

## **The Board of Directors' proposal on guidelines for remuneration to executive management**

### **1. Introduction**

- 1.1 The Board of Directors of Green Landscaping Group AB (publ), reg.no 556771-3465 (the "**Company**"), proposes that the general meeting resolves on the establishment of guidelines for remuneration and other terms of employment for executive management as follows. These guidelines shall cover the persons who, during the time the guidelines apply, are part of the group management. The guidelines also apply to members of the Board of Directors to the extent that they receive remuneration for services performed for the group outside of the board assignment. The guidelines apply to agreements entered into after the general meeting's resolution, as well as if changes are made to existing agreements after this time. The remuneration resolved by the general meeting is not covered by these guidelines.
- 1.2 Regarding employments that are subject to rules other than Swedish, compensation may be duly adjusted to comply with mandatory rules or established local practice, whereby the overall objectives of these guidelines shall be met as far as possible.

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

- 2.1 The Company's business strategy is briefly as follows.
- 2.2 Green Landscaping is Sweden's leading provider within landscaping and maintenance of outdoor environments. The Company's business concept is to improve the customer's outdoor environment by offering services that focus on high customer value, long-term sustainability and quality. The Company offers ground maintenance in the form of cleaning, lawn mowing, plant and tree care, road maintenance and snow and ice removal activities. Within landscaping, the Company creates and builds outdoor environments around properties and parks.
- 2.3 A successful implementation of the Company's business strategy and safeguarding the Company's long-term interests, including its sustainability, requires that the Company can recruit and retain qualified employees. This requires that the Company can offer competitive compensation. These guidelines enable executive management to be offered a competitive total remuneration.

### **3. Remuneration**

- 3.1 The basic principle is that remuneration and other terms of employment for executive management shall be on market terms and competitive to ensure that the group can attract and retain competent executive management at reasonable costs for the Company.
- 3.2 The total remuneration to executive management shall consist of fixed salary, variable remuneration, pension and other benefits. To avoid executive management

being encouraged to take unhealthy risks, there shall be a basic balance between fixed salary and variable remuneration. The fixed salary shall therefore account for a sufficiently large part of the executive managements' total remuneration so that it will be possible to reduce the variable part to zero SEK. The variable remuneration to an executive manager whose function or total level of remuneration means that he or she can have a significant impact on the Company's risk profile shall not be greater than the fixed salary.

- 3.3 Long-term share-related incentive programs have been established in the Company. They have been resolved by the general meeting and are therefore not covered by these guidelines. For the same reason, the long-term share-related incentive program that the Board of Directors has proposed that the 2023 annual general meeting should adopt is not covered. The proposed program essentially corresponds to the existing programs. The programs cover the Company's CEO and group management as well as CEOs and certain other key employees in the Company's subsidiaries.

#### **4. Fixed salary**

Each executive manager shall be offered a fixed salary that is on market terms and based on the difficulty of the work and the executive manager's experience, responsibility, competence and work effort. The fixed salary shall be revised annually.

#### **5. Variable remuneration**

- 5.1 In addition to fixed annual salary, group management shall also be able to receive variable remuneration which shall be paid in cash and based on the outcome in relation to predetermined and measurable criteria, which can be financial or non-financial (for example turnover growth and operating profit) within the individual area of responsibility (group or business area), which are set up to promote the Company's long-term value creation and create incentive to promote the Company's business strategy, long-term interests and sustainability. Fulfilment of criteria for payment of variable remuneration shall be measurable over a period of one year. Variable remuneration shall correspond to a maximum of 50 percent of the fixed annual salary. If variable remuneration that has been paid on the basis of information that later, during an audit, turns out to be clearly incorrect, the Company shall have the possibility to reclaim paid remuneration.
- 5.2 Variable remuneration shall be based on clear, predetermined and measurable criteria and financial results and individual and operational goals set in advance, and be formulated with the aim of promoting the Company's long-term value creation. When the measurement period for fulfilment of criteria for the payment of variable remuneration has ended, the extent to which the criteria have been fulfilled shall be assessed. The remuneration committee is responsible for the assessment regarding variable remuneration for the CEO, and the CEO is responsible for the assessment of variable remuneration for other executive management.

5.3 The variable remuneration shall have a maximum limit. A maximum limit for total variable remuneration to the management team shall be determined annually in connection with setting targets for the coming financial year, however, before the start of the current financial year. The Company's commitments regarding variable remuneration to the group management during 2023 is calculated to cost the Company a maximum of 0.30 percent of the turnover or SEK 15 million assuming a net turnover of SEK 5,000 million for the financial year 2023.

5.4 Variable cash remuneration shall be pensionable to the extent that it follows from mandatory collective agreement that are applicable to the executive manager.

## **6. Pension**

The executive management shall, unless otherwise specifically agreed, be offered defined premium pension conditions that are on market-terms in relation to the situation in the country where the executive manager permanently reside. The pension premiums for a defined premium pension may not exceed 35 percent of the fixed salary.

## **7. Other benefits**

Other benefits, for example a company car, extra health insurance or occupational health care, shall be of limited value in relation to other remuneration and can be paid to the extent that this is deemed to be on market-terms for executive managers in corresponding positions on the labour market where the executive manager operates. Such benefits may not exceed 15 percent of the fixed salary.

## **8. Termination of employment**

In the event of termination by the Company, the notice period for all executive managers shall be a maximum of 12 months with the right to severance pay after the end of the notice period corresponding to a maximum of 100 percent of the fixed salary for a maximum of 12 months, i.e. the fixed salary during the notice period and severance pay for the executive managers shall in total not exceed 24 fixed monthly salaries. Any right to severance pay shall, as a general rule, be reduced in situations where compensation during the current period is received from another employer. In case of termination by the executive manager, the notice period shall normally be 6 months for the CEO and 3–6 months for other executive managers.

## **9. Salaries and terms of employment for employees**

When preparing the Board of Directors' proposal for these remuneration guidelines, salary and terms of employment for the Company's employees have been taken into account in that information on the employees' total remuneration, the components of the remuneration as well as the increase and rate of increase of the remuneration over time have formed part of the remuneration committee's and the Board of Directors' decision-making basis in the evaluation of the reasonableness of the guidelines and the restrictions that follow from them.

**10. Preparations and decisions**

- 10.1 The remuneration committee proposes, and the Board of Directors decides on, the remuneration and other terms of employment for the CEO. The CEO decides on remuneration and other terms of employment for other executive management. The remuneration committee can, however, at the request of the CEO, participate in the preparations.
- 10.2 The Board of Directors shall prepare proposals for new guidelines at least every four years and present the proposal for resolution at the annual general meeting. The guidelines shall apply until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for company management, the application of guidelines for remuneration to executive management and current remuneration structures and remuneration levels in the Company. The members of the remuneration committee are independent in relation to the Company and company management. During the Board of Directors consideration of and decisions on remuneration-related matters, the CEO or other persons in the Company's management shall not be present, to the extent that they are affected by the matters.
- 10.3 The Company's auditor shall annually review the application of these guidelines according to applicable regulations. The auditor's report shall be made available to the annual general meeting.

**11. Remuneration to board members**

To the extent that board members elected by the general meeting perform work beyond their ordinary board work, they shall be able to be compensated for such work. The compensation shall be on market terms and shall be approved by the Board of Directors.

**12. Deviation from the guidelines**

The Board of Directors may decide to temporarily deviate from the guidelines in whole or partly, if in the individual case there are special reasons for it and the deviation is necessary to satisfy the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, the remuneration committee's duties include preparing the Board of Directors' decisions on remuneration matters, which includes decisions on deviations from the guidelines.

**13. Information on previously decided remuneration**

In addition to ongoing commitments, there are no remuneration commitments towards executive managers which are not paid for.

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Stockholm, April 2023  
*The Board of Directors*

