



Annual General Meeting of Saab AB on 1 April 2026

Agenda item 13

BOARD OF DIRECTORS' REMUNERATION REPORT 2025

Introduction

This remuneration report provides an outline of how Saab Aktiebolag's (reg. no 556036-0793) ("Saab") guidelines for remuneration and other terms of employment for senior executives (the "remuneration guidelines"), adopted by the Annual General Meeting 2021 and 2025, have been applied in 2025. The report also provides details on the remuneration of Saab's CEO and deputy CEO. In addition, the report contains a summary of Saab's outstanding long-term incentive programs. The report has been prepared in compliance with Chapter 8, Sections 53 a and 53 b of the Swedish Companies Act (2005:551) and the Rules on Remuneration of the Board and Executive Management and on Incentive Programmes issued by the Swedish Stock Market Self-Regulating Committee (valid from 1 January 2026).

Information required by Chapter 5, Sections 40-44 of the Annual Accounts Act (1995:1554) is available in note 8 on p. 170 - 175 in the company's Annual Report for 2025 (the "Annual Report 2025"). Information on the work of the Remuneration Committee in 2025 is set out in the corporate governance report, which is available on p. 50 - 56 in 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 8 on p. 170 - 175 in the Annual Report 2025.

Developments 2025

The CEO summarises Saab's overall performance in 2025 in the statement on p. 9-10 in the Annual Report 2025.

Remuneration guidelines: scope, purpose and deviations

A prerequisite for the successful implementation of Saab's business strategy and safeguarding of Saab's long-term interests, including its sustainability, is that Saab is able to recruit and retain senior executives. To this end, it is necessary that Saab offers a competitive total remuneration on market terms, adapted to Saab's development and situation, which the remuneration guidelines enable. To the greatest extent possible, remuneration structures shall be characterised by predictability with respect to both the cost for Saab and the benefit for the employee. They shall be based on factors such as position, competence, experience and performance. Benchmarking shall be made regularly relative to comparable industries and markets. Under the remuneration guidelines, remuneration to senior executives may consist of fixed cash salary, other benefits and pension benefits. Saab does not normally offer any short-term variable cash remuneration to the CEO or other members of the group management, including the deputy CEO. Instead, the variable remuneration consists of long-term share based incentive programs, which are adopted by the shareholders' meeting and not subject to the remuneration guidelines.

The remuneration guidelines are available on p. 62 - 64 in the Annual Report 2025. During 2025, Saab has complied with the applicable remuneration guidelines adopted by the Annual General Meeting 2021 and 2025 and no derogations or deviations have been made from the remuneration guidelines or from the decision-making process, which pursuant to the guidelines, is to be applied in order to set remuneration. The auditor's report regarding whether the company has complied with the remuneration guidelines is available on the company's website www.saab.com/agm. No remuneration has been reclaimed.

Remuneration Committee evaluation

The Remuneration Committee has evaluated the remuneration to the senior executives of Saab, including long-term variable remuneration, the application of the remuneration guidelines adopted by the Annual General Meeting 2025, as well as the current remuneration structures and remuneration levels in the company.

The Remuneration Committee is of the opinion that the remuneration guidelines adopted in 2025 achieve their purposes to facilitate the recruitment and retention of senior executives. No changes are proposed to the remuneration guidelines.

The Remuneration Committee has reviewed an external market analysis and is of the opinion that the remuneration to senior executives generally is in line with the applicable levels in industries and markets comparable to Saab.

In view of the rapidly changing environments and in response to an evaluation by the Board of Directors, as well as investor feedback, the Board of Directors announced in October 2025 a proposal for a revised Long-Term Incentive Program 2026 ("Revised LTI 2026") to the Annual General Meeting 2026 that will replace the previously resolved LTI 2026.

The proposed changes relate to the Performance Share Plan 2026 and the Special Projects Incentive 2026. The participants have been offered to enroll in the Performance Share Plan 2026 and the Special Projects Incentive 2026, subject to the approval of the Revised LTI 2026 by the General Meeting. The resolution by the 2025 Annual General Meeting on LTI 2026 insofar as it relates to Share Matching Plan 2026 shall remain unaffected, but the Board of Directors has previously resolved that the CEO and the members of the Group Management would no longer be offered to participate in the Share Matching Plan 2026.

The Remuneration Committee has further recommended the Board of Directors to propose to the Annual General Meeting 2026 to resolve on a long-term incentive program 2027 (LTI 2027), consisting of a Share Matching Plan (SMP) 2027, a Performance Share Plan (PSP) 2027 and a Special Projects Incentive (SPI) 2027. LTI 2027 is proposed to have corresponding terms and conditions as the Revised LTI 2026, except for a minor adjustment of the CO₂ target.

Overall, the Remuneration Committee is of the opinion that the current remuneration structure and the remuneration levels in the company are in line with market competitive levels.

Total remuneration

Below table sets out total remuneration paid to Saab's CEO and deputy CEO during 2025 (SEK).

Name of Director, position	Fixed remuneration		Variable remuneration	Pension expense ⁴	Total remuneration	Proportion of fixed and variable remuneration
	Base salary ¹	Other benefits ²	Multi-year variable ³			
Micael Johansson, CEO	16,921,508	150,314	37,979,621	6,203,453	61,254,896	38% / 62%
Anders Carp, deputy CEO	7,059,696	133,379	11,847,061	2,457,775	21,497,911	45% / 55%

Share based remuneration

Background share and share-price related incentive programs

Saab's Annual General Meetings have adopted long-term incentive programs ("LTI") that currently are

¹ The base salary includes monthly salary, holiday pay and compensation for the additional tax cost of certain benefits.

² Other benefits includes benefits such as company car, health insurance, housing, travels, tax assistance and taxable allowances.

³ Multi-year variable consists of shares that vested under the long-term incentive programs during 2025, based on the current share price at the time of respective vesting during the year.

⁴ Pension expenses according to collective agreements, the Saab-plan and the New Saab-plan for senior executives. The long-term incentive programmes do not qualify for pension benefits.

ongoing. Each of the long-term incentive programs adopted in 2022 - 2025 consists of three parts, a Share Matching Plan, a Performance Share Plan and a Special Projects Incentive⁵. The respective Share Matching Plan is for all employees, whereas the respective Performance Share Plan and the respective Special Projects Incentive are for senior executives and other key contributors.

Taking into account the outcome of the performance conditions and the number of remaining participants in each plan, the number of shares that may vest in all ongoing long-term incentive programs amounts to 4,286,000 per 31 December 2025. LTI 2026 started in January 2026 and comprises 3,100,000 shares according to the resolution of the Annual General Meeting 2025.

The long-term incentive program LTI 2022, adopted by the Annual General Meeting 2021, was completed in February 2026 and consisted of a Share Matching Plan, a Performance Share Plan and a Special Projects Incentive.

Share Matching Plans

Employees who participate in a Share Matching Plan may during a twelve-month period save up to a maximum of 5 per cent of the cash base salary for the purchase of shares of series B. If the purchased shares are retained by the employee for three years from the date of investment and employment within the Saab Group has not been terminated during the entire three-year period, the employee will be allocated a corresponding number of shares of series B free of consideration.

The Share Matching Plan 2026 is aimed at all employees, except for that the CEO and the members of the Group Management shall no longer be offered to participate in the Share Matching Plan 2026 according to a decision of the Board. Instead, it is proposed to the 2026 Annual General Meeting that the number of performance shares that may be allotted to the Group Management under the Performance Share Plan 2026 and the Special Projects Incentive 2026 is proposed to be adjusted as described below.

Performance Share Plans

Employees who participate in a Performance Share Plan may during a twelve-month period save up to a maximum of 7.5 per cent of the cash base salary for the purchase of shares of series B. If the purchased shares are retained by the employee for three years from the date of investment and employment within the Saab Group has not been terminated during the entire three-year period, the employee will be entitled to matching of performance shares, free of consideration, as set out below.

- The CEO may be entitled to a performance match of up to seven shares for each purchased share;
- the deputy CEO may be entitled to a performance match of up to five shares for each purchased share; and
- other employees may be entitled to a performance match of up to four or five shares for each purchased share.

For Performance Share Plan 2026, the Board of Directors, as mentioned above, have decided to propose a revised Performance Share Plan for the 2026 Annual General Meeting to attract, retain and motivate senior leaders in a competitive market and offer them market aligned and competitive remuneration. The structure will amend from a performance share matching program to a performance allotment program with no savings requirement for purchase of B-shares.

- This means that, similar to the Special Projects Incentive 2026, delivery of performance shares to the participants shall be based on the achievement of the performance targets and continued employment within the Saab Group during the entire three-year period of the plan.
- The level of allotment of performance shares is proposed to be up to 50 percent of the annual cash base salary for the CEO and up to 40 percent of the respective annual cash base salaries for

⁵ LTI 2026 was adopted by the Annual General Meeting 2025; LTI 2025 was adopted by the Annual General Meeting 2024; LTI 2024 was adopted by the Annual General Meeting 2023; and LTI 2023 was adopted by the Annual General Meeting 2022.

members of the Group Management.

- The total number of participants will increase from up to 300 to up to 400 participants.

Participation in PSP 2026 is conditional upon the approval of the Revised LTI 2026 by the Annual General Meeting 2026.

The conditions for the performance matching in Performance Share Plan (PSP)

Program	Performance targets	Relative apportionment between the targets
PSP 2022	Based on three independent targets; <ul style="list-style-type: none"> • Organic sales growth • EBIT margin • Free cash flow 	<ul style="list-style-type: none"> • 30 per cent • 30 per cent • 40 per cent
PSP 2023	Based on four independent targets; <ul style="list-style-type: none"> • Organic sales growth • EBIT margin • Free cash flow • CO₂ reduction 	<ul style="list-style-type: none"> • 30 per cent • 30 per cent • 30 per cent • 10 per cent
PSP 2024	Based on four independent targets; <ul style="list-style-type: none"> • Organic sales growth • EBIT margin • Free cash flow • CO₂ reduction 	<ul style="list-style-type: none"> • 20 per cent • 30 per cent • 40 per cent • 10 per cent
PSP 2025	Based on five independent targets; <ul style="list-style-type: none"> • Organic sales growth • EBIT margin • Operational cash flow • CO₂ reduction • Increase of the percentage of female employees in the Saab Group <p>The financial performance targets comprise a maximum allotment of 90 per cent during the financial year 2025. The two sustainability targets comprise a maximum allotment of 10 per cent during the financial years 2025 - 2027.</p>	<ul style="list-style-type: none"> • 20 per cent • 30 per cent • 40 per cent • 5 per cent • 5 per cent
PSP 2026	Based on five independent targets; <ul style="list-style-type: none"> • Organic sales growth • EBIT margin • Operational cash flow • CO₂ reduction • Increase of the percentage of female employees in the Saab Group <p>The financial performance targets comprise a maximum allotment of 90 per cent during the financial year 2026. The two sustainability targets comprise a maximum allotment of 10 per cent during the financial years 2026 - 2028.</p>	<ul style="list-style-type: none"> • 30 per cent • 30 per cent • 30 per cent • 5 per cent • 5 per cent

Background Special Projects Incentives

Participation in each Special Projects Incentive presupposes savings under the Performance Share Plan or under the Share Matching Plan for the relevant year for purchasing shares of series B. For the CEO and the deputy CEO, allotment of performance shares under each Special Projects Incentive requires savings by an amount equivalent to 7.5 per cent of the cash base salary under the Performance Share Plan for the relevant year (i.e. maximum saving). Participants in the Special Projects Incentive will be entitled to allotment of performance shares, free of consideration, as set out below.

- The CEO may be entitled to allotment of performance shares corresponding to up to 52.5 per cent of the cash base salary for the relevant financial year;
- the deputy CEO may be entitled to allotment of performance shares corresponding to up to 37.5 per cent of the cash base salary for the relevant financial year; and
- other employees may be entitled to allotment of performance shares corresponding to up to 37.5 or 15 per cent of the cash base salary for the relevant financial year.

The total value of allotted performance shares under the Performance Share Plan and the Special Projects Incentive for each year may not exceed 75 per cent for the CEO and 60 per cent for the respective deputy CEO of the cash base salary for the relevant financial year. This so-called cap has been applied to SPI 2022 and SPI 2023 which has reduced the number of allotted shares.

For Special Projects Incentive 2026, as mentioned above, the Board of Directors have decided to propose a revised Plan. Participation in the plan shall no longer presuppose savings under the Performance Share Plan 2026 or the Share Matching Plan 2026.

The level of allotment of performance shares is proposed to be up to 50 percent of the annual cash base salary for the CEO and up to 40 percent of the respective annual cash base salaries for the members of the Group Management. The level of allotment of performance shares for Group C (selected Heads of Business Unit and other specially selected key employees) will be adjusted from up to 15 percent to up to 20 percent of their respective annual cash base salaries. The total number of participants will increase from up to 150 to up to 200 participants.

Participation in SPI 2026 is conditional upon the approval of the Revised LTI 2026 by the Annual General Meeting 2026.

The conditions for the performance matching in Special Projects Incentives

Financial year	Performance targets
SPI 2022 – 2023	Ten equally weighted performance targets, consisting of operational targets and milestones in special projects within Saab's product areas Gripen, airborne radar systems (AEW&C), submarines, missiles, combat management systems and advanced pilot training systems.
SPI 2024	Ten equally weighted performance targets, consisting of operational targets and milestones in special projects within Saab's product areas Gripen, airborne radar systems (AEW&C), submarines, advanced weapon systems, combat management systems and advanced pilot training systems.
SPI 2025	A minimum of ten and a maximum of fifteen equally weighted performance targets, consisting of operational targets and milestones in special projects within Saab's core areas combat aircraft systems, command and control systems, underwater systems, advanced weapon systems and sensors. Special projects can be linked to both the existing backlog and the development of future capabilities, including digitalization, within each of the defined core areas.
SPI 2026	A minimum of ten and a maximum of fifteen equally weighted performance targets, consisting of operational targets and milestones in special projects within Saab's core areas fighter systems, command and control systems, underwater systems, advanced weapon systems and sensors. Special projects can be linked to both the existing backlog and the development of future capabilities, including digitalization, within each of the defined core areas.

MAIN CONDITIONS SHARE-BASED INCENTIVES						INFORMATION CURRENT YEAR					
Name of Director, position	Performance period	Performance period starts ⁶	Performance period ends	Programme	Performance outcome	OPENING	CURRENT YEAR			CLOSING	
						Share rights January 1, 2025	Number of vested shares	Value of vested shares (KSEK) ⁷	Number of awarded share rights ⁸	Value of awarded share rights (KSEK) ⁹	Allocated share rights not vested December 31, 2025
Micael Johansson, CEO	2021	May 2021	Feb 2025	SMP 2021	-	1,777	1,777	435	-	-	-
				PSP 2021	100%	18,659	18,659	4,564	-	-	-
				SPI 2021	-	-	-	-	-	-	-
	2022	May 2022	Feb 2026	SMP 2022	-	6,246	5,451	2,683	-	-	795
				PSP 2022	81%	53,123	46,357	22,820	-	-	6,766
				SPI 2022	70%	30,572	30,572	7,478	-	-	0
	2023	May 2023	Feb 2027	SMP 2023	-	4,354	-	-	-	-	4,354
				PSP 2023	84%	38,405	-	-	-	-	38,405
				SPI 2023	80%	20,980	-	-	-	-	20,980
	2024	May 2024	Feb 2028	SMP 2024	-	3,078	-	-	-	-	3,078
				PSP 2024	85%	27,471	-	-	-	-	27,471
				SPI 2024	50%	14,758	-	-	-	-	14,758
	2025	May 2025	Feb 2029	SMP 2025	-	-	-	1,627	800	1,627	
				PSP 2025	95%	-	-	16,312	8,021	16,312	
				SPI 2025	73%	-	-	6,229	4,020	6,229	
						219,424	102,815	37,980	24,168	12,841	140,775
Anders Carp, Deputy CEO	2021	May 2021	Feb 2025	SMP 2021	-	722	722	177	-	-	-
				PSP 2021	100%	5,418	5,418	1,325	-	-	-
				SPI 2021	-	-	-	-	-	-	-
	2022	May 2022	Feb 2026	SMP 2022	-	2,582	2,253	1,109	-	-	329
				PSP 2022	81%	15,686	13,688	6,738	-	-	1,998
				SPI 2022	70%	10,212	10,212	2,498	-	-	0
	2023	May 2023	Feb 2027	SMP 2023	-	1,835	-	-	-	-	1,835
				PSP 2023	84%	11,558	-	-	-	-	11,558
				SPI 2023	80%	8,152	-	-	-	-	8,152
	2024	May 2024	Feb 2028	SMP 2024	-	1,279	-	-	-	-	1,279
				PSP 2024	85%	8,153	-	-	-	-	8,153
				SPI 2024	50%	4,380	-	-	-	-	4,380
	2025	May 2025	Feb 2029	SMP 2025	-	-	-	678	333	678	
				PSP 2025	95%	-	-	4,856	2,388	4,856	
				SPI 2025	73%	-	-	2,518	1,625	2,518	
						69,977	32,293	11,847	8,052	4,347	45,736

Application of performance criteria during 2025

After the end of the one-year performance period for the PSP 2025 and SPI 2025, on 31 December 2025, the outcomes were determined for each performance condition, and the Board approved the outcomes as follows. The exceptions are the two sustainability targets with a three-year performance period, CO₂ emissions and portion of female employees, for which the outcome is approved after the end of the three-year performance period. The outcome in the table below represents preliminary outcome for the two sustainability targets in PSP 2025 with a three-year performance period.

The retention period is still running for below programs, and the awarded shares will be vested in 2028 - 2029, provided that the participants remain employed by the Saab group.

⁶ Allotment of matching and performance shares for SMP and PSP occurs in May, August, November and February during the first year of the retention period for programs up until 2024. For SMP and PSP 2025 allotment of matching and performance shares occurs in March, May, June, August, September, November, December and February during the first year of the retention period. Allotment of performance shares for SPI occurs in February during the first year of the retention period.

⁷ Based on the current share price at the time of respective vesting during the year. Share price and number of shares recalculated with account taken to the share split 4:1.

⁸ Matching and performance shares for SMP and PSP will be awarded in May, August, November and February for programs up until 2024 provided that the purchased shares are retained by the employee and employment within the Saab Group has not been terminated. Matching and performance shares for SMP and PSP will be awarded in March, May, June, August, September, November, December and February for 2025 programs. Performance shares for SPI will be awarded in February. After the end of the financial year 2025, the Board resolved in February 2026, on allocation of performance shares for PSP and SPI.

⁹ Based on the actual share price at the time of respective award.

MAIN CONDITIONS SHARE-BASED INCENTIVES					INFORMATION CURRENT YEAR			
Programme	Performance targets	Weighted	Result	Outcome	Micael Johansson, CEO		Anders Carp, Deputy CEO	
					Awarded share rights	Value of awarded share rights, KSEK	Awarded share rights	Value of awarded share rights, KSEK
PSP 2025	Organic sales growth	20%	26%	100%	3,416	1,680	1,017	500
	EBIT margin	30%	9.8%	100%	5,125	2,520	1,526	750
	Operational cash flow	40%	5,273	100%	6,833	3,360	2,034	1,000
	CO2 emissions	5%	-1.6%	38%	325	160	97	48
	Increase of percentage of female employees	5%	27.2%	72%	615	302	183	90
	Total			95%	16,313	8,022	4,857	2,388
SPI 2025	15 operating targets and milestones related to Saab's core areas	6,7% per target	11 of 15	73%	6,229	4,020	2,518	1,625
	Total			73%	6,229	4,020	2,518	1,625

The fifteen performance targets in the Special Projects Incentive 2025, were operating targets and milestones in special projects within Saab's core areas combat aircraft systems, command and control systems, underwater systems, advanced weapon systems and sensors. The performance targets may be related to e.g. product design review, customer design review, partial deliveries or system implementation. Each performance target represents 6,7 per cent of the total performance target. The performance targets in previous SPI programmes have been of a similar nature as in SPI 2025. Due to the nature of the defence industry, further information on the individual performance targets cannot be provided. All participants will be allotted performance shares based on the achievement of the same performance targets.

Comparative information on the change of remuneration and company performance

Change of remuneration and company performance over the last five reported financial years

Annual change	2021 compared to 2020	2022 compared to 2021	2023 compared to 2022	2024 compared to 2023	2025 compared to 2024	2025
Directors remuneration (SEK)						
Micael Johansson, CEO	+1,208,901 (+6 %)	+1,565,187 (+8 %)	+14,661,481 (+66%)	+18,692,722 (+51%)	+5,683,401 (+10%)	61,254,896
Anders Carp, deputy CEO	+1,730,127 (+25 %)	+1,046,775 (+12 %)	+2,564,519 (+26%)	+7,064,182 (+57%)	+2,090,968 (+11%)	21,497,911
Company's performance						
Operating Profit	+1,573 MSEK (+120%)	+386 MSEK (+13%)	+998 MSEK (+30%)	+1,390 (+33%)	+2,404 (+42%)	8,066 MSEK
Average remuneration on a full-time equivalent basis of employees (SEK)						
Employees ¹⁰ of the company, i.e. Saab Aktiebolag	+27,000 (+4.1%)	+20,000 (+3%)	+22,000 (+3.1%)	+34,000 (+4.7%)	+25,000 (+3,3%)	786,000

Linköping in March 2026

The Board of Directors in Saab Aktiebolag (publ)

¹⁰ Excluding members of the Group Management.