

Follow-up and evaluation of (i) programs for variable remunerations for the CEO and other senior executives, (ii) the application of the guidelines for remuneration of the CEO and other senior executives, and (iii) the current remuneration structure and remuneration levels in the company

The board of directors of Bygghemma has appointed a remuneration committee, which annually follows and evaluates ongoing, and during the year completed, programs for variable remuneration in Bygghemma. The remuneration committee also monitors and evaluates, among other things, the current remuneration structure and remuneration levels in the company, as well as the application of the guidelines for remuneration of the CEO and other senior executives adopted by the annual general meeting.

Variable remuneration

Variable remuneration may amount to a maximum of 200 percent of the fixed salary for the CEO and 150 percent of the fixed salary for other senior executives. The variable remuneration shall be based on the performance of the senior executives in relation to predetermined and measurable goals and targets aimed at promoting the Bygghemma's long-term value creation.

Incentive programs

In 2018, Bygghemma introduced an incentive program for key employees in the group based on warrants. The board of directors has also proposed the annual general meeting 2019 to adopt a new warrant-based incentive program. For more information about the programs, please refer to the notice to the annual general meeting 2019 and the company's annual report for 2018, note 7.

Guidelines

The guidelines for remuneration of the CEO and other senior executives has been evaluated during the year. Bygghemma has followed the guidelines established by the annual general meeting 2018.

Remuneration structure and remuneration levels

The board of directors' assessment is that Bygghemma's remuneration structure and remuneration levels during 2018 have resulted in a good balance between, on the one hand, the interest in motivating and rewarding employees and, on the other hand, maintaining cost efficiency. During the year, these issues has been carefully considered in the remuneration committee and the board of directors. The board of directors believes that the total remuneration package is appropriate and means that Bygghemma may retain and recruit the required qualified personnel.

Malmö in April 2019
Bygghemma Group First AB (publ)
The board of directors