

REMUNERATION REPORT 2021/22

Introduction

This report describes how the guidelines for remuneration of senior executives of SkiStar AB (publ), adopted by the 2021 AGM, ("**remuneration guidelines**") were implemented in the 2021/22 financial year. The report also provides information on remuneration to the CEO. No remuneration to board members in addition to board fees has been paid. No outstanding share and share price-related incentive plans have existed or ended during 2021/22.

The company's development during the 2021/22 financial year

The CEO summarizes the company's overall performance in his statement on pages 6-7 in the 2021/22 annual report.

Overview of the application of the remuneration guidelines during the 2021/22 financial year

Successful implementation of the Company's business strategy and safeguarding of its long-term interests, including sustainability, are contingent on the Company having qualified employees. SkiStar must therefore be able to offer market-based and competitive remuneration so that it enables employees to be retained and recruited.

According to the remuneration guidelines, remuneration to senior executives shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration including commitment to acquire shares, pension benefits and other customary benefits. The variable cash remuneration shall be linked to measurable criteria established by the board relating to the Company's performance on earnings per share, return on equity, operating margin and organic growth, measured for each financial year.

The company's remuneration guidelines, which were adopted at the 2021 AGM, are set out in the administration report and in note 8 on pages 56-58 and 79 in the 2021/22 annual report. These are also available on the company's website, www.skistar.com/en/corporate.

During the financial year 2021/22, the company has complied with the applicable remuneration guidelines adopted by the general meeting. The decision-making process set out in the guidelines, which must be applied to determine the compensation, has been complied with and no deviations from the guidelines have been decided upon. It is, however, noted that the board, following a proposal from the remuneration committee, has exercised its right to grant an exemption from the guidelines by approving on 26 August 2022 that senior executives who acquire SkiStar shares from and including the date of said board decision have the right to settle such acquired SkiStar shares from the number of SkiStar shares that the senior executive has undertaken to buy in case of receipt of bonus thereafter.

The auditor's report regarding the company's compliance with the guidelines is available on www.skistar.com/en/corporate.

No remuneration has been reclaimed.

Table 1 – Total CEO remuneration in 2021/22 (SEK THOUSANDS)

The table below describes total expensed remuneration regarding the company's CEO during the 2021/22 financial year (SEK THOUSANDS).

Name, position (during the start/end of the period)		I Fixed remuneration		2	3	4	5	6
	Financial year	Base salary	Other benefits ¹	Variable remuneration - One-year	Extraordinary items	Pension expense	Total remuneration	Proportion of fixed and variable remuneration ²
Stefan Sjöstrand, CEO	2021/22	5,534	220	3,240	0	1,676	10,670	54/46

Application of performance criteria

The performance criteria for the CEO's variable remuneration have been selected to deliver on the company's strategy and to encourage behaviour which is in SkiStar's long-term interest. In the selection of performance measures, the strategic objectives and short- and long-term business priorities for 2021/22 have been considered.

Table 2 – Total variable cash remuneration to the CEO during 2021/22 (SEK THOUSANDS) based on application of performance criteria

Name, position	1 Description of the criteria related to the remuneration component	2 Relative weighting of the performance criteria	3 a) Measured performance, and b) actual remuneration outcome which will be paid in 2021	
			a)	b)
Stefan Sjöstrand, CEO	Growth in earnings per share 2021/22	25 %	a) YES	
			b) SEK 810 thousand	
	Return on equity 2021/22	25 %	a) YES	
			b) SEK 810 thousand	
	Operating margin 2021/22	25 %	a) YES	
			b) SEK 810 thousand	
	Organic growth 2021/22 compared with 2020/21	25 %	a) YES	
			b) SEK 810 thousand	

¹ Refers mainly to car remuneration, air travel and health insurance.

² Pension expense (column 4), which in its entirety relates to base salary and is premium defined, has been counted entirely as fixed remuneration.

Comparative information on the change of remuneration and company performance

Table 3 – Change of remuneration and company performance over the last five reported financial years (SEK THOUSANDS)

	2017/18 vs 2016/17	2018/19 vs 2017/18	2019/20 vs 2018/19	2020/21 vs 2019/20	2021/22 vs 2020/21	Information about 2021/22 (expensed remuneration)
Annual change in remuneration to the CEO						
CEO Stefan Sjöstrand (as from March 2020) and former CEO Anders Örnulf (December 2019 – March 2020)	131 (2%)	933 (13%)	120 (2%)	-787 (-11%)	4,188 (65%)	SEK 10,670 thousand
Mats Årjes (until November 2019)						
Annual change in the Group's operating profit						
The Group's operating profit	SEK 97 million (19%)	SEK -7 million (-1%)	SEK -210 million (-35%)	SEK -98 million (-25%)	SEK 588 million (199%)	SEK 884 million
Annual change in average remuneration to employees based on full-year equivalents (excluding members of Group Management)						
Average remuneration to employees in the Group ³	10 (2.7 %)	19 (5 %)	10 (2.6 %)	-5 (-1.2%)	13 (3.1 %)	SEK 421 thousand

Additional information on remuneration

Further information on remuneration to senior executives, information on employees and fees to the board of directors and the CEO are available in Note 8 on page 79 in the 2021/22 annual report. Information on the work of the remuneration committee and on board fees are available in the corporate governance report on pages 119-123 in the 2021/22 annual report.

Sälen in November 2022

The Board of Directors of SkiStar AB (publ)

³ Including pension costs but excluding other social costs. The information refers to all Group companies in Sweden and abroad.