Note 12: Employees and personnel costs

Accounting policies

Share-based payment transactions

Within the Investor Group both equity-settled and cash-settled stock option and share programs and cash-settled (synthetic) shares have been issued.

Accounting for equity-settled programs

The fair value of stock options and share programs issued is determined at the grant date in accordance with the Black & Scholes valuation model, taking into consideration the terms and conditions that are related to the share price.

The value is recognized in the income statement as a personnel cost allocated over the vesting period with a corresponding increase in equity.

The recognized cost corresponds to the fair value of the estimated number of options and shares that are expected to vest. This cost is adjusted in subsequent periods to reflect the actual number of vested options and shares. However, no adjustment is made when options and shares expire only because share price related conditions do not reach the level needed for the options to vest.

When equity-settled programs are exercised, shares are delivered to the employee. When exercised, the payment of the exercise price that was received from the employee is reported as an increase in equity. The delivered shares are treasury shares that are repurchased when needed.

Equity-settled programs issued to employees in Group companies

In the Parent company, the value of equity instruments, which is offered to employees of other companies belonging to the Group, is reported as a capital contribution to subsidiaries. The value of participations in subsidiaries increases simultaneously to the Parent company's reporting of an increase in equity. The costs related to employees in companies concerned are invoiced to the subsidiaries. The cash settlement of the invoices then neutralizes the increase of participations in subsidiaries.

Accounting for cash-settled programs

Cash-settled stock option and share programs and cash-settled (synthetic) shares result in an obligation that is valued at fair value and recognized as an expense with a corresponding increase in liabilities. Initial fair value is calculated and the grant value is recognized over the vesting period as a personnel cost, which is similar to the recognition of equity-settled programs. However, cash settled programs are revalued at fair value every balance sheet date and at final settlement. All changes in the fair value as a result of changes in share price or fair value of the underlying instruments are recognized in the financial net with a corresponding change in liabilities.

When cash-settled programs are exercised, the liability to the holder of the synthetic shares is settled.

Accounting for social security attributable to share-based payment transactions

Social security expenses attributable to share-based remuneration are recognized and accrued in accordance with the same principles as the costs for synthetic shares.

Average number of employees in the Group

	2025		2024	
	Total	Of which females	Total	Of which females
Parent company, Sweden	82	44	82	43
Sweden, excl. Parent company	1,819	880	1,796	833
Czech Republic	972	697	960	692
Rest of Europe	3,723	1,677	3,488	1,557
U.S.	7,490	3,521	6,181	2,753
Rest of North and South America	300	125	240	105
Africa	1	–	1	1
Malaysia	2,339	1,529	2,398	1,584
Thailand	917	746	949	769
Rest of Asia	934	412	831	350
Australia	166	103	161	98
Rest of Oceania	36	20	35	19
Total	**18,780**	**9,752**	**17,121**	**8,804**

Guidelines for remuneration for the President and other members of the Executive Leadership Team

The 2024 AGM decided on guidelines for remuneration for the President and other members of the Executive Leadership Team. The complete guidelines can be found on pages 68–69.

Gender distribution in Boards and Senior management

	2025		2024	
	Men	Females	Men	Females
Gender distribution in percent				
Board of the Parent company[1]	62	38	62	38
Executive Leadership Team of the Parent company incl. the President	63	38	63	38
Boards in the Group[2]	65	35	66	34
Management groups in the Group	65	35	62	38

[1] There is no change in the distribution between women and men among the board members since the beginning of the previous year.
[2] Based on all Group companies including small, internal companies with minor activity.

Expensed remunerations

The amounts in the table below are calculated according to the accruals concept, in which the terms basic salary and variable salary refer to expensed amounts, including any changes to the reserve for variable salary, vacation pay provisions, etc. Variable salary refers to the approved variable salary for the current financial year, unless specified otherwise.

Expensed remunerations to the President and other members of the Executive Leadership Team in the Parent company

Total remunerations 2025 (SEK t)	Basic salary	Vacation remuneration	Change of vacation pay liability	Variable salary for the year	Cost of long-term share-based remuneration[1]	Total	Pension costs[2]	Other remuneration and benefits	Total expensed remuneration
President and CEO	13,525	195	-442	–	16,907	30,185	4,715	812	35,711
Executive Leadership Team, excl. the President	41,509	345	509	4,518	46,449	93,331	11,206	2,033	106,569
Total	**55,034**	**541**	**66**	**4,518**	**63,356**	**123,516**	**15,920**	**2,845**	**142,280**
Total remunerations 2024 (SEK t)									
President and CEO[3]	8,422	122	947	758	7,996	18,244	2,948	147	21,339
Former President and CEO[4]	4,992	72	–	471	4,241	9,776	2,418	6,672	18,866
Executive Leadership Team, excl. the President[5]	35,215	359	196	6,342	35,829	77,940	10,645	1,825	90,411
Total	**48,629**	**553**	**1,143**	**7,571**	**48,065**	**105,961**	**16,011**	**8,644**	**130,616**

[1] In the table above the cost is calculated based on the principles in IFRS 2 and allocated over the vesting period. The calculation is also adjusted for the actual outcome of allotted performance shares. Value at grant date for the current president and CEO was SEK 18,935t (16,900). His own investment in long-term share-based remunerations was SEK 6,782t (5,954), corresponding to 50.1% of CEO basic salary pre-tax (45.8). The former president and CEO did not participate in the 2024 program and received a remuneration of SEK 6,197t in cash as compensation, included in other remuneration and benefits.
[2] There are no outstanding pension commitments for the Executive Leadership Team including the President.
[3] Christian Cederholm was appointed President and CEO May 8, 2024. Salaries and other remunerations for the period before May 8, 2024 are included in the row Executive Leadership Team, excl. the President.
[4] Johan Forssell resigned as President and CEO May 7, 2024. The salaries and other remunerations stated are what Johan Forssell received in his capacity as President and CEO.
[5] Number of persons in Executive Leadership Team, excl. the President is 7 (7).

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Total remuneration – expensed salaries, Board of Directors fees and other remuneration and social security costs

	2025							2024						
Total remuneration, Group (SEK m)	Basic salary[1]	Variable salary	Long-term share-based remuneration	Pension cost	Cost for employee benefits	Social security contributions	Total	Basic salary[1]	Variable salary	Long-term share-based remuneration	Pension cost	Cost for employee benefits	Social security contributions	Total
Parent company	150	6	89	37	10	67	358	149	10	86	38	10	71	364
Subsidiaries	11,210	1,415	787	723	899	1,669	16,704	10,108	1,531	591	664	878	1,584	15,356
Total[2]	**11,360**	**1,421**	**876**	**760**	**909**	**1,736**	**17,062**	**10,257**	**1,541**	**677**	**702**	**888**	**1,655**	**15,720**

[1] Includes vacation remuneration and change of vacation pay liability.
[2] Total social security contributions include social security contribution for long-term share-based remuneration with SEK 87m (182).

Expensed salaries and remuneration distributed between senior executives, Presidents and Boards in subsidiaries and other employees

	2025				2024			
Remuneration, Group (SEK m)	Salary Senior executives, Presidents and Boards in subsidiaries[1, 2]	Of which variable salary[1]	Other employees	Total	Salary Senior executives, Presidents and Boards in subsidiaries[1, 2]	Of which variable salary[1]	Other employees	Total
Parent company	55	3	101	156	56	6	104	160
Subsidiaries	199	54	12,426	12,625	213	60	11,425	11,638
Total	**254**	**56**	**12,527**	**12,781**	**269**	**66**	**11,529**	**11,798**

[1] The number of people in the Parent Company is 20 (20) and in subsidiaries 89 (84).
[2] Pension costs relating to senior executives, Presidents and Boards in subsidiaries amount to SEK 26m and are in addition to the amounts presented in the table (27).

Long-term variable remuneration – program descriptions

Within the Investor Group, there are share-based remuneration programs both in Investor and in certain subsidiaries. The Board of Directors encourages employees to build up a significant shareholding in Investor. Through the long-term variable remuneration programs, part of the remuneration to employees is linked to the long-term performance of the Investor share. Investor has two programs for long-term variable remuneration: Investor's program and the program for Patricia Industries. Among the subsidiaries, it is primarily four U.S. subsidiaries that have share-based remuneration programs.

Investor's program for long-term variable remuneration

The program consists of the following two components:

1) Stock Matching Plan

Through the Stock Matching Plan, an employee could acquire or commit shares in Investor (Participation shares) at the market price during a period (determined by the Board) subsequent to the release of Investor's first quarterly report for each year, respectively (the "Measurement Period"). After a three-year vesting period, two options (Matching Options) are granted for each Investor share acquired or committed by the employee, as well as a right to acquire one Investor share (Matching Share) for 5 percent of the Participation Price (defined below). Matching Share may be acquired during a four-year period subsequent to the vesting period. Each Matching Option entitles the holder to purchase one Investor share, during the corresponding period, at a strike price corresponding to 120 percent of the Participation Price, defined as the average volume-weighted price paid for Investor shares during the Measurement Period.

The President, other members of the Executive Leadership Team and a maximum of 22 other executives within Investor ("holders of Business Critical Roles") are required to participate in the Stock Matching Plan with Participation Shares corresponding to a "Participation Value" of at least 5 percent of their fixed cash remuneration before taxes. "Participation Value" refers to the number of Participation Shares multiplied by the Participation Price.

In addition, holders of Business Critical Roles are offered to participate with Participation Shares to such an extent that the value of the allocated Matching Options and Matching Shares amounts to a maximum of between 10 and 50 percent of their respective annual fixed cash remuneration before taxes, depending on position, performance, etc. Other employees are not obligated, but have a right, to participate with Participation Shares to an extent that the value of the allotted Matching Options and Matching Shares amounts to a maximum of 10 or 15 percent of fixed cash remuneration depending on position, performance, etc.

2) Performance Plan

Holders of Business Critical Roles have, in addition to the Stock Matching Plan, the right to participate in a Performance Plan. Under this plan, which presumes participation in the Stock Matching Plan, participants have, after a three-year vesting period, the right during a period of four years thereafter, to acquire additional Investor shares of class B ("Performance Shares") at a price corresponding to 50 percent of the Participation Price conditional upon the total return on the Investor shares exceeding a certain level during the vesting period. The total return is measured during a three-year qualification period (quarterly measurement on running 12-month basis where the total outcome is estimated as the average total return during the three years based on 9 measurement points). In order to give the participants the right to acquire the maximum number of Performance Shares, the average annual total return of the Investor share (including reinvested dividends) must exceed the interest on 10-year government bonds by more than 10 percentage points. If the total return does not exceed the 10-year interest on government bonds by at least 2 percentage points, then participants of the Performance Plan are not entitled to acquire any Performance Shares. If the total return is between the 10-year interest on government bonds plus 2 percentage points and the 10-year interest on government bonds plus 10 percentage points, then a proportional (linear) calculation of the number of shares that may be acquired shall be made. The theoretical value of the opportunity to acquire Performance Shares for the plan participants shall amount to between 20 and approximately 100 percent of the respective participant's fixed cash remuneration before taxes for 2025.

Dividend adjustment

When the Matching Shares and Performance Shares are acquired, the employee receives compensation for dividends paid during the vesting period and up to the date of acquisition in order for the program to be dividend neutral.

Hedge contracts for employee stock option and share programs

Investor's policy is to implement measures to minimize the effects on equity from the programs in the event of an increase in Investor's share price. Investor repurchases its own shares in order to guarantee delivery. Investor's program for long-term variable remuneration includes in total 3.8 million shares, which corresponds to approximately 0.2 percent of total number of shares and approximately 0.03 percent of total number of votes in the company.

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Summary of Investor's long-term share-based variable remuneration programs 2019–2025[1]

[1] Where relevant in below tables, historic figures have been restated to reflect the 4:1 share split completed during 2021.

Year issued	Number of initially granted	Number at the beginning of the year	Adjustment for dividend 2025	Number of forfeited in 2025	Number of exercised in 2025	Weighted average share price on exercise	Number as per 12/31 2025	Theoretical value[1], SEK	Fair value[2], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3]
Matching Shares												
2025[4]	90,374	–	433	829	100	323.55	89,878	245.01	272.64	14.28	12/31 3031	3
2024[4]	86,351	86,706	1,582	2,178	1,180	300.27	84,930	248.93	275.98	10.00	12/31 2030	3
2023[4]	108,555	110,244	2,034	1,313	2,793	297.82	108,172	186.07	207.04	10.00	12/31 2029	3
2022	117,594	120,051	1,893		25,608	314.00	96,336	150.33	167.26	10.00	12/31 2028	3
2021	91,598	80,474	971		33,872	315.48	47,573	167.31	186.04	2.50	12/31 2027	3
2020	112,356	49,369	834		8,036	312.08	42,167	116.98	129.24	2.50	12/31 2026	3
2019	130,684	44,823	465	18	45,270	315.74	–	94.95	105.63	2.50	12/31 2025	3
Total	**737,512**	**491,667**	**8,212**	**4,338**	**116,859**		**469,056**					
Matching Options												
2025[4]	180,748	–		1,659			179,089	28.18	33.25	342.60	12/31 3031	3
2024[4]	172,702	172,702		6,126			166,576	27.62	32.15	343.00	12/31 2030	3
2023[4]	217,110	215,476		2,513	5,431	309.56	207,532	20.67	24.35	259.00	12/31 2029	3
2022	235,188	229,566			46,024	312.33	183,542	15.11	17.74	211.70	12/31 2028	3
2021	183,196	156,422			64,850	316.36	91,572	12.52	14.60	226.20	12/31 2027	3
2020	224,712	94,024			14,400	305.10	79,624	7.24	9.39	158.15	12/31 2026	3
2019	261,368	90,224			90,224	313.64	–	5.49	6.11	129.80	12/31 2025	3
Total	**1,475,024**	**958,414**	**–**	**10,298**	**220,929**		**907,935**					
Performance Shares												
2025[4]	491,086	–	2,240				493,326	70.55	79.12	142.12	12/31 3031	3
2024[4]	489,414	489,414	8,358	13,716	6	283.62	484,050	71.58	79.85	139.89	12/31 2030	3
2023[4]	620,415	634,211	10,981	9,064	222	283.62	635,906	54.18	60.81	103.76	12/31 2029	3
2022	630,046	654,427	8,907	43,128	207,059	313.27	413,147	42.96	48.13	83.11	12/31 2028	3
2021	487,678	210,177	3,126		38,883	315.45	174,420	43.01	47.98	86.86	12/31 2027	3
2020	518,904	183,588	3,095		26,592	308.94	160,091	29.89	33.46	59.88	12/31 2026	3
2019	575,256	224,294	2,878		227,172	316.09	–	24.32	26.88	47.89	12/31 2025	3
Total	**3,812,799**	**2,396,111**	**39,585**	**65,908**	**499,934**		**2,360,940**					

[1] The value of Shares/Options on the grant date was based on a theoretical value calculated in accordance with the Black & Scholes valuation model.
[2] The fair value on the grant date was calculated in accordance with IFRS 2, which was also used for calculating recognized value. See page 140 for specification of the basis of calculation.
[3] Under certain circumstances, in conjunction with the end of employment, Shares/Options can be exercised before the end of the vesting period. Shares/Options that have already vested must be exercised within 3 months from the end of employment if the employment lasted less than 4 years and 12 months if the holder has been employed longer.
[4] Shares/Options not available for exercise at year-end.

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The difference between the theoretical value and fair value is mainly due to the fact that the anticipated personnel turnover is taken into consideration when determining the theoretical value. When estimating the fair value in accordance with IFRS 2, personnel turnover is not taken into account; instead the anticipated number of vested shares or options is adjusted. The adjustment is based on average historical outcome.

The calculation of the fair value on the grant date, according to IFRS 2, was based on the following conditions:

	2025			2024		
	Matching Share	Matching Option	Performance Share	Matching Share	Matching Option	Performance Share
Averaged volume-weighted price paid for Investor B shares	285.53	285.53	285.53	285.84	285.84	285.84
Strike price	14.28	342.60	142.12	10.00	343.00	142.92
Assumed volatility[1)]	21%	21%	21%	21%	21%	21%
Assumed average term[2)]	5 years	5 years	5 years	5 years	5 years	5 years
Assumed percentage of dividend[3)]	0%	1.6%	0%	0%	2.0%	0%
Risk-free interest	2.04%	2.04%	2.04%	2.42%	2.42%	2.42%
Expected outcome[4)]			50%			50%

1) The assumed volatility was based on future forecasts based on the historical volatility of Investor B shares, in which the term of the instrument is an influencing factor. The historical volatility has been in the interval of 15 to 30 percent.
2) The assumption of average term for the instruments at grant is based on historical exercise patterns and the actual term of the instruments within each remuneration program.
3) The dividend for Matching Shares and Performance Shares is compensated for by increasing the number of shares.
4) Probability to achieve the performance criteria is calculated based on historic data and verified externally.

Patricia Industries' program for long-term variable remuneration

It is the Board of Directors' ambition to continuously ensure a strong alignment between the variable remuneration of employees of Patricia Industries ("PI") and the value creation in the PI portfolio. The purpose of the PI program is to encourage employees to build up significant economic holdings in Investor shares as well as, directly or indirectly, in existing and future investments made by PI.

In summary, the PI program is built on the same structure as the Investor program, but is related to the value growth of PI. The instruments in the PI program are granted under two different Plans, as further described below: (i) The PI Balance Sheet Plan (the "PI-BS Plan") and (ii) The PI North America Subsidiaries Plan (the "PI-NA Plan"). The instruments have a duration of up to seven years and participants are granted, conditional upon making a personal investment in Investor shares or the use of already held Investor shares, instruments that vest after a three-year vesting period and may be exercised and/or settled during the four-year period thereafter (subject to applicable US tax laws).

Two categories of employees are offered to participate in the PI program: (i) PI Holders of Business Critical Roles and (ii) Other PI Employees. Participants employed within the PI Nordic organization are only offered to participate in the PI-BS Plan whereas participants employed within the PI North America organization are offered to participate with 60 percent of their grant value (determined as described below) in the PI-BS Plan and 40 percent of their grant value in the PI-NA Plan.

General terms of instruments

For instruments granted under the PI-BS Plan and PI-NA Plan, the following conditions apply:

- Granted free of charge.
- Instruments granted to Other PI Employees under the two Plans will replicate the structure of the Stock Matching Plan in Investor.
- Instruments granted to holders of Business Critical Roles in PI under the two Plans consists both of instruments replicating the Stock Matching Plan in Investor and instruments subject to specific performance conditions replicating the structure of the Performance Plan in Investor.
- Vest three years after grant (the "Vesting Period").
- May not be transferred or pledged.
- Subject to vesting, the instruments may be exercised and/or settled during the four-year period following the end of the Vesting Period, subject to applicable US tax laws and provided that the participant, with certain exceptions, maintains the employment with PI and keeps the Participation Shares during the Vesting Period.
- Cash-settled.
- Participants receive remuneration for dividends paid from time of grant up to the date of exercise and/or settlement in order for the PI program to be dividend neutral.

Specific performance conditions for holders of Business Critical Roles in PI

The following performance conditions apply to the instruments under the PI program allocated to holders of Business Critical Roles in PI (replicating the structure of the Performance Plan in Investor).

Instruments granted under the PI-BS Plan: In order for participants to be awarded the maximum number of instruments, the compounded annual growth of the fair market value of PI's balance sheet must exceed the interest on 10-year Swedish government bonds by more than 10 percentage points. If the compounded annual growth of the fair market value of PI's balance sheet does not exceed the 10-year interest on Swedish government bonds by at least 2 percentage points, then participants will not be awarded any instruments. If the applicable compounded annual growth is between the 10-year interest on Swedish government bonds plus 2 percentage points and the 10-year interest on Swedish government bonds plus 10 percentage points, then a proportional (linear) calculation of the award shall be made. Performance is measured three times during the three-year Vesting Period, each measurement on a running 12-month basis.

Instruments granted under the PI-NA Plan: In order for participants to be awarded the maximum number of instruments the compounded annual growth of the North American subsidiaries of PI must exceed the interest on 10-year US government bonds by more than 12 percentage points. If the compounded annual growth of the fair market value of the North American subsidiaries of PI does not exceed the 10-year interest on US government bonds by at least 4 percentage points, then participants will not be awarded any instruments.

If the applicable compounded annual growth is between the 10-year interest on US government bonds plus 4 percentage points and the 10-year interest on US government bonds plus 12 percentage points, then a proportional (linear) calculation of the award shall be made. Performance is measured once, at the end of the three-year Vesting Period.

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Summary of Patricia Industries' long-term share-based variable remuneration programs 2019–2025[1]

[1] Where relevant in the following tables, historic figures have been restated to reflect the 4:1 share split completed during 2021.

PI-BS Plan

Year issued	Number of initially granted	Number at the beginning of the year	Adjustment for dividend 2025	Number of forfeited in 2025	Number of exercised in 2025	Weighted average share price on exercise	Number as per 12/31 2025	Theoretical value[1], SEK	Fair value[2], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3]
Matching Shares												
2025[4]	62,514	–	1,184	4,066			59,632	245.01	272.64	14.28	12/31 3031	3
2024[4]	50,129	48,336	865	4,474			44,727	248.93	275.98	10.00	12/31 2030	3
2023[4]	59,914	57,621	1,053	4,547			54,127	186.07	207.04	10.00	12/31 2029	3
2022	75,762	70,673	1,086	3,691	13,108	265.90	54,960	150.33	167.26	10.00	12/31 2028	3
2021	65,702	53,031	912	3,156	2,090	289.03	48,697	167.31	186.04	2.50	12/31 2027	3
2020	79,028	72,792	1,176	4,017	8,149	230.74	61,802	116.98	129.24	2.50	12/31 2026	3
2019	95,644	77,807	1,177	3,775	75,209	209.85	–	94.95	105.61	2.50	12/31 2025	3
Total	**488,693**	**380,260**	**7,453**	**27,726**	**98,556**		**323,945**					
Matching Options												
2025[4]	125,028	–		7,535			117,493	26.27	30.91	364.58	12/31 3031	3
2024[4]	100,258	96,672		8,668			88,004	27.62	32.15	365.01	12/31 2030	3
2023[4]	119,828	115,242		8,734			106,508	21.03	24.79	275.62	12/31 2029	3
2022	151,524	138,360		6,772	26,024	266.00	105,564	15.38	18.08	225.28	12/31 2028	3
2021	131,404	122,080		26,497	3,888	289.03	91,695	13.51	15.81	240.71	12/31 2027	3
2020	158,056	140,875		11,585	15,627	230.74	113,663	8.45	11.35	168.30	12/31 2026	3
2019	191,288	140,288		6,567	133,721	209.91	–	6.57	12.09	138.13	12/31 2025	3
Total	**977,386**	**753,517**	**–**	**76,358**	**179,260**		**622,927**					
Performance Shares												
2025[4]	393,906	–	7,093	24,175			376,824	70.55	79.11	149.24	12/31 3031	3
2024[4]	321,663	311,511	5,402	29,837			287,076	71.57	79.85	149.40	12/31 2030	3
2023[4]	389,705	376,908	6,658	29,808			353,758	54.18	60.81	112.83	12/31 2029	3
2022	496,961	315,434	4,698	16,014	54,547	269.07	249,571	42.96	48.13	90.40	12/31 2028	3
2021	438,097	126,583	2,183	7,447	5,271	289.03	116,048	43.01	47.98	94.81	12/31 2027	3
2020	511,596	174,798	2,782	9,487	20,235	230.74	147,858	29.89	33.46	64.88	12/31 2026	3
2019	611,792	324,738	5,012	16,215	313,535	209.55	–	24.32	27.24	51.97	12/31 2025	3
Total	**3,163,720**	**1,629,972**	**33,828**	**132,983**	**393,588**		**1,531,135**					

[1] The value of Shares/Options on the grant date was based on a theoretical value calculated in accordance with the Black & Scholes valuation model.
[2] The fair value on the grant date was calculated in accordance with IFRS 2, which was also used for calculating recognized values. See page 143 for specification of the basis of calculation.
[3] Under certain circumstances, in conjunction with the end of employment, Matching Options and Performance Shares can be exercised before the end of the vesting period. Instruments that have already vested must be exercised within 3 months from end of employment if employment lasted less than 4 years and within 12 months if the holder has been employed longer.
[4] Shares/Options not available for exercise at year-end.

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PI-NA Plan

Year issued	Number of initially granted	Number at the beginning of the year	Adjustment for dividend 2025	Number of forfeited in 2025	Number of exercised in 2025	Weighted average share price on exercise	Number as per 12/31 2025	Theoretical value[1], SEK	Fair value[2], SEK	Strike price, SEK	Maturity date	Vesting period (years)[3]
Matching Shares												
2025[4]	22,358	–	423	4,367			18,414	246.05	273.88	14.28	12/31 3031	3
2024[4]	19,278	19,278	343	4,365			15,256	249.65	276.84	10.00	12/31 2030	3
2023[4]	17,855	17,105	307	3,688			13,724	186.52	207.58	10.00	12/31 2029	3
2022	26,354	24,281	324	3,314	6,859	402.34	14,432	150.79	167.81	10.00	12/31 2028	3
2021	28,036	17,125	293	2,987	1,087	633.79	13,344	167.39	186.14	2.50	12/31 2027	3
2020	37,356	23,615	656	1	3,637	449.90	20,633	117.04	129.33	2.50	12/31 2026	3
2019	46,272	23,299		2	23,297	546.25	–	95.21	106.03	2.50	12/31 2025	3
Total	**197,509**	**124,703**	**2,346**	**18,724**	**34,880**		**95,803**					
Matching Options												
2025[4]	44,716	–	1,002				45,718	46.32	55.46	411.39	12/31 3031	3
2024[4]	38,556	38,556	671	8,569			30,658	48.31	57.29	411.87	12/31 2030	3
2023[4]	35,710	34,259	605	7,230			27,634	33.82	40.50	324.18	12/31 2029	3
2022	52,708	50,988	670	6,806	14,287	402.34	30,565	18.06	21.31	264.98	12/31 2028	3
2021	56,072	40,373	690	7,010	2,564	633.79	31,489	12.04	13.99	283.13	12/31 2027	3
2020	74,712	66,533	1,836	6	10,248	449.90	58,115	8.83	11.91	161.25	12/31 2026	3
2019	92,544	66,480		6	66,474	546.25	–	7.45	13.40	136.66	12/31 2025	3
Total	**395,018**	**297,189**	**5,474**	**29,627**	**93,573**		**224,179**					
Performance Shares												
2025[4]	157,914	–	2,879	29,284			131,509	75.49	84.96	171.43	12/31 3031	3
2024[4]	138,141	138,141	2,390	31,419			109,112	76.49	85.66	171.62	12/31 2030	3
2023[4]	128,544	123,319	2,170	26,421			99,068	56.49	63.55	135.10	12/31 2029	3
2022	173,346	160,282	2,636		42,524	402.34	120,394	44.88	50.40	114.59	12/31 2028	3
2021	190,408	116,568	2,442		7,483	633.79	111,527	44.38	49.61	138.88	12/31 2027	3
2020	254,780	–					–	30.57	34.48		12/31 2026	3
2019	289,988	146,963		15	146,948	543.98	–	26.86	31.01	79.42	12/31 2025	3
Total	**1,333,121**	**685,273**	**12,517**	**87,139**	**196,955**		**571,610**					

[1] The value of Shares/Options on the grant date was based on a theoretical value calculated in accordance with the Black & Scholes valuation model.
[2] The fair value on the grant date was calculated in accordance with IFRS 2, which was also used for calculating recognized values. See page 143 for specification of the basis of calculation.
[3] Under certain circumstances, in conjunction with the end of employment, Matching Options and Performance Shares can be exercised before the end of the vesting period.
Instruments that have already vested must be exercised within 3 months from end of employment if employment lasted less than 4 years and within 12 months if the holder has been employed longer.
[4] Shares/Options not available for exercise at year-end.

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The calculation of the fair value on the grant date, according to IFRS 2, was based on the following conditions:

	PI-BS Plan						PI-NA Plan					
	Matching Share		Matching Option		Performance Share		Matching Share		Matching Option		Performance Share	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Averaged volume-weighted price paid for Investor B shares	285.53	285.84	285.53	285.84	285.53	285.84	285.53	285.84	285.53	285.84	285.53	285.84
Strike price	14.28	10.00	364.58	343.00	149.24	142.92	14.28	10.00	411.39	343.00	171.43	142.92
Assumed volatility[1)]	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%	21%
Assumed average term[2)]	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years	5 years
Assumed percentage of dividend[3)]	0%	0%	2.0%	2.0%	0%	0%	0%	0%	0%	0%	0%	0%
Risk-free interest	2.04%	2.42%	2.04%	2.42%	2.04%	2.42%	4.07%	4.46%	4.07%	4.46%	4.07%	4.46%
Expected outcome[4)]					50%	50%					50%	50%

1) The assumed volatility was based on future forecasts based on the historical volatility of Investor B shares, in which the term of the instrument is an influencing factor. The historical volatility has been in the interval of 15 to 30 percent.
2) The assumption of average term for the instruments at grant is based on historical exercise patterns and the actual term of the instruments within each remuneration program.
3) The dividend for Matching Shares and Performance Shares is compensated for by increasing the number of shares.
4) Probability to achieve the performance criteria is calculated based on historic data and verified externally.

Share-based remuneration programs in subsidiaries

Senior executives and selected senior staff in BraunAbility, Laborie, Sarnova and Nova Biomedical are offered the opportunity to invest in Stock Appreciation Rights and share options in the respective subsidiary. These instruments are mainly cash settled.

The programs in subsidiaries that have a material impact on costs and liabilities related to cash-settled instruments have the following characteristics.

BraunAbility Stock Appreciation Rights – SARs

The plans were established in 2015 and 2023 and permits the grant of up to 10% of the outstanding share capital, or 24,691 as of December 31, 2025, phantom stock appreciation rights ("SARs") to selected directors, employees, advisors, and consultants of BraunAbility. SARs are granted with a Base Amount equal to the market price of the Company's common stock at the date of grant.

SARs granted vest ratably over 5 years based on time and performance, as defined. Each vested SAR held by a participant shall be paid out in a lump-sum cash payment equal to the positive difference, if any, between the share value of one share of common stock as of the determination date minus the Base Amount for such SAR.

The fair value is determined using the Black-Scholes option pricing model and the share price used in the determination of the fair value of awards is based on the Company's enterprise value, which is calculated by applying a market multiple to the previous twelve-months EBITDA minus net debt.

At the beginning of 2025 the number of outstanding SARs was 11,563 (13,969) and 3,138 SARs were granted during 2025 (5,895). Weighted average fair value per granted SAR was USD 2,004 (2,171). When determining the fair value at grant date according to IFRS 2 the following assumptions were applied: weighted average exercise price USD 4,598 (3,724); expected volatility 32.98–34.82% (33.67–38.86%); weighted average expected life 3.08–4.17 years (4.50–7.29 years); expected dividend yield 0% (0%) and weighted risk-free interest rate 3.54–3.64% (4.44–4.56%).

In 2025 the number of cancelled or forfeited/expired SARs was 428 (1,249) and 763 SARs were exercised (7,052). The weighted average exercise price on SARs exercised during 2025 was USD 3,314 (3,678). At the end of 2025 the number of outstanding SARs was 13,509 of which 5,152 were vested at the end of the year (3,138). The weighted average remaining life of outstanding SARs was 4.28 years (8.14 years) and weighted average exercise price was USD 3,334 (2,963).

Laborie Stock Appreciation Rights – Share options/SARs

The share option and SARs plan was established in 2016 and gives certain employees, officers and directors in Laborie the option and right to purchase common shares in the Laborie parent company. 50% of the options and SARs granted are subject to time-based vesting conditions, vesting ratably on each anniversary of the grant date predominantly over a five-year period. The remaining 50% of options and SARs granted are subject to performance-based vesting conditions and will vest based on the achievement of certain annual performance metrics over five years. The majority of options expire on the tenth anniversary of the grant date.

The maximum number of common shares authorized for issuance under the share option plan and the SARs plan is 19,935,572 on December 31, 2025, of which 2,078,731 options (3,155,422) and 18,136,550 SARs (14,179,824) are outstanding, with no common shares available for future grants (1,953,631).

The fair value is determined using the Black-Scholes option pricing model and exercised SARs are settled in cash. In 2025, the number of granted SARs was 6,488,202 (6,370,000) and weighted average fair value per granted SAR was USD 4.60 (3.26). When determining the fair value at grant date according to IFRS 2 the following assumptions were applied: weighted average exercise price USD 14.91 (9.49); expected volatility 25.75% (27.86%); weighted average expected life 5.17 years (5.42 years); expected dividend yield 0% (0%) and weighted risk-free interest rate 3.74% (4.23%).

In 2025 the number of settled or forfeited SARs was 2,531,476 (499,757). The weighted average exercise price on SARs exercised during 2025 was USD 8.31 (8.33). At the end of 2025 the number of exercisable SARs was 7,863,025 (6,032,951). The weighted average remaining life of outstanding SARs was 7.61 years (7.20 years) and weighted average exercise price was USD 10.98 (8.71).

Sarnova Stock Appreciation Rights – SARs

The SAR plan was adopted in 2018 and includes certain managers and officers who are key employees of Sarnova. The company was authorized to grant up to 618,618 SARs under the plan and the exercise price of SARs granted was not to be less than the fair market value of the Common Stock on the award date. The fair value is determined using the Black-Scholes option pricing model and exercised SARs are settled in cash.

Part of the SARs are term vesting and the rest are performance-based. Term vesting SARs vest in intervals over a five-year period from the grant date. Performance-based SARs vest annually based on achievement of financial and non-financial performance-based goals.

At the beginning of 2025 the number of outstanding SARs was 561,346 (611,395) and 23,414 SARs were granted during 2025 (48,904). Weighted average fair value per granted SAR was USD 80.86 (59.42). When determining the fair value at grant date according to IFRS 2 the following assumptions were applied: weighted average exercise price USD 279.08 (216.24); expected volatility 16% (15%); weighted average expected life 2 years (3 years); expected dividend yield 0% (0%) and weighted risk-free interest rate 3.63% (4.34%).

In 2025 the number of cancelled or forfeited/expired SARs was 28,304 (91,513) and 4,723 SARs were exercised (7,440). The weighted average exercise price on SARs exercised during 2025 was USD 110.10 (100.00). At the end of 2025 the number of outstanding SARs was 551,733 of which 326,254 were vested at the end of the year (256,203). The weighted average remaining life of outstanding SARs was 2.62 years (3.31 years) and weighted average exercise price was USD 158.60 (153.72).

Accounting effects of share-based payment transactions

Costs relating to share-based payment transactions, SEK m	2025	2024
Group		
Costs relating to equity-settled share-based payment transactions	75	78
Costs relating to cash-settled share-based payment transactions	1,426	897
Social security relating to share-based payment transactions	87	182
Total	**1,587**	**1,157**

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Costs relating to share-based payment transactions, SEK m	2025	2024
Parent company		
Costs relating to equity-settled share-based payment transactions	64	62
Costs relating to cash-settled share-based payment transactions	24	25
Social security relating to share-based payment transactions	84	160
Total	**172**	**246**

Other effects of share-based payment transactions, SEK m	2025	2024
Group		
Effect on equity relating to Stock-Options exercised by employees	75	69
Carrying amount of liability relating to cash-settled instruments	2,669	2,067
Parent company		
Effect on equity relating to Stock-Options exercised by employees	75	69
Carrying amount of liability relating to cash-settled instruments	109	102

Other programs in subsidiaries

Management participation programs

Board members and senior executives in unlisted investments, including Mölnlycke, Permobil, Piab Group, Vectura, BraunAbility, Sarnova, Laborie, Nova Biomedical and Atlas Antibodies are offered the opportunity to invest in the companies through management participation programs or similar. The terms of most of the programs are based on market valuations and are designed to yield lower return to the participants than that of the owners if the investment plan is not reached but higher return to the participants than that of the owners if the plan is exceeded.

Profit-sharing program for the trading operation

This program includes participants both from the trading organization and the investment organization. The participants in this program receive, in addition to their base salary, a variable salary equivalent to 20 percent of the trading function's net result. The program includes a clawback principle by which 50 percent of the variable salary allotment is withheld for one year and will only be paid out in full if the trading result for that year is positive. In order to receive full allotment, two consecutive profitable years are required. In total, approximately 10–15 employees participate in the program.

Remuneration to the Board of the Parent company

At the 2025 Annual General Meeting (AGM), it was decided that Board remuneration should total SEK 17,678t (16,045), of which SEK 15,790t (14,220) would be in the form of cash and synthetic shares and SEK 1,888t (1,825) would be distributed as cash remuneration for committee work done by the Board of Directors.

Synthetic shares 2008–2025

Since 2008, Board members have been given the opportunity to receive a part of their gross remuneration, excluding committee fees, in synthetic shares. AGM's decision regarding synthetic shares 2025 is essentially identical to the decision of the AGM 2024. In 2025, Board members were entitled to receive 50 percent of the proposed remuneration before tax, excluding remuneration for committee work, in the form of synthetic shares and 50 percent in cash (instead of receiving 100 percent of the remuneration in cash). A synthetic share carries the same economic rights as a class B Investor share, which means that the value of the Board of Director's remuneration in synthetic shares, just like for class B shares, is dependent upon value fluctuations as well as the amount of dividends during the five-year period until 2030, when each synthetic share entitles the Board member to receive an amount corresponding to the share price, at the time, of a class B Investor share. The Board has, during the year, strengthened the requirement for a Board member's expected shareholding in Investor. The Board has adopted a policy stating that Board members, who do not already have such holdings, are expected to, over a five-year period, acquire ownership in Investor shares (or a corresponding exposure to the Investor share, e.g. in the form of synthetic shares) with a market value equivalent to at least one and a half year's Board compensation, before taxes, excluding remuneration for committee work.

The Director's right to receive payment occurs after the publications of the year-end report and the three interim reports, respectively, during the fifth year following the general meeting which resolved on the allocation of the Synthetic Shares, with 25 percent of the allocated Synthetic Shares on each occasion. In case the Director resigns as Board member prior to a payment date the Director has a right, within three months after the Director's resignation, to request that the time of payment shall be brought forward, and instead shall occur, in relation to 25 percent of the total number of allocated Synthetic Shares, after the publications of each of the year-end report and the three interim reports, respectively, which are made during the year after the year when such request was received by the Company.

Expensed remuneration to resigned Board members

	2025			2024			
SEK t	Effect from change in market value of previous years Synthetic Shares	Effect from Synthetic Shares exercised during the year	Total fee, actual cost	Total Board and Committee fee	Effect from change in market value of previous years Synthetic Shares	Effect from Synthetic Shares exercised during the year	Total fee, actual cost
Gunnar Brock[1]	364	189	554	1,170	507	186	1,863
Sara Mazur[2]	100	189	289		205	186	391
Lena Treschow Torell[3]		189	189		59	186	245
Total	**465**	**567**	**1,032**	**1,170**	**772**	**557**	**2,499**

Change in number of synthetic shares for resigned Board members

	Number of Synthetic Shares on January 1, 2024	Number of Synthetic Shares granted 2024	Adjustment for dividend, 2024	Exercised Synthetic Shares, 2024	Number of Synthetic Shares on December 31, 2024	Adjustment for dividend, 2025	Exercised Synthetic Shares, 2025	Number of Synthetic Shares on December 31, 2025
Gunnar Brock[1]	13,733	1,591	200	3,835	11,690	169	3,329	8,530
Sara Mazur[2]	9,328		119	3,835	5,612	63	3,329	2,346
Lena Treschow Torell[3]	7,060		81	3,835	3,306	23	3,329	–
Totalt	**30,121**	**1,591**	**400**	**11,505**	**20,608**	**255**	**9,987**	**10,876**

[1] Member of the Board until 5/7 2025.
[2] Member of the Board until 5/3 2022.
[3] Member of the Board until 5/5 2021.

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Expensed remuneration to the Board 2025

Total remuneration for 2025 (SEK t)	Cash Board fee	Value of Synthetic Shares as at grant date	Committee fee	Total Board fee as at grant date	Effect from change in market value of previous years Synthetic Shares	Effect from change in market value of Synthetic Shares issued 2025	Effect from Synthetic Shares exercised 2025	Total fee, actual cost	Number of Synthetic Shares at the beginning of the year	Number of Synthetic Shares granted 2025[1]	Adjustment for dividend	Exercised Synthetic Shares, 2025	Number of Synthetic Shares on December 31, 2025
Jacob Wallenberg	3,500		533	4,033	403			4,436	9,260		162		9,421
Marcus Wallenberg	2,040			2,040				2,040					
Katarina Berg	513	513		1,025	69	69		1,163	1,597	1,759	36		3,392
Christian Cederholm[2]													
Magdalena Gerger	513	513	285	1,310	364	69	189	1,932	11,690	1,759	177	3,329	10,297
Tom Johnstone, CBE	513	513	135	1,160	364	69	189	1,782	11,690	1,759	177	3,329	10,297
Isabelle Kocher	513	513		1,025	364	69		1,458	8,383	1,759	154		10,297
Sven Nyman	1,025		285	1,310				1,310					
Mats Rahmström[2]	1,025			1,025				1,025					
Grace Reksten Skaugen	1,025		515	1,540				1,540					
Hans Stråberg	513	513	135	1,160	364	69	189	1,782	11,690	1,759	177	3,329	10,297
Fred Wallenberg	513	513		1,025		69		1,094		1,759	8		1,767
Sara Öhrvall	513	513		1,025	264	69		1,358	6,077	1,759	114		7,951
Total	**12,203**	**3,588**	**1,888**	**17,678**	**2,194**	**483**	**567**	**20,922**	**60,386**	**12,314**	**1,006**	**9,987**	**63,719**

Expensed remuneration to the Board 2024

Total remuneration for 2024 (SEK t)	Cash Board fee	Value of Synthetic Shares as at grant date	Committee fee	Total Board fee as at grant date	Effect from change in market value of previous years Synthetic Shares	Effect from change in market value of Synthetic Shares issued 2024	Effect from Synthetic Shares exercised 2024	Total fee, actual cost	Number of Synthetic Shares at the beginning of the year	Number of Synthetic Shares granted 2024[1]	Adjustment for dividend	Exercised Synthetic Shares, 2024	Number of Synthetic Shares on December 31, 2024
Jacob Wallenberg	3,330		515	3,845	584		693	5,122	23,324		252	14,317	9,260
Marcus Wallenberg	1,940			1,940				1,940					
Katarina Berg	448	448		895		20		915		1,591	6		1,597
Gunnar Brock	448	448	275	1,170	487	20	186	1,863	13,733	1,591	200	3,835	11,690
Christian Cederholm[2]													
Magdalena Gerger	448	448	275	1,170	487	20		1,677	9,925	1,591	174		11,690
Tom Johnstone, CBE	448	448	130	1,025	487	20	186	1,718	13,733	1,591	200	3,835	11,690
Isabelle Kocher	448	448		895	428	20		1,343	6,674	1,591	119		8,383
Sven Nyman	895			895				895					
Mats Rahmström[2]	895			895				895					
Grace Reksten Skaugen	895		500	1,395				1,395					
Hans Stråberg	448	448	130	1,025	487	20	186	1,718	13,733	1,591	200	3,835	11,690
Sara Öhrvall	448	448		895	283	20		1,198	4,406	1,591	81		6,077
Total	**11,088**	**3,133**	**1,825**	**16,045**	**3,508**	**140**	**1,251**	**20,680**	**85,529**	**11,137**	**1,232**	**25,821**	**72,076**

[1] Based on weighted average stock price for Investor B in the period May 9 to May 15, 2025: SEK 291.35 and May 10 to May 16, 2024: SEK 281.28.
[2] Additional remuneration of SEK 952t to Christian Cederholm (880) and SEK 1,630t to Mats Rahmström have been expensed in subsidiary (1,630).

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