

Remuneration to senior executives

The Board of Directors' proposal for guidelines for executive remuneration

The CEO and President of the Beijer Ref Group and individuals who are members of the Group Management of Beijer Ref AB (the "company" or "Beijer Ref") during the period of which these guidelines are in force, fall within the provisions of these guidelines. These guidelines shall apply to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting 2022. The guidelines do not apply to any remuneration specifically decided by the general meeting, such as remuneration to board members or share-related incentive schemes.

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

Beijer Ref is a trading group that provides customers over most of the world with a broad range of products in the fields of commercial and industrial refrigeration, as well as heating and air conditioning. Beijer Ref has an expressed mission – to provide the market with global expertise in refrigeration and air conditioning. By growing more quickly than the market, the goal is to strengthen the position as a world-leading organisation. To do this, the group works according to a strategy that is divided into five focus areas – acquisition, OEM, purchasing & logistics, digitalisation and sustainability. A prerequisite for the successful implementation of Beijer Ref's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. The objective of Beijer Ref's remuneration policy for senior executives is therefore to offer competitive remuneration on market terms, in order to attract, motivate and retain competent and skilled employees. These guidelines enable the company to offer senior executives a competitive total remuneration. For more information regarding the company's business strategy, please see the company's website www.beijerref.com.

A call option program has been set up within the company. It has been resolved by the general meeting and is therefore excluded from these guidelines.

Forms of remuneration, etc.

The remuneration shall consist of fixed salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration. The total remuneration shall be on market terms and promote the interests of the shareholders by enabling the company to attract and retain senior executives.

Variable cash remuneration

The variable remuneration is based on the outcome in relation to set financial and non- financial goals. Fulfilment of criteria for payment of variable cash remuneration shall be measured during a one year period. CEO obtains an amount corresponding to a maximum of 55% of the annual salary and other senior executives obtains an amount corresponding to a maximum of 50% of the annual salary. Variable cash remuneration shall not qualify for pension benefits. The variable cash remuneration shall be linked to predetermined, well- defined and measurable financial and non-financial criteria for the Beijer Ref Group and on group and individual level, respectively, such as growth of revenue, growth of profit and working capital development and, with regard to the non-financial criteria, be linked to clear functional targets and/or sustainability targets. Weighting is done relatively between the different criteria based on which focus shall be given to the executive management; the primary weight is to be placed on growth of profit. The non-financial criteria may apply to a maximum of 20 percent of the total variable cash remuneration. The criteria shall be designed so as to contribute to Beijer Ref's business strategy and long-term interests, including its sustainability, by for example being linked to the business strategy or promote the senior executive's long-term development within Beijer Ref.

Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual basis, either for the purpose of recruiting or retaining senior executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 100 per cent of the fixed annual cash salary and may not be paid more than once each year per individual. Any resolution on such remuneration for the CEO and other senior and executives shall be made by the board of directors.

Pension benefits

For the senior executives, pension benefits, including health insurance (Sw: sjukförsäkring), shall be premium defined. For the CEO, an amount corresponding to a maximum of 30% of the fixed annual salary is committed. For other senior executives, an amount corresponding to a maximum of 25% of the fixed annual salary is committed.

Other benefits

Other benefits may include, inter alia, private healthcare insurance and company car. Such benefits may amount to not more than 10% of the fixed annual salary.

Extraordinary remuneration

Further cash remuneration may be awarded as one-off arrangements in extraordinary circumstances, for the purpose of recruiting or retaining executives. Such remuneration may not exceed an amount corresponding to the annual fixed salary. Resolution on such remuneration shall be made by the board of directors.

Foreign employments

For senior executives outside of Sweden, whose employments are governed by other rules than Swedish, other terms may apply under law or market practice, and adjustments may therefore take place. In such cases, the overall purpose of these guidelines shall, to the extent possible, be taken into account.

Determination of the outcome for variable cash remuneration, etc.

The company's remuneration committee, shall prepare, monitor and evaluate matters regarding variable cash remuneration. After the measurement period for the criteria for awarding variable cash remuneration has ended, it shall be determined to which extent the criteria have been satisfied. Evaluations regarding fulfilment of financial criteria shall be based on established financial information for the relevant period.

Variable cash remuneration will be paid after the measurement period has when the annual accounts have been approved at the annual general meeting. The board of directors shall have the possibility, under applicable law or contractual provisions, to in whole or in part reclaim variable remuneration paid on incorrect grounds (claw-back).

Employment term and termination of employment

Senior executives shall be employed until further notice. Severance pay and fixed salary during the period of notice may not exceed an amount corresponding to 24 months fixed salary for the CEO and 12 months fixed salary for other senior executives.

At resignation by a senior executive, the notice period may amount to six months. A senior executive's own resignation does not trigger any right to severance pay.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid to the extent the previously employed executive is not entitled to severance pay for the same period. The remuneration may be paid during the time the non-compete undertaking applies, however not for longer than twenty-four months following termination of employment.

Salary and employment conditions for employees

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the board of directors' basis of decision when evaluating whether the guidelines and limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

Within the Board of Directors, a remuneration committee is established. The remuneration committee prepares matters regarding remuneration and other employment conditions for the company management. The remuneration committee shall also monitor and evaluate the application of the guidelines for senior executive remuneration as well as the current remuneration structures and compensation levels in the company. Remuneration to the CEO and other senior executives shall be resolved by the board of directors, or after delegation, by the remuneration committee. The CEO and other members of the company management do not participate in the board of directors' or the remuneration committee's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting.

Derogation from the guidelines

The board of directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability.

Malmö in April 2022
The Board of Beijer Ref AB (publ)