



# NOTICE OF GENERAL MEETING

Solar A/S' Annual General Meeting will be held on Friday 17 March 2023 at 11.00 am at the address Industrivej Vest 43, 6600 Vejen, Denmark.

The general meeting will be transmitted by video webcast at [www.solar.eu](http://www.solar.eu) to shareholders recorded in the company's register of shareholders.

The agenda of the general meeting is as follows:

1. Election of chair of the meeting
2. The Board of Directors' report on the company's activities in the past financial year.
3. Presentation of the annual report with audited financial statements for approval.  
The Board of Directors proposes that the 2022 annual report be approved.
4. Resolution on the allocation of profits in accordance with the approved annual report.

The Board of Directors also proposes that DKK 329m be distributed as dividend for the 2022 financial year, corresponding to DKK 45.00 for each share of DKK 100.

5. Proposals from the Board of Directors:

- 5.1 Authorisation to distribute extraordinary dividend

The Board of Directors proposes that the company's Board of Directors be authorised in the period up until the next annual general meeting to distribute extraordinary dividend of up to DKK 50.00 per share.

- 5.2 Authorisation to acquire own shares

The Board of Directors proposes that the company's Board of Directors be authorised in the period until the next annual general meeting to allow the company to acquire own shares for consideration. It is proposed that the authorisation be granted for the acquisition of up to 10% of the share capital, and in such a manner that the consideration does not deviate by more than 10% from the latest quoted market price for the company's class B shares at the time of acquisition.

- 5.3 Proposed amendments to the articles of association

The Board of Directors proposes that articles 7.1, 9.1, 9.2, 10.4 - 10.6, 11.1, 11.2, 12, 13.1, 13.3, 13.5 and 17.1 of the company's articles of association be amended.

The amendments comprise, among other things, an extension of the Board of Directors' authorisation to carry out capital increases, an update of the agenda for the annual general meeting as well as clarification and simplification of various provisions. All proposed amendments are highlighted in Appendix 1.



#### 5.4 Approval of the company's remuneration policy for the Board of Directors and the Executive Board.

The Board of Directors proposes that the company's remuneration policy be amended in accordance with the attached Appendix 2 in which the proposed amendments are highlighted.

The amendments are mainly clarifications. In addition, it is also proposed that the current system under which members of the Board of Directors may obtain compensation for lost income be amended so that the members of the Board of Directors can be paid a fixed fee for each board meeting or committee meeting they attend.

#### 6. Indicative vote for approval of the remuneration report

Indicative vote on the remuneration report prepared by the Board of Directors concerning remuneration to members of the Board of Directors and the Executive Board in 2022.

#### 7. Proposal for the Board of Directors' remuneration

The Board of Directors proposes that the fixed fee for members of the Board of Directors in 2023 remains at DKK 200,000.

The chair of the Board of Directors will receive triple remuneration, and the vice chair of the Board of Directors and the chair of the Audit Committee will receive 1½ times the remuneration to cover their extended duties.

With reference to item 5.4, it is proposed that members of the Board of Directors, in addition to the fixed remuneration stipulated above, also receive DKK 15,000 for

each physical board meeting or committee meeting that they attend, and DKK 7,500 for each virtual board meeting or committee meeting that they attend.

#### 8. Election of members to the Board of Directors

The Nomination Committee proposes re-election of the current members of the Board of Directors: Michael Troensegaard Andersen, Jesper Dalsgaard, Louise Knauer, Peter Bang, Morten Chrono and Katrine Borum.

Please see the attached Appendix 3 prepared by the Nomination Committee for details of the proposed candidates.

#### 9. Appointment of auditor

In line with the Audit Committee's recommendation, the Board of Directors proposes that Deloitte, Statsautoriseret Revisionspartnerselskab, CVR 33 96 35 56, be re-elected as the company's auditor. The Audit Committee has not been influenced by third parties and is not subject to any contractual terms limiting the election by the general meeting to certain auditors or audit firms.

#### 10. Authorisation to the chair of the meeting

The Board of Directors proposes that the general meeting authorises the chair (with a right of substitution) to register with the Danish Business Authority the reportable resolutions adopted by the general meeting and to make such amendments to the documents prepared in connection with these resolutions as may be required by the Danish Business Authority in order to register these resolutions.

#### 11. Any other business



The notice and attached appendices, details of the total number of shares and voting rights as at the date of this notice, including the total number of shares within each class of shares, the agenda, the complete proposals, the company's 2022 Annual Report including the consolidated accounts, the remuneration report, the registration of attendance form as well as the proxy form and postal voting form will be available as from 22 February 2023 at [www.solar.eu](http://www.solar.eu).

As regards the collection and processing of personal data, please see the information on data protection law issues issued in connection with the annual general meeting as well as the company's cookie policy, which are both available at [www.solar.eu](http://www.solar.eu).

#### **Adoption requirements**

In order to adopt the proposals set out in item 5.3 of the agenda, the approval of at least two thirds of the votes cast as well as of the voting share capital represented at the general meeting is required. Furthermore, in order for this item to be adopted, at least two thirds of the voting share capital must be represented at the general meeting.

If the proposal is adopted without the quorum requirement being met, the Board of Directors will convene a new general meeting within 14 days, where the resolutions can be adopted by both two thirds of the votes cast and of the capital represented at that general meeting, irrespective of whether the quorum requirement is met.

The other proposals may be adopted by a simple majority of votes.

#### **Attendance at general meetings and the right to vote**

A shareholder's right to attend the general meeting and to vote at the general meeting is determined on the basis of the number of shares that the shareholder owns and has registered or reported for recording in the company's register of shareholders by Friday, 10 March 2023 (the date of registration). Attendance is also subject to the shareholders having registered their attendance in due time as described below.

#### **Registration of attendance**

Shareholders wishing to attend the general meeting must register their attendance by Monday, 13 March 2023 at 11:59 pm.

A shareholder or its proxy may attend the general meeting together with an advisor, provided that the advisor's attendance has been registered in due time.

Registration of attendance can be made as follows:

- digitally at Solar's InvestorPortal at [www.solar.eu](http://www.solar.eu) or at [www.vp.dk/agm](http://www.vp.dk/agm),
- by completing, signing and returning a form, which can be printed from [www.solar.eu](http://www.solar.eu), to Euronext Securities, Nicolai Eigtveds Gade 8, 1402 Copenhagen by mail, or to [CPH-investor@euronext.com](mailto:CPH-investor@euronext.com) by email,
- by contacting Euronext Securities at tel.: +45 4358 8866, by email at [CPH-investor@euronext.com](mailto:CPH-investor@euronext.com), or by personal or written application to Euronext Securities, Nicolai Eigtveds Gade 8, 1402 Copenhagen.



Confirmation of registration will be sent by email to the email address provided by the shareholder on registration of attendance. If no email address is provided on registration of attendance, the admission card can be collected at the entrance to the general meeting on presentation of proof of identity. Voting papers will be handed out at the entrance to the general meeting on presentation of admission card.

#### **Proxy/postal votes**

Shareholders may vote by proxy or in writing by postal vote. Proxy or postal voting may be submitted electronically at Solar's InvestorPortal at [www.solar.eu](http://www.solar.eu) or at [www.vp.dk/agm](http://www.vp.dk/agm) (both require digital signature) or in writing by using the physical proxy form or postal voting form that can be downloaded from the website [www.solar.eu](http://www.solar.eu) and printed. If a proxy form or the postal voting form is used, the completed and signed form should be forwarded by letter to Euronext Securities, Nicolai Eigtveds Gade 8, 1402 Copenhagen, Denmark. In the alternative, the completed and signed form can be scanned and sent by email to [CPH-investor@euronext.com](mailto:CPH-investor@euronext.com).

The completed proxy form must reach Euronext Securities by Monday, 13 March 2023, at 11:59 pm, at the latest, while postal votes must reach Euronext Securities by Wednesday, 15 March 2023, at 4:00 pm.

It is possible either to issue a proxy or to vote by postal voting, but not both.

#### **Share capital, voting rights and account-holding bank**

The share capital is DKK 736,000,000, nominal value, divided into shares of DKK 100.00 each and multiples hereof. The share capital is divided into DKK 90,000,000 A shares and DKK 646,000,000 B shares. Each A share of DKK 100.00 carries ten votes, and each B share of DKK 100.00 carries one vote.

The shareholders may exercise their financial rights through their own depository bank.

#### **Questions from the shareholders**

Shareholders may pose questions to the agenda or documents etc. to be used for the general meeting by written letter to Solar A/S, Industrivej Vest 43, 6600 Vejen, Denmark, or by email to [investor@solar.dk](mailto:investor@solar.dk). Shareholders may also ask questions to the company's management during the general meeting.

#### **Video webcast and simultaneous interpretation**

As a service to shareholders on record who are unable to attend the general meeting in person, the entire general meeting will be webcast on the InvestorPortal at the company's website [www.solar.eu](http://www.solar.eu). Also, the webcast will subsequently be available on the company's website. Moreover, during the general meeting via the InvestorPortal, shareholders on record will have the opportunity to submit written question to Solar's Director, Investor Relations, who will then put these questions to the general meeting. Such questions may be shortened, edited and potentially aggregated before they are put to the general meeting by Solar's Director, Investor Relations. In order to log on to the InvestorPortal, your shares will have to be registered in the register of shareholders, and you must have a digital signature. If a Danish civil registration



number ("CPR") is used, the digital signature used for Netbank via Danish banks ("MitID") can normally be used. If you do not have access to MitID, you can register a personal VP-ID. Guidelines for registering a VP-ID are available at [www.solar.eu](http://www.solar.eu).

Simultaneous interpretation into English is available at the general meeting.

### Contacts

Chair of the Board of Directors Michael Troensegaard Andersen - Tel. +45 79 30 00 00  
IR Director Dennis Callesen - Tel. +45 29 92 18 11

Appendix 1: Proposal for revised articles of association  
Appendix 2: Proposal for revised remuneration policy  
Appendix 3: Proposal from the nomination committee  
Appendix 4: Remuneration report 2022

### FACTS ABOUT SOLAR

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The Solar Group is a leading European sourcing and services company providing solutions mainly within electrical, heating & plumbing and climate & energy solutions. Our core business centres on product sourcing, value-adding services and optimisation of our customers' businesses.

We promote efficiency improvements and offer digital tools that make our customers winners. We drive the green transition and deliver the best solutions, ensuring sustainable resource usage.

The Solar Group is headquartered in Denmark, generated revenue of approx. DKK 13.9bn in 2022 and has approx. 3,000 employees. Solar is listed on Nasdaq Copenhagen with the abbreviated name SOLAR B. Additional information is available at: [www.solar.eu](http://www.solar.eu).

### Disclaimer

The company announcement has today been published in Danish and English via Nasdaq Copenhagen. In the event of any inconsistency between the two versions, the Danish version prevails.

APPENDIX 1: PROPOSAL FOR REVISED ARTICLES OF ASSOCIATION

Solar A/S

CVR NO.: 15 90 84 16

# Articles of Association of Solar A/S

solar

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## Translations and precedence

These articles of association were published in Danish and English on ~~13 March 2017~~ March 2023. In the event of any inconsistency between the two versions, the Danish version shall prevail.

## The company's name and object

- § 1.1 The company's name is  
Solar A/S
- The company also operates under the following name:  
Solar Danmark A/S (Solar A/S).
- § 2.1 The company's object is to engage in trade and manufacture.

## The company's capital and equity investments

- § 3.1 The company's total share capital is DKK 736,000,000 divided into shares of each DKK 100.00 and multiples thereof.
- § 3.2 The share capital is divided into DKK 90,000,000 A-shares and DKK 646,000,000 B-shares. The share capital is fully paid up.
- § 4.1 A-shares are issued in the name of the holder and registered in the company's register of shareholders. A-shares are non-negotiable instruments.
- § 4.2 B-shares are negotiable instruments. They are also issued in the name of the holder and recorded in the company's register of shareholders. The B-shares are listed on Nasdaq Copenhagen.

- § 4.3 The company's register of shareholders is kept by VP Securities A/S, CVR no. 21 59 93 36, as external keeper of the register of shareholders.
- § 4.4 Both A-shares and B-shares are issued through and registered with a securities depository.
- § 4.5 A-shares and B-shares will be valued equally in the event of a sale of shares corresponding to a majority of the votes in the company.
- § 5.1 Each A-share of a share amount of DKK 100.00 carries ten votes, and each B-share of a share amount of DKK 100.00 carries one vote.
- § 6.1 Except for the provisions in clauses 4 and 5, no shares have special rights.
- § 7.1 Dividends ~~to holders of A and B shares~~ are paid through a central securities depository to the registered owner of the share. ~~less any on account dividend paid. Any on account dividend will also be paid through a central securities depository to the registered owner of the share.~~
- § 8.1 The company's share certificates may be cancelled without an order of the court under the relevant rules of law in force from time to time.

## Authority to implement capital increase

- § 9.1 The Board of Directors is authorised to increase share capital by up to a nominal amount of DKK 64,600,000 through one or more new issues of B-shares with pre-emption rights to the company's existing shareholders. The increase can be effected by cash payment or otherwise. This authorisation remains in force until 1 March 2028~~April 2023~~.
- § 9.2 Equally, the Board of Directors is authorised to increase the share capital by a nominal amount of up to DKK 64,600,000 through one or more new issues of B-shares until 1 ~~April 2023~~March 2028 without pre-emption rights to the company's existing shareholders, by way of an increase at the market price. The increase can be effected by cash payment or otherwise.
- § 9.3 Newly subscribed B-shares must be negotiable instruments and will in every respect rank pari passu with existing B-shares.
- § 9.4 Under the authority granted in articles 9.1 and 9.2, any capital increase implemented by the Board of Directors cannot exceed a nominal amount of DKK 64,600,000.

## General meeting, location and notice

- § 10.1 The company's general meetings are held in Kolding or Vejen.
- § 10.2 The annual general meeting is held annually by the end of April.

- § 10.3 Extraordinary general meetings are convened whenever deemed necessary by the Board of Directors, or whenever required by the provisions of the Danish Companies Act.
- § 10.4 General meetings are convened by the Board of Directors giving no less than three weeks' and no more than five weeks' notice on the company's website ~~and said notice must also specify the agenda for any general meeting, and by communication, including by email if possible, in accordance with article 20.2, to the shareholders recorded in the register of shareholders who have so requested. The notice must specify the time and place of the meeting as well as the agenda setting out the business to be transacted at the general meeting. If any proposed resolution to amend the articles of association is to be considered at the general meeting, the full content of the proposed resolution must be stated in the notice.~~
- § 10.5 No later than three weeks before any general meeting, the following information must be made available to the shareholders on the company's website: Notice with agenda and the full proposals as well as the documents to be presented at the general meeting, and as regards the annual general meeting also the audited annual report. Also, information on the total number of shares and voting rights as of the date of the notice, including the total number for each share class, must be available on the website, as well as details of how to obtain the forms to be used for voting by proxy or by postal voting.
- § 10.6 Proposals from shareholders must, in order to be considered at the annual general meeting, be submitted to the Board of Directors no later than six weeks prior to the meeting. If the proposal is received later than six weeks before the date of the general meeting, the Board of Directors will determine whether the proposal has been submitted in time for it to be included on the agenda.

§ 10.7 No later than eight weeks before the contemplated annual general meeting, the Board of Directors announces the date of the contemplated meeting as well as the date by which the shareholders must submit proposals for the agenda.

## General meeting, agenda and chairman

- § 11.1 The agenda for the annual general meeting must include the following items:
- 1) The Board of Directors' report on the company's activities in the past financial year.
  - ~~1)2)~~ Presentation of the annual report with audited financial statements for approval.
  - ~~2)3)~~ Resolution on the allocation of profits or losses in accordance with the approved annual report.
  - ~~3)4)~~ Indicative vote on approval of the remuneration report from the past financial year.
  - ~~4)5)~~ Approval of remuneration of the Board of Directors for the current financial year.
  - ~~5)6)~~ Election of members to the Board of Directors.
  - ~~6)7)~~ Appointment of auditor.
  - ~~7)8)~~ Any other business.

§ 11.2 By way of a simple majority of votes, tThe general meeting- is chaired by a chair appointed by the board of directors, elects a chairman, who will lead the negotiations and decide on all matters concerning

procedure and voting. ~~Any person with voting rights is entitled to demand written voting on the presented proposals.~~

## General meeting, right of attendance and voting rights

§ 12.1 A shareholder's right to attend and vote at general meetings is determined on the basis of the shareholder's shareholding on the date of registration. The date of registration is one week before the date of the general meeting. The individual shareholder's holding of shares is made up on the basis of the shareholder's shareholdings recorded in the register of shareholders and any notices concerning ownership received by the company in order to ensure proper entry in the register of shareholders but that have not yet been entered on the register. Any shareholder may attend a general meeting provided that the shareholder no later than three days before the date of the meeting has obtained an admission card for the meeting by presenting the shareholder's shares, documentation of due registration in the register of shareholders or other documentation of ownership of the shares at the company's offices or at such other place indicated in the notice.

~~§ 12.2 The number of shares that a shareholder is entitled to vote by is determined on the basis of the number of shares that the shareholder owns on the date of registration. The date of registration is one week before the date of the general meeting. The individual shareholders' share holdings are made up of the shareholder's shareholdings in the register of shareholders and of any notices concerning ownership received by the company to ensure proper entry in the register of shareholders that have not yet been entered in the register.~~

§ 12.32 [Shareholders wishing to attend a general meeting in person or by proxy must notify the company of their intention to attend at least three days before the meeting in the manner specified in the notice. This also applies to potential advisors.](#)

[The company issues access cards that may be electronic to shareholders and others who have registered their attendance at the general meeting.](#)

§ 12.3 The shareholder is entitled to attend general meetings by proxy. The proxy must be written and dated. A proxy can be unlimited in time. The company provides a written or electronic proxy form for each shareholder who is entitled to vote at the general meeting, cf. article 20.2 of the articles of association.

## General meeting, resolutions

§ 13.1 The business transacted at the general meeting is decided by a simple majority of votes [unless otherwise provided for by statute or these articles of association.](#)

§ 13.2 Resolutions on the sale of the business operated by the company are also passed by a simple majority of votes. However, Fonden af 20. December (CVR no. 85956116) cannot block a decision to sell with a majority of votes if more than 90 % of the remaining voting capital is in favour of the proposal.

§ 13.3 To approve any resolutions on alteration(s) to the articles of association or the dissolution of the company [with the exception of matters covered by section 106\(2\) of the Danish Companies Act](#), the

resolution must be approved by at least 2/3 of both the votes cast and the voting capital represented at the general meeting, and – as quorum - at least 2/3 of the votes of the voting share capital must be represented at the general meeting.

If the proposal is approved without the quorum requirement being met, the Board of Directors will convene a new general meeting within 14 days, where the resolution can be passed by both 2/3 of the votes cast and of the capital represented at that general meeting, irrespective of whether the quorum requirement is met.

§ 13.4 Proxies issued to attend the first general meeting will also be valid for the second general meeting unless expressly revoked.

§ 13.5 [Anyone entitled to vote may demand that a written vote be held with regard to the resolutions proposed.](#)

## General meeting, minutes

§ 14.1 A summary of the proceedings at the general meeting are recorded in a minute book to be signed by the chair~~man~~.

## Board of Directors and Executive Board

§ 15.1 The company is managed by a Board of Directors consisting of 4-8 directors elected by the general meeting for one year at a time. The Board of Directors elects its own chair~~man~~ and vice-chair~~man~~.

§ 16.1 The Board of Directors is in charge of the overall management of the company. Thus, the Board of Directors supervises, among other things, the company's affairs and ensures that the company is managed in a prudent

manner pursuant to existing legislation and the company's articles of association.

- § 16.2 The Board of Directors adopts specific rules of procedure relating to the exercise of their powers.
- § 16.3 The Board of Directors appoints an executive board to undertake day-to-day operations.
- § 16.4 The company's Board of Directors has pursuant to section 139 of the Danish Companies Act prepared a remuneration policy for Solar A/S' Board of Directors and Executive Board. The remuneration policy must be approved by the general meeting whenever a material amendment is made and at least every four years. The remuneration policy is available at the company's website [www.solar.eu](http://www.solar.eu).
- § 16.5 The company's Board of Directors must pursuant to section 139 b of the Danish Companies Act prepare a remuneration report on the remuneration of the Board of Directors and the Executive Board in the past financial year. The general meeting will at the company's annual general meeting take an indicative vote on the approval of the remuneration report for the past financial year.
- § 17.1 The company is bound by the joint signatures of a member of the ~~board~~ [Board of Directors](#) and a member of the ~~group~~ Executive Board, or by the joint signatures of the ~~chairman~~ of the Board of Directors and a member of the Board of Directors, or by the joint signatures of the entire Board of Directors.
- § 17.2 The Board of Directors may grant powers of procuration.

## Audit

- § 18.1 The company's financial statements are audited by a state-authorised public accountant elected by the general meeting; the auditor remains in office until the general meeting elects a new auditor.

## Reporting language, financial statements and profit allocation

- § 19.1 The company's interim reports, annual reports and any external company presentations are prepared in English.
- § 19.2 The company's financial year is the calendar year.
- § 19.3 The annual report is prepared in accordance with relevant statutory provisions.

## Electronic communication

- § 20.1 The company uses electronic document exchange and electronic mail (electronic communication) in its communication with the shareholders. The company may from time to time decide to communicate by ordinary mail as well.
- § 20.2 The company may use electronic communication for all announcements and documents that must be exchanged between the company and the shareholders according

to the company's articles of association, the Danish Companies Act and relevant stock exchange legislation and regulations, including for instance notices of annual and extraordinary general meetings with accompanying agenda and full proposals, proxies, interim reports, annual reports, company announcements, financial calendar and prospectuses and other general information from the company to the shareholders. Such documents and notices will be posted on the company's website, [www.solar.eu](http://www.solar.eu), and will be sent to shareholders by e-mail to the extent required.

- § 20.3 A description of the systems requirements and the procedures applied in electronic communication is available on the company's website at [www.solar.eu](http://www.solar.eu).
- § 20.4 Each individual shareholder must ensure that the company has the correct e-mail address details at all times.
- § 20.5 Notwithstanding the above, notices of general meetings are, if so requested by a shareholder, forwarded by ordinary mail to the address on record in the register of shareholders.

Vejen, ~~13 March 2020~~ [17 March 2023](#)

Chairman of the annual general meeting:

Bo Holse  
Attorney



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## APPENDIX 2: PROPOSAL FOR REVISED REMUNERATION POLICY

### **Solar A/S' remuneration policy for the Board of Directors and the Executive Board**

#### **1. Introduction and object**

Solar A/S' ("the Company") remuneration policy for the Board of Directors and the Executive Board registered with the Danish Business Authority [has been prepared in accordance with sections 139 and 139a of the Companies Act and](#) includes both fixed and variable remuneration.

The object of the remuneration policy is to ensure common interests between the Company's shareholders and the Company's decision-makers, the decision-makers being the Board of Directors and the Executive Board. Furthermore, the purpose of the remuneration policy is to increase long-term value creation and thereby support the Company's business strategy and resilience. In this connection, it is important that the Company is able to retain and attract qualified management members, among other things, by offering them market-consistent remuneration within the scope of an approved remuneration policy.

~~When preparing the remuneration policy, the Board of Directors took the Company's other employees' salaries and employment terms into consideration in order to ensure the right balance between the remuneration of management and the Company's other employees.~~

At the Company's annual general meeting on ~~13 March 2020~~**17 March 2023**, the general meeting approved this remuneration policy, cf. Section 139, subsection 2 of the Danish Companies Act. The remuneration policy is published at [www.solar.eu](http://www.solar.eu). The remuneration policy must be approved by the Company's annual general meeting at least every four years and if any significant changes are made.

Provided below is an exhaustive description of the remuneration components that form part of the remuneration of the Board of Directors and the Executive Board, the reasons for applying them, and a description of the criteria on which the balancing of the individual remuneration components are based.

~~When drafting the remuneration policy and the individual agreements for members of the Executive Board, the Board of Directors takes into account the remuneration and employment conditions of the company's other employees. In the light of the market practice for remuneration in comparable listed companies as well as the responsibilities and duties of the members of the Executive Board in comparison to the responsibilities and duties of other employees, the Board of Directors finds that a suitable balance has been achieved between the remuneration of the employees and the remuneration~~

~~of the management. The principles for incentive-based remuneration of the Company's employees and of the Executive Board are appropriately balanced. As regards severance terms, the Board of Directors finds that the terms and the relatively longer notice periods applying to the Executive Board reflect market practice and are appropriate as part of the overall remuneration package for the Executive Board.~~

#### **2. The Board of Directors' remuneration**~~Members of the Board of Directors~~

The remuneration of the members of the Board of Directors should be on the same level as the remuneration in other large Danish undertakings engaged in international activities. The total remuneration of the Board of Directors appears from the Company's annual report and reflects a market-consistent remuneration.

The Board of Directors presents proposals for the remuneration of the Board of Directors. The remuneration of the Board of Directors for the financial year in question is adopted by the annual general meeting under a separate item on the agenda.~~Proposals for the remuneration of the Board of Directors for the financial year in question are included in the notice of the annual general meeting.~~

Each member of the Board of Directors receives a fixed annual remuneration. The chairman and vice chairman of the Board of Directors in addition receive an annual allowance for their extended duties corresponding to 200% and 50% ~~of the annual remuneration~~, respectively. Serving on the audit committee of the Board of Directors gives the chairman of the Audit Committee the right to receive additional remuneration.~~The chairman of the Audit Committee receives an allowance corresponding to 50% of the annual remuneration.~~

If a member of the Board of Directors is instructed to carry out specific ad hoc tasks, which are outside the Board of Directors' ordinary duties, this member may be offered an additional fixed remuneration for the work associated with this task, subject to the Board of Directors' prior or subsequent approval.

Expenses such as travel expenses and accommodation in connection with ~~members' work for the Board of Directors~~[board meetings](#) are refunded as per account rendered.

~~Members of the Board of Directors, who are not employed in the Solar Group, are compensated for~~

~~lost income in accordance with the rules set out by the Board of Directors.~~

~~In addition to the fixed annual remuneration, members of the Board of Directors receive a fixed remuneration for each meeting of the Board of Directors or committee meeting attended. For each physical meeting of the Board of Directors attended, a fee of up to 10% of the fixed annual remuneration is payable, while the fee for attending virtual meetings of the Board of Directors represents up to 5% of the fixed annual remuneration. For each physical committee meeting attended, a fee of up to 10% of the fixed annual remuneration is payable, while the fee for attending virtual committee meetings represents up to 5% of the fixed annual remuneration.~~

In accordance with the recommendations on corporate governance, members of the Board of Directors are not offered share options, subscription rights, favourable shares or other incentive schemes.

Members of the Board of Directors are elected by the annual general meeting for a period of one year at a time.

### **3. The Executive Board's remuneration-Members of the Executive Board**

The remuneration of the members of the Executive Board should be on the same level as the remuneration in other large Danish undertakings engaged in international activities. The total remuneration of the Executive Board appears from the Company's annual report and reflects a market-consistent remuneration.

The Board of Directors determines the Executive Board's remuneration. The Executive Board consists of executive officers registered as such in the Company.

Remuneration may at the discretion of the Board of Directors consist of the following elements:

- a fixed ~~basic salary~~ remuneration,
- ~~employee benefits (such as car, telephone, broadband connection, newspaper subscription),~~
- Variable remuneration, including
  - non-share-based incentives (~~such as~~ cash bonuses that may include current, one-off or event-based bonuses) to optimise the Executive Board's incentive in the short and/or the long term,
  - share-based incentives (such as restricted shares, share options, phantom shares or similar instruments) to optimise the Executive Board's incentive in the long term, and
- Extraordinary incentives that can be both share-based and non-share-based.

- ~~employee benefits (such as cars, telephones, broadband connections, newspaper subscriptions).~~

In addition to this, there is remuneration of a more individual nature, such as severance pay or compensation for non-competition clauses.

It is the opinion of the Board of Directors that a combination of the above-mentioned remuneration elements contributes towards ensuring that the Company can attract and retain competent executive officers, at the same time encouraging the Executive Board to create value to the advantage of the shareholders – both in the short and in the long term.

~~As far as possible, the Board of Directors applies the information in the Company's annual report as basis for assessing whether an executive officer meets the profit criteria set for achieving one or more of the variable remuneration elements.~~

The mutual balance between the types of remuneration is stated below and justified on the grounds that the Board of Directors finds that a combination hereof may be expedient in the efforts to meet the Company's short-term and long-term objectives.

#### **3.1 Fixed remuneration**

Members of the Executive Board receive a fixed annual remuneration determined by individual negotiation and subject to annual reviews.

The fixed annual remuneration must be in line with the market and determined primarily on the basis of the skills, performance, scope of work and the responsibilities attaching to the position of each member of the Executive Board.

The Executive Board does not receive remuneration for memberships on the board of directors of the Company's subsidiaries.

#### **3.2 Employee benefits/personal benefits**

A number of work-related benefits are available to the Executive Board, including company car, free telephone, pc, broadband connection at home and any business-relevant magazine and newspaper subscriptions. The extent/size of the individual benefits is negotiated with the individual Executive Board member.

Also, the Executive Board is covered by the Company's insurance schemes.

The Executive Board's dependants, i.e. such as a cohabiting spouse / a cohabitant on the same officially registered address, alternatively children under the age of 18, are in addition secured up to 6 months' salary in case of the Executive Board

member's death while being employed with the Company.

### **3.3. Variable remuneration**

Variable remuneration of the Executive Board may consist of either share-based remuneration or cash remuneration.

Variable remuneration must to a wide extent be based on performance in combination with specific performance criteria, and the Board of Directors applies - as far as possible - information in the Company's annual report as basis for assessing whether an executive officer meets the profit criteria set for achieving one or more of the variable remuneration elements.

At the same time, the Board of Directors has determined that an equitable ceiling on the ~~incentive-based variable~~ remuneration must be established in relation to the Company's other employees and the relevant Executive Board member's fixed ~~basic salary remuneration~~, so that for a given year, the total value of the variable remuneration (apart from extraordinary incentives as referred to in item 3.3.3) as a maximum constitutes an amount corresponding to the Executive Board member's annual fixed remuneration at the time of allocation~~allocated non-share-based incentive remuneration and the allocated share-based incentive remuneration, as a maximum constitutes an amount corresponding to the Executive Board member's annual fixed basic salary at the time of allocation.~~ If allocation takes place for several years, the value may as a maximum constitute an amount corresponding to the Executive Board member's latest approved annual fixed basic salary determined annual fixed remuneration multiplied by the number of years of the allocation period.

~~The estimated present value of the share-based incentive remuneration is calculated in compliance with the principles for recognition in the Company's annual report in accordance with the accounting principles applicable at the given time.~~

~~If it is found after the allocation of variable components that these were paid erroneously, the Company may reclaim in full or in part variable components.~~

~~The Executive Board does not receive remuneration for memberships on the board of directors of the Company's subsidiaries.~~

#### **3.3.1 Non-share-based incentives**

##### *Non-share-based incentives*

The Board of Directors may allocate to the Executive Board variable non-share-based ~~incentive~~ remuneration, which may include current, one-off and event-based bonuses. The object of the allocation is to safeguard the creation of value and to achieve

the Company's short-term and/or long-term objectives. Non-share-based variable remuneration will consist of a cash bonus.

Non-share-based ~~incentive~~ remuneration may be obtained in different ways. The remuneration may be based on the achievement of individual results that have been approved by the Board of Directors and the achievement of results for the Company or the Solar Group, including results of the primary operations (EBITA) or other key figures.

#### **3.3.2 Share-based remuneration**

##### *Share-based incentives*

The Board of Directors may allocate to the Executive Board share-based incentives, such as restricted B shares in the Company, the right to acquire a number of B-shares (share options) in the Company, phantom shares or similar instruments. The object of the allocation is to safeguard the creation of value and to achieve the Company's long-term objectives.

~~The~~ Such allocation of shares or share options will takes place annually after publication of the annual report. The allocation may be estimated based on targets set out by the Board of Directors.

The exercise price for share options cannot be lower than the price quoted by the stock exchange for the Company's shares at the issue allocation date. No payment is made for the allocation of shares or share options allocated as part of the share-based incentive remuneration, unless the Board of Directors decides otherwise.

The share-based incentive remuneration initially has a maturity period of no less than 3 years from the date of allocation and must be exercised no later than 5 years after the allocation. Exercise may only take place up to maximum 6 weeks after the publication of the Company's annual report. In special cases, the Board of Directors can decide to grant an exemption.

Shares for the use of complying with obligations in relation to share-based incentive schemes are provided through the Company's existing holding of treasury shares, buy-back of treasury shares or issuing of new shares.

The estimated present value of the share-based incentive schemes is determined on the basis of the principles for recognition in the Company's annual report in accordance with the accounting principles applicable from time to time.

#### **3.3.3. Extraordinary incentives**

The Board of Directors may in extraordinary cases - and in addition to the remuneration outlined in items 3.3.1 and 3.3.2 - discretionarily allocate a

one-off bonus or other extraordinary incentive remuneration, e.g. in relation to achievement of specific or extraordinary results, retention bonuses, severance pay, sign-on bonuses, or other types of incentive remuneration in connection with signing on.

The value of such allocations may constitute a maximum amount corresponding to the Executive Board member's annual fixed [basic salary remuneration at the time of allocation](#).

An allocation may be incentive-based and may consist of cash and/or share-based remuneration.

### **3.4 Claw-back**

[If, after the allocation of variable salary components, it is found that these have been earned, allocated or paid on the basis of information that subsequently proves to be incorrect, the Company may demand full or partial repayment.](#)

### **3.5 Pension**

#### *Pension*

The Executive Board may participate in the Company's employer-managed pension scheme. The scheme is set up as a defined contribution scheme. The Executive Board members may choose to deposit cash bonuses into a pension scheme set up by the Executive Board member.

The company has no uncovered pension obligations towards the Executive Board, which have not been placed in private schemes.

#### *Employee benefits / personal benefits*

[A number of work-related benefits are available to the Executive Board, including company car, free telephone, pc, broadband connection at home and any business-relevant magazine and newspaper subscriptions. The extent/size of the individual benefits is negotiated with the individual Executive Board member.](#)

[Also, the Executive Board is covered by the Company's insurance schemes.](#)

[The Executive Board's dependants, i.e. such as a cohabiting spouse / a cohabitant on the same officially registered address, alternatively children under the age of 18, are in addition secured up to 6 months' salary in case of the Executive Board member's death while being employed with the Company.](#)

### **3.6 Termination**

[Members of the Executive Board are employed with no limitation in time but with the right of mutual termination.](#) The Company can terminate the employment at 12 months' notice. A member of the

Executive Board can terminate the employment with the Company at 6 months' notice.

[In the event of If the Executive Board member's own resigns from the position due to termination,](#) a proportionate part of any cash bonus up until the time of the termination of the employment is paid.

If an Executive Board member terminates the employment and this is not due to any material breach of the Company, any share options that have not been exercised must be exercised no later than 10 days after the publication of the first annual report following the termination of the employment. Share options that have not been exercised will expire automatically and without warning. This may be adjusted in each individual Executive Board member's employment contract.

### **3.7 Severance pay and compensation for non-competition clauses**

[Severance pay](#) The Executive Board members' employment contracts provide for severance pay, which, if the Company terminates the employment or the agreement expires, implies payment of up to 12 months' salary, against the Executive Board member to a reasonable extent being available with information during the notice period or until resignation in case of expiry of the agreement. Severance pay is paid upon the expiry of the notice period or upon resignation in the event of expiry of the agreement.

[Employment agreements for Executive Board members may include non-competition clauses that apply in a period of up to 12 months after the Executive Board member's resignation. If the Company wishes to uphold a non-competition clause after the resignation of an Executive Board member, this may trigger a monthly compensation to the Executive Board member of up to 50% of the fixed remuneration at the time of resignation for up to 12 months.](#)

### **4. Preparation and change of the remuneration policy**

[Preparation and change](#) It is the responsibility of ~~t~~The Board of Directors is tasked with ~~to~~ [determining](#) ~~determine~~ and [revising](#) ~~revise~~ the remuneration policy. The remuneration policy is assessed [and approved](#) by the Board of Directors at least once a year.

[The Board of Directors has set up a remuneration committee consisting of three members of the Company's Board of Directors. The Board of Directors has defined terms of reference of the remuneration committee's tasks, responsibilities and powers. The applicable terms of reference are available on the Company's website.](#)

[The remuneration committee undertakes the background work for the Board of Director's decisions concerning remuneration. This includes, among](#)

[other things, assisting in monitoring compliance with the remuneration policy and assessing at least annually whether the remuneration policy is up to date and proposing any changes to the policy.](#)

If the Board of Directors finds the need to revise the remuneration policy, the Board of Directors will prepare [and approve](#) a proposal, which is presented to the shareholders for discussion and approval at the Company's annual general meeting.

When revising the remuneration policy, the Board of Directors may consult the Executive Board, however, the Executive Board does not have decision-making power in relation to the remuneration policy. Taking that and the fact that the Board of Directors' remuneration solely consists of a fixed basic salary approved by the annual general meeting into account, the Company's view is that there is no risk of conflicting interests in relation to the Board of Directors' work with the remuneration policy.

#### **5. Deviation from the remuneration policy** **Deviation**

In special cases, the Board of Directors may deviate from the remuneration policy's maximisation of the value of the Executive Board's variable remuneration if necessary in order to safeguard the Company's long-term interests, and if the Board of Directors agrees. This could for example be in connection with appointing new Executive Board members, which are considered to be of paramount importance to the Company.

#### **Publication**

~~The guidelines~~[The remuneration policy](#) will, following the approval by the Company's annual general meeting, be published on the Company's website, [www.solar.eu](http://www.solar.eu).

*[This policy was submitted to and approved by the general meeting on 17 March 2023.](#)*

#### **Disclaimer**

[The policy was published in both an English language version and a Danish language version on 17 March 2023. In the event of any inconsistency between the two versions, the Danish version prevails.](#)

## **Appendix 1 to the remuneration policy**

Overview of important amendments compared to the previous remuneration policy (as adopted at the 2020 annual general meeting):

- Clarification of how the salary and employment conditions of other employees have been taken into consideration when preparing the remuneration policy and the individual executive board member's employment contracts.
- Addition of a section on the payment of a fixed remuneration to members of the Board of Directors for each meeting of the Board of Directors or each committee meeting that they attend. (Replaces the section on the possibility of receiving compensation for lost income).
- Specification of the parameters taken into account when determining the fixed remuneration for members of the Executive Board as well as addition of a description of the extent to which compensation may be provided to members of the Executive Board for maintaining a non-competition clause.
- Insertion of a brief description of the remuneration committee set up by the Board of Directors and its role, including in relation to proposals for changes to the remuneration policy.

Other changes are deemed to be insignificant changes, including to a large extent clarifications or rephrasing of the wording of the previous remuneration policy.



## APPENDIX 3 PROPOSALS FROM THE NOMINATION COMMITTEE

### THE ROLE OF THE NOMINATION COMMITTEE

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The Board of Directors has established a forum for dialogue concerning the future composition of the Board of Directors. A representative from the company's majority shareholder (the Fund of 20<sup>th</sup> December) together with three board representatives, including the Chair of the company's Board of Directors, form a committee, which is to make proposals to the Board of Directors of both re-election and new election of board members. For more information on the Nomination Committee, go to <https://www.solar.eu/investor/corporate-governance/>.

### PROPOSED COMPOSITION OF THE BOARD OF DIRECTORS FOR SOLAR A/S

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The Nomination Committee has reviewed and discussed the result of the board evaluation, which has been carried out in cooperation with an external consultancy, and concludes that the Board of Directors matches the company's current needs in terms of industrial, functional and leadership qualifications and experience. Thus, we propose re-election of Michael Troensegaard Andersen, Jesper Dalsgaard, Louise Knauer, Peter Bang, Morten Chrone, and Katrine Borum.

**Michael Troensegaard Andersen** worked as CEO of H+H international A/S from 2011 to 2022. Prior to this, Michael Troensegaard Andersen worked in top management positions in Trelleborg AB, Alto (now part of Nilfisk), Incentive A/S and Lundbeck A/S.

Through his carrier, Michael Troensegaard Andersen has been spearheading successful strategic, structural and organisational transformations. He has a broad experience from leadership positions in different areas of expertise and in different businesses. Through his position with H+H International A/S, Michael Troensegaard Andersen has gained in-depth knowledge of the European building and building material industry.

Michael Troensegaard Andersen holds a Master of Science in Mechanical Engineering from Denmark's Technical University (1987) and a Graduate Diploma in Business Administration (Financial and Management Accounting) from Copenhagen Business School (1988).

Michael Troensegaard Andersen joined the Board of Directors of Solar A/S in 2021 and is also a member of the board of HS Hansen Group A/S.

Michael Troensegaard Andersen is presented on Solar's website at <https://www.solar.eu/our-company/management-and-board-of-directors/michael-troensegaard-andersen/>

Michael Troensegaard Andersen was born 27 March 1961.



**Jesper Dalsgaard** has been Managing Director of Rambøll Environment & Health since 2019, and in the period 2017-19, he acted as Managing Director of Rambøll Buildings with global responsibility for Rambøll's activities within building consultancy. Previously, he was Senior Director and Head of Maersk Management Consulting in A.P. Møller-Maersk (2015-17), Group Director, Strategy and M&A in Rambøll Group (2013-14), Business Development Director in VKR Holding (2006-13), Principal in Boston Consulting Group, Business Development Director in C.W. Obel, Vice President in Araneum Consulting and management consultant in A.T. Kearney / Aarsø Nielsen & Partners.

Jesper Dalsgaard has executive management experience of companies managed by funds and companies within the construction industry and has experience within strategy and business development as well as mergers and acquisitions. Furthermore, he has experience with board services from previous duties in a number of companies within the construction industry.

Jesper Dalsgaard has studied at CBS (1987-93) with a B.Sc. and a M.Sc. in Law and Business Administration.

Jesper Dalsgaard joined the Board of Directors of Solar A/S in 2017. Furthermore, he is a member of the boards of the Fund of 20<sup>th</sup> December, Mannaz A/S and a number of Danish and foreign companies within the Rambøll Group.

Jesper Dalsgaard is presented on Solar's website at <https://www.solar.eu/our-company/management-and-board-of-directors/jesper-dalsgaard/>

Jesper Dalsgaard was born 15 January 1968.

**Louise Knauer** worked in the TDC Group in the period 2015-18 as group managing director most recently in the position as Senior Executive Vice President of Group Data, Security and Wholesale, and Group Chief Data & Security Officer at TDC A/S. Her former role in TDC Group was Group Chief Strategy Officer with responsibility for Strategy, Business Intelligence, M&A among other things. As CEO of Wibroe, Duckerts & Partners, People Group A/S (2013-15), she was responsible for the execution of a strategic and financial turn-arounds and she has worked internationally as a management consultant in McKinsey & Company (2008-13).

Thus, Louise Knauer has experience as CEO and member of executive committees with developing strategies and companies both nationally and internationally. In addition, Louise Knauer has expertise within technologically driven innovation, digitalisation, data / AI / ML and cyber security.

Louise Knauer has studied at CBS (2003-8) with a B.Sc. in Commercial Law and Business Economics and a M.Sc. in Finance and Strategic Management.

Louise Knauer joined the Board of Directors of Solar A/S in 2017 and in addition to this, she handles a number of other board duties as described on Solar's website at <https://www.solar.eu/our-company/management-and-board-of-directors/louise-knauer/>

Louise Knauer was born 6 November 1983.



**Peter Bang** has worked in the VELUX group from 1994-2021, and since 2011, he was Executive Director and CFO with responsibility for Group Functions (Finance, Performance Management & BI, IT, HR, Global Business Services, Communication, CSR and Public Affairs). Furthermore, he was responsible for the group's digital, strategic initiatives as well as a range of transformation projects where a more global organisation and culture were implemented in VELUX. Additionally, he has acted in a range of different roles within the VELUX group since 1994.

Peter Bang has experience within construction, climate/energy, globalisation, digitalisation, organisational development, change management, communication as well as finance and performance management.

Peter Bang holds a Master of Economics (1994) from Aarhus University specialising within business economics and financing. By virtue of his employment at VELUX, he has acquired extensive knowledge about trust managed groups and companies affiliated with the construction industry.

Peter Bang joined the Board of Directors of Solar A/S in 2018 and is furthermore chair of the board of directors of BIMobject AB.

Peter Bang is presented on Solar's website at <https://www.solar.eu/our-company/management-and-board-of-directors/Peter-Bang/>

Peter Bang was born 2 April 1969.

**Morten Chrone** is Group CEO of Unisport Saltex Oy and was previously group managing director at NCC Construction A/S (2005-09), Group CCO at Brdr. A&O Johansen A/S (2009-13), managing director at Spæncom (2013-17) and Group COO at HusCompagniet A/S (2017-20). Morten Chrone has managed business units in Denmark, Sweden, Norway, Germany and England.

Morten Chrone has held management positions within the construction industry/wholesale business in Denmark and abroad for the past 25 years and has significant knowledge of Solar's core business and the markets we operate in.

Morten Chrone holds an MBA from Cranfield School of Management (2001) and a B.Eng. in Civil and Constructional Engineering from the Engineering College of Aarhus (1994) and has subsequently supplemented those with professional development at IMD and Stanford Graduate School of Business, most recently The Corporate Entrepreneur (2015) and Stanford Executive Program (2011).

Morten Chrone joined the Board of Directors of Solar A/S in 2019 and is also a member of the board of Unisport Scandinavia ApS.

Morten Chrone is presented on Solar's website at <https://www.solar.eu/our-company/management-and-board-of-directors/morten-chrone/>

Morten Chrone was born 4 January 1966.



**Katrine Borum** belongs to the fourth generation of the founding family and grew up with Solar being an important part of the family's history and activities. She always took an interest and wanted to engage herself in Solar.

Katrine Borum graduated as a resident doctor at the University of Copenhagen in 2010 and graduated as a medical specialist in orthopaedic surgery in 2021. She currently works as a senior registrar at Nordsjællands Hospital and has experience with managing many professions at the same time, developing an educational environment and getting all professions to pull together. Furthermore, she is committed to promoting education of orthopaedic specialist registrars at national level as a member of Danish Orthopaedic Society's education committee and was previously a member of the board of Young Orthopaedic Surgeons in Denmark for five years.

As Katrine Borum comes with a different approach to the business world, she can contribute to a broad understanding of the core of the problems and at the same time create anchoring to Solar's history. In preparation for her membership of the Board of Directors she has also completed Børsen and CBS's board training programme in the spring of 2021.

Katrine Borum Bang joined the Board of Directors of Solar A/S in 2022 and is presented on Solar's website at <https://www.solar.eu/our-company/management-and-board-of-directors/Katrine-borum/>

Katrine Borum was born 24 May 1981.

Board members are elected for one year at a time.

The proposed candidates are all Danish citizens.

Of the proposed candidates, Michael Troensegaard Andersen, Louise Knauer, Peter Bang and Morten Chrone are considered independent from the company by the definition in the Danish corporate governance recommendations. Jesper Dalsgaard and Katrine Borum are affiliated with the Fund of 20<sup>th</sup> December, which is the majority shareholder of Solar A/S.

## APPENDIX 4

# Remuneration Report 2022



Solar A/S  
CVR no. 15 90 84 16

solar

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## The Remuneration Report

This Remuneration Report (the "Report") provides an overview of the total remuneration received by each member of the Board of Directors ("Board") and the Executive Board ("EB") of Solar A/S, CVR no. 15908416, ("Company") during 2022 with comparative figures for 2021, 2020 and 2019. The EB comprises the members of the Executive Board of Solar A/S registered as such with the Danish Business Authority.

Remuneration of the Board and EB during the past financial year has been provided in accordance with the Remuneration Policy of Solar A/S adopted by the Annual General Meeting on 13 March 2020 and available on the Company's website, <https://www.solar.eu/investor/policies/> (the "Remuneration Policy").

The objective of the Remuneration Policy is to ensure common interests between the Company's shareholders and the Company's decision-makers, the decision-makers being the Board and the EB. Furthermore, the purpose of the Remuneration Policy is to increase long-term value creation and thereby support the Company's business strategy and resilience. In this connection, it is important that the Company is able to attract and retain a qualified management team by offering them market-consistent remuneration within the scope of an approved remuneration policy.

The Report has been prepared in accordance with section 139b of the Danish Companies Act (the "DCA") and the guidelines from the Danish Business Authority from November 2021 (the "Guidelines").

The information included in the Report is primarily derived from the audited Annual Reports of the Company for 2022-2019 available on the Company's website, <https://www.solar.eu/investor/downloads/>.

All amounts are included in DKK, gross.

# Letter from the Chair

## Financial results and outlook

In 2022, Solar posted an all-time high EBITDA of DKK 1,175m, which is an increase of DKK 264m compared to 2021. This very satisfactory result was achieved in a year with increased uncertainty characterised by several crises including inflation, war in Ukraine and energy shortages.

Solar continued to make strong progress within all four strategic focus areas:

- Concepts
- Climate & Energy
- Industry
- Trade

Although we are entering the final year of our Core+ strategy, focus will remain on our four strategic focus areas, and we will continue to build on our strong foundation of customer focus and profitability.

Our guidance for 2023 is an EBITDA of DKK 900m. We are confident that an average EBITDA of more than 6.5% for the coming years is sustainable, despite the increasing uncertainties we are looking into.

More information about our financial results can be found on our website at [www.solar.eu](http://www.solar.eu).



**We consider Solar to be in a strong position for the coming years.**

## New board members

In 2022, the composition of the Board of Directors changed.

At the annual general meeting, Jens Borum retired after 40 years of service, while Katrine Borum was elected.

We also welcomed three new employee representatives Denise Goldby, Rune Jesper Nielsen and Michael Kærgaard Ravn.

## Remuneration

In line with our remuneration policy, the short- and long-term incentives for the Executive Board will support the strategy and ensure the common interests between Solar's shareholders and decision-makers. The decision-makers being the Board of Directors and the Executive Board.

Finally, we consider Solar to be in a strong position for 2023 as a driver of the green transition, in which we expect to play a pivotal role also in the coming years.



Michael Troensegard Andersen  
Chair of the Board of Directors and  
of the Remuneration Committee

# Governance

## Remuneration Committee

The Board has established a Remuneration Committee with three members elected among the members of the Board.

In March 2022, Louise Knauer and Morten Chrono were re-elected, while Michael Troensegaard Andersen was newly elected. Michael Troensegaard Andersen is chair of the committee.

The Remuneration Committee's most important tasks in relation to the Board are:

- To make recommendations for suggestions to the remuneration policy and general guidelines for incentive-based remuneration for the EB.
- To suggest remuneration for the EB, including ensuring that the remuneration is in agreement with the remuneration policy and the EB's performance assessment.
- To monitor that information about the Board's and EB's remuneration in the annual report is correct, accurate and complete.
- To assist in the preparation of the annual remuneration report.

The Remuneration Committee held one meeting in 2022. One meeting is planned for 2023.

## Compliance with the remuneration policy

Remuneration of the Board and EB for the 2022 financial year complies with the framework provided by the Remuneration Policy.

The Board received fixed remuneration only.

EB received a combination of fixed and variable remuneration. The fixed remuneration consisted of a base salary and benefits. The variable remuneration consisted of allocation of cash bonus and restricted share units based on financial performance. The allocation is part of safeguarding value creation in Solar and achieving Solar's long-term objectives.

There was no deviation or derogation from the framework provided by the Remuneration Policy.

At the Annual General Meeting in March 2022, the Remuneration Report 2021 was approved without comments.



# Financial performance

We look back on another profitable year where we exceeded our expectations. For the first time in Solar's history EBITDA passed DKK 1bn.

Compared to 2021, we increased EBITDA by DKK 264m to DKK 1,175m due to strong execution of our Core+ strategy. Compared to 2021, EBITDA was up by 29%.

In 2021, we launched the Core+ strategy for the period 2021-23 and during 2021 we had strong strategy execution. In 2022, we therefore increased our ambition of an EBITDA margin to more than 6.5%. Also in 2022, Core+ proved its worth and combined with one-off price effects amounting to DKK 215m, EBITDA margin reached 8.5%.

In 2022, we paid ordinary dividend of DKK 45 per share of DKK 100 and in addition extraordinary dividend of DKK 45 per share, totalling dividend payments of DKK 658m to our shareholders.

The Board proposes, in line with our policy, that DKK 329m be distributed as dividend for the 2022 financial year, corresponding to DKK 45.00 for each share of DKK 100.

In addition, the Board proposes that the Company's Board is authorised in the period until the next annual general meeting to decide to distribute extraordinary dividend of up to DKK 50.00 per share.

## Comparison of Remuneration and Company Performance

In 2022, EBITDA increased by 29% while the remuneration to EB increased by 9%.

The remuneration to EB did not increase as much as company performance as the Board has established an equitable ceiling on incentive-based remuneration relative to the relevant EB member's fixed base salary.

This means that for a given year, the total value of the allocated non-share-based incentive remuneration and the allocated share-based incentive remuneration constitutes – as a maximum – an amount corresponding to the EB member's fixed annual base salary at the time of allocation.

Table 1: Comparison of remuneration and Company performance

	2022 (amount)	2021 (amount)	2020 (amount)	2019 (amount)	2022 vs. 2021 (change)	2021 vs. 2020 (change)	2020 vs. 2019 (change)
<b>Financial Performance<sup>1</sup></b>							
EBITA	978,000,000	727,000,000	455,000,000	360,000,000	35%	59%	26%
Invested capital	2,738,250,000	1,866,000,000	1,760,000,000	2,297,000,000	47%	6%	-23%
Basis for variable remuneration (KPI)	744,850,000	552,830,000	257,980,000	134,260,000	35%	114%	92%
<b>Executive Board</b>							
Jens Ellegaard Andersen, CEO	12,230,376	10,957,230	10,100,738	7,899,283	12%	8%	28%
Hugo Dorph, CCO	6,906,744	6,682,294	5,620,793	4,539,776	3%	19%	24%
Michael H, Jeppesen, CFO	6,906,871	6,204,304	5,330,721	4,197,055	11%	16%	27%
<b>Board of Directors</b>							
Michael Troensegaard Andersen <sup>2</sup> , Chair	726,250	306,250	-	-	13%	-	-
Jesper Dalsgaard, Vice-Chair	453,750	425,000	418,750	378,125	7%	1%	11%
Peter Bang, Board member & Chair of Audit Committee	511,250	468,750	400,000	343,750	9%	17%	16%
Katrine Borum <sup>3</sup> , Board member	270,000	-	-	-	-	-	-
Morten Chrone <sup>4</sup> , Board member	338,750	312,500	312,500	218,750	8%	0%	14%
Louise Knauer, Board member	411,250	393,750	393,750	356,250	4%	0%	11%
Jens Borum <sup>5</sup> , Chair	183,750	750,000	712,500	675,000	-2%	7%	6%
Denise Goldby <sup>3</sup> , Board member (employee representative)	150,000	-	-	-	-	-	-
Rune Jesper Nielsen <sup>3</sup> , Board member (employee representative)	150,000	-	-	-	-	-	-
Michael Kærgaard Ravn <sup>3</sup> , Board member (employee representative)	150,000	-	-	-	-	-	-
Lars Lange Andersen <sup>6</sup> , Board member (employee representative)	50,000	200,000	200,000	175,000	0%	0%	14%
Ulrik Damgaard <sup>6</sup> , Board member (employee representative)	50,000	200,000	200,000	175,000	0%	0%	14%
Bent Frisk <sup>6</sup> , Board member (employee representative)	50,000	200,000	200,000	175,000	0%	0%	14%
<b>Average for the listed company Solar A/S's employees (FTE)</b>							
Remuneration	638,381	624,917	611,178	588,891	2.2%	2.3%	3.8%
No. of employees (FTE)	866	810	760	765	7.3%	6.6%	-0.6%

1) Consolidated figures for Solar Group as remuneration for the Executive Board is based on consolidated figures.

2) Elected 19 March 2021, Elected as chair of the Board of Directors 18 March 2022, The change 2022 vs, 2021 is adjusted to comparable period,

3) Elected / joined 18 March 2022,

4) Elected 19 March 2019, The change 2020 vs, 2019 is adjusted to comparable period,

5) Declined re-election 18 March 2022, The change 2022 vs, 2021 is adjusted to comparable period,

6) Left 18 March 2022, The change 2022 vs, 2021 is adjusted to comparable period,

# Board of Directors' Remuneration

## Fixed annual fee

Members of the Board receive a fixed annual base fee approved by the Annual General Meeting. The Chair receives a multiplier of the annual base fee of three for his extended duties, while the Vice-Chair and the Chair of the Audit Committee each receive a multiplier of the annual base fee of 1.5 for their extended duties. No member of the Board is entitled to receive any share-based incentives, other variable remuneration or pension contribution.

Members of the Board may be entitled to additional fees as set out in the Remuneration Policy, including for undertaking specific ad hoc tasks beyond the scope of the Board's normal duties. Expenses such as travel expenses and accommodation in connection with board related meetings are refunded as per account rendered. When attending meetings, members of the Board, who are not employed by the Solar Group, are compensated for lost income in accordance with the rules set out by the Board.

The following fees for 2022 were approved at the Annual General Meeting on 18 March 2022.

**Table 2: Board fee for 2022 (2021)**

DKKm		Board of Directors
<b>Member, base fee</b>	<b>2022</b>	<b>200,000</b>
	2021	200,000
<b>Chair, 3 x base fee</b>	<b>2022</b>	<b>600,000</b>
	2021	600,000
<b>Vice Chair, 1.5 x base fee</b>	<b>2022</b>	<b>300,000</b>
	2021	300,000
<b>Chair Audit Committee, 1.5 x base fee</b>	<b>2022</b>	<b>300,000</b>
	2021	300,000



Table 3: Remuneration of Board (DKK) for 2022 (2021)

Name	Position		Annual Fee	Compensation lost income	Total remuneration
<b>Michael Troensegaard Andersen</b>	Chair (from 18/3 2022)	<b>2022</b>	<b>500,000</b>	<b>226,250</b>	<b>726,250</b>
	Board member (from 19/3 2021 to 18/3 2022), Member of Audit Committee (from 19/3 2021)	2021	150,000	156,250	306,250
	Chair of Remuneration Committee (from 18/3 2022)				
<b>Jesper Dalsgaard</b>	Vice Chair (from 15/3 2019), Member of Audit Committee (until 15/3 2019)	<b>2022</b>	<b>300,000</b>	<b>153,750</b>	<b>453,750</b>
	Chair of Nomination Committee	2021	300,000	125,000	425,000
<b>Peter Bang</b>	Board member, Member of Audit Committee (from 15/3 2019 to 19/3 2021),	<b>2022</b>	<b>300,000</b>	<b>211,250</b>	<b>511,250</b>
	Chair of Audit Committee (from 19/3 2021)	2021	275,000	193,750	468,750
<b>Katrine Borum</b>	Board member (18/3 2022)	<b>2022</b>	<b>150,000</b>	<b>120,000</b>	<b>270,000</b>
	Member of Nomination Committee (from 18/3 2022)	2021	-	-	-
<b>Morten Chronø</b>	Board member (from 15/3 2019)	<b>2022</b>	<b>200,000</b>	<b>138,750</b>	<b>338,750</b>
	Member of Remuneration Committee (from 19/3 2021)	2021	200,000	112,500	312,500
	Member of Nomination Committee (from 18/3 2022)				
<b>Louise Knauer</b>	Board member, Member of Audit Committee (from 15/3 2019)	<b>2022</b>	<b>200,000</b>	<b>211,250</b>	<b>411,250</b>
	Member of Remuneration Committee (from 15/3 2019)	2021	200,000	193,750	393,750
<b>Denise Goldby</b>	Board member (from 18/3 2022), employee elected	<b>2022</b>	<b>150,000</b>	-	<b>150,000</b>
		2021	-	-	-
<b>Rune Jesper Nielsen</b>	Board member (from 18/3 2022), employee elected	<b>2022</b>	<b>150,000</b>	-	<b>150,000</b>
		2021	-	-	-
<b>Michael Kærgaard Ravn</b>	Board member (from 18/3 2022), employee elected	<b>2022</b>	<b>150,000</b>	-	<b>150,000</b>
		2021	-	-	-
<b>Jens Borum</b>	Chair (until 18/3 2022), Member of Audit Committee (until 15/3 2019)	<b>2022</b>	<b>150,000</b>	<b>33,750</b>	<b>183,750</b>
	Chair of Remuneration Committee (from 15/3 2019 to 18/3 2022)	2021	600,000	150,000	750,000
	Member of Nomination Committee (until 18/3 2022)				
<b>Lars Lange Andersen</b>	Board member (until 18/3 2022), employee elected	<b>2022</b>	<b>50,000</b>	-	<b>50,000</b>
		2021	200,000	-	200,000
<b>Ulrik Damgaard</b>	Board member (until 18/3 2022), employee elected	<b>2022</b>	<b>50,000</b>	-	<b>50,000</b>
		2021	200,000	-	200,000
<b>Bent Frisk</b>	Board member (until 18/3 2022), employee elected	<b>2022</b>	<b>50,000</b>	-	<b>50,000</b>
		2021	200,000	-	200,000
<b>Jens Peter Toft</b>	Board member, Chair of Audit Committee (until 19/3 2021)	<b>2022</b>	-	-	-
	Member of Remuneration Committee (until 19/3 2021)	2021	75,000	37,500	112,500
<b>Total</b>		<b>2022</b>	<b>2,400,000</b>	<b>1,095,000</b>	<b>3,495,000</b>
		2021	2,400,000	968,750	3,368,750

# Executive Board's Remuneration

Members of the EB are entitled to an annual remuneration in accordance with the Remuneration Policy, which may consist of the following fixed and variable remuneration components:

- a fixed base salary,
- non-share-based incentives to optimise the EB's incentive in the short and/or long term,
- share-based incentives to optimise the EB's incentive in the long term, and
- employee benefits

It is the Board's opinion that a combination of the above-mentioned remuneration elements contributes towards ensuring that the Company can attract and retain competent executive officers while at the same time encouraging the EB to create value to the benefit of the shareholders – both in the short and long term.

The Board has established a Remuneration Committee. Negotiations regarding changes to the EB's remuneration are conducted by the Remuneration Committee with a mandate from the Board.

The mutual balance between the types of remuneration is stated below and justified because the Board finds that a combination hereof is expedient in the efforts to meet the Company's short-term and long-term objectives.

At the same time, the Board has determined that an equitable ceiling on incentive-based remuneration must be established relative to the relevant EB member's fixed base salary. So, for a given year, the total value of the allocated non-share-based incentive remuneration and the allocated share-based incentive remuneration constitutes – as a maximum – an amount corresponding to the EB member's fixed annual base salary at the time of allocation.

In this Remuneration Report, the value of share-based incentives is included at the total value at the time of granting. In the Annual Report, the estimated value of the share-based incentive remuneration is calculated in compliance with the principles of recognition and in accordance with the accounting policies applicable at the given time.

## Fixed base salary

The fixed annual base salary is intended to attract and retain competent key employees with a view to contributing to the Company's ability to obtain its short and long-term targets.

The EB may participate in the Company's employer-managed pension scheme. The scheme is set up as a defined contribution scheme. The EB members may choose to deposit cash bonuses into a pension scheme set up by the EB member.

## Non-share-based incentives

The Board may allocate non-share based incentive remuneration to the EB, which may include current, one-off and event-based bonuses. The object of the allocation is to safeguard value creation and to achieve the Company's short-term and/or long-term objectives.

Non-share-based incentive remuneration may be obtained in different ways. The remuneration may be based on individual results that have been approved by the Board and on results for the Company or the Solar Group, including the result from primary operations (EBITA) or other key figures.

Table 4: Remuneration of EB (DKK) for 2022 (2021)

Name and position		Fixed remuneration			Variable remuneration		Total remuneration	Share of remuneration	
		Base salary	Benefits	Pension contribution	Cash bonus (earned)	Restricted share units (RSU)		Fixed	Variable
Jens Ellegaard Andersen, CEO	2022	6,000,000	228,104	2,272	4,000,000	2,000,000	12,230,376	51%	49%
	2021	5,362,800	229,358	2,272	3,575,200	1,787,600	10,957,230	51%	49%
Hugo Dorph, CCO	2022	3,348,000	208,472	2,272	2,232,000	1,116,000	6,906,744	52%	48%
	2021	3,237,600	204,822	2,272	2,158,400	1,079,200	6,682,294	52%	48%
Michael H, Jeppesen, CFO	2022	3,348,000	208,599	2,272	2,232,000	1,116,000	6,906,871	52%	48%
	2021	3,001,600	198,831	2,272	2,001,067	1,000,534	6,204,304	52%	48%
Total	2022	12,696,000	645,175	6,816	8,464,000	4,232,000	26,043,991	51%	49%
	2021	11,602,000	633,011	6,816	7,734,667	3,867,334	23,843,828	51%	49%

Table 5: KPI for cash bonus and restricted shares (see page 5 for comments on financial performance)

Name and position	Description of KPI		Relative weighting of KPIs	Minimum and maximum award	Actual KPI performance					Actual cash	Actual value of restricted share units
					EBITA	Amortisation	Average invested capital	Relative achievement KPIs	Maximum achievement KPIs		
Jens Ellegaard Andersen, CEO	EBITA less amortisation less interests on invested capital	2022	100%	0 - 6,000,000	978,000,000	69,000,000	2,738,250,000	217%	100%	4,000,000	2,000,000
		2021	100%	0 - 5,362,800	727,000,000	55,000,000	1,996,000,000	180%	100%	3,575,200	1,787,600
Hugo Dorph, CCO	EBITA less amortisation less interests on invested capital	2022	100%	0 - 3,348,000	978,000,000	69,000,000	2,738,250,000	195%	100%	2,232,000	1,116,000
		2021	100%	0 - 3,237,600	727,000,000	55,000,000	1,996,000,000	149%	100%	2,158,400	1,079,200
Michael H, Jeppesen, CFO	EBITA less amortisation less interests on invested capital	2022	100%	0 - 3,348,000	978,000,000	69,000,000	2,738,250,000	195%	100%	2,232,000	1,116,000
		2021	100%	0 - 3,001,600	727,000,000	55,000,000	1,996,000,000	161%	100%	2,001,067	1,000,534

## Share-based incentives

The Board may allocate share-based incentives to the EB, such as restricted B shares in the Company, the right to acquire a number of B shares (share options) in the Company, phantom shares or similar instruments. The objective of the allocation is to safeguard value creation and to achieve the Company's long-term objectives.

The allocation takes place annually after publication of the Annual Report. The allocation may be estimated based on targets set out by the Board. The Board decided to grant restricted shares to the EB in 2022-2019, which is in line with the remuneration policy for long-term incentives.

Restricted shares are granted for no consideration and provide the holder with the right and obligation to receive B shares.

Variable remuneration is based on a percentage of EBITA less amortisation less interest on the average invested capital. The allocation is 50% for the CEO and 25% for the CCO and CFO respectively. The maximum award corresponds to the annual base salary for each member. One third of the calculated award is allocated as restricted share units, while the remaining two thirds of the award are allocated as cash bonus.

The share price at the time of granting is based on the average share price on Nasdaq Copenhagen on the first 10 business days after publication of the Annual Report. The restricted shares vest three years after the time of granting.

The share price at the time of granting is fixed at DKK 722.46 (2021: DKK 456.39). The grant of shares vests in 2025 (2024).

Restricted shares can be vested at the expiry of the vesting period if the individual EB member is still employed.

## Termination and severance payments

The Company can terminate employment at 12 months' notice. A member of the EB can terminate employment with the Company at 6 months' notice.

In the event of the EB member's resignation or the Company's termination of employment, a proportional part of any cash bonus up to the time of the termination of the employment is paid.

The EB members' employment contracts provide for severance pay, which, if the Company terminates the employment or the agreement expires, implies payment of up to 12 months' salary, against the EB member to a reasonable extent being available with information during the notice period or until resignation in case of expiry of the agreement. Severance pay is paid upon the expiry of the notice period or upon resignation in the event of expiry of the agreement.

In the 2022 financial year, no termination or severance payments took place.

## Non-monetary benefits

A number of work-related benefits are available to the EB, including company car and other minor fringe benefits. The extent/size of the individual benefits is negotiated with the individual EB member.

The EB is also covered by the Company's insurance schemes. The EB's dependants, i.e. such as a cohabiting spouse / a cohabitant at the same officially registered address, alternatively children under the age of 18, will receive up to six months' salary in the event of the death of an Executive Board member while he is still employed by the Company.

## Clawback

If it is found after the allocation of variable remuneration components that these were paid erroneously, the Company may reclaim the variable components in full or in part.

In the 2022 financial year, no incentive remuneration was reclaimed.

**Table 6: EB's previous and existing restricted share units**

Name and position		Number of restricted share units				Value of share units outstanding
		Beginning of year	Granted	Settled	End of year	
Jens Ellegaard Andersen, CEO	2022	8,172	4,421	1,641	10,952	4,375,289
	2021	5,076	4,184	1,088	8,172	3,447,059
Hugo Dorph, CCO	2022	4,218	2,500	952	5,766	2,237,281
	2021	2,738	2,110	630	4,218	1,822,248
Michael H, Jeppesen, CFO	2022	4,059	2,377	793	5,643	2,216,008
	2021	2,496	2,089	526	4,059	1,702,858

In 2025 (2024), the holder may exercise the restricted shares granted in 2022 (2021). The restricted share units settled in 2022 (2021) had an exercise price of DKK 297.70 (DKK 399.19) while the price at time of settlement was DKK 722.46 (DKK 456.39).

**Table 7: EB's previous share options**

Name and position		Number of share options			Value of share options outstanding	
		Beginning of year	Granted	Exercised		End of year
Jens Ellegaard Andersen, CEO	2021	2,709	0	2,709	0	-
Hugo Dorph, CCO	2021	2,703	0	2,703	0	-
Michael H, Jeppesen, CFO	2021	2,186	0	2,186	0	-

The share options vested in 2021, 10 banking days after the publication of Annual Report 2020. The exercise price was DKK 373.84. At time of settlement the price was DKK 456.39. Jens Ellegaard Andersen, CEO, and Michael H. Jeppesen, CFO, were granted an equivalent number of shares for their share options, while Hugo Dorph, CCO, cash settled his share options for DKK 223,140.

Table 8: Reconciliation to Annual Report

Name and position	Board		EB	
	2022	2021	2022	2021
Remuneration cf, Remuneration Report	3,495,000	3,368,750	26,043,991	23,843,828
Restricted share units:				
Granted versus expensed pay	-	-	70,664	2,722,446
Remuneration cf, Annual Report	3,495,000	3,368,750	26,114,654	26,566,274

Table 9: Shareholding management

Executive Board		Beginning	Joined/left Board	Acquired or vested	Divested	End	Market value
Jens Ellegaard Andersen, CEO <sup>1</sup>	2022	9,242	-	1,422	-	10,664	6,611,680
	2021	5,520	-	3,722	-	9,242	7,347,390
Hugo Dorph, CCO	2022	-	-	-	-	-	-
	2021	-	-	-	-	-	-
Michael H, Jeppesen, CFO <sup>1</sup>	2022	4,080	-	-	-	4,080	2,529,600
	2021	1,894	-	2,186	-	4,080	3,243,600
Total	2022	13,322	-	1,422	-	14,744	9,141,280
	2021	7,414	-	5,908	-	13,322	10,590,990

Board of Directors		Beginning	Joined/left Board	Acquired	Divested	End	Market value
Michael Troensegaard Andersen, Chair	2022	510	-	264	-	774	479,880
	2021	-	-	510	-	510	405,450
Jesper Dalsgaard, Vice-Chair	2022	1,100	-	-	-	1,100	682,000
	2021	1,100	-	-	-	1,100	874,500
Peter Bang, Board member & Chair of Audit Committee	2022	1,200	-	-	-	1,200	744,000
	2021	1,200	-	-	-	1,200	954,000
Katrine Borum, Board member (from 18/3 2022) <sup>2</sup>	2022	0	5,000	45,970	-8,247	42,723	26,488,260
Morten Chrono, Board member	2022	712	-	-	-	712	441,440
	2021	712	-	-	-	712	566,040
Louise Knauer, Board member	2022	381	-	-	-	381	236,220
	2021	381	-	-	-	381	302,895
Jens Borum (Chair until 18/3 2022)	2022	120,020	-120,020	-	-	0	0
	2021	118,520	-	1,500	-	120,020	95,415,900
Total	2022	123,913	-115,020	46,234	-8,247	46,890	29,071,800
	2021	121,913	-	510	-	123,923	98,518,785

1) In 2021, Jens Ellegaard Andersen and Michael H. Jeppesen vested 2,709 and 2,186 shares respectively. In 2022, Jens Ellegaard Andersen acquired 1,422 shares.

2) Inherited 45,970 shares in 2022.

# Statement by the Board of Directors

The Board of Directors has today considered and approved the Remuneration Report for the financial year 2022 for the listed company Solar A/S.

The Remuneration Report has been prepared in accordance with section 139 b of the Danish Companies Act.

In our opinion, the remuneration report is in accordance with the remuneration policy adopted at the Annual General Meeting, and is free from material misstatement and omissions, whether due to fraud or error.

The Remuneration Report will be presented for an advisory vote at the Annual General Meeting.

Vejen, 9 February 2023

## Board of Directors

**Michael Troensegaard Andersen**  
Chair

**Jesper Dalsgaard**  
Vice-chair

**Peter Bang**

**Katrine Borum**

**Morten Chrone**

**Denise Goldby**

**Louise Knauer**

**Rune Jesper Nielsen**

**Michael Kærgaard Ravn**

# Independent Auditor's Report

## To the shareholders of Solar A/S

We have examined whether the remuneration report for Solar A/S for the financial year 1 January - 31 December 2022 contains the information required by section 139b(3) of the Danish Companies Act.

We express a conclusion providing reasonable assurance.

## The Board of Director's responsibility

The Board of Directors is responsible for the preparation of the remuneration report in accordance with section 139b(3) of the Danish Companies Act and the remuneration policy adopted at the Annual General Meeting.

Further, the Board of Directors is responsible for the internal control that the Board of Directors considers necessary to prepare the remuneration report without material misstatement and omissions, whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express a conclusion on the remuneration report based on our examinations.

We conducted our examinations in accordance with ISAE 3000, Assurance Engagements Other than

Audits or Reviews of Historical Financial Information, and additional requirements under Danish audit regulation to obtain reasonable assurance about our conclusion.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and statutory requirements.

We have complied with the requirements for independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

As part of our examinations, we have checked whether the remuneration report, to the extent relevant, includes the information required by section 139b(3), items 1-6, of the Danish Companies Act for the remuneration of each member of the Executive

Management and the Board of Directors.

We believe that the procedures performed provide a sufficient basis for our conclusion.

Our examinations have not included an examination to verify the accuracy and completeness of the information provided in the remuneration report, and therefore we do not express any conclusion in this regard.

## Conclusion

In our opinion the remuneration report contains, in all material respects, the information required by section 139b(3) of the Danish Companies Act.

Aarhus, 9 February 2023

## Deloitte

Statsautoriseret Revisionspartnerselskab  
Business Registration No 33 96 35 56

Henrik Vedel  
State-Authorised Public Accountant  
MNE no mne10052

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