

The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

The Board's Remuneration report 2022

Introduction

This remuneration report provides an outline of how Boozt AB's ("**Boozt**" or the "**Company**") guidelines for senior executives' remuneration (the "**remuneration guidelines**"), adopted by the annual general meeting 2021, have been implemented in 2022. The report also provides details on the remuneration of Boozt's CEO. In addition, the report contains a summary of Boozt's outstanding share and share-price related incentive programs. The report has been prepared in compliance with the Swedish Companies Act (2005:551) and the *Remuneration Rules* issued by the Swedish Stock Market Self-Regulation Committee.

Information required by Chapter 5, Sections 40-44 of the Annual Accounts Act (1995:1554) is available in note 9 on pages 98-100 in the Company's annual report for 2022 (the "**annual report 2022**").

Information on the work of the remuneration committee in 2022 is set out in the corporate governance report, which is available on page 45 in the annual report 2022.

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 9 on page 99 in the annual report 2022.

Key Developments 2022

The CEO summarizes the Company's overall performance in his statement on pages 5-6 in the annual report 2022.

Trading conditions at the start of the year were challenging, with concerns about the macroeconomic environment and geopolitical uncertainty impacting consumer confidence. The Board of Directors therefore adopted a prudent approach to goal setting and to the quantum of the short-term incentive and reduced the maximum short-term incentive opportunity from a possible 70% of the fixed annual cash salary to 35%, as a temporary measure for 2022.

The Board of Directors is confident that the compensation decisions have resulted in long-term benefits for the Company, created value for shareholders, and contributed to outperforming the Company's peers.

Overview of the application of the remuneration guidelines in 2022

Under Boozt's remuneration guidelines, remuneration of executive management shall be based on market terms, be competitive and well balanced and contribute to good ethics and company culture. Boozt aim to:

1. Pay for performance:

- Boozt's aim is to **incentivise long-term shareholder value creation** and to ensure that management compensation outcomes and shareholder outcomes are broadly aligned.
- **Boozt is comfortable differentiating between individuals who perform excellently and those who do not.** Boozt sets challenging goals, and when achieved, Boozt believe the rewards should be differential.
- **The Remuneration Committee applies its judgment:** it is informed by market practices but ultimately the objective is to make the right decisions for Boozt's business, with long term value creation in mind.

2. Attract & Retain Scarce Skillsets

- Despite the more challenging macroeconomic environment, demand for consumer internet, e-tail and technology skills, which are unique disciplines, remains extremely strong and there remains a global shortage of qualified candidates in these areas. Boozt looks to its industry competitors for talent, and to organisations with specialist talent similar to Boozt's (e.g., consumer internet, technology, digital marketing, logistics & warehousing,

fashion buying & merchandising) rather than to geographical competitors: Boozt competes for senior talent beyond the Nordics. Reward is only one element in Boozt’s proposition to its people, but it needs to be competitive against the global and regional players that seek their skills.

3. Pay Fairly and Responsibly

- **Boozt wants to maintain a well-governed pay system for executives**, with clear and transparent processes and approvals, appropriate consultation with shareholders and clear disclosures for all stakeholders, balancing competitive considerations with the need for relevant information.
- Boozt endeavours to remove unconscious bias from pay decisions, and adopts a data-driven approach.
- Boozt considers all its employees when making pay decisions, and designs incentives to balance short- and longer-term objectives and with the sustainability of the business in mind.

Boozt Group reward philosophy		
<p>Pay for performance</p> <p>Incentivise long-term shareholder value creation</p>	<p>Attract & retain scarce skillsets</p> <p>Reward is only one element in our proposition, but it needs to be competitive</p>	<p>Pay fairly and responsibly</p> <p>Maintain a well-governed pay system</p>

According to the remuneration guidelines, the remuneration may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The remuneration guidelines, adopted by the annual general meeting 2021, can be found in the corporate governance report on page 47, and in note 9 on page 99 in the annual report 2022. The auditor’s report regarding whether the Company has complied with the remuneration guidelines is available on the Company’s website, www.booztgroup.com/annual-general-meeting.

Fixed Cash Salary

Our aim is to pay a fair and market competitive salary, which reflects the contribution of the executive. To date, salaries have been reviewed every two years for existing executives, although from 2023 we intend to review them annually, given the speed at which the market moves at. Salary increases are not guaranteed and in making any increase, the market situation, the Company’s performance, and the individual’s performance are considered. Boozt do not have a policy to pay at, for example, the median of the market, but rather prefer to retain the flexibility to attract and retain the very best talent, in line with the Company’s ability to pay and the market value of such talent.

Other benefits and pension

Certain market standard benefits may be offered such as a company car and health insurance. However, unlike other Swedish listed companies, Boozt does not offer a pension scheme to its executives.

Short-Term Incentive (STI)

In order to incentivize the achievement of the annual business plan, an annual, short-term incentive is available to executives. The maximum achievement possible is 70% of the fixed annual cash salary. Typical goals include Revenue, EBIT and ESG related targets. To ensure that short term incentive is not at odds with value creation over the longer term, it is not possible to achieve the Revenue bonus goal unless a minimum EBIT threshold has

been met. In 2022, non-achievement of the ESG targets acted as a discount to the overall bonus calculation. In 2023, the ESG targets will be a goal in their own right.

In 2022, due to difficult trading conditions and a volatile environment in the first half of the year, the maximum bonus was reduced to 35% of the fixed annual cash salary.

Long-Term Incentive (LTI)

In addition to remuneration covered by the remuneration guidelines, the general meetings of Boozt have resolved to implement long-term share-related incentive plans.

Long-term incentive plans are typically delivered through Performance Share programs (PSPs). Typically, the performance period is over three years, with cliff vesting after 36 months, subject to the performance criteria being satisfied. Details of each active Performance Share program in the Company can be found below. The Board of Directors considers that Performance Share programs incentivize long-term value creation for the Company.

Compliance with the remuneration guidelines and application of performance criteria

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. Boozt's remuneration guidelines enable the Company to offer the executive management/the CEO a competitive total remuneration.

The performance criteria for the CEO's variable remuneration have been selected to deliver the Company's strategy and to encourage behaviour which is in the long-term interest of the Company. In the selection of performance criteria, the strategic objectives and short-term as well as the long-term business priorities for 2022 have been taken into account.

Derogations and deviations from the remuneration guidelines and from the procedure for implementation of the remuneration guidelines

The Company has complied with the applicable remuneration guidelines adopted by the annual general meeting 2021. No deviations from the guidelines have been made and no derogations from the procedure for implementation of the guidelines have been made. No remuneration has been reclaimed during 2022.

Table 1 – Total remuneration of the CEO (MSEK)

Table 1 below sets out total remuneration to Boozt's CEO during 2022.

Name (position)	Financial year	1		2		3	4	5	6
		Fixed remuneration		Variable remuneration					
		Base salary	Other benefits	One-year variable	Multi-year variable				
Hermann Haraldsson (CEO)	2022	8.6 ¹	0.3 ²	2.5 ³	3.1 ⁴	-	-	14.5	61% / 39%

Share-based remuneration

Expired share and share-price related incentive programs

LTI Program 2019/2022

During 2022, the LTI Program 2019/2022 expired, and on March 18, 2022, the Board of Directors resolved that the performance criteria had been fulfilled by 91.7% for CEO and Other Group Management and by 83.5% for Key Employees and thus on June 27, 2022, the Board of Directors resolved to allot 47,123 performance shares to the CEO, 137,452 performance shares to Other Group Management and 126,086 performance shares to Key Employees. In total 24 employees received performance shares in the program.

Outstanding share and share-price related incentive programs

Boozt has three active long-term incentive programs classified as share-based remuneration, with individual terms and conditions (LTI Program 2020/2023, LTI Program 2021/2024 and LTI Program 2022/2025). The programs are directed to staff identified as Key Employees, including the CEO.

In LTI 2022/2025, implemented in April 2022, a broader group of technology employees received LTI for the first time, in line with market practice.

LTI Program 2020/2023

The LTI Program 2020/2023 was implemented in July 2020 where participants can receive a number of performance shares subject to certain performance targets. The performance targets include Net Revenue Growth, Net Promoter Score and Adjusted EBIT. The LTI Program 2020/2023 also contains constraints regarding the Net Working Capital (NWC) ratio and Adjusted EBIT margin. The maximum number of shares to be awarded in the LTI program 2020/2023 amount to 1,040,000 shares. The LTI program 2020/2023 has a 36-month cliff vesting period (subject to certain customary good leaver exemptions) which expires in July 2023. The maximum number of performance shares that can be awarded to the CEO, if the performance criteria as well as terms and conditions stipulated in the LTI program 2020/2023 are met, amount to 120,000 shares.

¹ The base salary includes statutory vacation pay.

² Other benefits include company car, petrol, toll charges, newspapers, and phone.

³ One-year variable includes bonus for the relevant period which is paid in the following period. 2022 includes bonus for 2022 which is paid in 2023.

⁴ Refers to the taxable benefit imposed of receiving 47,123 performance shares under LTI Program 2019/2022 multiplied by a share price of SEK 66.61.

More information regarding the LTI Program 2020/2023 can be found in the annual report 2022 on page 99 and on the Company's [website](#).

LTI Program 2021/2024

The LTI Program 2021/2024 was implemented in May 2021 where participants can receive a number of performance shares subject to certain performance targets. The performance targets include Net Revenue Growth, Net Promoter Score and Adjusted EBIT. The LTI Program 2021/2024 also contains constraints regarding the Net Working Capital (NWC) ratio and Adjusted EBIT. The maximum number of shares to be awarded in the LTI program 2021/2024 amount to 630,000 shares. The LTI program 2021/2024 has a 36-month cliff vesting period (subject to certain customary good leaver exemptions) which expires in May 2024. The maximum number of performance shares that can be awarded to the CEO, if the performance criteria as well as terms and conditions stipulated in the LTI program 2021/2024 are met, amount to 70,000 shares.

More information regarding the LTI Program 2021/2024 can be found in the annual report 2022 on page 99 and on the Company's [website](#).

LTI Program 2022/2025

The LTI Program 2022/2025 was implemented in April 2022 where participants can receive a number of performance shares subject to certain performance targets. The performance targets include Net Revenue Growth, Net Promoter Score and Adjusted EBIT. The LTI Program 2022/2025 also contains constraints regarding the Net Working Capital (NWC) ratio and Adjusted EBIT. The maximum number of shares to be awarded in the LTI program 2022/2025 amount to 850,000 shares. The LTI program 2022/2025 has a 36-month cliff vesting period (subject to certain customary good leaver exemptions) which expires in April 2025. The maximum number of performance shares that can be awarded to the CEO, if the performance criteria as well as terms and conditions stipulated in the LTI program 2022/2025 are met, amount to 70,000 shares.

More information regarding the LTI Program 2022/2025 can be found in the annual report 2022 on page 99 and on the Company's [website](#).

As per December 31, 2022, the number of shares in Boozt amount to 67,467,637, of which 1,658,375 series C shares have been issued in relation to LTI Programs to secure delivery of performance shares.

Taking the above-mentioned into account as well as the maximum number of shares that can be allotted from the LTI Programs 2020/2023, 2021/2024 and 2022/2025, if all programs would be fully utilized, a total of 2,520,000 new ordinary shares would be issued/converted entailing a dilution of approximately 3.7% of the Company's ordinary shares.

Table 2 – Remuneration of the CEO in shares

Name (position)	The main conditions of share award plans					Information regarding the reported financial year					
						Opening balance	During the year		Closing balance		
	1 Specification of plan	2 Performance period	3 Award date	4 Vesting date	5 End of retention period	6 Share awards held at the beginning of the year	7 Awarded share awards	8 Vested	9 Subject to a performance condition	10 Awarded and unvested	11 Subject to a retention period
Hermann Haraldsson (CEO)	LTI Program 2019/2022	2019-2022	Sep-2019	24/6-2022	24/6-2022	51,366	-	47,123	-	-	-
	LTI Program 2020/2023	2020-2023	Jul-2020	1/7-2023	1/7-2023	120,000	-	-	120,000	120,000	-
	LTI Program 2021/2024	2021-2024	Jun-2021	27/5-2024	27/5-2024	70,000	-	-	70,000	70,000	-
	LTI Program 2022/2025	2022-2025	Jun-2022	27/4-2025	27/4-2025	-	70,000 ⁵	-	70,000	70,000	-
						241,366	70,000	47,123	260,000	260,000	-

Table 3 (a) - Performance of the CEO in the reported financial year: variable cash remuneration (STI)

Name of Director, position	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance; and b) actual award/ remuneration outcome ⁶
Hermann Haraldsson CEO	Performance bonus 2022 Financial targets related to net revenue growth and adjusted EBIT	100%	a) financial targets were achieved by 89.7%
			b) mSEK 2.5

⁵ The aggregate underlying market value as of grant date amounts to SEK 4.6 million, calculated as the share price of SEK 65.55 that day multiplied by the number of share awards.

⁶ Performance criteria and remuneration outcome relates to short-term incentive program (STIP) for 2022 and has been paid in 2023.

Table 3 (b) – Performance of the CEO in the reported financial year: share-based incentives (LTI)

Name of Director, position	Name of plan	1 Description of criteria related to the remuneration component ⁷	2 Relative weighting of the performance criteria	3 a) Measured performance; and b) actual award/ remuneration outcome
Hermann Haraldsson CEO	LTI Program 2019/2022	Share Price development 2018 - 2021	40%	a) 212% b) kSEK 1,369
		Net Promoter Score 31/12-2021	20%	a) 79 b) kSEK 684
		Net Revenue Growth 2018 - 2021	20%	a) 106.8% ⁸ b) kSEK 684
		Adjusted earnings per share after dilution 2021	20%	a) SEK 4.05 ⁹ b) kSEK 409
	LTI Program 2020/2023	Net Revenue Growth 2019 - 2022	60%	a) 24.5% b) kSEK 8,662*
		Net Promoter Score 31/12-2022	10%	a) 74 b) kSEK 1,444*
		Adjusted EBIT 2022	30%	a) mSEK 286 b) kSEK 1,874*
	LTI Program 2021/2024	Net Revenue Growth 2020 - 2023	60%	N/A**
		Net Promoter Score 31/12-2023	10%	N/A**
		Adjusted EBIT 2023	30%	N/A**
	LTI Program 2022/2025	Net Revenue Growth 2021 - 2024	60%	N/A**
		Net Promoter Score 31/12-2024	10%	N/A**
Adjusted EBIT 2024		30%	N/A**	

* Based on market price per share on December 31, 2022 (SEK 120.3) multiplied by the number of share awards. Vesting period still running.

** Performance period still running.

⁷The LTI Programs 2019/2022, 2020/2023, 2021/2024 and 2022/2025 also contain constraints regarding the Net Working Capital (NWC) ratio in relation to the Net Revenue. In addition, the LTI Programs 2020/2023, 2021/2024 and 2022/2025 contain constraints regarding Adjusted EBIT margin, meaning that if the Adjusted EBIT margin in the financial year 2022 is below 3.2%, no performance shares will be allotted under the LTI Program 2020/2023; if the Adjusted EBIT in the financial year 2023 is below 3.5%, no performance shares will be allotted under the LTI Program 2021/2024; and if the Adjusted EBIT in the financial year 2024 is below 3.5%, no performance shares will be allotted under the LTI Program 2022/2025. The allotment of performance shares under the LTI Program 2022/2025 is also conditional upon that the Company at all times during 2024 has fulfilled the financial covenants following from the then applicable loan agreement governing the Company's primary credit facility.

⁸Organic net revenue growth.

⁹Including adjustments from acquisitions.

Comparative information on the change of remuneration and Company performance

Table 4 – Change of remuneration and Company performance over the last five reported financial years (RFY)¹⁰

(SEK million)	RFY-1 vs RFY-2	RFY vs RFY-1	RFY 2022
CEO remuneration and benefits¹¹			
Hermann Haraldsson, CEO	+23.4 (+203.5%)	-20.4 (-58.5%)	14.5
Company's performance			
Net revenue	+1,454.5 (+33.4%)	+929.6 (+16.0%)	6,743.4
Adjusted EBIT	+52.2 (+18%)	-56.7 (-16.6%)	286
Adjusted EBIT margin	-0.8pp	-1.7pp	4.2 %
Average remuneration and benefits on a full-time equivalent basis of employees			
Employees of the Company ¹²	+0.0 (+2.2%)	-0.0 (-2.1%)	0.4

RFY-1 is influenced by the CEO's exercise of 2015 pre-IPO warrants that was fully vested in 2020 and were due to expire in Q1-2022. This created a taxable benefit of 23.8 MSEK for 2021.

Malmö in March 2023

Boozt AB (publ)

The Board of Directors

¹⁰ From and including the financial year 2020, which was the first financial year for this type of remuneration report.

¹¹ The remuneration and benefits presented in Table 4 corresponds to the remuneration presented in the remuneration note in the Annual Report, which include the value of share-based payment recognized in the Boozt Group's income statement and the value of taxable benefits. Consequently, the remuneration and benefits to the CEO in Table 4 may differ from the total remuneration reported in Table 1.

¹² Excluding members of the Group Management.