

# Corporate governance and corporate responsibility



**The Board's responsibility is to drive shareholder value, in order to do this Beijer Ref has continued its expansion and growth through strategic investments and a robust operational foundation. By balancing short-term results with long-term goals, we create the best conditions for the company's development and value creation.**

In 2024, the Board of Directors continued its work on developing the strategic direction of operations to create long-term growth opportunities. In close collaboration with management, we further developed a business model that is both robust and flexible, with sustainable growth as a key driver. Initiatives in innovation, digitalisation and strategic acquisitions broadened Beijer Ref's market presence and further strengthened the Group's position in the industry.

Over the course of 2024, Beijer Ref solidified its position in the global market through a combination of acquisitions and continuous business development. Sales increased to SEK 35.7 billion, continuing the positive trend from the previous year. The EBITA margin,

adjusted for items affecting comparability, was 10.6 per cent – in line with the previous year.

Five strategic acquisitions were completed in 2024, extending Beijer Ref's geographical reach and enhancing its local presence. These companies have provided Beijer Ref with additional expertise, new opportunities for innovation and broader technical knowledge, strengthening the company's ability to develop in line with market needs. We welcome these new companies to the Group and look forward to continuing to create long-term value together.

As Chair of the Board, I see it as an integral part of my responsibility to contribute to Beijer Ref's development towards a more sustainable future. By offering energy-efficient solutions and driving the transition to natural refrigerants, we are actively contributing to reducing dependence on fossil fuels. With a strong organisation and increased resources at the Group level, we can provide subsidiaries with better support in this transition while adding strategic perspectives and industry-leading expertise. Innovation and green technologies will continue to be key factors in our future development.

Finally, I would like to extend my sincere thanks to my colleagues on the Board, the management team and everyone throughout the organisation. Their commitment and insightful contributions have played a crucial role in Beijer Ref's success. Through close cooperation, innovative ideas and a shared commitment to development, we have further strengthened the company. I look forward to continuing to build on this positive trajectory together.

**Kate Swann**

Chair of the board

## Corporate Governance and Corporate Responsibility

Beijer REF applies the Swedish Corporate Governance Code and here presents the annual corporate governance report for 2024. Investigation of the corporate governance report has been performed in accordance with RevR 16 by the company's auditor.

The composition of the nomination committee deviates from the rules in the Swedish Code of Corporate Governance regarding section 2.4 of the code in such a way that more than one board member who is part of the nomination committee is dependent in relation to the company's major shareholders. This composition has been made to safeguard the interests of the largest shareholders in accordance with the instructions for the nomination committee adopted by the Annual General Meeting.

## Extraordinary General Meeting 2024

An Extraordinary General Meeting was held on 22 May 2024. The General Meeting resolved, in accordance with the board's proposal, to offer the repurchase of all 1,623,600 call options in LTIP 2021/2024 as of 10 June 2024 at a price per option that corresponds to the share's volume-weighted average price during the period 31 May - 7 June 2024 according to Nasdaq Stockholm's official price list minus the exercise price, subject to the requirement that the participant acquires shares in Beijer Ref for the cash received net of tax. The purpose of repurchasing the call options was to make it easier for employees to realise the potential value of the options and thereby also facilitate participation in future incentive programs.

## Shareholder influence through the Annual General Meeting

The shareholders' influence is exercised through participation at the annual general meeting, which is Beijer Ref's highest decision-making body. The annual general meeting decides on the articles of association and elects board members, the chair and the auditor and decides on their fees. The annual general meeting also decides on the adoption of the income statement and balance sheet, on the allocation of the company's profit and on discharge from liability to the company for the board members and CEO. The annual general meeting also decides on the composition and work of the nominating committee and decides on principles for remuneration and terms of employment for the CEO and other senior executives.

The annual general meeting 2024 was held on 23 April 2024 in Malmö. Shareholders were able to exercise their voting rights both by attending the meeting in person and by postal voting in accordance with the provisions of Beijer Ref's Articles of Association. A total of 935 shareholders were represented at the meeting through personal presence, proxies, associates or registered postal votes, all registered as present at the meeting. These represented approximately 82.4 (79.6) per cent of the total votes. Three shareholders, EQT, Joen Magnusson and Per Bertland, together represented 53.2 (62.2) per cent of the votes represented at the meeting. Madeleine Rydberger, a member of the Swedish Bar Association, was elected to chair the meeting. All board members elected by the meeting were available.

The full minutes of the meeting may be found on Beijer Ref's website. Among other things, the AGM decided on:

- Dividend in accordance with the proposal of the board and the CEO of SEK 1.30 per share for the financial year 2023, which corresponds to SEK 658,854,203.80.
- Re-election of board members: Albert Gustafsson, Frida Norrbom Sams, Joen Magnusson, Kate Swann, Kerstin Lindvall, Nathalie Delbreuve, Per Bertland and William Striebe. Kate Swann was re-elected as chair of the board.
- Determination of remuneration to the board and auditor.
- Principles for remuneration and other terms of employment for the CEO and other senior executives.
- Adoption of income statements and balance sheets.
- The board's proposal for a resolution authorising the board to decide on a new share issue within specified limits, in order to be able to pursue the company's acquisition strategy.
- A long-term share-based incentive program for Group management and a number of key individuals within the Group.
- Election of Deloitte AB as the company's auditor in 2024 with Richard Peters as chief auditor.
- Discharge from liability for the board of directors and CEO.

- Beijer Ref's Annual General Meeting 2025 will be held on 24 April in Malmö. For further information about the next Annual General Meeting, see p. 146 in this annual report.
- EQT Group, Joen Magnusson (family and company) and Per Bertland (family and company) each hold more than 10 per cent of the votes in the company. For further information about the share and shareholding, see pp. 31 -34 and the company's website.

#### Nomination committee

The nomination committee represents the company's shareholders and nominates board members and auditors and proposes fees for them.

#### Nomination Committee ahead of the 2025 Annual General Meeting

The nomination committee was appointed in October 2024 and, according to instructions established by the annual general meeting, shall consist of five members, one representative for each of the five largest shareholders in terms of votes as of the last trading day in August. The members were appointed from among the company's five largest shareholders in terms of voting rights in accordance with the applicable instructions and consist of: Juho Frilander (EQT Partners), Joen Magnusson (own and related party holdings, member of the Beijer Ref board), Per Bertland (own and related party holdings, member of the Beijer Ref board), Vegard Torsnes (Norges Bank) and Patricia Hedelius (AMF Tjänstepension och Fonder). Juho Frilander was appointed chair of the nomination committee. Kate Swann (Chairman of Beijer Ref's Board of Directors) attended all meetings. The 2025 nomination committee has held 3 (3) meetings. The nomination committee has conducted its work by evaluating the board's work, composition and competence. The diversity policy that is applied to the Group's Board of Directors is section 4.1 of the Swedish Corporate Governance Code. The objective is for the Board of Directors to have an appropriate composition, taking into account Beijer Ref's operations, stage of development and other circumstances, characterised by diversity and breadth in terms of the members' age, nationality, educational background, experience, competence and characteristics, and that an even gender distribution is to be sought. The Nomination Committee has applied the Diversity Policy in preparing its proposal for the election of Board members.

A report on the work of the nomination committee was submitted in the nomination committee's explanatory statement, which was published before the annual general meeting 2024. Further information about the nomination committee and its work can be found on the Group's website: [www.beijerref.com](http://www.beijerref.com).

#### Proposals to the annual general meeting 2025

The nomination committee has prepared the following proposals to be presented to the annual general meeting 2025 for decision. The nomination committee has decided to propose to the annual general meeting:

- Re-election of the members of the board of directors: Kate Swann, Albert Gustafsson, Joen Magnusson, Per Bertland, Frida Norrbom Sams, Nathalie Delbreuve, William Striebe and Kerstin Lindvall.
- Re-election of Kate Swann as chair of the board of directors
- Re-election of Deloitte AB as the company's auditor in 2025.

#### The Board of Directors

The board of directors has overall responsibility for the organisation and management of Beijer Ref. According to the articles of association, the board of directors shall consist of a minimum of four and a maximum of eight members, with or without deputies. The board members are elected annually at the annual general meeting for the period until the end of the next annual general meeting.

#### Responsibilities of the Chair

The chair is responsible for ensuring that the work of the board of directors is well organised and effective and that the board of directors fulfils its duties. The chair monitors the business in dialogue with the CEO. She is responsible for ensuring that the other board members receive the information and documentation necessary for a high quality of discussion and decisions, as well as verifying that the board's decisions are implemented.

#### Composition of the Board of Directors 2024

Beijer Ref's board of directors consisted of eight members, elected by the annual general meeting. The CEO, CFO and General Counsel attend all board meetings and other officers in the Group participate

as necessary to present specific issues. For further information about the board members, see pp. 58-59 and note 6.

### Independence of the Board of Directors

The board's assessment, which is shared by the nomination committee, regarding the members' dependence in relation to Beijer Ref and the shareholders, is set out on pp. 58-59. As is shown, Beijer Ref complies with the Swedish Corporate Governance Code requirement that the majority of the AGM-elected members are independent of Beijer Ref and the executive management, and that at least two of these are also independent of Beijer Ref's major shareholders.

### The work of the Board of Directors in 2024

Beijer Ref's board of directors held a total of eight meetings in 2024. At each regular board meeting, the company's economic and financial position and investment activities are discussed, among other things. Work in 2024 has been largely focused on issues involving strategy, continued expansion through acquisitions and increased profitability. In addition, mention can also be made of the work on the dual materiality assessment that has been carried out in accordance with the EU's Corporate Sustainability Reporting Directive (CSRD). The sustainability report shows how the work to implement, fulfill and comply with the requirements according to the CSRD is progressing, including a description of governance and responsibility. The company's auditor has met with the board without management present during the year. Between the board meetings, a large number of contacts have taken place between the company, its chair and other board members. Members are regularly sent written information concerning the company's activities, financial status and other relevant information. The measures taken by the board to monitor the functioning of internal control in relation to financial reporting and reporting to the board include requesting in-depth information in certain areas, in-depth discussions with parts of Group Management and requesting descriptions of the components of internal control, which are determined at the inaugural board meeting after the annual general meeting. The board establishes instructions for the CEO at the same time.

All members have attended all board meetings, with the exception of Kerstin Lindvall, who was partially absent from one meeting. Board meetings have been held both digitally and physically during the year.

### Evaluation of the members of the Board of Directors and the CEO 2024

The chair of the board is responsible for evaluating the work of the

board, including the contributions of individual members. This is done through an annual, structured evaluation with subsequent discussions in the board where the compiled results from the survey, including comments submitted, are presented by presenting individual answers for each question as well as the mean and standard deviation. In 2024, the evaluation took place through a web-based board evaluation where board members individually and anonymously take a position on statements regarding the board as a whole, the chair of the board, the CEO's work on the board, and their own work performance. The evaluation focuses on improving the board's efficiency and focus areas, as well as the need for specific skills and working methods. The results of the board evaluation have been presented to the nomination committee. Furthermore, the nomination committee has interviewed individual board members. In addition to the above annual board and CEO evaluation, the board continuously evaluates the CEO's work by monitoring the development of the business against the defined goals.

### Board committees

During 2024, the board had an audit committee consisting of Nathalie Delbreuve (chair), Frida Norrbom Sams and Albert Gustafsson. The audit committee met 5 (6) times in 2024. All members have been present at all meetings held both digitally and physically during the year.

The work has mainly focused on:

- Current and new accounting issues.
- Review of interim reports, year-end report and annual report.
- Review of reports from Beijer Ref's auditor including the auditor's audit plan and follow-up of audit fees.
- Assistance in drawing up proposals for the annual general meeting's decision on the election of the auditor.
- Review of procedures and work plan for the work of the committee.
- Ensuring that policies exist, and rules are complied with.
- Follow-up and reporting back concerning the company's tax situation and tax audits.
- IT-related security issues.

- Review of Beijer Ref's risk analysis.

Review of the work to implement, fulfill and comply with the requirements according to CSRD including the double materiality assessment carried out during the year.

During 2024, the board had a remuneration committee consisting of Kate Swann and Albert Gustafsson. The CEO and EVP HR and Communications present reports at these meetings. The remuneration committee met 5 (3) times in 2024. All members have attended all meetings, which have been held digitally during the year. Questions are prepared during the first board meeting of the year and decided at the board meeting held in connection with the annual general meeting.

The remuneration committee's tasks include monitoring and evaluating:

- The application of the company's guidelines for remuneration to senior executives and the current remuneration structures and levels of remuneration in the company
- All programs for variable remuneration for company management.
- Recommending long-term incentive programs.

### External auditors

The annual general meeting appoints the external auditor. Beijer Ref's auditor is the accounting firm Deloitte AB, with authorised public accountant Richard Peters as chief auditor. Deloitte AB has been elected by the annual general meeting 2024 as Beijer Ref's auditor for the period until the annual general meeting 2025.

During the year, Deloitte AB carried out a review of the company's interim financial report for the period 1 January 2024 up to and including 30 September 2024 in accordance with the International Standard on Review Engagements ISRE 2410.

Beijer Ref's auditor, who is elected by the Annual General Meeting, audits the company's annual accounts and accounting records, as well as the administration of the Board of Directors and the President. The auditor works on the basis of an audit plan and reports his or her observations to the Audit Committee, to members of Group management on an ongoing basis during the year and at least once a year to the Board of Directors. The auditor also attends the AGM to present the audit report and describe the audit work and observations made.

### Internal audit

There is a limited internal control function. The function has carried out a risk assessment, identified focus areas and carried out a self-assessment procedure with the Group's companies. There is no fully developed internal auditor function in the Beijer Ref Group. The board of directors of Beijer Ref AB has, in accordance with the rules of the Swedish Corporate Governance Code, taken a position on the need for a special internal audit function. The board has found that there is currently no need for such an organisation in the Beijer Ref Group. The background to the position is the company's risk profile and the control functions and control activities that are built into the company's structure, such as actively working boards in all companies, a high degree of presence from local management and board representation from management at the level above etc. Beijer Ref has defined internal control as a process that is influenced by the board of directors, the audit committee, the CEO, Group Management and other employees and that is designed to provide reasonable assurance that Beijer Ref's objectives are achieved in terms of: appropriate and efficient operations, reliable reporting and compliance with applicable laws and regulations. The internal control process is based on a control environment that creates discipline and provides a structure for the components of the process – risk assessment, control structures and follow-up. For information on internal control relating to financial reporting, see the section on internal control. For information on risk management, see pp. 70-71.

### CEO and Group Management

Christopher Norbye took up the position of President and CEO of the Beijer Ref Group on 30 August 2021. The President and CEO of Beijer Ref heads Beijer Ref's operations on an ongoing basis and is assisted by a Group Management team consisting of the heads of business operations, purchasing, IT, mergers and acquisitions, HR, communication, sustainability and finance staff/legal. At the end of 2024, the Group Management team, including the CEO, consisted of 7 people. For further information about Group Management, see pp. 60-61.

### Remuneration to senior executives

The aim of Beijer Ref's remuneration policy for senior executives is to offer competitive and market-based remuneration, so that competent and skilled employees can be attracted, motivated and retained. These guidelines allow senior executives to be offered a competitive total remuneration. The guidelines apply to remuneration that is

agreed upon and changes made to already agreed remuneration, after the guidelines have been adopted by the 2024 Annual General Meeting. The board, in its capacity as the company's remuneration committee, shall prepare, monitor and evaluate issues relating to variable cash remuneration. The remuneration shall consist of fixed salary, variable cash remuneration, pension benefits and other remuneration. The variable cash remuneration shall be based on predetermined, well-defined and measurable financial and non-financial targets for the Group and at Group and individual level, such as sales growth, profit growth, working capital development and, with regard to the non-financial targets, shall be linked to clear functional targets and/or sustainability targets. The weighting between the respective goals set shall be so that the heaviest weighting is placed on profit growth. The non-financial goals may amount to a maximum of 20 per cent of the total variable cash remuneration. Fulfilment of criteria for the payment of variable cash remuneration shall be measurable over a period of one year. The CEO receives a maximum amount corresponding to 100 per cent of an annual salary and other senior executives in Group Management receive a maximum amount corresponding to 75 per cent of an annual salary. The board shall have the opportunity, in accordance with law or agreement, to fully or partially reclaim variable remuneration paid on incorrect grounds.

Senior executives' pension benefits, including health insurance benefits, are defined contribution. An amount equal to a maximum of 30 per cent of fixed annual salary is allocated to the CEO, and an amount equal to a maximum of 25 per cent of fixed annual salary is allocated to other senior executives.

Other benefits may include health insurance and car benefit, which shall not constitute a substantial part of the total remuneration. Extraordinary remuneration may be paid as one-off arrangements in exceptional circumstances for the purpose of recruiting or retaining executives. Such remuneration may not exceed an amount equal to one year's fixed salary. For senior executives outside Sweden, whose employment conditions are subject to rules other than Swedish ones, other conditions may apply as a result of legislation or market practice and adaptation may therefore be required. Severance pay and fixed salary during notice are paid to the CEO up to a maximum of 24 months' fixed salary and to other senior executives up to a maximum of 12 months' fixed salary. Senior executives may resign with a notice period of six months. In the event of resignation by a senior executive, there is no severance pay. In addition,

compensation may be paid for any undertaking on restriction of competition. Such remuneration shall compensate for any loss of income and shall be paid only to the extent that the former executive is not entitled to severance pay for the corresponding period of time.

The CEO or other members of the Group Management team are not present when the board considers and decides on remuneration-related issues, to the extent that they are affected by the issues. The board shall draw up proposals for new guidelines at least every four years and submit the proposal for decision by the annual general meeting.

The board may decide to suspend these guidelines in whole or in part if, in an individual case, there are special reasons for doing so and a deviation is necessary to satisfy the long-term interests of the company, including its sustainability, or to ensure the company's financial viability. For more detailed information on remuneration guidelines, see note 6 in this annual report.

Further information on corporate governance may be found on Beijer Ref's website [www.beijerref.com](http://www.beijerref.com). This includes the following information:

- Previous annual corporate governance reports
- Notice of the annual general meeting
- Minutes
- Quarterly reports

### Internal control

The board of directors' responsibility for internal control is regulated by the Swedish Companies Act and the Swedish Corporate Governance Code. Internal control regarding financial reporting aims to provide reasonable assurance regarding the reliability of external financial reporting in the form of quarterly reports, annual reports and year-end reports and that external financial reporting is prepared in accordance with law, applicable accounting standards and other requirements for listed companies.

### External control instruments

The external instruments that form the framework for corporate governance within Beijer Ref include:

- The Swedish Companies Act
- Swedish and international financial reporting legislation
- Nasdaq OMX Stockholm's rules
- The Swedish Corporate Governance Code

**Internal control instruments**

The binding internal control instruments include:

- The Articles of Association
- Rules of procedure for the board and instructions for the committees and the CEO
- Certification and authorisation rules
- Values and Code of Conduct
- Finance Policy and Communication Policy
- Other governance and policy documents, guidelines and recommendations as well as processes for handling whistleblower cases, risk management, sustainability and internal control.

