

Remuneration report 2023

Introduction

This report describes how the guidelines for executive remuneration of Calliditas Therapeutics AB (publ) (“**Calliditas**”), adopted by the annual general meeting 2020, were implemented in 2023. The report also provides information on remuneration to the CEO and a summary of the company’s outstanding share-related incentive plans. The report has been prepared in accordance with the Swedish Companies Act (SFS 2005:551) and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Further information on executive remuneration is available in note 9 (Employees and personnel costs) on pages 50-52 in the annual report 2023. Information on the work of the remuneration committee in 2023 is set out in the corporate governance report available on pages 88-93 in the annual report 2023.

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 9 on page 51 in the annual report 2023.

Key developments 2023

The CEO summarizes the company’s overall performance in her statement on pages 6-7 in the annual report 2023.

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

Calliditas’ business strategy and safeguarding of its long-term interests, including its sustainability, presumes that Calliditas is able to recruit and retain qualified personnel. To this end, it is necessary that Calliditas offers competitive remuneration. These guidelines enable Calliditas to offer the executive management a competitive total remuneration.

The remuneration to the executive management may consist of fixed remuneration, variable remuneration, share and share-price related incentive programs, pension and other benefits. The fixed remuneration shall reflect the individual’s responsibility and experience level. The fixed remuneration shall be reviewed annually. The variable cash remuneration shall aim at promoting Calliditas’ 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 are found on pages 36-37 in the annual report 2023. The remuneration guidelines, adopted unanimously by the annual general meeting 2020, have been fully implemented. No deviations from the guidelines have been decided 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 available on <https://www.calliditas.se/en/annual-general-meeting-2024/>. No remuneration has been reclaimed. In addition to remuneration covered by the remuneration guidelines, the annual general meetings of the company have resolved to implement long-term share-related incentive plans.

Table 1

Total CEO remuneration in 2023 (kSEK)

Name of director (position)	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				
Renée Aguiar-Lucander (CEO)	6,725	-	3,177	-	-	1,817	11,719	73/27

Total CEO remuneration in 2022 (kSEK)

Name of director (position)	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				
Renée Aguiar-Lucander (CEO)	5,938	-	2,293	-	-	760	8,991	74/26

Total CEO remuneration in 2021 (kSEK)

Name of director (position)	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				
Renée Aguiar-Lucander (CEO)	4,860	-	1,840	-	-	760	7,460	75/25

Total CEO remuneration in 2020 (kSEK)

Name of director (position)	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				
Renée Aguiar-Lucander (CEO)	3,401	-	1,357	-	-	678	5,436	75/25

* Pension expense (column 4) has been counted entirely as fixed remuneration

Share-based remuneration

Outstanding share-related and share price-related incentive plans

ESOP 2020, 2021, 2022 and 2023

The company has further implemented four employee stock option programs, ESOP 2020, ESOP 2021, ESOP 2022 and ESOP 2023, which was implemented for employees and key consultants in Calliditas. The options were allotted free of charge to participants of the programs. The options have a three-year vesting period calculated from the allotment date, provided that, with customary exceptions, the participants remain as employees of, or continue to provide services to, Calliditas. Once the options are vested, they can be exercised within a one-year period. Each vested option entitles the holder to acquire one share in Calliditas at a predetermined price. The price per share shall be equivalent to 115% of the volume weighted average price of the company's shares on Nasdaq

Stockholm during the ten trading days preceding the allotment date. The options have, at the time of allotment, been valued according to the Black & Scholes valuation model.

Incentive programs for members of the Board of Directors

The company has three outstanding long-term performance-based incentive programs for members of the Board of Directors, LTIP 2021, LTIP 2022 and LTIP 2023. For further information on these, please refer to pages 54-55 of the annual report 2023.

Table 2 – Employee stock option plans (CEO)

Name of director (position)	The main conditions of employee stock option plans					Information regarding the reported financial year*						
	1 Name of plan	2 Performance period	3 Award date	4 Vesting date	5 End of retention period	6 Opening balance Employee stock options held at beginning of year	During the year		Closing balance			11 Shares subject to retention period
							7 Awarded	8 Vested	9 Subject to performance condition	10 Awarded and unvested at year end	11 Vested not exercised at year end	
	ESOP 2020	2020-2023	2020-07-02	2023-07-01	2023-07-01	225,000	-	225,000	-	-	225,000	-
	ESOP 2020	2021-2024	2021-03-09	2024-03-09	2024-03-09	71,000	-	-	-	71,000	-	-
Renée Aguiar- Lucander (CEO)	ESOP 2021	2022-2025	2022-03-17	2025-03-17	2025-03-17	120,000	-	-	-	120,000	-	-
	ESOP 2022	2022-2025	2022-09-27	2025-09-27	2025-09-27	175,000	-	-	-	175,000	-	-
	ESOP 2023	2023-2026	2023-07-25	2026-07-25	2026-07-25	-	250,000*	-	-	250,000	-	-
Total						591,000	250,000	225,000	-	616,000	225,000	-

* Value: Calculated as the market price (SEK 85.0) per share at the time of award multiplied by the number of awarded options (250,000), the value is kSEK 21,250. Exercise price: The total amount for the CEO to pay to exercise the employee stock options is kSEK 24,450 (exercise price per share SEK 97.8).

Application of performance criteria

The performance measures for the CEO's variable remuneration have been selected to deliver the company's strategy and to encourage behaviour which is in the long-term interest of the company. In the selection of performance measures, the strategic objectives and short-term and long-term business priorities for 2023 have been taken into account.

Table 3 - Performance of the CEO in the reported financial year: variable cash remuneration

Name of director (position)	1 Description of the criteria related to the remuneration component	2 Relative weighting of the performance criteria	3 a) Measured performance and b) remuneration outcome
	Building value in Nefecon franchise	50%	a) 100%, b) kSEK 1,589
Renée Aguiar- Lucander (CEO)	Building of integrated organization	25%	a) 100%, b) kSEK 794
	Visibility of timing of cash flow positivity	25%	a) 100%, b) kSEK 794

Comparative information on the change of remuneration and company performance

Table 4 – Change of remuneration and the company’s performance over the last reported financial years (RFY) (kSEK)

	RFY 2023	RFY 2022	RFY 2021	RFY 2020
CEO remuneration Renée Aguiar-Lucander, kSEK	11,719	8,991	7,460	5,436
Group operating profit/(loss), kSEK	(373,055)	(421,943)	(524,456)	(379,720)
Average remuneration on a full-time equivalent basis of employees, excluding management, of the parent company, kSEK	1,311	1,141	1,142	1,153