Clas Ohlson AB (publ) – Remuneration Report for the 2025/2026 financial year (1 May 2025 – 30 April 2026)

Introduction

This report describes how the guidelines on remuneration of senior management of Clas Ohlson AB, adopted by the Annual General Meeting in September 2024, were applied during the 2025/2026 financial year. The report also includes information on the remuneration of President and CEO Kristofer Tonström and a summary of the company's outstanding share-based and share price-linked incentive programmes.

This report has been prepared in accordance with the Swedish Companies Act and the Swedish Securities Council's "Rules on Remuneration of the Board and Executive Management and on Incentive Programmes".

Further information on remuneration of senior management is provided in Note 7 (Employees and personnel expenses) on pages 111–114 of the 2025/2026 Annual Report. Information on the work of the People Committee during the 2025/2026 financial year is provided in the Corporate Governance Report on pages 36–43 of the 2025/2026 Annual Report.

Directors' fees are outside the scope of this report. Such fees are determined annually by the Annual General Meeting and are disclosed in Note 7 on page 112 of the 2025/2026 Annual Report.

Developments in 2025/2026

The CEO summarises the company's overall performance in his report on pages 8–9 of the 2025/2026 Annual Report.

The company's remuneration policy: area of application, purposes and exceptions

The guidelines apply to the President and Chief Executive Officer (CEO) and the Group Management of Clas Ohlson AB. The overall objective of the company's guidelines on remuneration of senior executives is to promote Clas Ohlson's business strategy and the company's financial targets, as well as to safeguard the company's long-term interests, including its sustainability. Clas Ohlson intends to offer remuneration packages that attract, retain and motivate key personnel whose roles are vital in terms of enabling the company to achieve its overall objectives. The guidelines enable senior executives to be offered a competitive total remuneration package.

Total remuneration shall be based on the role of the executive and shall be attractive and competitive in the country of employment. The company believes that a balanced remuneration structure provides senior executives with incentives to focus on creating long-term shareholder value. At the same time, the company wishes to be able to offer cash incentives for short-term performance that helps to promote the company's business strategy and its long-term interests. Total remuneration shall be in line with market rates and may consist of: a fixed annual basic salary, an annual variable performance-related cash bonus based on annual performance targets, as well as pension and health benefits, and other benefits customary in the country of employment.

The guidelines are presented on page 25 of the 2025/2026 Annual Report. According to the guidelines, the Board may temporarily resolve to depart from the guidelines, in whole or in part, if justified by circumstances in a particular case and if a departure from the guidelines is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. During the 2025/2026 financial year, there were no departures from the guidelines, nor were there any departures from the decision-making process that, under the guidelines, must be followed when determining remuneration. The auditor's opinion on the company's compliance with the guidelines is available at https://about.clasohlson.com/. No reimbursement has been requested. In addition to the remuneration as referred to in the remuneration guidelines, the company's Annual General Meetings has resolved to introduce long-term share-based incentive schemes.

Table 1 – Total remuneration paid to the Chief Executive Officer in 2025/2026 (KSEK)

Name	Period	Fixed remuneration		Variable remuneration		Non-recurring items	Pension	Total remuneration	Fixed/variable remuneration, % *****
		Basic salary*	Other benefits**	One-year variable remuneration ***	Multi-year variable remuneration****				
Kristofer Tonström	01/05/25–30/04/26	9,371	139	5,513	8,899	0	3,360	27,282	47/53

* Remuneration for the period as above

** Benefit for [car, fuel, congestion charge, health insurance]

*** Short-term incentive scheme calculated on a rounded-month basis

**** A description of the multi-year variable remuneration is provided under the heading 'Summary of long-term incentive schemes (Chief Executive Officer)'

***** Fixed remuneration (basic salary, other benefits, pension) variable remuneration (annual, multi-year remuneration, non-recurring items, no pension contributions on variable remuneration)

Share-based remuneration

Outstanding share-based and share price-linked incentive schemes 2025/2026

Long-term incentives (LTIs)

The aim of LTI programmes is to create the prerequisites for retaining and recruiting competent employees to the Group. The programmes were designed to encourage participants to become shareholders in the company, which is expected to have a positive impact on their long term work performance. Connecting participants' rewards to the company's profit and value development will continue to promote company loyalty and thus sustainable value growth in the company.

Long-term incentive programmes that entitle employees to acquire shares are subject to AGM approval. The performance period for LTI 2023, LTI 2024 and LTI 2025 applied during the financial year. All LTI programmes include performance shares.

All ongoing LTI programmes have been approved by an Annual General Meeting. The current programmes cover up to 50 senior executives and other individuals deemed to be able to influence Clas Ohlson's long-term performance.

Structure of long-term incentive programmes

All participants in the LTI programme receive one performance share right free of charge. This right entitles the participant to be allotted a number of series B shares in Clas Ohlson, provided that the performance conditions of the LTI determined by the Board have been fulfilled. The value of the underlying shares offered at the time of the award of a performance share right will be 45 per cent (LTI 2024 and LTI 2025 45–60 per cent) of the individual fixed annual gross basic salary. The amount is divided by the share price at the start of the programme to calculate the number of underlying shares for each participant. The participants comprise senior executives and key individuals. Any allotment of performance shares will take place after the end of a three-year vesting period, provided that the participant has been a permanent employee for the entire vesting period and that the predetermined performance targets have been achieved.

The assessment of the outcome of the performance conditions is split as follows: net sales, (30 per cent), earnings per share (40 per cent) and sustainability (30 per cent) (LTI 2025: 40 percent, 40 per cent and 20 per cent, respectively). The outcome for each performance condition will be determined individually. This means that not all performance conditions need to be met in order for the performance shares to be allotted. Minimum and maximum targets are set for each performance condition. If the minimum level is achieved, 30 per cent allotment related to the performance condition will be made. If the maximum level is achieved or exceeded, the maximum allotment related to the performance condition will be made. If the outcome is between the minimum and maximum levels, shares are allotted on a straight-line basis, and no shares are allotted if the minimum level is not achieved. The number of performance shares that can be allotted for each share right shall be adjusted for any dividends made during the period from the determination of the opening value up until the date of the allotment of the performance shares after the end of the vesting period.

LTI 2023

The performance period for LTI 2023 runs from 1 May 2023 to 30 April 2026. Any performance shares will be allotted after the end of a three-year vesting period, provided that the participant has been a permanent employee for the entire vesting period and the predetermined performance targets have been achieved.

LTI 2024

The performance period for LTI 2024 runs from 1 May 2024 to 30 April 2027. Any performance shares will be allotted after the end of a three-year vesting period, provided that the participant has been a permanent employee for the entire vesting period and the predetermined performance targets have been achieved.

LTI 2025

The performance period for LTI 2025 runs from 1 May 2025 to 30 April 2028. Any performance shares will be allotted after the end of a three-year vesting period, provided that the participant has been a permanent employee for the entire vesting period and the predetermined performance targets have been achieved.

The above is set out in detail in Note 7 in the company's Annual Report.

Summary of long-term incentive schemes (Chief Executive Officer)

The following summarises developments in the long-term incentive schemes in operation during the 2025/2026 financial year.

Kristofer Tonström, President and CEO, was covered by LTI 2023, LTI 2024 and LTI 2025 during the 2025/2026 financial year. During the financial year, Kristofer Tonström was granted a performance share right ("**LTI right**"), which entitles him to receive, free of charge, a number of series B shares in Clas Ohlson. The value of the underlying shares at the time of the LTI award amounts to 45 per cent of his fixed annual gross base salary at the start of the respective programme (60 per cent for LTI 2024 and LTI 2025). The LTI 2022 scheme concluded at the end of the 2024/2025 financial year, and the outcome is reported under 'multi-year variable remuneration' in Table 1. The performance period for LTI 2023 concluded at the close of the 2025/2026 financial year, while LTI 2024 and LTI 2025 are currently ongoing. Consequently, no performance shares under LTI 2023, LTI 2024 or LTI 2025 were awarded during the financial year, and as a result no outcome is reported for LTI 2023, LTI 2024 and LTI 2025 under multi-year variable remuneration in Table 1.

Application of performance criteria

The performance criteria for the CEO's variable remuneration have been chosen to contribute to the fulfilment of the company's strategy and to encourage behaviour that is in the company's long-term interests. Performance criteria have been chosen on the basis of the strategic objectives and short- and long-term business priorities. The non-financial performance criteria further contribute to the company's strategic and sustainability objectives and are based on the company's values.

Short Term Incentives (STIs)

In addition to receiving basic salary, senior executives are eligible for STIs in relation to performance that exceeds one or more predetermined performance levels for a financial year, with the aim of promoting long-term value creation for the company. Clearly defined performance targets are to be adopted annually by the Board or by individuals appointed by the Board. The performance targets may be related to operational, financial and/or personal results. Remuneration under the STI programme is subject to a ceiling, which means that Clas Ohlson AB can calculate maximum remuneration levels from the beginning. Insofar as performance does not match the lowest performance level, no STI will be paid. STIs will be determined by the position held by the senior executive and may not exceed 60 per cent of the total annual fixed salary if the ceiling is achieved, which also represents the maximum STI outcome.

Table 2 – Chief Executive Officer's performance during the financial year under review: Short-term incentives (STI)

Name	Description of the performance criteria	Weighting of the performance criteria	a. Target achieved b. Total outcome
Kristofer Tonström	EBIT (MSEK) before IFRS 16 Adjustment	40%	a. 1,461 MSEK b. 2,205 KSEK
	Total Organic Growth (percent) in local currencies	30%	a. 9 b. 1,654 KSEK
Kristofer Tonström	Qualitative targets (scale1–5); Individual overall performance, including: (i) Delivering on key initiatives in the 25/26 business plan	30%	a. Equivalent to 5 b. 1,654 KSEK
Total outcome STI			
Kristofer Tonström			**5,513 KSEK**

Comparative information regarding changes in remuneration and the company's performance

Table 3 – Changes in remuneration and the company's profit over the last five reported financial years (FY) (KSEK) (excluding members of Group Management)

	2021/2022 vs 2020/2021	2022/2023 vs 2021/2022	2023/2024 vs 2022/2023	2024/2025 vs 2023/2024	2025/2026 vs 2024/2025	2025/2026
Remuneration of the Chief Executive Officer	+862 (-7%)	-1,019 (-9%)	3,923 (+38%)	6,010 (+51%)	6,042 (+28%)	27,282
Group's operating profit	+104,100 (+19%)	-336,900 (-52%)	+412,000 (+135%)	+454,000 (+63%)	+356,000 (+30%)	1,527,000
Average remuneration based on the number of full-time equivalent employees* in Parent Company	-2.90 (-0.5%)	-33.5 (-6.4%)	+57.21 (+11.6%)	+23.89 (+4.3%)	+31.65 (+5.5%)	605

*Excluding members of Group Management