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Alleima AB:s Remuneration Report 2025

Introduction

This Remuneration Report describes how Alleima AB's ("Alleima" or the "Company") guidelines for executive remuneration (the "remuneration guidelines"), adopted by the Annual General Meeting, 2 May 2023, have been applied in 2025. The report also provides details on the remuneration of the Company's President & CEO (the "President") and a general overview of the Company's outstanding long-term incentive programs. The report has been prepared in accordance with Chapter 8, Sections 53 and 53 b of the Swedish Companies Act and the *Rules on Remuneration of the Board and Executive Management and on Incentive Programs* issued by the Swedish Corporate Governance Board, and now managed by the Stock Market's Self-Regulation Committee (Sw. *Aktiemarknadens självregleringskommitté*) (ASK).

Information pursuant to Chapter 5, Sections 40–44 of the Swedish Annual Accounts Act, is available in Note 3 on page 54 in the Company's Annual Report 2025. Information on the work of the Remuneration Committee in 2025 is set out in the corporate governance report on page 87 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 3 on page 54 of the Annual Report 2025.

Overall company performance in 2025

The President summarizes the Company's overall performance in his statement on pages 6-7 of the Annual Report 2025.

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 is able to recruit and retain qualified personnel. To this end, it is necessary that the Company offers competitive remuneration. The Company's remuneration guidelines enable the Company to offer the executive management and the President competitive total remuneration.

Under the Company's remuneration guidelines, remuneration of executive management shall be on market terms, be competitive and reflect the individual's performance and responsibilities as well as the Group's earnings trend. The remuneration may consist of the following components: fixed salary, variable remuneration, pension benefits and other benefits.

The remuneration guidelines, adopted by the Annual General Meeting, 2 May 2023, can be found on pages 33-34 of the Annual Report 2025. During 2025, the Company has complied with the applicable remuneration guidelines. No deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made. No remuneration has been reclaimed.

The auditor's report regarding whether the Company has complied with the remuneration guidelines is available on the Company's website www.alleima.com.

In addition to remuneration covered by the remuneration guidelines, the Company's Annual General Meetings have resolved to implement long-term share-related incentive programs.

Remuneration Committee's evaluation of remuneration

The Remuneration Committee considers that the remuneration guidelines adopted by the Annual General Meeting on 2 May 2023 have worked well and that the purpose of the guidelines has been achieved. Moreover, the Committee considers the Company's remuneration structures and remuneration levels to be balanced and on market terms.

Total remuneration of the President

The table below sets out total remuneration to the Company's President relating to 2025.

Name of Director, position	Fixed remuneration		Variable remuneration		Extraordinary items	Pension expense ⁵	Total remuneration	Proportion of fixed/variable remuneration ⁶
	Base salary ¹	Other benefits ²	One-year variable ³	Multi-year variable ⁴				
Göran Björkmans, President	7,999,293	151,409	1,976,296	5,497,038	0	2,753,962	18,377,998	a) 59% b) 41%

¹ Göran Björkmans fixed salary during 2025 amounts to 7,842,444 SEK. The remaining amount relates to vacation pay, etc. Board fees are not payable to President and CEO.

² Relates mainly to the company car.

³ Pertains to 2025 and is expected to be paid in 2026.

⁴ Relates to the cash based program LTI 2022.

⁵ Pension shall be paid in accordance with relevant national legislation, applicable collective agreements and similar. Relates to all pension contributions on pensionable salary.

⁶ a) The sum of fixed remuneration and pension expense divided by total remuneration b) the sum of variable remuneration divided by total remuneration.

Share and share price related incentive programs

The Annual General Meetings in 2023, 2024 and 2025 adopted a long-term share-related incentive program ("LTI"), for each of the respective year, for 30 senior executives and key individuals in the Alleima Group, divided into three categories. For all participants, a personal

investment in Alleima shares is required in each separate program. Each acquired Alleima share entitles the participant to be allotted, after a period of three years, a certain number of Alleima shares free of charge (so called performance shares), provided that certain performance targets are met and subject to continuous employment and all acquired shares being held during the three-year period. The number of performance shares that will finally be allotted to the participant for each acquired investment share is dependent on the development of the Alleima Group's (i) adjusted earnings per share, excluding (a) metal price effects and (b) items affecting comparability (IAC) ("adjusted EPS") and (ii) reduction of carbon dioxide (CO₂). The two targets (adjusted EPS and CO₂ emission) are weighted among themselves at 90 and 10 percent, respectively, and added together to determine the total target fulfilment. The achievement of the adjusted EPS target is measured separately for each of the three performance years of an incentive program, with each year corresponding to one-third of the target achievement. When the program concludes after three years, the results of the three years are combined to calculate the total three-year achievement for adjusted EPS. The distribution of performance shares to participants is based on this total achievement, which covers the entire three-year period. After three years, 2023-2025, 2024-2026 and 2025-2027, respectively, the outcome for LTI 2023, LTI 2024 and LTI 2025 is determined.

For information on the number of performance shares encompassed by the ongoing programs and target fulfilment and outcome of LTI 2023, see Note 3 on page 55 of the Annual Report 2025.

The table below sets out variable share-related remuneration to the Company's President relating to 2025.

The main conditions of long-term share-related incentive program					Information regarding the reported financial year						
					Opening balance (Jan 1, 2025)	During the year			Closing balance (Dec 31, 2025)		
	LTI Program ¹	Performance period	Award date	Vesting date and end of retention period ²	Awards ³ at the beginning of the year	Awards granted ⁴	Shares vested ⁵		Awards subject to vesting ⁷		Awards forfeited ⁹
							No. of shares	Value (SEK) ⁶	No. of awards	Value (SEK) ⁸	
Göran Björkman, President	LTI 2025	Jan 1, 2025 - Dec 31, 2027	June 5, 2025	June 15, 2028	0	55,275	0	0	55,275	4,524,259	0
	LTI 2024	Jan 1, 2024 - Dec 31, 2026	June 3, 2024	June 30, 2027	54,615	0	0	0	54,615	4,470,238	0
	LTI 2023	Jan 1, 2023 - Dec 31, 2025	June 8, 2023	June 30, 2026	77,663	0	0	0	77,663	6,356,717	0
TOTAL					132,278	55,275	0	0	187,553	15,351,214	0

¹ The program has a three-year performance period.

² The latest date of delivery of shares to the employee share account.

³ Award is the right for the participant to potentially receive performance share(s) under the LTI Program.

⁴ Assuming a maximum performance outcome.

⁵ The number of shares delivered to the employee's share account at vesting date.

⁶ The share value based on closing price on vesting date.

⁷ Based on actual performance outcome.

⁸ The share value based on closing price on Dec 30, 2025 (81.85 SEK).

⁹ Forfeited awards based on actual performance.

Variable short-term cash remuneration

Variable short-term cash remuneration is conditional upon the fulfilment of defined and measurable criteria. At the beginning of each year, the Remuneration Committee proposes and the Board of Directors approves the criteria, including key performance indicators (KPIs) and the target ranges, deemed relevant for the upcoming measurement period. At least 80 percent of the variable cash remuneration shall be linked to financial criteria.

The performance criteria for the President and CEO's short-term variable remuneration aims at promoting the Company's business strategy and performance as well as its long-term interests. Set out in the table below is a description of how the criteria for payment of variable short-term remuneration to the President have been applied during the financial year.

Name of Director, Position	Description of the criteria to the remuneration component ¹	Relative weighting of the performance criteria	Measured performance per criteria (%)	Actual award/ remuneration outcome (SEK)
Göran Björkman, President	Tube	60%	43%	1,399,876
	Kanthal	35%	26%	494,074
	Strip	5%	30%	82,346

¹The result is based on a weighted outcome from the Divisions' results of Adjusted EBIT (%), Cash Conversion (%) and Revenue PV (%). The weighting consists of the outcomes from Tube weighted at 60%, Kanthal at 35%, and Strip at 5%, based on their share of the Group's adjusted EBIT.

1) EBIT divided by revenues.

- EBIT excluding one-off items, effects from changes in metal price, year-over-year currency effects, acquisitions and M&A costs.
- Revenues adjusted for effects from changes in currency and acquisitions are also excluded in revenues.

2) Free operating cash flow (FOCF) [SEK] divided by EBIT [SEK].

- FOCF excluding cash effects related to acquisitions, one-off items and metal price effects on profit and inventory.
- EBIT excluding acquisitions, one-off items and effects from changes in metal price.

3) Organic growth on revenues as per official price/volume calculations, which excludes impact from changes in currency, structure (acquisitions) and alloys surcharge.

Variable long-term cash remuneration

During 2022, the Board of Directors has resolved on the implementation of a long-term variable cash program (LTI 2022), in which the President and CEO, the other senior executives in the group executive management team and an additional 35 employees within the group participate. As regards to the President and CEO, the value is maximum 75 percent of the fixed annual cash salary. The program period is three years and payment requires continuous employment in Alleima during a three-year period until the end of 2024, and that the group during 2022 achieves a measurable financial criterion linked to adjusted EBITA. The criteria for maximum outcome were achieved for LTI 2022. Payment was done in February 2025.

Comparative information on the change of remuneration and Company performance

The year 2022 is the first reference year for the comparative reporting. The table below shows changes in remuneration and company performance during 2022–2025 (SEK).

	2025	2024	2023	2022
President remuneration	18 377 998 (+62,94%)	11,278,837 (+3,22%)	10,927,254 (+1.79 %)	10,735,169
Group Operating Profit ¹	938 000 000 (-37,38%)	1,498,000,000 (-26.78 %)	2,046,000,000 (-3.58 %)	2,122,000,000
Average remuneration per employee employed in Sweden ²	610 319 (+2,68%)	594,390 (-0.94 %)	600,015 (+6.52 %)	563,302

¹ Alleima Group Operating Profit as per consolidated income statement in the Annual Report for the relevant year

² Alleima employees in Sweden. Excluding Group Executive Management.