

## **Remuneration report 2021**

### **Introduction**

This report describes how the guidelines for executive remuneration of Bygghem AB (publ), corp. reg. no. 556656-3531 (the “**Company**”), adopted by the Annual General Meeting 2020, were implemented in 2021. The report also provides information on remuneration to the CEO and a summary of the Company’s outstanding share-related and share price-related incentive plans. 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 9 on pages 78–80 in the annual report 2021. Information on the work of the Remuneration Committee in 2021 is set out in the corporate governance report available on page 55 in the annual report 2021.

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 79 in the annual report 2021.

### **Key developments 2021**

The CEO summarizes the Company’s overall performance in his statement on page 8–9 in the annual report 2021.

### **The Company’s remuneration guidelines: scope, purpose and deviations**

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 can recruit and retain qualified personnel. To this end, the Company must offer competitive remuneration. The Company’s remuneration guidelines enable the Company to offer executives a competitive total remuneration. Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration in the form of short-term incentives based on annual performance targets (Short Term Incentives), long-term incentives based on multi-year performance (Long Term Incentives), pension benefits and other benefits. The variable cash remuneration shall be linked to financial or non-financial criteria. They may be individualized, quantitative or qualitative objectives. The criteria shall be designed to contribute to the Company’s 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 49–50, 55 and 78 in the annual report 2021. During 2021, the Company has complied with the applicable remuneration guidelines adopted by the general meeting. 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 [www.bygghem.se](http://www.bygghem.se). 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, Mattias Ankarberg, during 2021 (kSEK)**

Fixed remuneration		Variable remuneration			Pension expense	Total remuneration	Proportion of fixed and variable remuneration, %****
Base salary *	Other benefits **	One-year variable	Multi-year variable ***	Extraordinary items			
5,168	18	4,437	321	-	1,600	11,544	59/41

\* Includes holiday pay

\*\* Includes other benefits such as parking and health insurance

\*\*\* Includes bonus within outstanding incentive programs

\*\*\*\* Pension costs, which in their entirety refer to Base salary and are defined-contribution, have been fully reported as fixed remuneration

## Share-based remuneration

### *Outstanding and completed share-related and share price-related incentive plans*

The 2019 and 2021 Annual General Meetings decided to implement two long-term incentive programs for the CEO and other management personnel in the Company (2019/2024 and 2021/2026) consisting of warrants.

The incentive program 2019/2024 comprises a total of 1,280,000 warrants, of which 830,000 warrants are outstanding and are held by participants in the incentive program. Each warrant gives the holder the right to subscribe for one new share in the Company during the period June 10, 2024 to December 9, 2024 at a price of SEK 47.40 per new share. The warrants were transferred to the participants in the program at market value calculated according to the Black & Scholes formula performed by an independent valuation institute. The participants in the warrant program have entered into a pre-emption agreement. The participants' acquisition of warrants is subsidized by the Byggmax Group by the participants receiving a cash subsidy after tax (bonus) corresponding to a maximum of a total of 50 percent of the price for the warrants that each participant acquires. This subsidy is paid at 1/5 one (1) year after subscription, 1/5 two (2) years after subscription, 1/5 three (3) years after subscription, 1/5 four (4) years after subscription and 1/5 five (5) years after subscription and presupposes before each payment that each participant is still employed in the Byggmax Group and holds the acquired warrants or, where applicable, shares that have been subscribed for after the exercise of the warrants.

The incentive program 2021/2026 comprises a total of 640,000 warrants, of which 480,000 warrants are outstanding and are held by participants in the incentive program. Each warrant gives the holder the right to subscribe for one new share in the Company during the period June 15, 2026 to December 14, 2026 at a price of SEK 91.20 per new share. The warrants were transferred to the participants in the program at market value calculated according to the Black & Scholes formula performed by an independent valuation institute. The participants in the warrant program have entered into a pre-emption agreement. The participants' acquisition of warrants is subsidized by the Byggmax Group by the participants receiving a cash subsidy after tax (bonus) corresponding to a maximum of a total of 50 percent of the price for the warrants that each participant acquires. This subsidy is paid at 1/5 annually starting one (1) year after subscription, and with final payment five (5) years after subscription and presupposes

before each payment that each participant is still employed in the Byggmax Group and holds the acquired warrants or, where applicable, shares that have been subscribed for after the exercise of the warrants.

**Table 2 – Share option plans - CEO Mattias Ankarberg**

The main conditions of share option plans							Information regarding the reported financial year					
Name of plan	Performance period	Award date	Vesting date	End of retention period	Exercise period	Exercise price (SEK)	Opening balance	During the year			Closing balance	
							Share options held at beginning of year	Share options awarded	Share options vested	Share options subject to performance condition	Share options awarded and unvested	Share options subject to retention period
2019/2024	N/A	2019-06-10	2024-06-10	N/A	2024-06-10 2024-12-09	47,40	400,000	0	0	N/A	400,000	N/A
2021/2026	N/A	2021-05-28	2026-06-15	N/A	2026-06-15 2026-12-09	91,20	0	200,000	0	N/A	200,000	N/A

### 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 2021 have been taken into account. The non-financial performance measures further contribute to alignment with sustainability as well as the Company values.

**Table 3 – Performance of the CEO, Mattias Ankarberg, during 2021: variable cash remuneration**

Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance and b) actual award/ remuneration outcome (kSEK)
EBIT	70 %	a) 100 % b) 3,570
Quantitative growth and profitability initiatives	30 %	a) 57 % b) 867

## Comparative information on the change of remuneration and Company performance

**Table 4 – Change of remuneration and Company performance over the last five reported financial years (mSEK)**

	2021	2021 vs 2020	2020 vs 2019	2019 vs 2018	2018 vs 2017	2017 vs 2016
CEO remuneration	11,544	-10 %	59 %	23 %	-22 %	20 %
EBIT	850	28 %	189 %	22 %	-31 %	-31 %
Average remuneration on a full-time equivalent basis of employees of the Company*	0,42	1,3 %	1 %	4,5 %	8,2 %	1,1 %

\*Excluding members of the executive management of Byggmax Group.

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Stockholm, March 2022  
**Byggmax Group AB (publ)**  
*The Board of Directors*