

Beijer Alma AB (publ) - Guidelines for remuneration of senior management

Guidelines for remuneration to the CEO and other members of senior management are to apply until further notice, although not longer than until the 2024 Annual General Meeting. The guidelines are to apply to all contractually agreed remuneration as well as any changes made to previously contractually agreed remuneration after the guidelines have been adopted by the 2020 Annual General Meeting. The guidelines do not include remuneration resolved on by the general meeting of shareholders.

The guidelines are to promote the company's strategy, long-term interests and sustainability Information about the company's strategy is presented in the Annual Report. Successful implementation of the strategy and safeguarding of the company's long-term interests, including its sustainability, requires that the company is able to recruit and retain qualified employees. This, in turn, requires that the company is able to offer competitive remuneration. These guidelines will enable the company to offer senior executives a competitive remuneration package.

Forms of remuneration, etc.

The total remuneration package is to reflect market conditions and comprise the following components: fixed salary, variable cash remuneration, pension benefits and other benefits. The company has no share or share price-based incentive programs.

(i) Fixed salary

Various factors are to be taken into account when determining fixed salary, including competence, area of responsibility, experience and performance. An evaluation is carried out each year by the Remuneration Committee to provide a basis for the proposed fixed salary presented by the committee to the Board for resolution.

(ii) Variable cash remuneration

Variable cash remuneration may amount to a maximum of 80 percent of the fixed salary and be linked to predetermined and measurable criteria of either a financial or non-financial nature. Certain criteria may include individual quantitative or qualitative targets. The criteria are to be formulated in such a way so as to promote the company's strategy and long-term interests. In order to reinforce the connection between remuneration and the company's value creation, part of the variable cash remuneration is to be based on the individual investing a portion of the variable cash remuneration in additional shares in the company.

When the annual accounts have been approved by the Board, an assessment is to be carried out to determine the degree to which the criteria have been fulfilled. Following preparations by the Remuneration Committee, the Board is responsible for carrying out such an assessment with respect to variable cash remuneration for the CEO. The CEO is responsible for such an assessment for other senior executives.

(iii) Pension benefits

Pension benefits for the CEO and other members of senior management are to comprise defined-contribution pension plans. Variable cash remuneration is not pensionable. Pension premiums are to amount to a maximum of 30 percent of fixed annual salary.

(iv) Other benefits

Other benefits may include, for example, medical expense insurance and company car benefits. Premiums and other costs related to such benefits may amount to a total maximum of 10 percent of annual fixed salary.

Mandatory statutory and collective agreement provisions

Under no circumstances are any of these guidelines to restrict mandatory provisions under the law or under a collective agreement.

Termination of employment

Members of senior management may terminate their employment with a notice period of six months. No severance pay is to be paid in cases where employment is terminated by the employee. If employment is terminated by the company, the remuneration paid during the notice period and any severance pay may not exceed 18 fixed monthly salaries. Additional remuneration may be paid in relation to any restrictions

on competing practices stipulated in the employment contract.

Salary and employment terms for employees

In preparing the Board's motion regarding these remuneration guidelines, the salary and employment terms for the company's employees were taken into account by including information about total employee remuneration, remuneration components and the increase in remuneration and rate of increase over time in the documentation for the Remuneration Committee and Board's assessment of the reasonableness of the guidelines and the restrictions that follow thereof.

Decision-making process for determining, assessing and implementing the guidelines

The Board of Directors has established a Remuneration Committee. The committee's responsibilities include preparing the Board's motion for resolution regarding guidelines for remuneration to senior executives. The Board is to propose new guidelines every four years, at a minimum, and present the motion for resolution by the Annual General Meeting. The guidelines are to apply until such time as new guidelines are adopted by the general meeting of shareholders.

The Remuneration Committee submits motions to the Board regarding remuneration, etc. to the CEO. The Remuneration Committee also addresses issues related to the principles for remuneration to senior management and approves the motion of the CEO regarding remuneration, etc. to senior management. The Remuneration Committee is also responsible for monitoring and assessing the variable remuneration for senior management, the application of the guidelines for remuneration to senior executives and the prevailing remuneration structure and remuneration levels in the company. The members of the Remuneration Committee are independent in relation to the company and senior management.

Neither the CEO nor other members of senior management are to be present when the Board addresses and resolves on remuneration-related issues pertaining to said individuals.

Deviation from the guidelines

The Board may decide to temporarily deviate from the guidelines, in full or in part, in individual cases if it considers there to be good grounds to warrant such a deviation and a such a deviation is necessary to safeguard the company's long-term interests, including its sustainability, or to ensure the company's financial strength.

Adopted at the Annual General Meeting of Beijer Alma AB (publ) on March 25, 2020