

## **Proposal by the board of directors of MAG Interactive AB (publ) regarding a resolution to adopt guidelines for remuneration for the CEO and executive management – item 15**

These guidelines for remuneration shall be applied to the executive management team of MAG Interactive AB (publ) (the "**Company**"). Remuneration to the executive management team shall be in accordance with market standards, in order to secure the Company's ability to attract and maintain competent leaders, which in turn promotes the Company's business strategy, long-term interests and the creation of a sustainable organization. Remuneration shall be based on the individual's position, responsibilities and performance. The total remuneration to the executive management team shall consist of a fixed salary, variable salary, long term incentives and other benefits, such as non-monetary benefits, as well as pensions and insurances. The respective forms of remuneration relative to the total remuneration (exclusive of long-term incentives) shall mainly be as follows:

- Fixed salary: 40-75%
- Variable salary: 0-40%
- Other benefits (such as non-monetary benefits): 3-5%
- Pensions and insurances: 15-20%

In addition, the general meeting of the Company may decide on long-term incentive programs for the members of the executive management team.

### **Fixed Salary**

Fixed salary shall be in accordance with market standards and based on the responsibilities of the member of the executive management team.

### **Variable salary**

In addition to fixed salary, the members of the executive management team are entitled to variable salary. The variable salary is determined by the board of directors and must be linked to predetermined and measurable criteria and designed with the aim of promoting the Company's value creation and business strategy both in the short term and the long term. Targets for variable salary shall be linked partly to the outcome of specific financial targets for the Company and partly to individual targets attributable to each executive's role and function at the Company. The size of the variable salary shall not exceed SEK 750,000 per executive and financial year.

Evaluation and decision on target fulfillment and payment of variable salary are made by the board. If a remuneration committee has been appointed, the board's decisions on variable salary shall be carried out on the basis of materials prepared by the remuneration committee. Evaluation and decision on target fulfillment and payment of variable salary shall be made after the end of each financial year. The CEO and other members of the executive management shall not participate in the board's preparation and decisions regarding variable salary.

### **Long-term incentive program**

The Company's culture advocates long-sightedness and a spirit of taking responsibility and shareholding. Therefore, the board has proposed that the annual general meeting resolves on a long-term warrant program for members of the executive management (with the exception of the founders Daniel Hasselberg, Kaj Nygren and Johan Persson, as well as David Amor who due to his residence outside of

Sweden is proposed to participate in the employee stock option program together with the other employees). The board of directors has proposed that three-year cliff vesting shall apply in relation to the participation of the members of the executive management team in the incentive programs.

### **Non-monetary benefits**

Non-monetary benefits may be offered in accordance with the customary rules in each country. These benefits shall not constitute a substantial part of the total remuneration.

### **Termination**

Notice of termination for the CEO and other members of the executive management team shall be 6 months.

In addition, the members of the executive management team are bound to a non-compete clause and a non-solicitation clause applicable for 12 months after terminated employment, where the Company has agreed to indemnify the months where a member of the executive management team was unable to accept a competing offer.

### **Remuneration after employment has ended**

Pensions shall be formed in such a way that they are in accordance with market standards and reflects normally accepted levels and customs in the country where the member of the executive management team is employed.

### **Preparation of the guidelines**

The remuneration principles have been prepared by the board of directors, taking into account, among other things, salary and employment conditions for the Company's employees. The CEO and other members of the executive management have not participated in the board's handling and decisions regarding the guidelines.

The guidelines are subject to an annual review by the board of directors. As part of the annual review the board of directors shall consider the development of the general remuneration levels for senior executives in comparable companies as well as the general remuneration levels and employment conditions for employees of the Company. The CEO and other senior executives will not participate in the annual review of the guidelines. If the board appoints a remuneration committee, the remuneration committee will be involved in the handling of the annual review.

When proposing amendments to the guidelines, the board of directors shall, in its proposal, summarize significant changes to the guidelines and, if applicable, how shareholders' views have been taken into account in the review of the guidelines.

### **Deviation from the principles for remuneration**

The board of directors may decide to deviate from the guidelines in individual cases where there exist specific reasons and such deviation is necessary in order to fulfil the company's long-term interests and sustainability or to ensure the company's financial viability. Following decision by the board of directors, the guidelines may be deviated from, in respect of any of the above principles, in individual cases where necessary or if there exist a strong interest for the company, e.g. in order to adapt to prevailing terms and conditions for senior executives resident outside Sweden and to enable key recruitments that are critical to the Company's long-term business strategy.

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Stockholm, December 2019  
MAG Interactive AB (publ)  
*The board of directors*