

Remuneration report 2021

Introduction

This remuneration report provides an outline of how EQT AB's guidelines for executive remuneration, adopted by the annual shareholders' meeting 2020 and 2021, respectively, have been implemented in 2021. The report also provides details on the remuneration of EQT AB's CEO and deputy CEO, as well as fees to board members not resolved upon by the annual shareholders' meeting 2021. In addition, the report contains a summary of EQT AB's outstanding share and share-price related incentive program, the EQT Share Program. The report has been prepared in accordance with the Swedish Companies Act and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Information required by Chapter 5, Sections 40-44 of the Swedish Annual Accounts Act is available in note 7 on p. 115-120 in EQT AB's annual report for 2021.

Information on the work of the remuneration committee in 2021 is set out in the corporate governance report, which is available on p. 164-165 in the annual report 2021.

Remuneration to the board of directors resolved upon by the annual shareholders' meeting is not covered by this report. Such remuneration is resolved annually by the annual shareholders' meeting and disclosed in note 7 on p. 117 in the annual report 2021.

Key Developments 2021

EQT's overall performance in 2021

The CEO summarizes EQT AB's overall performance in his statement on p. 8-9 in the annual report 2021.

Overview of the application of the remuneration guidelines in 2021

Under EQT AB's remuneration guidelines, remuneration of executive management shall be on market terms and may consist of the following components: remuneration, variable cash remuneration, pension benefits and other benefits. The remuneration guidelines, adopted by the annual shareholders' meeting 2021, can be found on p. 115-116 in the annual report 2021. The auditor's report regarding whether EQT AB has complied with the guidelines is available on EQT AB's website, www.eqtgroup.com.

For 2021, EQT AB applied the remuneration guidelines in their determination of executive management pay outcomes and there were no deviations from the guidelines. Fixed remuneration was reviewed and found to be competitive and reflect responsibility. The majority of the executive management team members do not receive variable remuneration given their ownership stake in EQT AB being above 1.5%. For those in the executive management team that do receive variable remuneration, 2021 outcomes were in line with the assessment of EQT AB, business line and individual performance against the targets set at the beginning of the year.

In addition to remuneration covered by the remuneration guidelines, the annual shareholders' meeting 2019 resolved to implement the incentive program named "the EQT Share program" and the annual shareholders' meeting 2021 resolved on remuneration to the board of directors.

Total remuneration to the CEO and the deputy CEO (EUR)

The table below sets out total remuneration paid to EQT AB's CEO and deputy CEO during 2021.

Name of Director, (position)	Financial year	1 Fixed remuneration		2 Variable remuneration		3 Extraordinary items	4 Pension expense	5 Total remuneration	6 Proportion of fixed and variable remuneration
		Base salary	Other benefits	One-year variable	Multi-year variable				
Christian Sinding (CEO)	2021	526,312	11,984				34,828	573,123	100 / 0
Caspar Callerström (deputy CEO)	2021	311,267	1,774				61,475	374,516	100 / 0

Fees to board members not resolved upon by the annual shareholders' meeting 2021

Pursuant to a consultancy agreement between EQT AB and Edith Cooper, Edith Cooper provides consultancy services as senior advisor to support EQT's administration of the EQT Network. Edith Cooper is entitled to an annual fixed retainer of EUR 35,000 for the provision of these consultancy services. The EUR 35,000 for 2021 will be paid out in 2022.

Pursuant to a consultancy agreement between EQT AB and Westchel Ltd, a company controlled and represented by Gordon Orr, Westchel Ltd provides consultancy services as senior advisor to support (i) EQT's administration of the EQT Network (the "Original Assignment") and (ii) the APAC Advisory Team (the "APAC Assignment"). Westchel Ltd is entitled to an annual fixed retainer of EUR 35,000 for the provision of the Original Assignment and a consultancy fee of EUR 2,500 per day (in total 15 days during 2020, i.e. EUR 37,500 for 2020) for the APAC Assignment. The APAC Assignment was entered for a fixed time period from 1 June 2020 until 31 December 2020 and the agreement was capped at a total fee of EUR 37,500, of which EUR 25,000 was invoiced during 2020 and the remaining EUR 12,500 was invoiced during 2021. The APAC Assignment has been terminated.

Pursuant to a consultancy agreement between EQT AB and Individual Softcare BV, a company controlled and represented by Nicola Kimm, Individual Softcare BV provides consultancy services. Individual Softcare BV is entitled to a consulting fee of EUR 2,500 per day for consultancy work. During 2021, a total of EUR 4,375 was paid. The agreement has been terminated.

Since 1 January 2019, Conni Jonsson has been employed on a part-time contract, 25 percent, in EQT AB's subsidiary EQT Partners AB. The employment relates solely to Conni Jonsson's work in investment committees. The compensation related to the employment amounted to SEK 969,000 during 2021. Additionally, Conni Jonsson has a defined benefit pension plan which has been secured through a pension trust. The defined benefit plan consists partly of a guaranteed amount corresponding to the accumulated amount of historical contributions and partly of a variable amount corresponding to the fair value of the pension trust's net assets in excess of the guaranteed amount. EQT Partners AB has during 2021 paid SEK 8,775,000 in pension to Conni Jonsson. In conjunction with the payment from EQT Partners AB to Conni Jonsson, EQT Partners AB invoiced the corresponding amount to the pension trust. Thus, the payment of the pension is cost neutral for EQT Partners AB.

Share based remuneration

EQT Share Program

An incentive program, the EQT Share program, has been implemented in the EQT AB Group. The program includes members of the Executive Committee in EQT AB (however, as to date, not the CEO or deputy CEO). The performance criteria used to assess the outcome of the program are distinctly linked to the EQT AB Group's business strategy, sustainability, long-term interests and value growth for its shareholders. These performance criteria comprise financial targets, inter alia revenue growth and EBITDA and in addition thereto the general competitiveness as well as the individual meeting or exceeding EQT AB's highly set expectations on adding value to the EQT platform. The participants will invest a variable amount (financed by EQT) in C shares after a performance year, whereupon an approximately three-year holding period follows. For more information regarding the EQT Share program, including the criteria which the outcome depends on, please see page 99 in the annual report 2021.

Compliance with the remuneration guidelines and application of performance criteria

A prerequisite for the successful implementation of EQT AB's business strategy and safeguarding of its long-term interests, including its sustainability, is that EQT AB is able to attract and retain world class talent suitable for each role. To this end, it is necessary that EQT AB offers market competitive total compensation. EQT AB's remuneration guidelines enable EQT AB to offer the executive management a market competitive total compensation.

Total remuneration of the CEO and the deputy CEO during 2021 has complied with EQT AB's applicable remuneration guidelines. The CEO and the deputy CEO have not been comprised by the EQT Bonus program, i.e. variable cash remuneration, nor the EQT Share program, as they own more than 1.5 percent of the shares of EQT AB, entailing that they are excluded from participating in these programs pursuant to EQT AB's remuneration guidelines. Therefore, they do not receive any remuneration that is based on performance conditions. The assessment is that due to the large ownership in EQT AB, there is already a strong long term value creation link ensuring fully aligned interests with EQT's fund investors in the EQT funds, EQT AB's shareholders as well as EQT's long term approach.

Derogations and deviations from the remuneration guidelines and from the procedure for implementation of the guidelines

During 2021, EQT AB has not deviated from the procedure for the implementation of the remuneration guidelines or derogated from the remuneration guidelines themselves.

Comparative information on the change of remuneration and company performance

Change of remuneration and company performance over the last three reported financial years

Annual change	2021	2020	2019
Directors remuneration (EUR)			
Christian Sinding, CEO from 2019	573,123 (-0,3%)	574,631 (+1%)	570,597
Caspar Callerström, deputy CEO*	374,516 (+4%)	359,331 (+1%)	357,040
EQT AB's performance (mEUR)			
Adjusted Revenue	1,623 (+113%)	762** (+26%)	606
Adjusted EBITDA	1,100 (+186%)	385** (+51%)	275
Average remuneration in EUR on a full-time equivalent basis of employees			
All employees of EQT AB (excluding CEO and deputy CEO)	174,897 (-3%)	179,882 (-6%)	191,323

*Caspar Callerström has worked only part of the year in 2020. His remuneration is reported as full time equivalent for comparison reasons. The remuneration in 2021 includes vacation pay meanwhile the remuneration for 2020 and 2019 do not include vacation pay.

**Excluding business segment Credit.