

Remuneration report 2020

Introduction

This remuneration report provides an outline of how Catena Media plc's guidelines for executive remuneration (the "remuneration guidelines") (available at https://www.catenamedia.com/app/uploads/2020/04/Press-release_Notice-of-Annual-General-Meeting-20201.pdf), adopted by the annual general meeting 2020, have been implemented in 2020.

This remuneration report provides details on the remuneration of Catena Media plc's CEO and deputy CEO as well as the Company's board of directors. In addition, the report contains a summary of Catena Media plc's outstanding share and share-price related incentive programs. The report has been prepared in compliance with Listing Rule 12.26K of the Maltese Listing Rules issued by the Maltese Listing Authority in accordance with the provisions of the Financial Market Act (Chapter 345 of the laws of Malta).

Information on personnel expenses is available in note 8 on p. 49 in the company's annual report for 2020 (the "annual report 2020").

Information on the work of the remuneration committee in 2020 is set out in the corporate governance report, which is available on p. 60-66 in the annual report 2020.

Key Developments 2020

Information about the general performance of the company during the financial year 2020 is described in the CEO statement on p. 5 in the annual report 2020.

Overview of the application of the remuneration guidelines in 2020

Under Catena Media plc's remuneration guidelines, remuneration of the CEO and Deputy CEO shall be on market terms and may consist of the following components: fixed cash salary, variable remuneration, share-based remuneration, pension benefits and other benefits. The remuneration guidelines, adopted by the annual general meeting 2020, can be found on p. 66 in the annual report 2020. No deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made.

Under Catena Media plc's remuneration guidelines, board members are only entitled to a fixed base salary.

In addition to remuneration covered by the remuneration guidelines, the annual general meetings of Catena Media plc have resolved to implement long-term share-related incentive plans and on remuneration to the board of directors.

Table 1 – Total remuneration of the Board of Directors and the CEO and deputy CEO (EUR)

Table 1 below sets out total remuneration paid to each member of the Board of Directors and the Company' the CEO and deputy CEO during 2020.

Company	Name and, position (start/end)	Financial year	1 Fixed remuneration		2 Variable remuneration		3 Extraordinary items	4 Pension expense	5 Total remuneration ¹ ₂	6 Proportion of fixed and variable remuneration
			Base salary	Other benefits	One-year variable	Multi-year variable				
Catena Media plc	Per Hellberg (CEO)	2020								
Catena Operations Ltd		2020	376,207.26	117,192	45,000	0	0	0	538,399.26	91,64/8,36 (%)
Catena Media plc	Johannes Bergh (deputy CEO)	2020								
Catena Operations Ltd		2020	309,181.44	0	0	0	0	0	309,181.44	0
Catena Media plc	Kathryn Moore Baker ³ (Board member)	2020								
Catena Operations Ltd		2020	35,599.32	0	0	0	0	0	35,599.32	0
Catena media plc	Mats Alders ⁴ (Board member)	2020								
Catena Operations Ltd		2020	19,417.81	0	0	0	0	0	19,417.81	0
Catena Media plc	Cecilia Qvist ⁵ (Board member)	2020								
Catena Operations Ltd		2020	14,794.52	0	0	0	0	0	14,794.52	0

¹ Sum of Columns 1-4.

² The aggregate remuneration to the board of directors amounts to approximately TEUR 334 according to the company's annual report. The correct amount, which is the aggregate of the information presented in this table, is TEUR 339.

³ Kathryn Moore Baker was chairwoman and member of the board of directors up until the AGM 2020.

⁴ Mats Alders was a member of the board of directors up until the AGM 2020.

⁵ Cecilia Qvist was a member of the board of directors up until the AGM 2020.

Catena Media plc	Göran Blomberg	2020								
Catena Operations Ltd	(Chairman of the Board) ⁶	2020	81,695.21	0	0	0	0	0	81,695.21	0
Catena Media plc	Øystein Engebretsen	2020								
Catena Operations Ltd	(Director)	2020	46,250.00	0	0	0	0	0	46,250.00	0
Catena Media plc	Per Widerström	2020								
Catena Operations Ltd	(Director)	2020	43,125.00	0	0	0	0	0	43,125.00	0
Catena Media plc	Theodore Bergqvist	2020								
Catena Operations Ltd	(Director)	2020	43,938.36	0	0	0	0	0	43,938.36	0
Catena Media plc	Adam Krejčík ⁷	2020								
Catena Operations Ltd	(Director)	2020	25,205.48	0	0	0	0	0	25,205.48	0
Catena Media plc	Marcus Lindqvist ⁸	2020								
Catena Operations Ltd	(Director)	2020	29,143.84	0	0	0	0	0	29,143.84	0

Share based remuneration

Outstanding share and share-price related incentive programs

During the years 2017–2020, the General Meetings of Catena Media have adopted several Incentive Programmes directed to senior executives and certain key employees of the Catena Media group. The purpose of the Incentive Programmes is to achieve an increased alignment between the interests of the participants in the programmes and the shareholders of Catena Media, as well as to create conditions for retaining and recruiting competent personnel. Provided that the performance targets are fulfilled at the time of the exercise of the share options or warrants, each share option and each warrant entitle a participant to subscribe for one new share in Catena Media during the exercise period in accordance with the terms and conditions of each programme. Each program is subject to customary recalculation provisions.

Incentive Programme 2020

The 2020 Annual General Meeting resolved to adopt a new incentive program in accordance with proposals from the Board of Directors (the "2020 Programme"). The programme comprises two series (share options and warrants) and has a vesting period of three years from the allocation date.

⁶ Göran Blomberg was elected to the board of directors at the AGM 2019 and as chairman of the board of directors at the AGM 2020.

⁷ Adam Krejčík was elected as a new board member at the AGM 2020.

⁸ Marcus Lindqvist was elected as new board member at the AGM 2020.

The 2020 Programme comprises not more than 35 participants and in total not more than 1,400,000 share options and warrants, corresponding to a dilution of not more than approximately 2.2 per cent of the shares in the company.

The subscription price for the shares shall be equal to 115 per cent of the volume-weighted average price of the company's share on Nasdaq Stockholm during a period of ten (10) trading days prior to the respective allocation dates of the share options or the warrants. The final number of share options or warrants each participant shall be entitled to exercise shall also be dependent on the degree of fulfilment of certain performance targets.

Incentive Programme 2019

The 2019 Annual General Meeting resolved to adopt two incentive programs in accordance with proposals from the Board of Directors (the "2019 Programme") and certain shareholders (the "Shareholder Programme"), respectively. Both programmes comprise two series (share options and warrants) and have a vesting period of three years from the allocation date.

The 2019 Programme comprises not more than 32 participants and in total not more than 1,150,000 share options and warrants, corresponding to a dilution of approximately 1.9 per cent of the shares in the company. The Shareholder Programme comprises not more than 15 participants and in total 1,150,000 share options and warrants, corresponding to not more than approximately 1.9 per cent of the share capital and votes in the Company. Currently, a total of 1,562,222 share options are outstanding under the 2019 Programme and the Shareholder Program.

The subscription price for the shares shall be equal to 115 per cent of the volume-weighted average price of the company's share on Nasdaq Stockholm during a period of ten (10) trading days prior to the respective allocation dates of the share options or the warrants. The final number of share options or warrants each participant shall be entitled to exercise shall also be dependent on the degree of fulfilment of certain performance targets.

Incentive Programme 2018

The 2018 Annual General Meeting resolved to adopt an incentive programme (the "2018 Programme"). The 2018 Programme comprises two series (share options and warrants) and has a vesting period of three years from the allocation date.

The 2018 Programme comprises not more than 32 participants and not more than in aggregate 800,000 share options and warrants, corresponding to a dilution of approximately 1.3 per cent of the shares in the company. Currently, total of 538,013 share options and 15,500 warrants are outstanding under the 2018 Programme.

The subscription price for the shares shall be equal to 130 per cent of the volume-weighted average price of the company's share on Nasdaq Stockholm during a period of ten (10) trading days prior to the respective allocation dates of the share options or the warrants. The final number of share options or warrants each participant shall be entitled to exercise shall also be dependent on the degree of fulfilment of certain performance targets.

Incentive Programme 2017

An extraordinary general meeting held on 16 January 2017 resolved to adopt an Incentive Programme (the "2017 Programme"), which replaced the incentive program adopted in 2016. The 2017 Programme comprises share options and has a vesting period of three years.

The 2017 Programme comprises not more than 15 participants and not more than 1,000,000 share options, corresponding to a dilution of approximately 1.6 per cent of the shares in the company. A total of 815,368 share options are outstanding under the 2017 Programme. At the end of the financial year 2020, the 2017 programme comprised 6 participants as 7 participants have terminated their employment. Thus, the current number of share options within the 2017 programme comprise 510,000 share options, corresponding to a dilution of approximately 0.66 per cent of the shares in the company.

The subscription price for the shares shall be equal to 130 per cent of the volume-weighted average price for the company's share on Nasdaq Stockholm during a period of five (5) trading days prior to the respective allocation dates of the share options. The final number of share options each participant will be entitled to exercise is also dependent on the degree of fulfilment of a financial target defined as average annual percentage growth in earnings per share during the financial years 2017–2019 compared with earnings per share for the financial year of 2016.

Table 2 – Remuneration of the CEO and the deputy CEO in share options

Name of Director, position	The main conditions of share option plans ⁹							Information regarding the reported financial year					
								Opening balance	During the year			Closing balance	
	Specification of plan	Performance period ¹⁰	Award date	Vesting date	End of retention period	Exercise period	Exercise price of the share and date ¹¹	Share options held at the beginning of the year	Share options awarded	Share options vested	Share options subject to a performance condition	Share options awarded and unvested	Share options subject to a retention period ¹²
Per Hellberg, CEO	Share option programme 2020	26/06/2020 - 26/06/2023	26/06/2020	26/06/2023	N/A	26/06/2023 - 26/12/2023	29.00	0	200 000 ¹³	0	200 000	200 000	N/A
	Share option (Company) programme 2019	11/06/2019 - 11/06/2022	11/06/2019	11/06/2022	N/A	11/06/2022 - 11/12/2022	68.00	200 000	0	0	200 000	200 000	N/A
	Share option (Shareholder) programme 2019	11/06/2019 - 11/06/2022	11/06/2019	11/06/2022	N/A	11/06/2022 - 11/12/2022	68.00	300 000	0	0	300 000	300 000	N/A
	Share option programme 2018	05/06/2018 - 05/06/2021	05/06/2018	05/06/2021	N/A	05/06/21 - 05/12/2021	178.00	300 000	0	0	300 000	300 000	N/A
TOTAL													
Johannes Bergh (deputy CEO) ¹⁴	Share option (Company) programme 2019	12/06/2019 - 12/06/2022	12/06/2019	12/06/2022	N/A	12/06/2022 - 12/12/2022	68.00	80 000	0	0	0	0	N/A
	Share option (Shareholder)	12/06/2019 - 12/06/2022	12/06/2019	12/06/2022	N/A	12/06/2022 - 12/12/2022	68.00	100 000	0	0	0	0	N/A

⁹ The following numbers will be subject to recalculations due to the rights issue carried out in July 2020.

¹¹ Strike price in SEK.

¹² For the relevant incentive programmes, there is no separate retention period after the vesting period.

¹³ The aggregate market value of the underlying shares at the time of the award is SEK 4 300 000. The aggregate exercise price is SEK 5 800 000.

¹⁴ Johannes Bergh resigned from his position as deputy CEO in July 2020, thus all options have expired due to his resignation.

	programme 2019												
	Share option programme 2018	01/06/2018 - 01/06/2021	01/06/2018	01/06/2021	N/A	01/06/2018-01/06/2021	178.0	40 000	0	0	0	0	N/A
TOTAL													

Compliance with the remuneration guidelines and application of performance criteria

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. Catena Media's remuneration guidelines enables the company to offer the senior executives a competitive total remuneration. Total remuneration of the CEO and the deputy CEO during 2020 has complied with the company's remuneration guidelines. Thus, no deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made.

In accordance with the remuneration guidelines adopted at the AGM 2020, the variable remuneration shall be linked to predetermined and measurable criteria which can be financial or nonfinancial, to be determined by the Remuneration Committee from time to time. The Remuneration Committee will also determine whether such variable remuneration will be subject to any deferral periods and whether the Company have the right to reclaim any such remuneration. They shall be individualized and may be quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including sustainability, by for example being clearly linked to the business strategy or promote the senior executive's long-term development. In case earnings before taxes of the company are negative, any variable remuneration shall not be paid out.

Table 3 - Performance of the CEO and the deputy CEO in the reported financial year

Application of performance criteria

The performance measures for the CEO's variable remuneration have been established to deliver the company's strategy and to encourage behavior which is in the long-term interest of the company. In the determination of performance measures, the strategic objectives and short-term and long-term business priorities for 2020 have been taken into account. The non-financial performance measures further contribute to alignment with sustainability as well as the company values.

Set out in Table 3 below is a description of how the criteria for payment of variable short- and long-term compensation have been applied during the financial year.

Name of Director, Position	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance and b) actual award/ remuneration outcome
Per Hellberg, CEO	Revenue	40%	a) 5,3% b) EUR 19,032
	Adjusted EBITDA	40%	a) 7,3%

			b) EUR 26,214
	BI (&Data) ¹⁵	10%	a) 0,0%
			b) EUR 0
	Discretionary ¹⁶	10%	a) 0,0%
			b) EUR 0
Total			a) 12,6%
			b) 45,247

Comparative information on the change of remuneration and company performance

As this is the first year the report is being prepared no comparison is provided in relation to previous years.

<i>Comparative information on the change of remuneration and company performance, financial year 2020</i>	
CEO remuneration	EUR 538,399.26
Group operating profit	EUR 38,491
Average remuneration on a full time equivalent basis of employees* of the parent company	EUR 47,526
*excluding members of the group executive management	

15 KPI: BI (&Data): Deliver a strategy and implementation plan for BI & Data Management within the company.

16 Discretionary: Up to the board to decide how to apply.