



# Remuneration report 2020



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This remuneration report provides an overview of how the principles for remuneration of senior executives at Arise AB, adopted by the Annual General Meeting in May 2020 (“the remuneration guidelines”), were implemented in 2020. The report also provides information on remuneration of the CEO of Arise AB and a summary of the company’s current short and long-term variable remuneration programmes for Group management.

The report has been prepared in accordance with the Swedish Companies Act and the *Remuneration Rules* issued by the Swedish Corporate Governance Board.

Further information on executive remuneration is available in Note 4 of the Arise Group’s annual report for 2020 (“2020 Annual Report”).

Information on the work of the Remuneration Committee of Arise AB’s Board in 2020 is set out in the corporate governance report available on pages 92–95 in the 2020 Annual Report.

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 4 in the 2020 Annual Report.

## SUMMARY OF 2020

Information about Arise AB’s performance for the financial year is summarised in the 2020 Annual Report on pages 33–34.

## REMUNERATION GUIDELINES

A prerequisite for the successful implementation of Arise’s business strategy and safeguarding of its long-term inter-

ests, including its sustainability, is that Arise is able to recruit and retain highly skilled senior executives with the capacity to achieve established targets. To this end, it is necessary that Arise offers competitive remuneration.

The remuneration shall be on market and competitive terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The level of remuneration for each individual executive will be based on such factors as work duties, expertise, experience, position and performance. The General Meeting may also – regardless of these guidelines – adopt remuneration based on, for example, share-related and share price-related incentive schemes.

The guidelines are found in the 2020 Annual Report on pages 38–40. During 2020, the company complied with the applicable remuneration guidelines adopted by the General Meeting and the total CEO remuneration was in accordance with the remuneration guidelines. No remuneration has been paid or promised to the CEO or other senior executives that entails a deviation or derogation from the remuneration guidelines.

The auditor’s report regarding the company’s compliance with the guidelines is available on Arise’s website,

## Total CEO remuneration in 2020

Name of director (position)	Financial year	Fixed remuneration *		Variable remuneration *, ***	Pension expense ****	Total remuneration	Proportion of fixed/variable remuneration of total remuneration
		Fixed salary	Other benefits **				
Daniel Johansson, CEO	2020	2,354	88	0	756	3,198	Variable: 100 % Rörlig: 0 %
Daniel Johansson, CEO	2019	2,202	85	2,160	718	5,166	Fixed: 58.2 % Variable: 41.8 %

All amounts are in thousands of SEK (TSEK).

\* The CEO received remuneration only from Arise AB and not from any other company in the Arise Group. The CEO did not receive any extraordinary remuneration (remuneration that in accordance with the remuneration guidelines could be paid under extraordinary circumstances).

\*\* This includes a company car and health care benefits.

\*\*\* See below (Compliance with the remuneration guidelines and application of performance criteria) for a more detailed description of the conditions and performance criteria.

\*\*\*\* All pension costs for the CEO were attributable to fixed salary.

[www.arise.se](http://www.arise.se). No remuneration has been reclaimed. During the 2020 financial year, the General Meeting did not resolve on any share-related or share price-related remuneration.

The table above presents the total remuneration to Arise AB's CEO in 2020. The CEO's fixed salary was determined at the start of 2020 and is higher than in the preceding year since the CEO contributed to and is expected to continue to contribute to the favourable underlying performance of the company. However, no variable remuneration was paid for 2020 since the criteria for such remuneration were not met.

#### COMPLIANCE WITH THE REMUNERATION GUIDELINES AND APPLICATION OF PERFORMANCE CRITERIA

Variable cash remuneration shall aim at promoting Arise's business strategy and long-term interests, including its sustainability. Variable cash remuneration may not amount to more than 100% of the fixed annual salary and does not qualify for pension. The variable cash remuneration shall be linked to one or more predetermined and measurable criteria which can be financial, such as adjusted profit after tax, or non-financial, such as increased growth, competitiveness, successful acquisitions, refinancing, growing human capital or the fulfilment of other objectives. Less than 50% of the variable cash remuneration shall depend on non-financial criteria. The objectives are to advance Arise's business strategy, long-term interests and sustainability by linking the senior executives' remuneration with the company's financial and operational development in a clear and measurable manner.

At the start of 2020, a criterion was established that would enable variable remuneration to be paid at a maximum of 12 monthly salaries based on the performance of earnings before tax, adjusted for write-ups and write-downs, in the Development and management segment ("earnings"). If earnings amounted to MSEK 20, one monthly salary could be paid in variable remuneration. If earnings amounted to between MSEK 20 and MSEK 100, additional variable remuneration could be paid up to an equivalent of 11 monthly salaries. However, the Remuneration Committee is entitled to decide on a different distribution than that proposed. In its decision, the Remuneration Committee is to consider, for example, earnings, development and performance during the year. If there were special reasons, the Remuneration Committee would be entitled to withhold a portion of this extra scope.

Earnings for 2020 amounted to a loss of MSEK -5, primarily since no development projects were divested during the year. For this reason, no variable remuneration was paid to the CEO in 2020.

#### DEVIATIONS AND DEROGATIONS FROM THE GUIDELINES

No deviations or derogations from the remuneration guidelines or the procedure for implementation of the guidelines were made in 2020.

March 2021

**Arise AB (publ)**  
The Board of Directors

#### Remuneration and the company's earnings 2020 and 2019

CEO	Profit	Total remuneration
2020	-5,000	3,198
2019	132,000	5,166
<b>Change</b>	<b>-104%</b>	<b>-38%</b>
<b>Total average remuneration, other employees*</b>		<b>Average salary</b>
2020		787
2019		885
<b>Change</b>		<b>-11%</b>

All amounts are in thousands of SEK (TSEK).

\* Excluding members of Group management



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