

## Remuneration Report 2025

### Introduction

This report describes how the guidelines for remuneration to senior executives of Bufab AB (publ), adopted by the Annual General Meeting in 2024, were applied during 2025. The report also includes information about remuneration to the President and Chief Executive Officer and the Deputy Chief Executive Officer, as well as a summary of the company's outstanding share-based and share price-related incentive programmes. The report has been prepared in accordance with the Swedish Companies Act and the Rules on Remuneration to Senior Executives and on Incentive Programmes issued by the Swedish Corporate Governance Board.

Additional information on remuneration to senior executives is available in Note 6 to the consolidated financial statements ("Employees, personnel expenses and fees to the Board of Directors and the auditors") on pages 130–131 of the 2025 Annual Report. Information on the work of the Remuneration Committee during 2025 is available in the corporate governance report on page 42 of the 2025 Annual Report.

Fees to the Board of Directors are not covered by this report. Such fees are determined annually by the Annual General Meeting and are presented in Note 6 on page 131 of the 2025 Annual Report

### Development in 2025

The President and Chief Executive Officer summarises the company's overall performance in his statement on pages 6–7 of the 2025 Annual Report.

### The Company's Remuneration Guidelines: Scope, Purpose and Deviations

A prerequisite for the successful implementation of the company's business strategy and the safeguarding of its long-term interests, including its sustainability, is the company's ability to recruit and retain qualified employees. To achieve this, the company must be able to offer competitive remuneration.

The company's remuneration guidelines enable senior executives to be offered a competitive total remuneration package. Under the guidelines, remuneration to senior executives shall be market-based and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits, and, in special cases, additional variable cash remuneration. The variable cash remuneration shall be linked to predetermined and measurable financial or non-financial criteria. These criteria shall primarily relate to the company's financial performance and may also be individual. Furthermore, the criteria shall relate to the development of the Group as a whole, but criteria linked to the executive's own business area may also occur. The criteria shall be designed to promote the company's business strategy and long-term interests.

A summary of the guidelines is provided on pages 38–39 of the 2025 Annual Report. The full guidelines are available on the company's website under Investors/Corporate Governance/Remuneration (Bufab's remuneration). During 2025, the company has complied with the applicable remuneration guidelines adopted by the General Meeting. No deviations from the guidelines have been made, and no departures have been made from the decision-making process stipulated in the guidelines for determining remuneration. The auditor's report on the company's compliance with the guidelines is available on the company's website under Investors/Corporate Governance/General Meeting (<https://www.bufabgroup.com/sv/investors/general-meetings/archive>). No remuneration has been reclaimed. In addition to the remuneration covered by the guidelines, the company's Annual General Meetings have resolved to implement long-term share-related incentive programmes

## Total remuneration to the President and Chief Executive Officer and the Deputy Chief Executive Officer in 2025 (SEK million) \*

Name of the position holder (position)	Period of service	1. Fixed remuneration		2. Performance-related remuneration		3. Cost of pensions *****	4. Total remuneration	5. Share of fixed and variable remuneration
		Base Salary**	Other benefits***	Short-term****	Long-term*****			
Erik Lundén (CEO)	Jan-Dec	5.9	0.1	2.3	2.3	1.8	12.4	63%/37%
Johan Lindqvist (Deputy CEO)	Jan-Dec	3.4	0.2	1.4	0.5	1.2	6.7	72%/28%
<b>Total</b>		<b>9.3</b>	<b>0.3</b>	<b>3.7</b>	<b>2.8</b>	<b>3.0</b>	<b>19.1</b>	<b>66%/34%</b>

\* The table presents remuneration attributable to the 2025 financial year. No multi-year variable remuneration is paid.

\*\* Paid and expensed base salary, including holiday pay.

\*\*\* Health insurance, car benefit.

\*\*\*\* Variable remuneration earned during 2025 in accordance with the fulfilment of the performance criteria set out in the table below.

\*\*\*\*\* Paid pension costs, which in their entirety relate to base salary and are defined-contribution pension plans, have been fully recognised as fixed remuneration.

\*\*\*\*\* Exercise of call options under the Call Option Programme 2022–2025, with the value calculated as the total market value of the underlying shares at the time of exercise less the total exercise price, plus paid gross salary compensation relating to the call options

## Application of Performance Criteria

The performance criteria for the President and Chief Executive Officer's and the Deputy Chief Executive Officer's variable remuneration have been selected to support the execution of the company's strategy and to encourage behaviour that aligns with the company's long-term interests. In determining the performance criteria, the strategic objectives as well as the short- and long-term business priorities for 2025 have been considered.

### *Performance of the President and Chief Executive Officer and the Deputy Chief Executive Officer during the reported financial year: variable cash remuneration*

Name of the position holder (position)	Period of service	1. Description of the criteria related to the remuneration component	2. Relative weighting of the performance criteria	3. a) Measured performance and b) actual award/remuneration outcome
Erik Lundén (CEO)	Jan-Dec	1. Increase Bufab's Earning per Share 2025 vs 2024	30%	a) 62.5% b) 0.67 mSEK
		2. Bufab's operating margin 2025	35%	a) 80% b) 1 mSEK
		3. Cash conversion 2025	25%	a) 30% b) 0.27 mSEK
		4. Share of our spend in Sustainability Supplier Engagement Program step 3 for 2025	10%	a) 100% b) 0.36 mSEK
Johan Lindqvist (Deputy CEO)	Jan-Dec	1. Increase Bufab's Earning per Share 2025 vs 2024	15%	a) 62.5% b) 0.16 mSEK
		2. Regional operating margin 2025	50%	a) 100% b) 0.83mSEK
		3. Region Europe North & East Cash conversion 2025	25%	a) 67.5% b) 0.28 mSEK
		4. Share of our spend in Sustainability Supplier Engagement Program step 3 for 2025	10%	a) 90% b) 0.15 mSEK

## Long-term Share-related Incentive Programmes

The Annual General Meeting 2025 resolved to adopt a new incentive programme, the performance-based share savings programme LTI 2025/2028, which covers 20 senior executives within the Bufab Group divided into three categories: the President and Chief Executive Officer of Bufab, other members of Group Management, and the Managing Directors of Bufab's subsidiaries together with certain other pre-identified key individuals. As with the company's previous incentive programmes, participation in LTI 2025/2028 requires an individual investment by the participants. The purpose of this requirement is to align the interests of employees and shareholders, thereby ensuring maximum long-term value creation. Based on the fulfilment of certain predetermined performance conditions, participants in LTI 2025/2028 may, following the programme's vesting period, receive a few performance shares in the company free of charge.

The allocation of performance shares is conditional upon the achievement of performance targets linked to (a) Bufab's EBITA growth, where EBITA (as reported) for the financial year 2024 is compared with EBITA (as reported) for the financial year 2027, weighted at 80%, and (b) total shareholder return (TSR) for Bufab's share during the period May 2025 to May 2028, weighted at 20%.

The total number of outstanding performance share rights under LTI 2025/2028 amounted to 298,828 as of the balance-sheet date 31 December 2025.

During 2025, the company had three outstanding call option programmes (2022/2025, 2023/2026 and 2024/2027) for senior executives and certain other key individuals within the Group. Participants in the programmes have been offered the opportunity to invest in call options at a price corresponding to their market value, which has been determined through a Black & Scholes valuation. Following adjustments resulting from the share split resolved by the Annual General Meeting 2025, each call option entitles the holder to acquire five shares in the company during a period of approximately six months beginning three years after the implementation of each respective programme. The exercise price per share originally corresponded to 115 per cent of the volume-weighted average share price on Nasdaq Stockholm over a period of five trading days in connection with the implementation of each programme. The recalculated exercise price per share for each programme is presented in the tables below. The exercise period for the 2022/2025 call option programme took place during May 2025 – November 2025, meaning that this programme has now concluded. Additional information regarding the call option and share savings programmes is provided on pages 141–142 of the 2025 Annual Report.

### *Erik Lundén (President and Chief Executive Officer)*

The 2022/2025 Call Option Programme was concluded during the period May 2025–November 2025, and during the exercise period Erik Lundén acquired 130,000 shares at an exercise price of SEK 66.40 per share. As of 31 December 2025, Erik Lundén held a total of 37,000 call options in the company, allocated across the following programmes:

Incentive programme	Award date	Exercise period	Purchase price of the call options	Exercise price, per share*	Call options at the beginning of the year	Call options exercised during the year	Option holding as of 31 December 2025**
Call option programme 2024-2027	27-May-24	15 May 2027 - 15 November 2027	90.87	87.23	12 000	0	12 000
Call option programme 2023-2026	15-May-23	12 May 2026 - 15 November 2026	92.9	81.5	25 000	0	25 000
Call option programme 2022-2025	12-May-22	11 May 2025 - 15 November 2025	60.84	66.4	26 000	26 000***	0
<b>Total</b>					<b>63 000</b>	<b>0</b>	<b>37 000</b>

\* Exercise price per share after adjustment following the share split resolved by the Annual General Meeting 2025.

\*\* Each call option entitles the holder, after adjustment following the share split resolved by the Annual General Meeting 2025, to five (5) shares.

\*\*\* Value: SEK 739,325, calculated as the total market value of the underlying shares at the time of exercise less the total exercise price

Within the framework of LTI 2025/2028, Erik Lundén allocated 16,000 investment shares. In accordance with the terms of the programme, the President and Chief Executive Officer has been granted 112,000 performance share rights. Depending on the level of performance achieved, the President and Chief Executive Officer may receive up to 112,000 performance shares upon completion of the programme.

Principal terms of the share savings programme				Information for the year under review*				
Incentive-programme	Performance measurement period	Grant date	Vesting date	Opening balance	During the year		Outgoing balance	
				Share rights outstanding at the beginning of the year	Number of share rights granted	Number of share rights vested	Number of share rights subject to performance conditions	Number of granted share rights not vested at year-end
LTI 2025/2028	2025-2028	2025-06-15	2028-06-15	0	112 000**	20 418	112 000	91 582

\* Under LTI 2025/2028, the President and Chief Executive Officer was allocated 112,000 performance share rights during 2025. Investment shares allocated by the President and Chief Executive Officer in order to qualify for participation in the programme are not included in the table.

\*\* Value: SEK 8,774,976, calculated as the market price per share at the time of grant (SEK 78.35) multiplied by the number of share rights (112,000).

### Johan Lindqvist (Deputy Chief Executive Officer)

The 2022/2025 Call Option Programme was concluded during the period May 2025–November 2025, and during the exercise period Johan Lindqvist acquired 25,000 shares in the company at an exercise price of SEK 66.40 per share.

Incentive programme	Award date	Exercise period	Purchase price of the call options	Exercise price, per share*	Call options at the beginning of the year	Call options exercised during the year	Option holding as of 31 December 2025**
Call option programme 2023-2026	15-May-23	12 May 2026 - 15 November 2026	92.9	81.5	2 000	0	2 000
Call option programme 2022-2025	12-May-22	11 May 2025 - 15 November 2025	60.84	66.4	5 000	5 000***	0
<b>Total</b>					<b>7 000</b>	<b>0</b>	<b>2 000</b>

\* Exercise price per share after adjustment following the share split resolved by the Annual General Meeting 2025.

\*\* Each call option entitles the holder, after adjustment following the share split resolved by the Annual General Meeting 2025, to five (5) shares.

\*\*\* Value: SEK 155,000, calculated as the total market value of the underlying shares at the time of exercise less the total exercise price.

Within the framework of LTI 2025/2028, Johan Lindqvist allocated 4,750 investment shares. In accordance with the terms of the programme, the Deputy Chief Executive Officer has been granted 23,750 performance share rights. Depending on the level of performance achieved, the Deputy Chief Executive Officer may receive up to 23,750 performance shares upon completion of the programme.

Principal terms of the share savings programme				Information for the year under review*				
Incentive-programme	Performance measurement period	Grant date	Vesting date	Opening balance	During the year		Outgoing balance	
				Share rights outstanding at the beginning of the year	Number of share rights granted	Number of share rights vested	Number of share rights subject to performance conditions	Number of granted share rights not vested at year-end
LTI 2025/2028	2025-2028	2025-06-15	2028-06-15	0	23 750**	4 330	23 750	19 420

\* Under LTI 2025/2028, the Deputy Chief Executive Officer was allocated 23,750 performance share rights during 2025. Investment shares allocated by the Deputy Chief Executive Officer in order to qualify for participation in the programme are not included in the table.

\*\* Value: SEK 1,860,765, calculated as the market price per share at the time of grant (SEK 78.35) multiplied by the number of share rights (23,750).

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

Changes in remuneration and the company's performance over the past five financial years (IFRS) (SEK million)

	RFY 2025 vs RFY 2024	RFY 2025	RFY 2024	RFY 2023	RFY 2022	RFY 2021
Total remuneration to the Chief Executive Officer	19%	11.7	9.8	8.1	8.1*	8.2***
Total remuneration to the Deputy Chief Executive Officer	26%	6.6	5.2	4.9	1.80**	-
Group operating profit (EBITA)	9%	1050	959	1043	990	695
Average remuneration based on the number of full time equivalents employed in the Group's Swedish companies****	12%	0.66	0.59	0.55	0.55	0.54

\* Refers to Johan Lindqvist for the period January–August 2022 and to Erik Lundén for the period September–December 2022.

\*\* Refers to Johan Lindqvist for the period September–December 2022.

\*\*\* Refers to Jörgen Rosengren for the period January–August 2021 and to Johan Lindqvist for the period September–December 2021.

\*\*\*\* Excluding members of Group Management