is achieved if the average annual total return of the Investor share (including reinvested dividends) exceeds the interest on 10-year Swedish government bonds by more than 10 percentage points. A maximum target fulfilment provides participants the right to acquire the *maximum* number of Performance Shares, that are set out and defined at grant.
>
> On the other hand, if the total return does *not* exceed the 10-years interest on Swedish government bonds by at least 2 percentage points, the plan participants are not entitled to acquire any Performance Shares.

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If the total return falls between the 10-years interest on Swedish government bonds plus 2 percentage points and the 10-year interest on Swedish government bonds plus 10 percentage points, a proportional (linear) calculation of the number of shares that may be acquired is made.

The Investor LTVR-program does not entail dilution in the sense of issuing new shares, as it (if at all) exclusively utilizes shares already held by the Company. In order to limit the costs for the long-term variable remuneration, inclusive of social security charges, the exposure is hedged using repurchased shares.

LTVR – Patricia Industries

The LTVR program for Patricia Industries was launched for the first time in 2017. Patricia Industries was formed to focus on our unlisted investment portfolio and to add new subsidiaries. Therefore, the program for Patricia Industries is designed to give the employees within Patricia Industries an even stronger exposure to and alignment with the Patricia Industries' portfolio.

The outstanding LTVR programs for Patricia Industries are, as of December 31, 2024, the vintages launched annually from 2018 until 2024.

The Patricia Industries program is built on the same structure as the Investor Program but is related to the value growth of Patricia Industries and is based on synthetic instruments. Like the Investor program, the program has a seven-year lifetime, including three years of vesting and four years to exercise the instruments. Participation requires investment in Investor shares.

The instruments in Patricia Industries' program are granted under two different Plans: 1) The PI Balance Sheet Plan (the "PI-BS Plan"); and 2) The PI North America Subsidiaries Plan (the "PI-NA Plan"). The PI-BS Plan is based on the value of the *entire* Patricia Industries' Net Asset Value, whereas the PI-NA Plan is based on the value of the Patricia Industries' North American subsidiaries *only*. Employees in Patricia Industries Nordic are part of the PI-BS Plan and employees in Patricia Industries North America are part of both plans, with a 60/40 split (60% PI-BS Plan and 40% PI-NA Plan).

Two categories of employees are offered to participate in Patricia Industries' program: (i) Holders of Business Critical Roles in Patricia Industries, (this category consists of members of the Executive Leadership Team in Patricia Industries and other Holders of Business Critical Roles in Patricia Industries) and (ii) Other Employees in Patricia Industries. The group Other Employees in Patricia Industries is offered participation in a Stock Matching Plan, that replicates the structure of Investor's Stock Matching Plan. Holders of Business Critical Roles in Patricia Industries are offered participation in a Stock Matching Plan as well as in a Performance Plan, both replicating the structure of Investor's LTVR-program.

The following performance conditions apply to the instruments under Patricia Industries Performance Plan.

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.

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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 fair market value of the North American operating 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 operating 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.

The Patricia Industries LTVR-program does not cause any share dilution, since it is based on synthetic shares.

Since the underlying assets of Patricia Industries are not listed, the total cost of the program cannot in an efficient way be capped by hedging arrangements. The total outcome for each individual participant in the program is limited by a maximum number of instruments that can be allocated but not by any other predetermined limit.

Additional information regarding LTVR programs for previous years in Investor and Patricia Industries is available in Investor's Annual Reports. For the year 2024 specifically, details are found in the Annual Report note 11 (Employees and personnel costs), pages 115-122, and in the Notice to the Annual General Meeting 2024. All to be found at www.investorab.com.

Long-term variable remuneration programs (CEO) - Table B

	The main conditions of the LTVR plans							Information regarding the reported financial year				
	1.		2.	3.	4.	6.	7.	Opening balance	During the year		Closing balance	
								8.	9.	10.	11.	12.
Name and position	Specification of plan		Vesting period/ Performance period	Award date	Vesting date	Exercise period	Exercise price	Number of instruments held at the beginning of the year	Number of awarded instruments (yearly grant and dividend adjustments)	Number of vested instruments	Number of instruments subject to a performance condition	Number of instruments awarded and unvested
Christian Cederholm, present CEO (1)	2024	Matching shares	20240101-20261231	20240101	20261231	20270101-20301231	10.00	-	20,916	-	-	20,916
		Matching options					343.00	-	41,662	-	-	41,662
		Performance shares					142.35	-	158,036	-	158,036	158,036

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Name and position	The main conditions of the LTVR plans							Information regarding the reported financial year				
	1. Specification of plan		2. Vesting period/ Perfor-mance period	3. Award date	4. Vesting date	6. Exercise period	7. Exercise price	Opening balance	During the year		Closing balance	
								8. Number of instruments held at the beginning of the year	9. Number of awarded instruments (yearly grant and dividend adjustments)	10. Number of vested instru-ments	11. Number of instruments subject to a performance condition	12. Number of instruments awarded and unvested
Johan Forssell, former CEO [2]	2023	Matching shares	20230101-20251231	20230101	20251231	20260101-20291231	10.00	28,008	494	-	-	28,502
		Matching options					259.00	55,706	-	-	-	55,706
		Performance shares					105.59	208,756	3,514	-	212,270	-
	2022	Matching shares	20220101-20241231	20220101	20241231	20250101-20281231	10.00	29,540	521	30,061	-	-
		Matching options					211.70	57,484	-	57,484	-	-
		Performance shares					84.57	214,995	3,619	204,208	-	-

For additional information with regards to the long-term variable remuneration programs for the CEO, we refer to the Annual Reports.

The actual LTVR value, at exercise, for the CEO, depends on the development of the Investor share price. Since the program is hedged, the cost for Investor is fixed and fully predictable, but the actual value for the receiver, in this case the CEO, depends on the value creation as reflected in the Investor share price development.

Notes on Table B:

(1) Present CEO, Christian Cederholm:
- CEO from May 8, 2024.
- The 2024 LTVR-program was the first program in which Christian Cederholm participated in related to his role as CEO.
- The value of the 2024 LTVR program at grant was SEK 16,900,000 (130% of fixed annual cash remuneration), calculated using Black-Scholes valuation at the time of the award. The value of the dividend instruments (granted on all programs, both currently vesting and already vested but not exercised) are not adding value but merely compensating for the loss of value due to dividend paid by Investor AB in the underlying Investor B-share.
- No LTVR-programs have been vested or exercised in 2024 related to the role as CEO.

(2) Former CEO, Johan Forssell:
- CEO until May 7, 2024.
- The 2023 LTVR program was the last program the former CEO participated in. He is entitled to fully vest and exercise the programs he has participated in based on his role as CEO throughout the full duration of the programs.
- The unrealized value of vested instruments is SEK 55.7m before taxes, which corresponds to the net value of each option vested in 2024 using the share price as of December 31, 2024 less strike multiplied by the number of instruments granted as well as performance vesting percentages. To be able to participate in the long-term variable remuneration programs the participant is required to invest in (or commit) Investor shares. Johan Forssell invested SEK 5.1m upon grant (in 2022) and the amount granted was SEK 13.5m. Exercise amount to be paid is SEK 29.7m.

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Application of performance criteria

The performance measures for the variable remuneration of the CEO are constructed to meet Investor's overall purpose, execute the strategy, drive value creation, practice engaged long-term ownership and safeguard the development of Investor.

The CEO's short-term variable remuneration (STVR) is determined by achievement of pre-defined annual performance targets, financial as well as non-financial, qualitative and quantitative. Examples of target areas for the CEO, are deliverables linked to value creation plans for portfolio companies, achievements of sustainability targets and the overall development of Investor. Maximum STVR for the CEO equals 10 percent of fixed cash remuneration. For the present CEO, the outcome 2024 was 90 percent of maximum STVR. For the former CEO, the average outcome for the last three years, has been 93 percent of the maximum STVR.

Regarding long-term variable remuneration, the CEO participates fully in Investor's LTVR programs. Performance criteria for these programs is the Total Shareholder Return (TSR) for the Investor B-share in relation to certain hurdle rates. For minimum vesting the TSR must reach above the low watermark hurdle (the interest on a Swedish 10-year government bond plus two percentage points). For maximum vesting the TSR must reach above the high watermark hurdle (the interest on a Swedish 10-year government bond plus ten percentage points).

Performance outcome of long-term variable remuneration programs (CEO) - Table C

Name and position	Performance Plan	Vesting outcome
Christian Cederholm, present CEO (1)	Performance shares 2024	N/A*

Name and position	Performance Plan	Vesting outcome
Johan Forssell, former CEO (2)	Performance shares 2023	N/A*
	Performance shares 2022	93%
	Performance shares 2021	71%
	Performance shares 2020	71%
	Performance shares 2019	100%
	Performance shares 2018	90%

* Performance period still running.
(1) CEO from May 8, 2024.
(2) CEO until May 7, 2024.

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Comparative information on the change of remuneration and company performance

The table below shows information about the remuneration of the CEO, company performance and average remuneration for our employees.

Since the average number of employees is relatively low, (for 2024, the average number of employees was 86), remuneration numbers fluctuate from one year to another and changes with the composition of the workforce.

Worth noting is also that, in our case, as an industrial holding company, and different to an operational company, it should be avoided to evaluate the performance of Investor based on one single year, since it to a large extent depends on value changes of listed shares, which gives low predictability and high volatility. Instead, the long-term performance of Investor is most relevant to evaluate our performance. Please find additional details on the group net income, and why it is not a suitable comparative measure, in note (1) below table D.

For additional information about company performance and employee remuneration, we refer to Investor's Annual Reports.

Remuneration and company performance over the last reported financial years (SEK m) - Table D

Remuneration [1]	2024	2023	2022	2021	2020
Christian Cederholm, present CEO [2]	SEK 29.3m				
Johan Forssell, former CEO [3]	SEK 8.7m [4]	SEK 37.8m (+9.6%)	SEK 34.5m (+10.2%)	SEK 31.3m (+15.9%)	SEK 27.0m
CEO remuneration	SEK 38.0m [5] (+0.53%)				
Investor Group net income	SEK 113,169m	SEK 126,817m	SEK -74,762m	SEK 227,965m	SEK 52,662m
Investor B, Total Shareholder Return (TSR), one year	27.5%	26.4%	-15.4%	54.9%	19.3%
SIXRX, (TSR), one year	8.6%	19.2%	-22.8%	39.3%	14.8%
Investor B, (TSR), 5-year annualized	20.3%	22.6%	17.8%	24.8%	17.1%
SIXRX, (TSR), 5-year annualized	9.8%	14.7%	9.8%	17.7%	12.2%
Investor B, (TSR), 10-year annualized	18.1%	18.5%	19.3%	25.3%	19.0%
SIXRX, (TSR), 10-year annualized	10.6%	11.3%	12.1%	16.8%	11.4%
Investor B, (TSR), 15-year annualized	18.9%	18.3%	15.0%	15.4%	13.7%
SIXRX, (TSR), 15-year annualized	11.6%	14.1%	9.1%	10.8%	10.2%
Average remuneration on a full time equivalent basis of employees of the parent company [6]	SEK 2.6m	SEK 2.7m	SEK 2.6m	SEK 2.2m	SEK 2.0m

Additional comments on Table D:

(1) The group net income of 2024 was SEK 113,169m, and for 2023 it was SEK 126,817m. The net income figure includes earnings from our wholly owned subsidiaries but also realized and unrealized value changes of our holdings in Listed Companies, the part of our portfolio which makes up the largest share of the balance sheet. The effect of unrealized value changes on group net income makes the figure a

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somewhat inappropriate proxy for performance evaluation. Over time, there are fluctuations. In our case, as an industrial holding company, and different to an operational company, evaluating company performance based on net income for one single year is problematic since it to a large extent depends on the above stated unrealized value changes of listed shares which gives low predictability and high volatility. A better proxy for performance measurement therefore is Total Shareholder Return (TSR) which refers to the price changes of the Investor B-share with reinvested dividends. While there is some connection between TSR and group net income the TSR better provides a view of the equity market's view of the Investor B-share in relation to alternative investments. Rewarding long term value creation also suggests that it can be more suitable to look at the TSR-performance over a longer time period. Therefore, in addition to each respective financial year, we also provide the 5-year, 10-year and 15-year annualized TSR to give a broader representation of Investor's performance.

(2) CEO from May 8, 2024.

(3) CEO until May 7, 2024.

(4) In order to make the CEO remuneration comparable, the following items have been excluded from the former CEO's remuneration in 2024 i) cash payment of SEK 6,196,721 as a compensation for not participating in the 2024 LTVR program, ii) cash payment for remaining vacation days of SEK 2,094,033, and iii) board fees related to Investor's Listed Companies amounting to approximately SEK 1.8m.

(5) Sum of CEO compensation in 2024.

(6) The average remuneration for all employees is calculated based on the average number of full-time equivalent employees in Investor AB, the parent company, including the Executive Leadership Team, and the employees organizationally relatable to the parent company.

Description of how the views of shareholders' have been taken into consideration

A few comments on the Remuneration Report 2023 have been received, which have been compiled and reported to the Remuneration Committee. The comments refer to requests for some more details and have not rendered any changes, as the information already provided is relevantly detailed and as the previous Remuneration Report was approved in the current form.

Stockholm, April 2025

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The Board of Directors