

# Remuneration report 2023

## INTRODUCTION

This report describes how the guidelines for executive remuneration of Nederman Group, adopted by the 2023 Annual General Meeting, were implemented in 2023. The report also provides information on remuneration to the CEO. The report has been prepared in accordance with the Swedish Companies Act and the Remuneration Rules for senior executives issued by the Swedish Corporate Governance Board.

Further information on executive remuneration is available in Note 8 (Employees) on pages 91-93 in the 2023 Annual Report. Information on the work of the Remuneration Committee in 2023 is available in the Corporate Governance Report on pages 70-71 in the 2023 Annual Report.

The guidelines for remuneration do not include remuneration of the Board of Directors according to Section 8:23a of the Swedish Companies Act or issues or transfers resolved in accordance with Chapter 16 of the Swedish Companies Act (the so-called Lex LEO). Remuneration of the Board of Directors is adopted annually by the Annual General Meeting and presented in Note 8 on page 93 of the 2023 Annual Report.

## DEVELOPMENTS IN 2022

The CEO summarises the Nederman Group's overall performance in his statement on pages 6-11 in the 2023 Annual Report.

## NEDERMAN'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 is able to recruit and retain qualified personnel. The objective of Nederman's guidelines for executive remuneration is therefore to offer competitive remuneration on market terms, so that competent and skilful personnel can be attracted, motivated and retained. These guidelines enable the company to offer the executive management competitive total remuneration. The remuneration shall be on market terms and may consist of the following components: base salary (fixed salary), short-term variable remuneration (STI), long-term variable remuneration (share-based incentive programme) (LTI) and pensions and other benefits. The guidelines are presented on pages 74-75 in the 2023 Annual Report.

In 2023, the company followed the applicable remuneration guidelines as adopted by the Annual General Meeting. There was no derogation from the guidelines and no deviations were made from the decision-making process that is applied to establish the remuneration in accordance with the guidelines. No claw-back of remuneration was made. The auditor's opinion on the company's compliance with the guidelines is available at [www.nedermangroup.com/en/investors/corporate-governance](http://www.nedermangroup.com/en/investors/corporate-governance).

Total remuneration for the CEO in 2023 KSEK								
Remuneration pertains to remuneration expensed during the year								
Executive's name, position	Fixed remuneration		Variable remuneration		Pension expenses	Total remuneration	Share of fixed and variable remuneration, respectively	
	Base salary*	Other benefits	Short-term	Long-term**			Fixed remuneration	Variable remuneration
Sven Kristensson, President and CEO	5,559	188	2,682	652	1,877	10,958	70%	30%

\* Including vacation pay of KSEK 74.

\*\*Associated with conditions for acquisition of shares and/or options in Nederman

### SHARE-BASED INCENTIVE PROGRAMME

The Annual General Meeting on 24 April 2023 adopted the guidelines for executive remuneration proposed by the Board of Directors. In relation to the earlier guidelines, this proposal entails that the company has added long-term variable remuneration for senior executives. The guidelines are presented on pages 74-75 in the 2023 Annual Report. By connecting the LTI to the share price development, a common interest is created with the shareholders that aims to promote the company's business strategy, long-term interests and value creation. The LTI payout shall be subject to an undertaking by the executive to invest the LTI payout in Nederman shares without undue delay and to retain such shares for not less than three years.

### APPLICATION OF PERFORMANCE CRITERIA

The performance criteria for the CEO's variable remuneration have been designed to deliver the company's strategy and to encourage behaviour which is in the long-term interest of the company,

including its sustainability. Since Nederman's business strategy is to be "the Clean Air Company" by protecting people, the planet and production from the harmful effects of industrial processes, the criteria for variable remuneration, which are connected to the sale of the company's solutions and services within industrial air filtration, will inevitably contribute to the company's long-term interests and sustainability.

The performance criteria for 2023 are based on Nederman Group's earnings per share and reducing carbon dioxide emissions and energy intensity in the production. The performance criteria also contribute to the transition to sustainability and the company's values, although they are expressed in financial terms.

The CEO has met the performance criteria during the financial year being reported which meant 100 percent in variable remuneration.

### COMPARATIVE INFORMATION ON CHANGES IN REMUNERATION AND THE COMPANY'S EARNINGS

Changes in remuneration and the company's earnings			
KSEK	2023	2022	2021
Remuneration for the CEO	10,958	11,167	9,010
Sales Nederman Group	6,188,000	5,179,000	4,042,000
Operating profit Nederman Group	593,000	480,000	459,000
Average remuneration based on average number of employees	729	661	568
Average number of employees	2,377	2,288	2,154