

Remuneration report for 2025

INTRODUCTION

This report describes how the guidelines for remuneration to senior executives in BHG Group AB, adopted by the 2025 Annual General Meeting, were implemented in 2025. The report also provides information on remuneration to the CEO and Deputy CEO, and a summary of the company's outstanding programmes for share-based remuneration. The report has been prepared in accordance with the requirements of the Swedish Companies Act (2005:551) and the Swedish Corporate Governance Code issued by the Swedish Corporate Governance Board.

Further information on remuneration to senior executives is available in Note 8 Personnel costs and remuneration of senior executives on pages 116–119 of the Annual Report for 2025. Information on the work of the Remuneration Committee in 2025 is available in the corporate governance report on pages 79–84 of the Annual Report for 2025.

Remuneration to the Board of Directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting. For information on remuneration to Board members, refer to Note 8 on pages 116–119 of the Annual Report for 2025.

THE COMPANY'S PERFORMANCE IN 2025

The CEO summarises the company's overall performance in his statement on page 7 of the Annual Report for 2025.

THE COMPANY'S GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES

In short, the company's business strategy is to leverage its leading position in the online home improvement market to continue benefiting from the market's underlying growth as a result of

increasing online penetration and to couple organic expansion with further active consolidation measures, such as M&A. For more information regarding the company's business strategy, visit www.wearebhg.com. 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. These guidelines enable the company to offer executive management a competitive total remuneration package. Variable cash remuneration covered by these guidelines should aim to promote the company's business strategy and long-term interests, including its sustainability.

The guidelines are presented on pages 27–29 of the Annual Report for 2025. During 2025, the company complied with the applicable remuneration guidelines adopted by the general meeting of shareholders. There have been no deviations from the guidelines and no derogations from the decision-making process that, according to the guidelines, is to be applied when determining remuneration. The auditor's report regarding the company's compliance with the guidelines is available on www.wearebhg.com/corporate-governance/. No remuneration has been reclaimed. In addition to remuneration covered by the remuneration guidelines, the company's Annual General Meetings have resolved to implement long-term share-based incentive programmes (LTIP).

Total remuneration to the CEO and Deputy CEO in 2025 (SEK million)*

	1		2		3	4	5	6
	Fixed remuneration		Variable remuneration					
	Basic salary**	Other benefits	One-year variable	Multi-year variable***	items	costs	remuneration	fixed and variable remuneration****
Gustaf Öhrn (CEO)	6.8	0.0	6.4	0.6	-	1.9	15.7	49%/51%
Mikael Hagman (Deputy CEO)	2.7	0.0	2.7	0.2	-	0.5	6.1	48%/52%

* With the exception of multi-year variable remuneration, the table shows remuneration earned in 2025. Multi-year variable remuneration is reported if vested in 2025. Multi-year variable remuneration pertains entirely to share-based remuneration; see below.

** Including holiday pay of SEK 0.9 million to Gustaf Öhrn and SEK 0.4 million to Mikael Hagman.

*** Vested share-based remuneration; see below.

**** No pension has been paid for variable remuneration.

SHARE-BASED REMUNERATION

The extraordinary general meeting on 13 January 2023 and the annual general meetings on 3 May 2023 and 6 May 2025 resolved to introduce incentive programmes for key employees in the Group. Four incentive programmes ran in parallel during the financial year (LTIP 2023 CEO, LTIP 2023, Long-Term Share-Based Incentive Programme 2023 and Long-Term Share-Based Incentive Programme 2025). LTIP 2022 ended during the third quarter of 2025.

2023 incentive programme – LTIP 2023 CEO

In total, the 2023 incentive programme for CEO Gustaf Öhrn encompasses 1,898,654 warrants, each of which entitles Gustaf Öhrn to subscribe for one ordinary share in the company. The subscription price for shares through warrants amounted to SEK 35. When the subscription price exceeds the share's quotient value, the portion of the subscription price that exceeds the share's quotient value is allocated to the free premium reserve. The warrants can be exercised from 3 April to 3 July 2026. The price for the warrants (warrant premium) corresponds to the market value of the warrants on the date of subscription and allotment, which has been calculated in accordance with the Black-Scholes pricing model, with measurement policies in accordance with market practice.

CEO Gustaf Öhrn holds 1,898,654 warrants under LTIP 2023 and received a subsidy of SEK 4.2 million from the company (before tax) to acquire warrants under LTIP 2023.

An agreement was also signed between CEO Gustaf Öhrn and BHG Group AB, where under certain conditions the CEO is obligated to repay a portion of the subsidy he received from the company and to offer BHG Group AB or BHG Group LTIP AB the opportunity to acquire some or all of the warrants.

2023 incentive programme – LTIP 2023

The 2023 incentive programme encompasses 25 employees in the Group. In total, the programme encompasses 4,800,000 warrants, each of which entitles the holder to subscribe for one ordinary share in the company. The subscription price for shares through warrants amounted to SEK 35. When the subscription price exceeds the share's quotient value, the portion of the subscription price that exceeds the share's quotient value is allocated to the free premium reserve. The warrants can be exercised from 1 August 2026 to 30 September 2026. The price for the warrants (warrant premium) corresponds to the market value of the warrants on the date of subscription and allotment, which has been calculated in accordance with the Black-Scholes pricing model, with measurement policies in accordance with market practice. The participants received a subsidy from BHG Group AB corresponding to 60% of the warrants' fair value at the allotment date. An agreement was also signed between the warrant holders and BHG Group AB, where under certain conditions the warrant holders are obligated to repay a portion of the subsidy received from the company and to offer BHG Group AB or BHG Group LTIP AB the opportunity to acquire some or all of the warrants.

Deputy CEO Mikael Hagman holds 1,000,000 warrants under LTIP 2023 and received a subsidy of SEK 0.4 million from the company (before tax) to acquire warrants under LTIP 2023.

Long-Term Share-Based Incentive Programme 2023

The long-term share-based incentive programme is intended for certain senior executives, CEOs and key employees in the Group. To participate in the programme, participants must have made a private investment in the company by acquiring investment shares. For each investment share held under the programme, the company will grant participants a right to up to two performance shares free of charge, provided that certain conditions are fulfilled. A right will be considered vested and exercised provided that the participant has kept their own original investment shares and has maintained their employment in the Group up to and including the date of the 2026 Annual General Meeting.

CEO Gustaf Öhrn and Deputy CEO Mikael Hagman have each privately acquired 10,000 investment shares.

Long-Term Share-Based Incentive Programme 2025

The long-term share-based incentive programme is intended for certain senior executives, CEOs and key employees in the Group. To participate in the programme, participants must have made a private investment in the company by acquiring investment shares. A right will be considered vested and exercised provided that the participant has kept their own original investment shares and has maintained its employment within in the Group up to and including the date of the 2028 Annual General Meeting.

CEO Gustaf Öhrn has privately acquired 44,000 of a maximum of 44,000 Investment Shares. Deputy CEO Mikael Hagman has privately acquired 22,000 of a maximum of 22,000 Investment Shares. Each Investment Share entitles the CEO and Deputy CEO to a maximum of 6 and 5 Performance Shares, respectively.

2022 incentive programme – LTIP 2022

The 2022 incentive programme encompassed 70 employees in the Group. In total, the programme encompassed 1,900,000 warrants, each of which entitled the holder to subscribe for one ordinary share in the company. The subscription price for shares through warrants amounted to 130% of the volume-weighted average price quoted for the shares during the five-day period preceding the 2022 Annual General Meeting, which resulted in a subscription price of SEK 84.48. The warrants could be exercised from 1 August 2025 to 30 September 2025. The price for the warrants (warrant premium) corresponded to the market value of the warrants on the date of subscription and allotment, which was calculated in accordance with the Black-Scholes pricing model, with measurement policies in accordance with market practice. The participants received a subsidy from BHG Group AB corresponding to 50% of the warrants' fair value at the subscription date.

Current CEO Gustaf Öhrn holds no warrants under LTIP 2022.

Previous CEO Adam Schatz held 100,000 warrants under LTIP 2022 and received a subsidy of SEK 0.2 million from the company (before tax) to acquire warrants under LTIP 2022.

Deputy CEO Mikael Hagman holds 100,000 warrants under LTIP 2022 and, in his former role as COO, received a subsidy of SEK 0.2 million from the company (before tax) to acquire warrants under LTIP 2022.

Fulfilment of criteria for variable remuneration

Variable cash remuneration to the CEO and the Deputy CEO is to be linked to predetermined and measurable financial or non-financial criteria. These criteria may also be individualised quantitative or qualitative objectives. The criteria are to be designed to promote the company's business strategy and long-term interests, including its sustainability, for example by being clearly linked to the business strategy or promoting the executive's long-term development.

The satisfaction of criteria for awarding variable cash remuneration is to be measured over a period of one year. The extent to which the criteria for awarding variable cash remuneration have been satisfied is to be evaluated/determined when the measurement period has ended. The Remuneration Committee is responsible for the evaluation insofar as it concerns variable remuneration to the CEO and Deputy CEO. For financial objectives, the evaluation is to be based on the latest financial information made public by the company.

Performance of the CEO and Deputy CEO in the reported financial year: variable cash remuneration (SEK million)

	1	2	3
	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Outcome of objectives b) Actual remuneration
Gustaf Öhrn (CEO)	Adjusted EBIT for the Group in 2025	75%	a) 389.9 b) 4.8
	Proforma growth for the Group in 2025	10%	a) 8.9% b) 0.6
	Inventory reduction for the Group in 2025	10%	a) 86.9 b) 0.6
	Complete and accurate sustainability reporting in accordance with applicable EU directives and Swedish law	5%	a) 100% b) 0.3
Mikael Hagman (Deputy CEO)	Adjusted EBIT for the Group in 2025	37.5%	a) 389.9 b) 1.0
	Proforma growth for the Group in 2025	5%	a) 8.9% b) 0.1
	Inventory reduction for the Group in 2025	5%	a) 86.9 b) 0.1
	Complete and accurate sustainability reporting in accordance with applicable EU directives and Swedish law	5%	a) 100% b) 0.1
	Adjusted EBIT for the Home Improvement segment in 2025	37.5%	a) 216.0 b) 1.0
	Proforma growth for the Home Improvement segment in 2025	5%	a) 7.8% b) 0.1
	Inventory reduction for the Home Improvement segment in 2025	5%	a) 25.6 b) 0.1

COMPARATIVE INFORMATION CONCERNING CHANGES IN REMUNERATION IN RELATION TO THE COMPANY'S PERFORMANCE**Changes in remuneration and the company's performance in the 2021 to 2025 financial years (SEK million)**

	2022 vs 2021	2023 vs 2022	2024 vs 2023	2025 vs 2024	2025
Remuneration to the CEO	+0.1 (+3.4%)	+10.9 (+232.2%)*	-5.4 (-34.2%)	+5.4 (+52.3%)	15.7
Remuneration to the Deputy CEO	+1.3 (+100.0%)	+4.0 (+327.9%)*	-0.5 (-8.7%)	+1.3 (+27.6%)	6.1
Group operating income	-894.5 (-125.9%)	-1,190.4 (+647.4%)*	+931.3 (-67.8%)	+829.6 (-187.3%)	386.7
Average remuneration to other employees in the Parent Company*	-0.5 (-33.9%)	+0.0 (+2.7%)*	-0.1 (-13.2%)	+0.3 (+25.4%)*	1.5
Average remuneration to other employees in the Group**	+0.1 (+23.3%)	+0.1 (+21.0%)*	-0.0 (-6.6%)*	-0.0 (+7.8%)*	0.3

* Excluding other senior executives. Average remuneration has been calculated by dividing the total number of employees in BHG Group AB (except for the CEO, Deputy CEO and other senior executives) by the average number of employees calculated as full-time equivalents.

** Excluding other senior executives. Average remuneration has been calculated by dividing the total number of employees in the Group (except for the CEO, Deputy CEO and other senior executives) by the average number of employees calculated as full-time equivalents.

*** The difference between 2022 and 2023 is due to the fact that recognised remuneration to the CEO for 2023 compared with the 2022 financial year is higher, mainly regarding basic salary, variable and share-based remuneration of SEK 9.4 million. In addition, recognised pension cost for 2023 are SEK 1.6 million higher compared with the 2022 financial year.

**** The difference between 2022 and 2023 is due to the fact that recognised remuneration for 2022 only refers to 3.5 months compared with 12 months for 2023. This is because the Deputy CEO took up the post on 15 September 2022 and no one had previously held this position.