

Remuneration report 2023

Introduction

This report describes how the guidelines for executive remuneration of Hoist Finance AB (publ) (the “**Company**”)¹ were implemented in 2023. The report also provides information on remuneration to the CEO and Deputy CEO. 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 9 (Employee expenses) in the annual report 2023. Information on the work of the Remuneration Committee in 2023 is set out in the corporate governance report available in the annual report 2023.

Remuneration to the board of directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and disclosed in note 9 in the annual report 2023.

Key developments 2023

The CEO summarized the Company’s overall performance in his statement in the annual report 2023.

The Company’s remuneration guidelines: scope, purpose and deviations

A prerequisite for the successful implementation of the Company’s business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company can recruit and retain qualified personnel. To this end, the Company must offer competitive remuneration. The Company’s remuneration guidelines enable the Company to offer executives a competitive total remuneration. Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The variable cash remuneration shall be linked to financial or non-financial criteria. They may be individualized, quantitative or qualitative objectives. The criteria shall be designed to contribute to the Company’s business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive’s long-term development.

The guidelines currently in force can be found in the annual report 2023. The remuneration guidelines have been fully implemented². No deviations from the guidelines have been decided upon and no derogations from the procedure for implementation of the guidelines have been made. The auditor’s report regarding the Company’s compliance with the guidelines is

¹ The guidelines that are currently in force were adopted at the Annual General Meeting on 10 May 2023. Before that, the guidelines adopted at the Annual General Meeting on 13 April 2021 applied.

² For the period 1 January – 10 May 2023, the 2021 guidelines were fully implemented.

available on <https://www.hoistfinance.com/Investors/corporate-governance/general-meetings/2024-agm/>. No remuneration has been reclaimed.

Total CEO and Deputy CEO remuneration in 2023 (SEK)

Name of director (position)	Financial Year	1		2		3	4	5	6
		Fixed remuneration		Variable remuneration					
		Gross base salary	Other benefits	One-year variable	Multi-year variable				
Harry Vranjes (CEO)	2023	7,009,000			7,000,000		1,985,000	15,994,000	100/100
Christian Wallentin (Deputy CEO)	2023	3,323,000	5,500		3,265,020		959,000	7,592,520	100/100

The variable remuneration is cash-based.

* Gross base salary includes agreed pension premium paid as salary.

Comparative information on the change of remuneration and Company performance

Change of remuneration and Company performance over the last four reported financial years (RFY) (SEK)

	2020	2021	2022	2023
	RFY-1 vs RFY-2	RFY vs RFY-1	RFY 2022	RFY 2023
Fixed remuneration including pension, CEO	0	5 341 807	21 203 571	15 994 000
Fixed remuneration including pension, leaving CEO	9108782 (1,3%)	9 231 000	3 080 000	N/A
Metric A EBT (MSEK)*	RFY -2: (-39) vs RFY-3: 82 (-148%)	RFY -1: 870 Vs RFY -2 (-39): > 100%.	RFY: 869 vs RFY -1, 870 = 0%	869 MSEK (711 MSEK net)
Metric B RoE (%)	RFY -2: (-5%) vs RFY-3: (-1%) (-400%)	RFY -1: 17% vs RFY -2: (-5%) >100%	RFY: 12% Vs RFY -1 17% = -29% (RFY normalised 17% Vs RFY -1, 17% = 0%)	12% reported (17% normalised)
Average remuneration on a full time equivalent basis of employees of the Group**	426 732****	341 568****	374 941****	442 167****

* We have chosen to use EBT as a metric to measure profitability.

** Excluding members of the Executive Management Team.

*** 2023:1231 FTE's 1281, 2022:1231 FTE's 1304, 2021:1231 FTE's 1544, 2020:1231 FTE's 1631.