



## NOTICE OF GENERAL MEETING

Solar A/S will hold its annual general meeting on Friday 18 March 2022 at 11.00 am at the offices of Solar Danmark A/S, Industrivej Vest 43, 6600 Vejen, Denmark. The general meeting will be transmitted by webcast at [www.solar.eu](http://www.solar.eu) to shareholders on record in the company's register of shareholders. The agenda of the general meeting is:

1. Election of chair of the meeting
2. The Board of Directors' report on the company's activities during the past financial year.
3. Presentation and approval of the annual report with audited annual accounts  
The Board of Directors proposes that the 2021 annual report be approved.
4. Resolution for the allocation of profits in accordance with the approved annual report  
The Board of Directors proposes that DKK 329m be distributed as dividend for the 2021 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 until the next annual general meeting to decide 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 to acquire up to 10% of the share capital, and so that the consideration must be the current market price plus/minus 10%.

### 6. Approval of Remuneration Report

Indicative vote on the Remuneration Report regarding remuneration of the Board of Directors and the Executive Board in 2021, which has been prepared by the Board of Directors.

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

The Board of Directors proposes that the fee for members of the Board of Directors in 2022 be unchanged DKK 200,000.

The chairman of the Board of Directors will receive triple remuneration, and the vice chairman of the Board of Directors and the chairman of the audit committee will receive one and a half times the remuneration to cover their extended duties.



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

The nomination committee proposes new election of Katrine Borum and re-election of the current board members: Michael Troensegaard Andersen, Morten Chrone, Peter Bang, Louise Knauer and Jesper Dalsgaard.

Jens Borum has announced that he declines re-election.

Reference is made to the attached appendix 1 from the nomination committee for details about the proposed candidates.

#### 9. Election of auditor

In accordance with the recommendation of the audit committee, The Board of Directors proposes re-election of Deloitte, Statsautoriseret Revisionspartnerselskab, CVR 33 96 35 56, as the company's auditor. The audit committee has not been influenced by third parties and is not subject to any agreements with third parties that restrict the general meeting's election of 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 of the general meeting (with a right of substitution) to file and register the adopted resolutions with the Danish Business Authority and to make such amendments to the documents filed with the Danish Business Authority, as the Danish Business Authority may request or find appropriate in connection with the registration of the adopted resolutions.

#### 11. Any other business

The notice, the total number of shares and the voting rights at the date of the notice, including the total number of each class of shares, the agenda, the complete proposals, the company's 2021 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 23 February 2022 at [www.solar.eu](http://www.solar.eu).

As for the collection and processing of personal data, reference is made to Information on data protection law issues in connection with the annual general meeting and the company's cookie policy, which are available at [www.solar.eu](http://www.solar.eu).

#### **Adoption requirements**

The Board of Directors' proposals may be adopted by a simple majority of votes.

#### **The right to attend and vote at the general meeting**

A shareholder's right to attend and vote at the general meeting is determined on the basis of the shares that the shareholder holds and has registered or reported for recording in the company's register of shareholders not later than on 11 March 2022 (the date of registration). Attendance is also subject to the shareholder having timely obtained an admission card as described below.



### Registration of attendance

Shareholders who want to attend the general meeting must register their attendance by Monday 14 March 2022 at 11:59 pm.

Registration of attendance can be made as follows:

- Electronically via 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 Eigttveds Gade 8, 1402 Copenhagen by mail, or to [vp\\_vpinvestor@euronext.com](mailto:vp_vpinvestor@euronext.com) by e-mail,
- By contacting Euronext Securities by phone at +45 4358 8866, by e-mail at [vp\\_vpinvestor@euronext.com](mailto:vp_vpinvestor@euronext.com), or by personal or written application to Euronext Securities, Nicolai Eigttveds Gade 8, 1402 Copenhagen.

Confirmation of registration will be sent by e-mail to the e-mail address provided by the shareholder in connection with registration of attendance. If you do not provide an e-mail address when registering your attendance, your admission card will be handed to you at the entrance if you present identification. Voting paper will be handed to you when you arrive at the general meeting and present your admission card.

### Proxy or postal vote

Shareholders may vote by proxy or by postal vote. Proxy or postal voting may be submitted electronically via 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 printed from the website [www.solar.eu](http://www.solar.eu). If the proxy form or the postal voting form is used, the filled in and signed form should be forwarded by letter to Euronext Securities, Nicolai Eigttveds Gade 8, 1402 Copenhagen. Alternatively, the filled in and signed form can be scanned and sent by email to [vp\\_vpinvestor@euronext.com](mailto:vp_vpinvestor@euronext.com).

The completed proxy form must reach Euronext Securities by Monday, 14 March 2022, at 11:59 pm at the latest, while postal votes must reach Euronext Securities by Wednesday, 16 March 2022 at 4:00 pm.

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

### Share capital, voting right and account holding bank

The share capital is DKK 736,000,000 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 exercise their financial rights through their own depository banks.

### 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, or via e-mail to [investor@solar.dk](mailto:investor@solar.dk). Shareholders may also ask questions to the company's management during the general meeting.



### Video webcast

As a service for registered shareholders that are unable to attend the general meeting in person, the entire general meeting will be interpreted simultaneously into English and webcast via 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, shareholders on record will have the opportunity, during the general meeting, to submit written questions to Solar's Director, Investor Relations, who will present the questions at the general meeting. These questions may be shortened, edited and potentially aggregated before Solar's Director, Investor Relations, puts them to the general meeting. 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 you have a Danish civil registration number ("CPR"), the digital signature used for Netbank via Danish banks ("NemID") can normally be used. If you do not have access to NemID, you can register a personal VP-ID. Guidelines for registering a VP-ID is available at [www.solar.eu](http://www.solar.eu).

### Contact

Chairman of the Board of Directors Jens Borum - tel. +45 79 30 00 00  
IR Director Dennis Callesen - tel. +45 29 92 18 11

Appendix 1: Proposals from the Nomination Committee  
Appendix 2: Remuneration Report 2021

### FACTS ABOUT SOLAR

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Solar is a leading European sourcing and services company 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 facilitate efficiency improvement and provide digital tools that turn our customers into winners. We drive the green transition and provide best in class solutions to ensure sustainable use of resources.

Solar Group is headquartered in Denmark, generated revenue of approx. DKK 12.4bn in 2021 and has approx. 2,900 employees. Solar is listed on Nasdaq Copenhagen and operates under the short designation SOLAR B. For more information, please visit [www.solar.eu](http://www.solar.eu).

### Disclaimer

This announcement was published in Danish and English today via Nasdaq Copenhagen. In the event of any inconsistency between the two versions, the Danish version shall prevail.



## APPENDIX 1 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 20th December) together with two board representatives, including the Chairman 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 questionnaire survey evaluation led by the Chairman of the Board of Directors and has come to the conclusion that the Board of Directors matches the company's current needs in terms of industrial, functional and leadership qualifications and experience and, thus, proposes re-election of Michael Troensegaard Andersen, Morten Chrone, Peter Bang, Louise Knauer and Jesper Dalsgaard. As Jens Borum resigns from the Board of Directors, the Nomination Committee proposes new election of Katrine Borum.

**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 promote education of orthopaedic specialist registrars on 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 was born 24 May 1981.



**Michael Troensegaard Andersen** has worked with H+H international A/S as the CEO since April 2011. 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 transformation. 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 as well as the chairman of the boards of eight companies within the H+H group.

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.

**Morten Chrone** is Group CEO of Unisport Saltex Oy and was previously group managing director at NCC Construction A/S (2005-2009), Group CCO at Brdr. A&O Johansen A/S (2009-2013), managing director at Spæncom (2013-2017) and Group COO at HusCompagniet A/S (2017-2020). 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 a 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 at Solar's website at <https://www.solar.eu/our-company/management-and-board-of-directors/morten-chrone/>

Morten Chrone was born 4 January 1966.



**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 CED and member of the board of O.B. Holding. Aabenraa ApS as well as member of board and chairman of the audit committee of BIMobject AB.

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

Peter Bang was born 2 April 1969.

**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 previously responsible for the execution of a strategic and financial turn-around 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.



**Jesper Dalsgaard** has been Managing Director of Rambøll Environment & Health since 2019 and in the period 2017-2019 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 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 at Solar's website at <https://www.solar.eu/our-company/management-and-board-of-directors/jesper-dalsgaard/>

Jesper Dalsgaard was born 15 January 1968.

Board members are elected for one year at a time.

The proposed candidates are all Danish citizens.

Of the proposed candidates, Michael Troensegaard Andersen, Morten Chrone, Peter Bang and Louise Knauer 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.

# REMUNERATION REPORT

2021

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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 2021 with comparative figures for 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 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 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 derived from the audited Annual Reports of the Company for 2021-2019 available on the Company's website, <https://www.solar.eu/investor/downloads/>.

All amounts are included in DKK, gross.

# GOVERNANCE

## REMUNERATION COMMITTEE

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

In March 2021, Jens Borum and Louise Knauer were re-elected, while Morten Chroné was newly elected. Jens Borum is chairman of the committee.

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

- To make recommendations for suggestions to the remuneration policy and general guidelines for incentive-based remuneration for the Executive Board.
- To suggest remuneration for the Executive Board, including ensuring that the remuneration is in agreement with the remuneration policy and the Executive Board's performance assessment.
- To monitor that information about the Board of Directors' and Executive Board'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 2021. One meeting is planned for 2022.

## COMPLIANCE WITH THE REMUNERATION POLICY

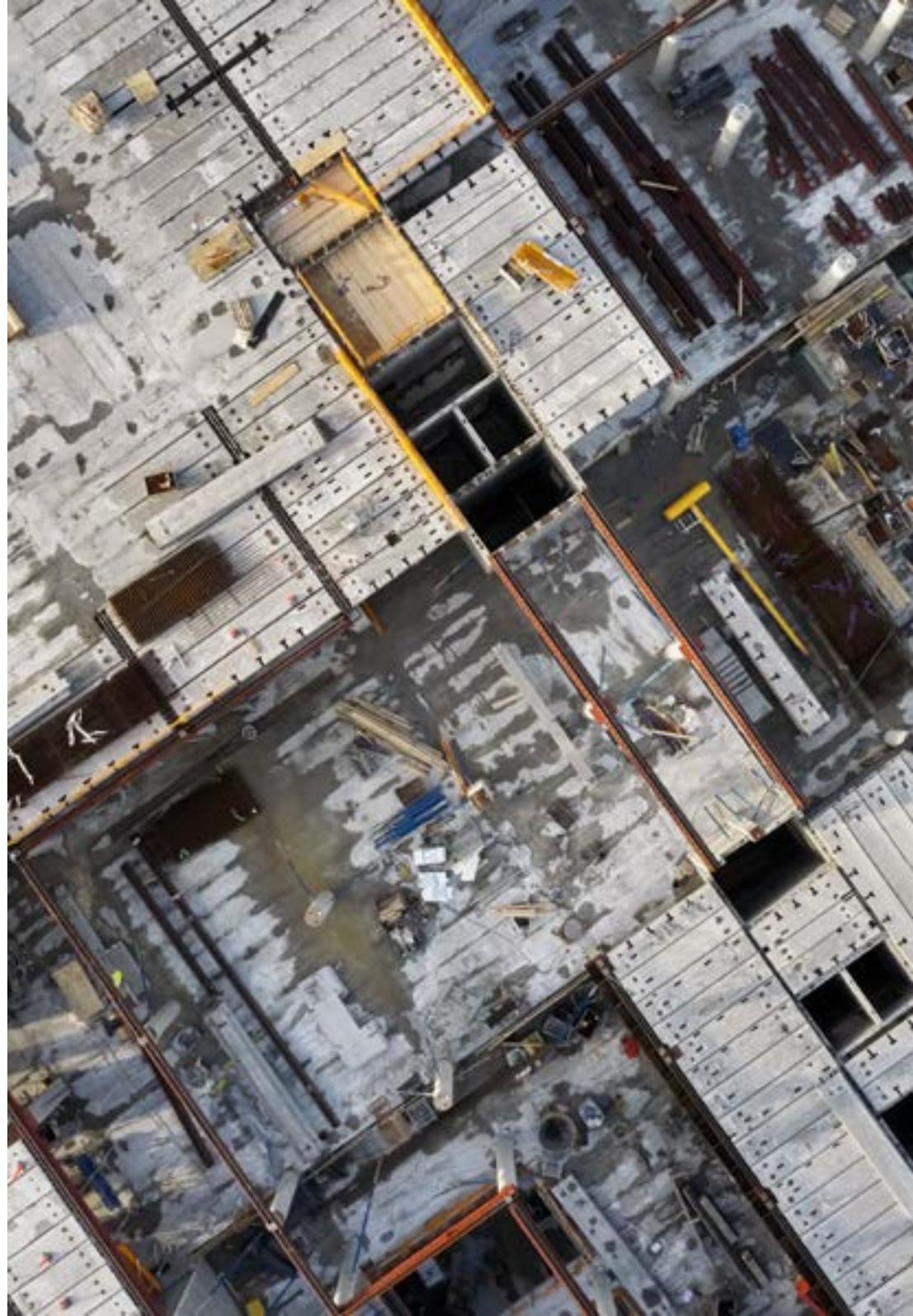
Remuneration of the Board and EB for the 2021 financial year complies with the framework provided by the Remuneration Policy.

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 2021, the Remuneration Report 2020 was approved without comments.



# FINANCIAL PERFORMANCE

We look back on a profitable year where we exceeded our expectations. In 2021, we delivered an all-time high EBITDA result.

Compared to 2020, we increased EBITDA by DKK 274m to DKK 911m due to strong execution of our CORE+ strategy. Compared to 2020, EBITDA was up by more than 40%.

In 2021, we launched the CORE+ strategy for the period 2021-23 and we set an ambition of an EBITDA margin of >6% for core business. Due to the strong strategy execution and positive one-off price effects amounting to DKK 115m, the ambition was reached already in 2021, as the EBITDA margin was 7.4%

In 2021, we paid ordinary dividend of DKK 28 per share of DKK 100 and in addition extraordinary dividend of DKK 15 per share, totalling dividend payments of DKK 314m to our shareholders.

The Board proposes that DKK 329m be distributed as dividend for the 2021 financial year, corresponding to DKK 45.00 for each share of DKK 100 or an increase of DKK 61% compared to the 2020 ordinary dividend.

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 2021, EBITDA increased by 43% while the remuneration to EB increased by 13%.

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**

	2021 (amount)	2020 (amount)	2019 (amount)	2021 vs. 2020 (change)	2020 vs. 2019 (change)
<b>Financial performance</b>					
EBITA	727,000,000	455,000,000	360,000,000	59%	26%
Invested capital	1,866,000,000	1,760,000,000	2,297,000,000	6%	-23%
Basis for variable remuneration (KPI)	552,830,000	257,980,000	134,260,000	114%	92%
<b>Executive Board</b>					
Jens Ellegaard Andersen, CEO	10,957,230	10,100,738	7,899,283	8%	28%
Hugo Dorph, CCO	6,682,294	5,620,793	4,539,776	19%	24%
Michael H. Jeppesen, CFO	6,204,304	5,330,721	4,197,055	16%	27%
<b>Board of Directors</b>					
Jens Borum, Chairman	750,000	712,500	675,000	5%	6%
Jesper Dalgaard, Vice-Chairman	425,000	418,750	378,125	1%	11%
Michael Troensegaard Andersen, Board member	306,250	-	-	-	-
Peter Bang, Board member & Chairman of Audit Committee	468,750	400,000	343,750	17%	16%
Morten Chroner <sup>1</sup> , Board member	312,500	312,500	218,750	0%	14%
Louise Knauer, Board member	393,750	393,750	356,250	0%	11%
Jens Peter Toft <sup>2</sup> , Board member	112,500	500,000	456,250	6%	10%
Lars Lange Andersen, Board member (employee representative)	200,000	200,000	175,000	0%	14%
Ulrik Damgaard, Board member (employee representative)	200,000	200,000	175,000	0%	14%
Bent Frisk, Board member (employee representative)	200,000	200,000	175,000	0%	14%
<b>Average for the listed company Solar A/S's employees (FTE)</b>					
Remuneration	624,917	611,178	588,891	2.3%	3.8%
No. of employees (FTE)	810	760	765	6.6%	-0.6%

<sup>1</sup>) Elected 19 March 2019. The change 2020 vs. 2019 is adjusted to comparable period.

<sup>2</sup>) Declined re-election 19 March 2021. The change 2021 vs. 2020 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 Chairman receives a multiplier of the annual base fee of three for his extended duties, while the Vice-Chairman and the Chairman 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 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 2021 were approved at the Annual General Meeting on 19 March 2021 as the fees for 2020 and 2019 were approved at the Annual General Meetings previous years.

**TABLE 2: BOARD FEE FOR 2021 (2019-20)**

DKK		Board of Directors
<b>Member, base fee</b>	2021	200,000
	2020	200,000
	2019 <sup>1)</sup>	175,000
<b>Chairman, 3 x base fee</b>	2021	600,000
	2020	600,000
	2019	525,000
<b>Vice Chairman, 1.5 x base fee</b>	2021	300,000
	2020	300,000
	2019	262,000
<b>Chairman Audit Committee, 1.5 x base fee</b>	2021	300,000
	2020	300,000
	2019	262,500

<sup>1)</sup> Base fee of DKK 175,000 was unchanged in the period 2015-2019



**TABLE 3: REMUNERATION OF BOARD (DKK) FOR 2021 (2019-20)**

Name	Position		Annual Fee	Compensation lost income	Total remuneration
Jens Borum	Chairman, Member of Audit Committee (until 15/3 2019) Chairman of Remuneration Committee (from 15/3 2019), Member of Nomination Committee	2021	600,000	150,000	750,000
		2020	600,000	112,500	712,500
		2019	525,000	150,000	675,000
Jesper Dalsgaard	Vice Chairman (from 15/3-2019), Member of Audit Committee (until 15/3 2019) Chairman of Nomination Committee	2021	300,000	125,000	425,000
		2020	300,000	118,750	418,750
		2019	240,625	137,500	378,125
Michael Troensegaard Andersen	Board member, Member of Audit Committee (from 19/3 2021)	2021	150,000	156,250	306,250
		2020	-	-	-
		2019	-	-	-
Peter Bang	Board member, Member of Audit Committee (from 15/3 2019 to 19/3 2021) Chairman of Audit Committee (from 19/3 2021)	2021	275,000	193,750	468,750
		2020	200,000	200,000	400,000
		2019	175,000	168,750	343,750
Morten Chrono	Board member (from 15/3 2019) Member of Remuneration Committee (from 19/3 2021)	2021	200,000	112,500	312,500
		2020	200,000	112,500	312,500
		2019	131,250	87,500	218,750
Louise Knauer	Board member, Member of Audit Committee (from 15/3 2019) Member of Remuneration Committee (from 15/3 2019)	2021	200,000	193,750	393,750
		2020	200,000	193,750	393,750
		2019	175,000	181,250	356,250
Lars Lange Andersen	Board member, employee elected	2021	200,000	-	200,000
		2020	200,000	-	200,000
		2019	175,000	-	175,000
Ulrik Damgaard	Board member, employee elected	2021	200,000	-	200,000
		2020	200,000	-	200,000
		2019	175,000	-	175,000
Bent Frisk	Board member, employee elected	2021	200,000	-	200,000
		2020	200,000	-	200,000
		2019	175,000	-	175,000
Jens Peter Toft	Board member, Chairman of Audit Committee (until 19/3 2021) Member of Remuneration Committee (until 19/3 2021)	2021	75,000	37,500	112,500
		2020	300,000	200,000	500,000
		2019	262,500	193,750	456,250
Ulf Gundemark	Vice Chairman (until 15/3 2019) Chairman of Remuneration Committee (until 15/3 2019)	2020	-	-	-
		2019	65,625	25,000	90,625
Total		2021	2,400,000	968,750	3,368,750
		2020	2,400,000	937,500	3,337,500
		2019	2,100,000	943,750	3,043,750

# EXECUTIVE MANAGEMENT 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 present 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 2021 (2019-20)

Name and position		Fixed remuneration		Variable remuneration			Share of remuneration		
		Base salary	Benefits	Cash bonus (earned)	Restricted share units (RSU)	Pension contribution	Total remuneration	Fixed	Variable
Jens Ellegaard Andersen, CEO	2021	5,362,800	229,358	3,575,200	1,787,600	2,272	10,957,230	51%	49%
	2020	5,336,400	247,422	3,009,763	1,504,881	2,272	10,100,738	55%	45%
	2019	5,300,000	247,527	1,566,323	783,161	2,272	7,899,283	70%	30%
Hugo Dorph, CCO	2021	3,237,600	204,822	2,158,400	1,079,200	2,272	6,682,294	52%	48%
	2020	3,222,000	139,199	1,504,881	752,441	2,272	5,620,793	60%	40%
	2019	3,200,000	162,762	783,161	391,581	2,272	4,539,776	74%	26%
Michael H. Jeppesen, CFO	2021	3,001,600	198,831	2,001,067	1,000,534	2,272	6,204,304	52%	48%
	2020	2,869,200	201,927	1,504,881	752,441	2,272	5,330,721	58%	42%
	2019	2,850,000	170,041	783,161	391,581	2,272	4,197,055	72%	28%
Total	2021	11,602,000	633,011	7,734,667	3,867,334	6,816	23,843,828	51%	49%
	2020	11,427,600	588,548	6,019,525	3,009,763	6,816	21,052,252	57%	43%
	2019	11,350,000	580,330	3,132,645	1,566,323	6,816	16,636,114	72%	28%

TABLE 5: KPI FOR CASH BONUS AND RESTRICTED SHARES

Name and position	Description of KPI		Relative weighting of KPIs	Minimum and maximum award	Actual KPI performance					Actual cash bonus earned	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	2021	100%	0 - 5,362,800	727,000,000	55,000,000	1,996,000,000	180%	100%	3,575,200	1,787,600
		2020	100%	0 - 5,336,400	455,000,000	68,000,000	2,102,000,000	85%	85%	3,009,763	1,504,881
Hugo Dorph, CCO	EBITA less amortisation less interests on invested capital	2021	100%	0 - 3,237,600	727,000,000	55,000,000	1,996,000,000	149%	100%	2,158,400	1,079,200
		2020	100%	0 - 3,222,000	455,000,000	68,000,000	2,102,000,000	70%	70%	1,504,881	752,441
Michael Jeppesen, CFO	EBITA less amortisation less interests on invested capital	2021	100%	0 - 3,001,600	727,000,000	55,000,000	1,996,000,000	161%	100%	2,001,067	1,000,534
		2020	100%	0 - 2,869,200	455,000,000	68,000,000	2,102,000,000	79%	79%	1,504,881	752,441

**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 2021-2019, 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 at a nominal value of DKK 100.

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. At this point, the holder may exercise the restricted share granting.

The share price at the time of granting is fixed at DKK 456.39 (2020: DKK 319.39 / 2019: DKK 297.7). The grant of shares vests in 2024 (2023 / 2022).

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 2021 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 2021 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	2021	5,076	4,184	1,088	8,172	3,447,059
	2020	2,410	2,666	0	5,076	940,080
Hugo Dorph, CCO	2021	2,738	2,110	630	4,218	1,822,248
	2020	1,397	1,341	0	2,738	524,360
Michael Jeppesen, CFO	2021	2,496	2,089	526	4,059	1,702,858
	2020	1,165	1,331	0	2,496	458,640

In 2024 (2023), the holder may exercise the restricted shares granted in 2021 (2020). The restricted share units settled in 2021 had an exercise price of 399.19 while the price at time of settlement was 456.39.

**TABLE 7: EB'S PREVIOUS AND EXISTING RESTRICTED SHARE OPTIONS**

Name and position		Number of restricted share options				Value of share units outstanding
		Beginning of year	Granted	Settled	End of year	
Jens Ellegaard Andersen, CEO	2021	2,709	0	2,709	0	-
	2020	2,709	0	0	2,709	38,976
Hugo Dorph, CCO	2021	2,703	0	2,703	0	-
	2020	2,703	0	0	2,703	38,890
Michael Jeppesen, CFO	2021	2,186	0	2,186	0	-
	2020	2,186	0	0	2,186	32,819

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

	Board		EB	
	2021	2020	2021	2020
Remuneration cf. Remuneration Report	3,368,750	3,337,500	23,843,828	21,052,252
<i>Restricted share units</i>				
Granted pay versus IFRS 2 expense	-	-	2,722,446	-1,610,940
Remuneration cf. Annual Report	3,368,750	3,337,500	26,566,274	19,441,312

TABLE 9: SHAREHOLDING BY THE EXECUTIVE BOARD AND THE BOARD OF DIRECTORS

		Beginning	Acquired or vested	Divested	End	Market value
<b>Executive Board</b>						
Jens Ellegaard Andersen, CEO	2021	5,520	3,722	-	9,242	7,347,390
	2020	4,480	1,040	-	5,520	1,987,200
Hugo Dorph, CCO	2021	-	-	-	-	-
	2020	-	-	-	-	-
Michael H. Jeppesen, CFO	2021	1,894	2,186	-	4,080	3,243,600
	2020	1,894	-	-	1,894	681,840
Total	2021	7,414	5,908	-	13,322	10,590,990
	2020	6,374	1,040	-	7,414	2,669,040
<b>Board of Directors</b>						
Jens Borum, Chairman	2021	118,520	1,500	-	120,020	95,415,900
	2020	118,520	-	-	118,520	42,667,200
Jesper Dalsgaard, Vice-Chairman	2021	1,100	-	-	1,100	874,500
	2020	500	600	-	1,100	396,000
Michael Troensegaard Andersen, Board member	2021	-	510	-	510	405,450
	2020	-	-	-	-	-
Peter Bang, Board member & Chairman of Audit Committee	2021	1,200	-	-	1,200	954,000
	2020	400	800	-	1,200	432,000
Morten Chronne, Board member	2021	712	-	-	712	566,040
	2020	410	302	-	712	256,320
Louise Knauer, Board member	2021	381	-	-	381	302,895
	2020	381	-	-	381	137,160
Total	2021	121,913	2,010	-	123,923	98,518,785
	2020	120,211	1,702	-	121,913	43,888,680

# STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors has today considered and approved the Remuneration Report for the financial year 2021 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.

We recommend that the Remuneration Report be subject to an indicative vote at the Annual General Meeting.

Vejen, 10 February 2022

## BOARD OF DIRECTORS

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**Jens Borum**  
Chairman

**Jesper Dalsgaard**  
Vice-chairman

**Lars Lange Andersen**

**Michael Troensegaard  
Andersen**

**Peter Bang**

**Morten Chrono**

**Ulrik Damgaard**

**Bent H. Frisk**

**Louise Knauer**

# INDEPENDENT AUDITOR'S REPORT

## TO THE SHAREHOLDERS OF SOLAR A/S

We have examined whether Management has fulfilled its obligations to disclose the information required by section 139b(3) of the Danish Companies Act in the company's remuneration report for 2021.

## MANAGEMENT'S RESPONSIBILITY

Management is responsible for the preparation of the remuneration report in accordance with section 139b of the Danish Companies Act and the remuneration policy adopted at the Annual General Meeting.

Further Management is responsible for the internal control that the Board of Directors considers needed to prepare the remuneration report that is free from material misstatement and omissions, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

It is our responsibility to express a conclusion on whether Management has fulfilled its obligations to disclose the information required by section 139b(3) of the Danish Companies Act in the company's remuneration report.

We have conducted our examinations in accordance with ISAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and additional require-

ments 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 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.

Our examinations included an examination of whether the remuneration report, to the extent relevant, includes the disclosures required by section 139b(3), items 1-6, of the Danish Companies Act for the remuneration of each member of Management.

Our examinations have not included an examination of accuracy and completeness of the disclosures, and we do not express any conclusion on this.

## CONCLUSION

It is our opinion that Management has fulfilled its obligations to disclose, in all material respects, the information required by section 139b(3) of the Danish Companies Act in the company's remuneration report for 2021.

Aarhus, 10 February 2022

## Deloitte

Statsautoriseret Revisionspartnerselskab  
Business Registration No 33 96 35 56

Henrik Vedel  
State-Authorised Public Accountant  
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