

NOTICE OF GENERAL MEETING

The Annual General Meeting of Solar A/S will be held on Friday, 15 March 2024, at 11.00 am, at the address Industrivej Vest 43, 6600 Vejen, Denmark.

The general meeting will be broadcast by video webcast at www.solar.eu to shareholders on record in the company's register of shareholders.

The agenda of the general meeting is as follows:

1. The Board of Directors' report on the company's activities during the past financial year.
2. Presentation and approval of the annual report with audited financial statements.
The Board of Directors proposes that the 2023 annual report be approved.
3. Resolution on the allocation of profits in accordance with the approved annual report.
The Board of Directors also proposes that DKK 219m be distributed as dividend for the 2023 financial year, corresponding to DKK 30.00 for each share of DKK 100.
4. Indicative vote on the remuneration report.
Indicative vote on the remuneration report prepared by the Board of Directors concerning remuneration of members of the Board of Directors and the Executive Board in 2023.

5. Approval of remuneration to members of the Board of Directors in the current financial year.

The Board of Directors proposes that the fixed fee for the Board of Directors in 2024 remains at DKK 200,000.

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

In accordance with the framework set out in the remuneration policy, it is also proposed that that members of the Board of Directors in addition to the fixed fee 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.

6. Election of members to the Board of Directors.

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

Please see the attached Appendix 2 prepared by the Nomination Committee for details of the proposed candidates.

7. Election 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 company auditor. Furthermore, it is proposed that Deloitte Statsautoriseret Revisionspartnerselskab be elected as new sustainability auditor. The Audit Committee has not been influenced by third parties and is not subject to any agreements with third parties limiting the general meeting's election of certain auditors or audit firms.

8. The Board of Directors' proposals:

8.1 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 resolve to distribute extraordinary dividend of up to DKK 50.00 per share.

8.2 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.

8.3 Approval of revised remuneration policy

The Board of Directors proposes that the company's remuneration policy be amended in accordance with the attached Appendix 3 in which the proposed amendments are highlighted.

In comparison to the existing remuneration policy, amendments have been made only in item 3, and all amendments concern the framework for the granting of variable remuneration to the Executive Board.

The following amendments are deemed to be significant:

- The types of share-based incentives that can be granted as variable remuneration have been narrowed down to only Class B shares (and no longer include share options, phantom shares or similar instruments).
- The framework for the maximum annual variable remuneration that may be granted (except the extraordinary incentives provided for in the remuneration policy, item 3.3.3) has been broadened, and the framework has been increased from 100% to 110% of the Executive Board member's fixed annual remuneration. If the grant covers several years, the value cannot exceed an amount corresponding to 110% of the Executive Board member's latest fixed annual remuneration multiplied by the number of years of the grant period.

The rest of the amendments include non-essential amendments, such as clarifications and further elaborations.

9. 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.

10. Any other business

The notice and 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 2023 Annual Report with 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 21 February 2024 at www.solar.eu.

As regards the collection and processing of personal data, please see the information on data protection law issues provided in connection with the Annual General Meeting as well as the company's cookie policy, which are both available at www.solar.eu.

Adoption requirements

The proposals in the agenda can 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, 8 March 2024 (the date of registration). Attendance is also subject to the shareholders having registered in due time their attendance as described below.

Registration of attendance

Shareholders wishing to attend the general meeting must register their attendance by Monday, 11 March 2024 at 11:59 pm.

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

Registration of attendance can be made as follows:

- digitally at Solar's InvestorPortal at www.solar.eu or at www.euronext.com/cph-agm;
- by completing, signing and returning a form that can be printed from www.solar.eu to Euronext Securities, Nicolai Eigtveds Gade 8, 1402 Copenhagen, by mail, or to CPH-investor@euronext by email;
- by contacting Euronext Securities at tel.: +45 4358 8866, by email at 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 the admission card.

Proxy/postal votes

Shareholders may vote by proxy or in writing by postal vote. Proxy forms or postal votes may be submitted electronically at Solar's InvestorPortal at www.solar.eu or at www.euronext.com/cph-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 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.

The completed proxy form must reach Euronext Securities by Monday, 11 March 2024, at 11:59 pm, and postal votes must reach Euronext Securities by Wednesday, 13 March 2024, 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. Shareholders may also ask questions to the company's management during the general meeting.

Video webcast

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. Also, the webcast will subsequently be available on the company's website. Moreover, shareholders on record will during the general meeting have the opportunity via the InvestorPortal 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 must 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.

Contacts

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IR Director Dennis Callesen - tel. +45 29 92 18 11

Appendix 1: Remuneration report 2023

Appendix 2: Proposal from the Nomination Committee

Appendix 3: Proposal for a revised remuneration policy

FACTS ABOUT SOLAR

Solar 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 13.0bn in 2023 and has approx. 3,000 employees. Solar is listed on Nasdaq Copenhagen under the symbol SOLAR B. Additional information is available at: www.solar.eu.

Disclaimer

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

Appendix 1
Remuneration Report
2023



Solar A/S
CVR no. 15 90 84 16

solar

Contents

Letter from the Chair	3
Governance	4
Remuneration Committee	4
Compliance with the remuneration policy	4
Financial performance	5
Comparison of remuneration and company performance	5
Board of Directors' remuneration	6
Board fee	6
Executive Board's remuneration	8
Fixed remuneration	8
Non-share-based remuneration	8
Share-based remuneration	10
Termination and severance payments	10
Non-monetary benefits	10
Clawback	10
Reconciliation to Annual Report 2023	11
Overview of shareholding management	11
Statements	12
Statement by the Board of Directors	12
Independent Auditor's Report	13

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 2023 with comparative figures for 2022-2019. 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 17 March 2023 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 2023-2019 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

Over the past three years, our Core+ strategy contributed to delivering the strongest financial results in our history, dividend payments for our shareholders totalled DKK 1.3bn, and we also invested more than DKK 850m in optimising our business.

In 2023, Solar posted EBITDA of DKK 871m which was the second-best result in Solar's history taking one-offs into consideration. We achieved this very satisfactory result in a year with unpredictable markets due to heightened geopolitical and macroeconomic uncertainty and where the market development affected all Solar's main segments negatively especially in Q4.

Our Solve strategy 2024-26

We have launched our new strategy, Solve, for 2024-26. With the Solar strategy, it is our ambition to get even closer to the decisionmaker at our customers. and we will:

- Maximise the growth potential in Climate & Energy. With the newly established Solar Industrial Solutions we offer Climate & Energy turnkey solutions for industry customers.
- Increase profitability by focusing on Concept strength which also will enhance our position in the value chain.
- Increase market share by delivering Solutions sales where we aim to increase the share of wallet with existing customers and attract new B2B customers.



Over the past three years, Solar has delivered the best results in our history. We consider Solar to be resilient and we are ready to meet a challenging 2024.

Financial outlook

Our guidance for 2024 is an EBITDA of DKK 600m. We are confident that an ambition of an EBITDA margin of >6.0% by 2026 is sustainable, despite the increasing uncertainties we are looking into.

Management composition

All board members were re-elected at the annual general meeting in March 2023.

On 3 January 2024, the composition of the Executive Board changed as Hugo Dorph by agreement left his position as CCO and member of the Executive Board, see announcement no. 1 2024 on www.solar.eu. The Executive Board subsequently consists of CEO Jens E. Andersen and CFO Michael H. Jeppesen.

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.

We consider Solar to be resilient and we are ready to meet a challenging 2024. We will take necessary actions to mitigate risks and to ensure profitability.

More information about the financial results and the Solve strategy can be found on our website at www.solar.eu.



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 2023, Michael Troensegaard Andersen, Louise Knauer and Morten Chrono were re-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 2023. One meeting is planned for 2024.

Compliance with the remuneration policy

Remuneration of the Board and EB for the 2023 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 2023, the Remuneration Report 2022 was approved without comments.



Financial performance

We look back at the second-best EBITDA in our history which was on par with our expectations for 2023.

Heightened geopolitical and macroeconomic uncertainty lead to unpredictable markets and especially in Q4 the market development affected all Solar's main segments negatively.

We were aware of these circumstances already when we published our 2023 guidance in February. In view of this, we have implemented, and will continue to implement, mitigating measures, including cost containment, process improvements and the necessary staff reductions to ensure profitability.

EBITDA amounted to DKK 871m (2022: DKK 1,175m). One-offs positively impacted 2022 EBITDA by DKK 215m while 2023 EBITDA was impacted by DKK 30m. Adjusted for one-offs EBITDA decreased by DKK 119m.

In 2023, we paid ordinary dividend of DKK 45 per share of DKK 100 totalling dividend payment of DKK 329m to our shareholders.

The Board proposes, in line with our policy, that DKK 219m be distributed as dividend for the 2023 financial year, corresponding to DKK 30.00 for each share of DKK 100.

Comparison of remuneration and company performance

In 2023, EBITDA decreased by 26% while the remuneration to EB increased by 3.6%. The remuneration to EB increased as fixed base salary was adjusted due to 2022 inflation. The maximum variable remuneration increased due to increase in fixed base salary 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

	2023 (amount)	2022 (amount)	2021 (amount)	2020 (amount)	2019 (amount)	2023 vs. 2022 (change)	2022 vs. 2021 (change)	2021 vs. 2020 (change)	2020 vs. 2019 (change)
Financial Performance¹									
EBITA	648,000,000	978,000,000	727,000,000	455,000,000	360,000,000	-34%	35%	59%	26%
Invested capital	3,272,750,000	2,738,250,000	1,866,000,000	1,760,000,000	2,297,000,000	20%	47%	6%	-23%
Basis for variable remuneration (KPI)	380,650,000	744,850,000	552,830,000	257,980,000	134,260,000	-49%	35%	114%	92%
Executive Board									
Jens Ellegaard Andersen, CEO	12,923,854	12,230,376	10,957,230	10,100,738	7,899,283	6%	12%	8%	28%
Hugo Dorph, CCO	7,063,923	6,906,744	6,682,294	5,620,793	4,539,776	2%	3%	19%	24%
Michael H. Jeppesen, CFO	7,006,622	6,906,871	6,204,304	5,330,721	4,197,055	1%	11%	16%	27%
Board of Directors									
Michael Troensegaard Andersen ² , Chair	840,000	726,250	306,250	-	-	2%	13%	-	-
Jesper Dalsgaard, Vice-Chair	450,000	453,750	425,000	418,750	378,125	-1%	7%	1%	11%
Peter Bang, Board member & Chair of Audit Committee	487,500	511,250	468,750	400,000	343,750	-5%	9%	17%	16%
Katrine Borum ³ , Board member	350,000	270,000	-	-	-	-6%	-	-	-
Morten Chroné ⁴ , Board member	380,000	338,750	312,500	312,500	218,750	12%	8%	0%	14%
Louise Knauer, Board member	425,000	411,250	393,750	393,750	356,250	3%	4%	0%	11%
Denise Goldby ³ , Board member (employee representative)	290,000	150,000	-	-	-	60%	-	-	-
Rune Jesper Nielsen ³ , Board member (employee representative)	290,000	150,000	-	-	-	60%	-	-	-
Michael Kærgaard Ravn ³ , Board member (employee representative)	290,000	150,000	-	-	-	60%	-	-	-
Average for the listed company Solar A/S's employees (FTE)									
Remuneration	635,829	638,381	624,917	611,178	588,891	-0.4%	2.2%	2.3%	3.8%
No. of employees (FTE)	858	866	810	760	765	-0.9%	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, Changes are adjusted to comparable period and function,

3) Elected / joined 18 March 2022, Changes are adjusted to comparable period. From 2023, attendance fee also introduced for employee representatives.

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

Board of Directors' remuneration

Board 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.

Until April 2023 all members of the Board, who were not employed by the Solar Group, were compensated for lost income in accordance with the rules set out by the Board. From April 2023, all members of the Board receive an attendance fee for attending meetings.

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. The attendance fees are approved at the Annual General Meeting.

The following fees for 2023 were approved at the Annual General Meeting on 17 March 2023.

Table 2: Board fee for 2023 (2022)

DKK		Board of Directors
Member, base fee	2023	200,000
	2022	200,000
Chair, 3 x base fee	2023	600,000
	2022	600,000
Vice Chair, 1.5 x base fee	2023	300,000
	2022	300,000
Chair Audit Committee, 1.5 x base fee	2023	300,000
	2022	300,000
Attendance fee, physical meetings	2023	15,000
Attendance fee, virtual meetings	2023	7,500



Table 3: Remuneration of Board (DKK) for 2023 (2022)

Name	Position		Annual fee	Attendance fee	Total remuneration
Michael Troensegaard Andersen	Chair (from 18/3 2022)	2023	600,000	240,000	840,000
	Board member (from 19/3 2021 to 18/3 2022), Member of Audit Committee (from 19/3 2021)	2022	500,000	226,250	726,250
	Chair of Remuneration Committee (from 18/3 2022)				
Jesper Dalsgaard	Vice Chair (from 15/3 2019), Member of Audit Committee (until 15/3 2019)	2023	300,000	150,000	450,000
	Chair of Nomination Committee	2022	300,000	153,750	453,750
Peter Bang	Board member, Member of Audit Committee (from 15/3 2019 to 19/3 2021),	2023	300,000	187,500	487,500
	Chair of Audit Committee (from 19/3 2021)	2022	300,000	211,250	511,250
Katrine Borum	Board member (18/3 2022)	2023	200,000	150,000	350,000
	Member of Nomination Committee (from 18/3 2022)	2022	150,000	120,000	270,000
Morten Chrono	Board member (from 15/3 2019)	2023	200,000	180,000	380,000
	Member of Remuneration Committee (from 19/3 2021)	2022	200,000	138,750	338,750
	Member of Nomination Committee (from 18/3 2022)				
Louise Knauer	Board member, Member of Audit Committee (from 15/3 2019)	2023	200,000	225,000	425,000
	Member of Remuneration Committee (from 15/3 2019)	2022	200,000	211,250	411,250
Denise Goldby	Board member (from 18/3 2022), employee elected	2023	200,000	90,000	290,000
		2022	150,000	-	150,000
Rune Jesper Nielsen	Board member (from 18/3 2022), employee elected	2023	200,000	90,000	290,000
		2022	150,000	-	150,000
Michael Kærgaard Ravn	Board member (from 18/3 2022), employee elected	2023	200,000	90,000	290,000
		2022	150,000	-	150,000
Former members	Chair and board members resigned in March 2022	2022	300,000	33,750	333,750
Total		2023	2,400,000	1,402,500	3,802,500
		2022	2,400,000	1,095,000	3,495,000

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 remuneration,
- employee benefits.
- variable remuneration, including
 - 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
- extraordinary incentives that can be both share-based and non-share-based.

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 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 the variable remuneration must be established relative to Solar's other employees and the relevant EB member's fixed remuneration. So, for a given year, the total value of the variable remuneration as a maximum constitutes an amount corresponding to the EB member's annual fixed remuneration 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 remuneration

The fixed annual remuneration 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 remuneration

The Board may allocate variable non-share based 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 variable remuneration will consist of a cash bonus.

Non-share-based 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 and on results for the Company or the Solar Group, including results from primary operations (EBITA) or other key figures.

Table 4: Remuneration of EB (DKK) for 2023 (2022)

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	2023	6,330,000	261,312	2,272	4,220,000	2,110,000	12,923,584	51%	49%
	2022	6,000,000	228,104	2,272	4,000,000	2,000,000	12,230,376	51%	49%
Hugo Dorph, CCO	2023	3,532,140	198,847	2,272	2,220,443	1,110,221	7,063,923	53%	47%
	2022	3,348,000	208,472	2,272	2,232,000	1,116,000	6,906,744	52%	48%
Michael H, Jeppesen, CFO	2023	3,532,140	141,546	2,272	2,220,443	1,110,221	7,006,622	52%	48%
	2022	3,348,000	208,599	2,272	2,232,000	1,116,000	6,906,871	52%	48%
Total	2023	13,394,280	601,705	6,816	8,660,886	4,330,442	26,994,129	52%	48%
	2022	12,696,000	645,175	6,816	8,464,000	4,232,000	26,043,991	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	2023	100%	0 - 6,330,000	648,000,000	90,000,000	3,272,750,000	105%	100%	4,220,000	2,110,000
		2022	100%	0 - 6,000,000	978,000,000	69,000,000	2,738,250,000	217%	100%	4,000,000	2,000,000
Hugo Dorph, CCO	EBITA less amortisation less interests on invested capital	2023	100%	0 - 3,532,140	648,000,000	90,000,000	3,272,750,000	94%	100%	2,220,443	1,110,221
		2022	100%	0 -3,348,000	978,000,000	69,000,000	2,738,250,000	195%	100%	2,232,000	1,116,000
Michael H, Jeppesen, CFO	EBITA less amortisation less interests on invested capital	2023	100%	0 -3,532,140	648,000,000	90,000,000	3,272,750,000	94%	100%	2,220,443	1,110,221
		2022	100%	0 -3,348,000	978,000,000	69,000,000	2,738,250,000	195%	100%	2,232,000	1,116,000

Share-based remuneration

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.

Such 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 2023-2019, 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 fixed remuneration 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 629.95 (2022: DKK 722.46). The grant of shares vests in 2026 (2025).

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

Termination and severance payments

EB members are employed with no limitation in time but with the right of mutual termination. The Company can terminate employment at 12 months' notice. A member of the EB can terminate employment with the Company at 6 months' notice.

If the EB member resigns from the position due to termination, a proportional part of any cash bonus up until 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 2023 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, are in addition secured up to six months' salary in the event of the death of an EB 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 2023 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	2023	10,952	4,007	3,795	11,164	3,393,392
	2022	8,172	4,421	1,641	10,952	4,375,289
Hugo Dorph, CCO	2023	5,766	2,219	1,896	6,089	1,810,408
	2022	4,218	2,500	952	5,766	2,237,281
Michael H, Jeppesen, CFO	2023	5,643	2,212	1,896	5,959	1,773,254
	2022	4,059	2,377	793	5,643	2,216,008

In 2026 (2025), the holder may exercise the restricted shares granted in 2023 (2022). The restricted share units settled in 2023 (2022) had an exercise price of DKK 319.39 (DKK 297.70) while the price at time of settlement was DKK 629.95 (DKK 722.46).

Table 7: Reconciliation to Annual Report

Name and position	Board		EB	
	2023	2022	2023	2022
Remuneration cf, Remuneration Report	3,802,500	3,495,000	26,994,129	26,043,991
Restricted share units:				
Granted versus expensed pay	-	-	-1,402,538	70,663
Remuneration cf, Annual Report	3,802,500	3,495,000	25,591,591	26,114,654

Table 8: Shareholding management

Executive Board		Beginning	Joined/left Board	Acquired	Divested	End	Market value
Jens Ellegaard Andersen, CEO	2023	10,664	-	-	-	10,664	4,958,760
	2022	9,242	-	1,422	-	10,664	6,611,680
Hugo Dorph, CCO	2023	-	-	-	-	-	-
	2022	-	-	-	-	-	-
Michael H, Jeppesen, CFO	2023	4,080	-	-	-	4,080	1,897,200
	2022	4,080	-	-	-	4,080	2,529,600
Total	2023	14,744	-	-	-	14,744	6,855,960
	2022	13,322	-	1,422	-	14,744	9,141,280

Board of Directors		Beginning	Joined/left Board	Acquired	Divested	End	Market value
Michael Troensegaard Andersen, Chair	2023	774	-	-	-	774	359,910
	2022	510	-	264	-	774	479,880
Jesper Dalsgaard, Vice-Chair	2023	1,100	-	450	-	1,550	720,750
	2022	1,100	-	-	-	1,100	682,000
Peter Bang, Board member & Chair of Audit Committee	2023	1,200	-	-	-	1,200	558,000
	2022	1,200	-	-	-	1,200	744,000
Katrine Borum, Board member (from 18/3 2022) ¹	2023	42,723	-	-	-	42,723	19,866,195
	2022	0	5,000	45,970	-8,247	42,723	26,488,260
Morten Chrone, Board member	2023	712	-	-	-	712	331,080
	2022	712	-	-	-	712	441,440
Louise Knauer, Board member	2023	381	-	-	-	381	177,165
	2022	381	-	-	-	381	236,220
Jens Borum (Chair until 18/3 2022)	2022	120,020	-120,020	-	-	0	0
	2022	46,890	-	450	-	47,340	22,013,100
Total	2022	123,913	-115,020	46,234	-8,247	46,890	29,071,800

1) 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 2023 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, 8 February 2024

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 2023 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 applies International Standard on Quality Management 1, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory 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, 8 February 2024

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Henrik Vedel

State-Authorised Public Accountant
MNE no mne10052

Søren Marquart Alsen

State-Authorised Public Accountant
MNE no mne40040

solar

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APPENDIX 2 PROPOSALS FROM THE NOMINATION COMMITTEE

THE ROLE OF THE NOMINATION COMMITTEE

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 20th 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

The Nomination Committee has reviewed and discussed the result of the board evaluation 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 also including sustainability and green transition. 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 chair of the board of Shark Solutions A/S and BE Shark Holding ApS and a member of the board of HusCompagniet 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, mergers and acquisitions as well as in-depth knowledge and experience within sustainability and green transition. 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 20th 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 is CFO of Salling Group, where in addition to being responsible of Finance, he is also responsible for the legal and real estate area. Before that, Peter Bang 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, sustainability and green transition, 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, The Corporate Entrepreneur (2015) and Stanford Executive Program (2011). Morten Chrone has also completed the Board Certificate at Board Company.

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 Chief Physician and Head of Education 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. In 2023, Katrine was elected as a board member of the Danish Orthopaedic Society, where she chairs the Danish Orthopaedic Surgical Society's education committee and works with the training of medical specialists at national level. She has previously been a board member of Young Orthopaedic Surgeons 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 Chrono 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 20th December, which is the majority shareholder of Solar A/S.

Appendix 3

Remuneration policy for the Board of Directors and the Executive Board

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Solar A/S
CVR no. 15 90 84 16

solar

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.

At the Company's annual general meeting on [17 March 2023](#) [15 March 2024](#), 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. 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

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.

Each member of the Board of Directors receives a fixed annual remuneration. The chair and vice chair 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 chair of the Audit Committee the right to receive additional remuneration 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 are refunded as per account rendered.

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.

3 The Executive Board's remuneration

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

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 remuneration,
- employee benefits (such as car, telephone, broadband connection, newspaper subscription),
- Variable remuneration, including
 - non-share-based incentives (cash bonuses that may include current, one-off or event-based bonuses) to optimise the Executive Board's incentive in the short and/or 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 in the form of B shares,
- Extraordinary incentives that can be both share-based and non-share-based.

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 **while** 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. 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, **including in relation to sustainability**, and the Board of Directors applies - as far as possible - information **in the Company's published by the Company in the** annual report, **sustainability report or other reports**, 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 variable remuneration must be established in relation to the Company's other employees and the relevant Executive Board member's fixed 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 **110% of** the Executive Board member's annual fixed remuneration at the time of allocation. If allocation takes place for several years, the value may as a maximum constitute an amount corresponding to **110% of** the Executive Board member's latest determined annual fixed remuneration multiplied by the number of years of the allocation period.

The targets for achieving an entitlement to variable remuneration are set at the beginning of the year. Short-term targets must be set for the period until the end of the same financial year. The long-term targets must be set for a period covering at least the third financial year after setting the targets.

3.3.1 Non-share-based incentives

The Board of Directors may allocate to the Executive Board variable non-share-based 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 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.~~ The targets set may include strategic targets, - both financial targets and targets set in relation to the Company's sustainability priorities.

The Board of Directors allocates non-share-based remuneration every year after the publication of the annual report based on an assessment of the degree of achievement of the short-term targets set and, as far as long-term targets are concerned, after a later financial year.

3.3.2 Share-based remuneration

The Board of Directors may allocate to the Executive Board share-based incentives, ~~such as restricted~~ in the form of 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.~~

~~Such allocation of shares or share options will take 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 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.~~

The Board of Directors' allocation of shares will take place on an ongoing basis after the publication of the third annual report following the setting of the targets and based on an assessment of the degree of achievement of the long-term targets set, such as organic growth, high earnings and reduction of climate impact.

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 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

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.

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.

If the Executive Board member 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

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

It is the responsibility of the Board of Directors to determine and 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

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 who** are considered to be of paramount importance to the Company.

Publication

The remuneration policy will, following the approval by the Company's annual general meeting, be published on the Company's website:

→ www.solar.eu

This policy was submitted to and approved by the general meeting on ~~17 March 2023~~ **15 March 2024**.

Disclaimer

The policy was published in both an English language version and a Danish language version on ~~17 March 2023~~ **15 March 2024**. In the event of any inconsistency between the two versions, the Danish version prevails.

1 Appendix

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.

Compared to the remuneration policy adopted at the Annual General Meeting in 2023, amendments have been made in item 3 only, all of which concern the framework for the granting of variable remuneration to the Executive Board.

The following amendments are deemed to be significant:

- The types of share-based incentives that can be granted as variable remuneration (disregarding the extraordinary incentives provided for in item 3.3.3 of the remuneration policy) have been narrowed down to only Class B shares (and no longer include share options, phantom shares or similar instruments).
- An alteration of the maximum annual variable remuneration framework that has been increased from 100% to 110% of the Executive Board member's fixed annual remuneration. If the allocation covers several years, the value may as a maximum constitute an amount corresponding to 110% of the Executive Board member's latest approved annual fixed remuneration multiplied by the number of years of the allocation period.

Other amendments include:

- Clarification to the effect that sustainability performance criteria can be included in the specific performance criteria on which the variable remuneration to a large extent must be based.

- Specification to the effect that the targets set (as far as non-share-based variable remuneration is concerned) may include strategic targets, - both financial targets and targets set in relation to the Company's sustainability priorities.

- Specification to the effect that the allocation of non-share-based remuneration will take place every year after the publication of the annual report based on an assessment of the degree of achievement of the short-term targets set and, as far as long-term targets are concerned, after a later financial year.

- Specification to the effect that the allocation of shares can take place every year, and that allocation must take place based on the degree of achievement of the long-term targets set.

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