

Item 16: Resolution on guidelines for remuneration to senior executives

Adopted by the Annual General Meeting on 15 May 2024

General principles for remuneration and other terms and conditions

In these guidelines, senior executives comprise the CEO, members of the group management and board members of the company who have entered into an employment agreement or a consulting agreement with the company or a company within the group.

The company's remuneration principles shall ensure responsible remuneration decisions that support the company's strategy, long-term interests and sustainability. Salaries and other terms of employment shall enable the group to retain and recruit skilled senior executives at a reasonable cost. Remuneration to senior executives may consist of a base salary, variable salary, pension and other benefits. In addition, the annual general meeting may, regardless of these principles, resolve upon share and share-price related incentive programs.

Principles for base salary

Base salaries shall be in line with market conditions and based on the senior executive's responsibility, expertise and performance.

Principles for variable salary

Variable salaries shall be in line with market conditions and based on the senior executive's responsibility, expertise and performance. Payment of variable salaries shall be conditional upon the fulfilment of a number of objectives. The objectives shall be related to both financial and sustainability areas as well as be designed to support the company's strategy and long-term value creation.

The evaluation of whether the objectives for payment have been satisfied shall be made when the relevant measurement period of the objectives has ended. The remuneration committee of the board of directors is responsible for the evaluation of variable salaries to the CEO. The CEO is responsible for the evaluation of variable salaries to other senior executives.

Variable salary may not amount to more than 75 per cent of the annual base salary (*i.e.* annual cash salary excluding pensions, benefits and similar).

An amount corresponding to 25 per cent of the variable salary which the senior executive receives before deduction of income tax (*i.e.* the gross amount) shall be used to acquire shares in Fasadgruppen. The shares which are acquired shall, subject to certain customary exemptions, be retained for at least three years. The purpose of reserving a part of the variable salary for acquisitions of shares in Fasadgruppen is to increase the senior executives' long-term incentives and thereby benefit the

company's strategy and long-term value creation. Normally, the shares in Fasadgruppen which are acquired by the senior executives with the variable part of the salary shall be acquired in May–June, with application of applicable market abuse rules.

The company is entitled to reclaim paid variable salary if it has been calculated or paid based on incorrect grounds.

Principles for pensions

Agreements regarding pensions shall, where applicable, be defined contribution pensions and designed in accordance with the level and practice applicable in the country in which the senior executive is employed. The pension premiums for premium defined pension may amount to a maximum of 40 per cent of the annual base salary (*i.e.* annual cash salary excluding pensions, benefits and similar) unless otherwise stated in applicable collective bargaining agreements.

Principles for other benefits

Other benefits may include, for example, life insurance, medical insurance (Sw. *sjukvårdsförsäkring*) and company cars. Premiums and other costs related to such benefits may not amount to more than 15 per cent of the annual base salary (*i.e.* annual cash salary excluding pensions, benefits and similar).

Principles for salary during periods of notice and severance pay

Base salary during notice periods and severance pay, including payments for any competition restrictions, shall in aggregate not exceed an amount equivalent to the fixed salary for two years.

Principles for consulting fees to board members

If a board member performs work for the group outside the scope of the ordinary board assignment, consulting fees in line with market conditions may be paid.

Process of preparation and review

These guidelines have been prepared by the board of directors after being processed in the remuneration committee of the board of directors. In connection with the remuneration committee's evaluation of the guidelines and whether the limitations set out in the guidelines are reasonable, the remuneration committee has considered information regarding the total compensation to all employees of the company, including different remuneration components as well as the remuneration's increase and growth over time.

The remuneration committee shall monitor and evaluate programs for variable salary to senior executives, the application of these guidelines as well as current remuneration structure and compensation levels in the company.

The members of the remuneration committee are independent in relation to the company and the senior management. The CEO and the other members of the senior management do not participate in the preparations of and decisions regarding remuneration-related matters if they are affected by such matters.

These guidelines shall remain in force until revised guidelines have been adopted by the general meeting. The board of directors shall prepare a proposal for new guidelines when a need for material changes arise and at least every fourth year.

When revising the guidelines, the company shall describe all material modifications along with how the shareholders' potential comments have been considered.

Principles for deviations from the guidelines

The board of directors may resolve to deviate from the guidelines, in whole or in part, if the board of directors, in an individual case, is of the opinion that there are specific circumstances justifying a deviation and a deviation is necessary in order to serve the company's long-term interests and sustainability or to ensure the company's financial viability.