

## **The board of directors' of NIBE Industrier AB (publ) proposal for guidelines for remuneration and other terms of employment for senior executives**

### **Who the guidelines cover and their applicability**

These guidelines cover the NIBE Group's senior executives, i.e. the managing director/CEO, the financial director/CFO, the director of communications and the three business area managers. To the extent a board member performs work for the NIBE Group or any of the NIBE Group's associated companies in addition to the board assignment, these guidelines shall also apply to any remuneration (e.g. consultancy fees) for such work. Unless otherwise stated below, the guidelines do not cover board fees, which are decided by the general meeting.

### **The guidelines' promotion of the company's business strategy, long-term interests and sustainability**

In short, NIBE's business strategy is to deliver world-class sustainable energy solutions. For more information regarding the company's business strategy, see [www.nibe.com](http://www.nibe.com). The successful implementation of the company's business strategy and the safeguarding of NIBE's long-term interests, including its sustainability, requires that NIBE can attract and retain a highly qualified management team with the capacity to achieve set goals. This requires that the company can offer competitive remuneration conditions. These guidelines enable senior executives to be offered remuneration on market terms and to be competitive in order to attract and retain personnel.

### **The forms of remuneration**

Remuneration can be paid as fixed salary, variable salary, pension and other benefits such as car benefit.

Board fees shall not be paid to senior executives, who are employed by the group.

All senior executives, who have not reached the age of 65, shall have retirement benefits corresponding to the defined benefit ITP-plan (supplementary pensions for salaried employees) (SW: ITP-planen), section 2, up to 30 income base amounts (SW: inkomstbasbelopp). For salary parts in excess of this, a premium at a fixed percentage of 30% shall be paid. The total pension premiums may amount to a maximum of 35% of the total remuneration. Senior executives, who have reached the age of 65, are not entitled to retirement benefits.

Other benefits may include medical insurance, life insurance and car benefits, among others, and may not exceed 5% of the total remuneration.

### **Criteria for payment of variable remuneration**

As an incentive, senior executives should be able to have a variable salary part, which is paid if set goals are met. These goals are set by the board of directors and shall be measurable and predetermined, e.g. percentage growth, operating margin and working capital reduction. The goals are set for one financial year at a time. By rewarding clear and measurable achievements linked to the company's financial and operational development, the goals set should contribute to motivate the senior executives to achieve the company's goals regarding business strategies, long-term perspective and sustainability.

The variable salary part shall be limited to four months' salary. In addition thereto, an extra month's salary may be paid as remuneration, provided that the senior executive uses this extra remuneration and an additional month's salary of his/her variable remuneration for acquisition of NIBE-shares. A condition for the extra remuneration is that the senior executive keeps the annually acquired NIBE-shares for at least three years. If this condition is not met, the company is entitled to recover this part of the remuneration. The extra remuneration that can be paid for acquiring NIBE-shares aims to increase the senior executives' long-term commitment to the company and thereby favour the company's business strategy, long-term interests and sustainability. Normally, the senior executives' acquisition of NIBE-shares will take place once a year in February/- March, by applying the applicable rules against market abuse. The CEO shall not be subject to any incentive program.

### **Termination of employment**

Senior executives shall be employed on a permanent or fixed term basis.

The period of notice given by the company to the CEO shall be six months. The CEO shall be entitled to severance payment corresponding to 12 months' salary.

Other senior executives shall receive a salary during a period of notice varying between 6-12 months.

There shall be no special agreement stating that a senior executive can leave his/her employment before a certain retirement age and receive a certain part of his/her salary until then.

### **Consideration of salary and terms of employment when preparing the guidelines**

When preparing the board of directors' proposal for these guidelines, the average salary and terms of employment for the employees at the Swedish companies in the NIBE Group have been taken into account by obtaining information regarding the average salary and terms of employment as well as the rate of increase of

remuneration over the period of employment at NIBE. A very important additional factor has been the group's growth, both in terms of turnover and result. Moreover, a comparison has been made with other Swedish listed companies of the same size. The aforementioned information has been part of the board of directors' decision-making basis for evaluating the reasonableness of the guidelines.

### **Fees for consultancy services performed by board members**

The company's board members elected by the general meeting may, in special cases, be remunerated for consultancy services within their respective field of competence, which does not constitute board work, for a limited period of time. For these services, a market-based fee shall be paid.

### **How these guidelines have been prepared**

These guidelines have been prepared by the board of directors. The CEO and other senior executives have not participated in the board of directors' preparations and decisions regarding the guidelines.

The guidelines are subject to annual review through personal contact by the chairman of the board with the major shareholders.

### **Deviation from the guidelines**

The board of directors may deviate from the guidelines as regards pension, bonus and other benefits if there are special reasons for doing so in an individual case and a deviation is necessary in order to meet the company's long-term interests and sustainability or to ensure the company's financial viability.

### **The presence of significant changes**

The proposal for guidelines is consistent with the guidelines approved by the Annual General Meeting in 2024. The annual review of the guidelines has not resulted in any significant changes.

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Markaryd 4 April 2025  
NIBE Industrier AB (publ)  
The Board of Directors