

REMUNERATION REPORT 2022

Introduction

This report describes how the guidelines for remuneration to the senior executives of BE Group AB (publ), adopted by the annual general meeting 2020, were implemented during the fiscal year 2022. The report also provides information on remuneration to the CEO. The report has been prepared in accordance with *the Swedish Companies Act and the Remuneration Rules issued by the Swedish Corporate Governance Board*.

Further information on executive remuneration is available in Note 3 (Employees, personnel costs and executive remuneration) on pages 39-42 in the annual report for the fiscal year 2022. Information on the work of the remuneration committee during the fiscal year 2022 is set out in the corporate governance report available on pages 68-72 in the annual report for the fiscal year 2022.

Remuneration to 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 41 in the annual report for the fiscal year 2022.

The company has no outstanding or during the year completed share-related and share price-related incentive programs.

Remuneration report 2021

The remuneration report 2021 was established and presented at the annual general meeting 2022. There were no comments on the report, it was approved in full.

Key developments during the fiscal year 2022

Peter Andersson, President and CEO, summarizes the company's overall performance in his statement on page 2 in the annual report for the fiscal year 2022.

The Company's remuneration guidelines: scope, purpose and deviations

A successful implementation of the company's business strategy and safeguarding the company's long-term interests, including its sustainability, require the company to recruit and retain highly qualified employees. The objective of BE Group's guidelines for executive remuneration is therefore to offer competitive remuneration on market terms, so that competent and skillful personnel can be attracted, motivated and retained. According to the guidelines, the executive remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The criteria for variable cash remuneration shall mainly relate to the group's and the business area's respective underlying operating result and, in addition, individual criteria may be established. The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year.

The guidelines are found on pages 70-71 in the annual report for the fiscal year 2022. During the fiscal year 2022, the company has complied with the applicable remuneration guidelines adopted by the general meeting. During the year, the company deviated from the guidelines in that pension provisions for the CEO of BE Group exceeded 30 percent of the fixed cash salary. The deviation will be regulated retroactively through reduced pension provisions in 2023. A senior executive is since before connected to the ITP2 plan, which has meant that the pension provisions for him have also exceeded 30 percent of the fixed cash salary. This issue is under review and is taken into account in connection with the revision of remuneration packages in consultation with the remuneration committee. 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 the company's website www.begroup.com. No remuneration has been reclaimed.

Table 1 – Total CEO remuneration during the fiscal year 2022 (TSEK)

Name of director (position)	Fixed remuneration				Total remuneration	Proportion of fixed and variable remuneration
	Base salary *	Other benefits **	Variable remuneration	Pension expense		
Peter Andersson (CEO)	2,633	79	1,008	815	4,535	73/27

* Including holiday pay of TSEK 113

** Travel benefits, health insurance and company car

Application of performance criteria

The performance criteria for the CEO's variable remuneration have been chosen to accomplish the company's strategy and to encourage behavior which is in the long-term interest of the company. As shown in table 1, variable remuneration of TSEK 1,008 (912) has been paid out to the CEO for the fiscal year 2022.

Table 2 - Performance of the CEO in the reported financial year: variable cash remuneration

	Description of criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance and b) actual award/remuneration outcome	
Peter Andersson (CEO)	The Group's annual result before tax within the interval MSEK 200 - MSEK 400*	40%**	a) MSEK 400	b) TSEK 1,008

* Variable remuneration is paid on annual results within the specified interval

** Variable remuneration is paid proportionally between 0-40% in relation to the annual result within the specified interval

Comparative information on the change of remuneration and company performance

Table 3 – Change of remuneration and company performance over the last five reported financial years (RFY) (TSEK)

Annual change	RFY -4 vs RFY -5	RFY -3 vs RFY -4	RFY -2 vs RFY -3	RFY -1 vs RFY -2	RFY vs RFY-1	RFY 2022
Remuneration to the CEO	+135 (+3.3%)	-415 (-11.4%)	-680 (-23.0%)	+1,267 (+30.0%)	+315 (+6.9%)	4,535
Group operating result	75	-44	-49	582	-203	418
Average remuneration on a full time equivalent basis of employees of the parent company*	18 (+3.1%)	10 (+1.7%)	-46 (-8.4%)	51 (+8.6%)	34 (+5.4%)	630

* Excluding members of the Group executive management