

The board of directors' remuneration report for 2022/2023

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 that up until the annual general meeting 2026, were implemented in 2022/2023. The report also provides information on remuneration during 2022/2023 to the 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 is not included. 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 2022/2023

The CEO summarizes the company's overall performance in his statement on page 6-7 in the annual report 2022/2023.

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 pages 113-115 in the annual report 2022/2023. During 2022/2023, the company has complied with the applicable remuneration guidelines adopted by the general meeting 2022. No 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 2022/2023

The table below describes the total remuneration (SEK) during 2022/2023 paid to the CEO, deputy CEO and board members who have received remuneration in addition to the remuneration resolved by the annual general meeting.

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)	975 883					181 291	1 157 174	100/0
Johan Ekström (Deputy CEO)	5 050 000					424 974	5 474 974	100/0
Kicki Wallje-Lund (chair of the board)*			1 145 000				1 145 000	0/100

* Information here concerns remuneration outside of board fee for consultancy assignment

Application of performance criteria

None of the persons covered by this report receive any variable remuneration whereby performance criteria are not applicable.

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	21/22 vs 22/23*	20/21 vs 21/22*	19/20 vs 20/21**	18/19 (15mån) vs 19/20**	2017 vs 18/19***
CEO remuneration	0	0	0	-200	200
Deputy CEO remuneration	2 200	2 400	300	600	0
Remuneration to the chair of the board*	100	0	0	300	700
Group operating profit	1 320 000	-3 184 000	1 712 600	-229 200	386 400
Average remuneration on a full time equivalent basis of employees***** of the parent company	216	-287	180	50	619
* Johan Ekström deputy CEO					
** Erik Stenberg deputy CEO					
*** No deputy CEO					
**** Information here concerns remuneration outside of board fee for consultancy assignment					
***** Excluding members of the group executive management					

Additional information is available in the annual report 2022/2023 or on Embracer Group AB's website.

Embracer Group AB's remuneration guidelines, which were adopted by the annual general meeting 2022, are available on www.embracer.com/governance/remuneration/. The auditor's statement regarding the company's compliance with the guidelines is available on www.embracer.com/governance/general-meetings/. No remuneration has been reclaimed.

Further information on remuneration to senior executives is available in note 7 (Employees and Personnel Expenses) on page 136-138 in the annual report 2022/2023. 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 page 136-138 in the annual report 2022/2023.

Information on the work of the remuneration committee in 2022/2023 is set out in the corporate governance report available on pages 73-93 in the annual report 2022/2023.

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 136-138 in the annual report 2022/2023.

Karlstad 22 August 2023
Embracer Group AB
The board of directors