The board of directors' remuneration report for 2025/2026

Introduction

This report describes how the guidelines for remuneration to senior executives of Embracer Group AB, adopted by the annual general meeting 2022 to be applicable until changed, however no longer than up until the annual general meeting 2026, were implemented in 2025/2026. The board of directors has proposed that the annual general meeting adopts new guidelines at the annual general meeting 24 September 2026.

The report also provides information on remuneration during 2025/2026 to the CEO, the previous CEO, deputy CEO and remuneration to board members in addition to the ordinary board fee resolved by the annual general meeting. Embracer Group AB has no outstanding share-related and share price-related incentive plans, whereby information on such plans is not included. Embracer Group AB has not received any comments on previous remuneration reports to be considered in this report.

The report has been prepared in accordance with the Swedish Companies Act and the Rules on Remuneration of the Board and Executive Management and on Incentive Programs issued by the Stock Market Self-Regulation Committee.

Developments during 2025/2026

The CEO summarizes the company's overall performance in his statement on page 6-8 in the annual report 2025/2026.

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, pension benefits and other benefits. The variable cash remuneration shall be linked to financial or nonfinancial 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 page 55-57 in the annual report 2025/2026.

During 2025/2026, the company has complied with the applicable remuneration guidelines adopted by the general meeting 2022, with exception to one extraordinary remuneration to the company's CEO, Phil Rogers. The CEO has received a one-time remuneration that exceeds the thresholds set for cash based bonuses in the remuneration guidelines. The one-time remuneration has been made to compensate the CEO for completed projects, previously agreed bonuses not yet paid (including such bonuses that were in place before the CEO was covered by the remuneration guidelines) and as part of the remuneration package the CEO received when he was appointed as CEO during 2025/2026. A condition for the payment of the one-time remuneration was that the CEO acquired shares in the company which occurred shortly after the receipt of the remuneration.

According to the assessment made, there have been specific reasons for deviating from the remuneration guidelines and the deviation has been deemed necessary to satisfy the company's long-term interests and to offer competitive remuneration, which is why the board of directors in these case has had the right to deviate from the guidelines. The decision by the board of directors has been prepared by the Remuneration Committee. No other deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made.

In addition to remuneration covered by the remuneration guidelines, the annual general meetings of the company can resolve on long-term share-related incentive plans and remuneration to the board of directors.

Total remuneration to the CEO, deputy CEO and relevant board members during 2025/2026

The table below describes the total remuneration (SEK) during 2025/2026 paid to the CEO, previous CEO, deputy CEO and board members who have received remuneration in addition to the remuneration resolved by the annual general meeting.

SEK	**Fixed remuneration**		**Variable remuneration**					
Name of executive (position)	**Base salary**	**Other benefits**	**One-year**	**Multi-year**	**Extraordinary items**	**Pension expense**	**Total remuneration**	**Proportion of fixed and variable remuneration**
Lars Wingefors (CEO+ Chair of the board)*	682 159					65 652	747 811	100/0
Phil Rogers (Deputy CEO)**	1 840 289							100/0
Phil Rogers (CEO)**	3 766 474				25 365 805	0	29 132 279	13/87
Kicki Wallje-Lund (Chair of the Board + Deputy Chair of the Board)***	0		34 000			0	34 000	0/100

*) Lars Wingefors was CEO until July 2025 and was Chair of the Board from September 18, 2025. Renumeration above refers to the role as CEO.
**) Phil Rogers was Deputy CEO until July 2025 and CEO from August 2025
***) Kicki Wallje-Lund was Chair of the Board until September 18, 2025 and then Deputy Chair of the Board. The remuneration above refers to consulting assignments.

Application of performance criteria

As stated above, the CEO, Phil Rogers, received an extraordinary remuneration during 2025/2026. Performance criteria will be applied to Phil Rogers during 2026/2027. The reasons for no performance criteria being applicable during 2025/2026 are that Phil Rogers was appointed CEO during the fiscal year and that he has received the extraordinary remuneration as stated above. None of the other persons covered by this report receive any variable remuneration whereby performance criteria are not applicable for them.

Share-based remuneration

The company has no outstanding share related or share price related incentive programs.

Comparative information on the change of remuneration and company performance

Change of remuneration and company performance over the last five reported financial years (RFY) (kSEK)

tSEK	**24/25 vs 25/26***	**23/24 vs 24/25****	**22/23 vs 23/24*****	**21/22 vs 22/23*****	**20/21 vs 21/22*****
CEO remuneration	28 700	0	0	0	0
Deputy CEO remuneration	-7 400	4 600	-900	2 200	2 400
Remuneration to the Chair of the Board outside of board fee	-1 216	400	-250	100	0
Group operating profit	-11 389 000	3 555 500	-20 694 000	1 320 000	-3 184 000
Average remuneration on a full time equivalent basis of employees (excl. Members of the group executive management) of the parent company	200	-207	302	216	-287

*) Lars Wingefors was CEO up to July 2025 and after that was Phil Rogers CEO. Phil Rogers was deputy CEO up to July 2025 and CEO from August 2025 ** Johan Ekström deputy CEO
**) Johan Ekström Deputy CEO up to an including 2 July 2024, Phil Rogers Deputy CEO as of 3 July 2024.

***) Johan Ekström Deputy CEO

Additional information is available in the annual report 2025/2026 or on Embracer Group AB's website.

Embracer Group AB's renumeration guidelines, which were adopted by the annual general meeting 2022, are available on https://embracer.com/governance/remuneration. The auditor's statement regarding the company's compliance with the guidelines is available on https://embracer.com/governance/general-meetings. No remuneration has been reclaimed. The remuneration guidelines proposed for adoption by the annual general meeting 24 September 2026 are available on https://embracer.com/governance/general-meetings.

Further information on remuneration to senior executives and other employees as well as agreements on severance pay is available in note 7 (Employees and Personnel Expenses) on pages 143-145 in the annual report 2025/2026. Additional information on remuneration to board members in addition to remuneration resolved by the annual general meeting is available in note 7 (Employees and Personnel Expenses) on pages 143-145 in the annual report 2025/2026.

Information on the work of the remuneration committee in 2025/2026 is set out in the corporate governance report available on page 54 in the annual report 2025/2026.

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 7 (Employees and Personnel Expenses) on page 143-145 in the annual report 2025/2026.

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Karlstad 24 August 2026

Embracer Group AB

The board of directors