

# Cloetta

## Remuneration Report 2025



This remuneration report provides an outline of Cloetta's guidelines for remuneration to the executive management (the "remuneration guidelines") as adopted by the Annual General Meeting 2025. The report also provides details on the remuneration of Cloetta's President and CEO (the "President"). In addition, the report contains a summary of Cloetta's outstanding share and long-term incentive plans. The report has been prepared in compliance with Chapter 8, Section 53 a and 53 b of the Swedish Companies Act (2005:551), the Swedish Corporate Governance Code and the Rules on Remuneration

of the Board and Executive Management and on Incentive Programmes issued by the Swedish Corporate Governance Board (and amended by the Stock Market Self-Regulation Committee).

Information required by Chapter 5, Sections 40–44 of the Annual Accounts Act (1995:1554) is available in Notes 6 and 7 on pages 158–159 and the disclosures in the section on the Remuneration of the Group Management Team on pages 55–57 in Cloetta's Annual and Sustainability Report 2025 (the "Annual Report 2025").

Information on the work of the remunera-

tion committee in 2025 is set out in the corporate governance statement, which is available on page 52 of the Annual Report 2025.

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 7 on page 159 of the Annual Report 2025.

### Key Developments 2025

#### Overall company performance in 2025

Organic growth was 1.9 per cent. Sales of Branded packaged products decreased organically by -0.9 per cent. The compara-

tive figure includes five months of net sales of the Nutisal brand, divested in the second quarter of 2024.

Sales of Pick & mix increased organically by 9.1 per cent.

Operating profit margin, adjusted for items affecting comparability, increased to 12.1 per cent (10.6). The increase was mainly driven by previous pricing and margin-enhancing initiatives, including portfolio optimisation and cost control, including the gradual positive impact of the savings related to the change in operating structure, partially offset by increased investments in Superbrands coupled with general cost inflation.

In 2025, Cloetta delivered a very strong cash flow, resulting in a net debt/ EBITDA of 0.7x, well below the long-term target of below 1.5x. Based on the healthy cash flow and strong balance sheet, the Board proposes an increased dividend of SEK 1.40 (1.10). For more information about the overall performance in 2025, please see pages 35–40 of the Annual Report 2025.

### Overview of the application of the remuneration guidelines in 2025

The Remuneration Committee monitors and evaluates programs for variable remuneration for the President, both those that are outstanding and those that have been completed during the year. The actual and expected outcome of such programs have been reported to the Board and discussed at Board meetings during the year.

Based on the Remuneration Committee's evaluation of the President's remuneration, the Board has determined that the current remuneration structure and remuneration level is appropriate, reflects market practice and is competitive and suitable for achieving Cloetta's objectives. After evaluation, both the Remuneration Committee and the auditor have concluded that Cloetta has complied with current remuneration guidelines during the 2025 financial year. In accordance with the remuneration guidelines, the Board may temporarily deviate from the remuneration guidelines, in whole or in part, if in a specific case there is special cause for the deviation and a deviation is necessary to serve the company's long-term interests. During the

financial year 2025, no deviations from the remuneration guidelines have been made.

Under Cloetta's remuneration guidelines, remuneration of the Group Management Team shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The remuneration guidelines, adopted by the Annual General Meeting 2025, can be found on pages 55–56 of the Annual Report 2025. The auditor's report regarding whether Cloetta has complied with the guidelines is available on Cloetta's website <https://www.cloetta.com>.

In addition to remuneration covered by the remuneration guidelines, the Annual General Meeting of Cloetta has resolved to implement long-term incentive plans and on remuneration to the Board of Directors.

The Board has not reduced or reclaimed remuneration that has been paid.

The table below sets out total remuneration paid to Cloetta's President, as well as the costs incurred by the company for the remuneration of the President during 2024 and 2025.

## Total remuneration of the President

### Remuneration – costs incurred

Amounts in SEK thousand	Financial year	Fixed remuneration		Variable remuneration		Pension expense	Total remuneration	Proportion of fixed and variable remuneration
		Base salary	Other benefits	One-year variable	Multi-year variable			
Katarina Tell <sup>1</sup>	2025	5,520	165	4,471	3,106	1,656	14,918	49% / 51%
	2024	3,220	81	3,220	1,114	564	8,199	47% / 53%
Henri de Sauvage-Nolting <sup>1</sup>	2025	-	-	-	-	-	-	-
	2024 <sup>2</sup>	4,446	2,918	4,194	-2,166	1,275	10,667	81% / 19%

### Remuneration – paid

Amounts in SEK thousand	Financial year	Fixed remuneration		Variable remuneration		Pension expense	Total remuneration	Proportion of fixed and variable remuneration
		Base salary	Other benefits	One-year variable	Multi-year variable			
Katarina Tell <sup>1</sup>	2025	5,520	165	4,319	1,771	1,656	13,431	55% / 45%
	2024	3,220	81	-	-	564	3,865	100% / 0%
Henri de Sauvage-Nolting <sup>1</sup>	2025	-	1,917	-	-	-	1,917	100% / 0%
	2024	4,446	1,001	6,000	1,666	1,275	14,388	47% / 53%

1) Henri de Sauvage-Nolting resigned during 2024, with a termination date of 31 August 2024. Katarina Tell assumed the role as President and CEO on 1 June 2024.

2) Comparative numbers have been adjusted for the cost incurred related to the resignation agreement of Henri de Sauvage-Nolting.

During the financial years 2024 and 2025, the President has not received any remuneration from any other company within the Cloetta group.

## Share-based remuneration\*

### Outstanding long-term incentive plan

Cloetta currently has three outstanding long-term incentive plans, LTI 2023, LTI 2024 and LTI 2025. The long-term incentive plans serve to align the interests of the shareholders, the Group Management Team and other key employees, in order to ensure maximum long-term value creation.

All of the long-term incentive plans require a personal shareholding in Cloetta. Following a three-year vesting period, the participants are allocated class B shares in Cloetta free of charge, provided that certain conditions are fulfilled.

The series A performance share rights in LTI 2023 and 2024 require a minimum average adjusted EBIT level during the vesting period. In addition, under all of the long-term incentive plans, the participants receive so-called series B performance share rights, which entitle the participant to class B shares in Cloetta, conditional upon the fulfilment of two performance targets, of which one is related to Cloetta's compounded organic net sales growth and the other is related to adjusted EBIT margin during the vesting period.

For LTIP 2025, for each invested share, 15 per cent of the total performance shares

will be granted series A shares, conditional upon the Total Shareholders Return (TSR) exceeding 0 per cent during the measurement period. The TSR is calculated by comparing the volume-weighted average price of the B-shares in Cloetta on Nasdaq Stockholm during the trading days in March 2025 to the volume weighted average price on B shares in Cloetta on Nasdaq Stockholm during the trading days in March 2028, including reinvested dividends. For each invested share, 35 per cent of the total performance shares will be granted series B shares, conditional upon Cloetta's compounded organic net sales growth annually for 2025–2027. The maximum level is at least 4 per cent and the minimum level is at least 0 per cent annually for 2025–2027. For each invested share, 50 per cent of the total performance shares will be granted series C shares, conditional upon Cloetta's adjusted EBIT margin for 2027. The maximum level is at least 14 per cent and the minimum level is at least 10.6 per cent. To be eligible for series B and series C shares the absolute adjusted EBIT in 2027 should exceed SEK 910m.

LTI 2022 vested in 2025. The performance targets for LTI 2022 were related to Cloetta's average annual adjusted EBIT level during the period 2022 to 2024, Cloetta's

compounded net sales growth during the period 2022 to 2024 and Cloetta's adjusted EBIT margin for 2024. The target levels set by the Board for the performance targets were met for a weighted average percentage of approximately 78 per cent. As a result, Cloetta transferred 617,109 shares to participants holding performance share rights in 2025.

LTI 2023 will vest in 2026. The target levels set by the Board for the performance targets were met for a weighted average percentage of approximately 95 per cent. The performance targets were related to Cloetta's compounded net sales growth during the period 2023 to 2025, Cloetta's adjusted EBIT margin for 2025 and Cloetta's average annual adjusted EBIT level during the period 2023 to 2025. LTI 2023 will be paid out in 2026. As a result, Cloetta expects to transfer 806,504 shares to participants holding performance share rights.

The first table below sets out further information with respect to LTI 2023, LTI 2024 and LTI 2025.

The President participates in the following outstanding programs: LTI 2023, LTI 2024 and LTI 2025. Information of each of the outstanding programs may be found in the table below.

\* ) For the purpose of determining the level of fulfilment of the performance targets, Cloetta's net sales value and EBIT will be adjusted to be unaffected by structural changes such as acquisitions and divestures as well as other extra ordinary items.

## Main characteristics of long-term incentive plans

	LTI 2025	LTI 2024	LTI 2023
AGM approval date	10 April 2025	9 April 2024	4 April 2023
Maximum number of B shares to be allocated	1,817,227	2,391,629	1,923,844
as percentage of total shares	0.6	0.8	0.7
as percentage of voting rights	0.5	0.7	0.6
Number of employees offered the opportunity to participate	78	44	46
Number of participants at inception date	57	32	36
Estimated number of B shares to be allocated, subject to possible recalculation	1,193,056	1,249,940	806,504
as percentage of total shares	0.4	0.4	0.3
as percentage of voting rights	0.4	0.4	0.2
Number of participants at reporting date	53	24	23

## Remuneration of the President and CEO in shares

The main conditions of share award plans						Information regarding the reported financial year						
Specification of plan	Performance period	Award date	Vesting date	End of retention period	Opening balance	During the year			Closing balance	Shares subject to a performance condition <sup>1)</sup>	Shares to be allocated if performance targets are met in full	
						Shares held at the beginning of the year <sup>1)</sup>	Shares invested <sup>1)</sup>	Shares released				Shares vested
Katarina Tell	LTI 2022	2022–2024	April 2022	Q2 2025	n/a	10,850	-	-	10,850	54,354	-	-
	LTI 2023	2023–2025	April 2023	Q2 2026	n/a	13,111	-	-	-	-	13,111	85,222
	LTI 2024	2024–2026	April 2024	Q2 2027	n/a	15,170	-	-	-	-	15,170	98,605
	LTI 2025	2025–2027	April 2025	Q2 2028	n/a	-	23,506	-	-	-	23,506	152,789
<b>Total</b>						<b>39,131</b>	<b>23,506</b>	<b>-</b>	<b>10,850</b>	<b>54,354</b>	<b>51,787</b>	<b>336,616</b>

1) Shares represent the personal investment of the President to participate in the long-term incentive plans.

### Application of performance criteria

Cloetta's business strategy involves, inter alia, to strengthen the company's position as the leading confectionery company in Northern Europe. In order to achieve this, the company is working to grow sales, especially organically, and to further improve the profitability on the company's core markets Sweden, Finland, the Netherlands, Denmark and Norway and beyond core markets Germany, the UK and North America. It is essential for Cloetta to create an incentive for the Group Management Team to drive commitment, forward thinking and activities that drive sales and strengthen Cloetta's brands in a way which is sustainable in the long-term. The remuneration to the Group Management Team shall ensure that Cloetta can recruit and retain qualified employees and that the Group Management Team has the right focus and that right behaviour is encouraged. The types of remuneration shall be in line with

market practice and competitive based on the conditions on the markets where Cloetta operates and shall be designed in a way that motivate the members of the executive management team to do their utmost to create shareholder value.

Any variable salary shall be limited to the equivalent of one fixed annual salary. The variable salary shall be linked, directly or indirectly, to the achievement of Cloetta's long-term financial targets set by Cloetta's Board of Directors, without it being necessary that the profit for the year, or that the other financial targets, exceed the previous year's results, even if the starting point when deciding on payment of variable salary shall be that the adjusted operating profit for the year exceeds the previous year's adjusted operating profit. The targets shall be measured in relation to the development of the entire group or be linked to the development of e.g. a region or otherwise to the executive's

area of responsibility. Variable salary shall generally be paid based on performance over a period of twelve months (the calendar year) and shall be based on the company's most recently published financial information. Cloetta's Board of Directors is responsible for assessing the outcome in relation to variable salary to the President.

In relation to variable salary to the other members of the executive management team, the President is responsible for assessing the outcome which shall be confirmed by the remuneration committee.

Set out in the first table below is a description of how the criteria for payment of variable short and long-term compensation have been applied for the President during the financial year 2025. The table shows realisation of 2025 targets. The second table below presents the change of remuneration and company performance since 2021. The current President was appointed in 2024.

### Criteria for variable short-term compensation of the President and CEO<sup>1</sup>

	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	Measured performance, SEKm	Award/remuneration outcome, SEKm
Katarina Tell	Group net sales	21% realisation out of max. 40%	8,525	1,159
	Group operating profit, adjusted	60% realisation out of max. 60%	1,033	3,312
<b>Total</b>				<b>4,471</b>

1) For long-term compensation criteria, please refer to the section "share-based remuneration".

### Change of remuneration and company performance over the last five reported financial years (RFY)

Annual change	2022 vs 2021		2023 vs 2022		2024 vs 2023		2025 vs 2024		2025
	SEK thousand	in %	SEK thousand	in %	SEK thousand	in %	SEK thousand	in %	SEK thousand
Katarina Tell (CEO) <sup>1</sup>					8,199	n/a	6,719	45	14,918
Henri de Sauvage-Nolting (CEO) <sup>1,2</sup>	3,064	28	2,854	20	-6,132	-37	-10,667	n/a	-
<b>Total remuneration President</b>	<b>3,064</b>	<b>28</b>	<b>2,854</b>	<b>20</b>	<b>2,067</b>	<b>12</b>	<b>-3,948</b>	<b>-26</b>	<b>14,918</b>
<b>Company's performance</b>									
Group net sales	823	14	1,432	21	312	4	-88	-1	8,525
Group operating profit, adjusted	120	21	108	16	111	14	123	12	1,033
Average remuneration on a full-time equivalent basis of employees <sup>3</sup>	25	6	42	10	54	12	5	1	521

1) Henri de Sauvage-Nolting resigned during 2024, with a termination date of 31 August 2024. Katarina Tell assumed the role as President and CEO on 1 June 2024.

2) Comparative numbers have been adjusted for the cost incurred related to the resignation agreement of Henri de Sauvage-Nolting.

3) All employees of the Cloetta Group (excluding Group Management Team) have been included in the calculation of the average remuneration on a full-time equivalent basis.