

# Notice of Annual General Meeting in Munters Group AB

The shareholders of Munters Group AB (reg. no. 556819-2321) are invited to attend the annual general meeting to be held at 4 p.m. CET on Thursday 21 March 2024 at Munters headquarter, Borgarfjordsgatan 16, Kista, Stockholm, Sweden. Registration will commence at 3 p.m. CET.

The board of directors has decided that shareholders may exercise their voting rights at the annual general meeting also by postal voting.

## RIGHT TO PARTICIPATE AND NOTIFICATION

### A) PARTICIPATION AT THE MEETING VENUE

A person who wishes to attend the meeting venue in person or by proxy must

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on 13 March 2024; and
- give notice of participation no later than on 15 March 2024 by post to Munters Group AB, "Annual General Meeting", c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden, by phone +46(8)-402 92 73, by email to [generalmeetingservice@euroclear.com](mailto:generalmeetingservice@euroclear.com) or through the company's website, [www.munters.com](http://www.munters.com). The notification shall include name/business name, personal or corporate identity number, address, telephone number and number of any assistants (not more than two).

If the shareholder is represented by proxy, a written and dated power of attorney signed by the shareholder must be issued for the representative. Forms of power of attorney are available on the company's website, [www.munters.com](http://www.munters.com). If the shareholder is a legal entity, a certificate of incorporation, or corresponding authorisation document, must be attached. In order to facilitate the registration at the meeting, the power of attorney together with any registration certificate and other authorisation documents should be sent to the company at the address set out above in connection with the notice of participation.

### B) PARTICIPATION BY POSTAL VOTING

A person who wishes to participate in the meeting by postal voting must

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on 13 March 2024; and
- give notice of participation no later than on 15 March 2024, by submitting its postal vote in accordance with the instructions below, so that the postal vote is received by the company no later than that day.

A shareholder who wishes to attend the meeting venue in person or by proxy, must give notice of this in accordance with A) above. Hence, a notice of participation only through postal voting is not sufficient for a person who wishes to attend the meeting venue.

A special form shall be used for postal voting. The form is available on the company's website, [www.munters.com](http://www.munters.com). The completed and signed postal voting form may be sent by post to Munters Group AB, "Annual General Meeting", c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden, or by email to [generalmeetingservice@euroclear.com](mailto:generalmeetingservice@euroclear.com). Shareholders may also submit their postal votes electronically by verification with BankID via Euroclear Sweden AB's website, <https://anmalan.vpc.se/EuroclearProxy/>. The completed form shall be received by the company no later than 15 March 2024.

The shareholder may not provide special instructions or conditions in the voting form. If so, the postal vote in its entirety is invalid. Further instructions and conditions are included in the form for postal voting.

If the shareholder submits its postal vote by proxy, a written and dated power of attorney signed by the shareholder must be attached to the postal voting form. Forms of power of attorney are available on the company's website, [www.munters.com](http://www.munters.com). If the shareholder is a legal entity, a certificate of incorporation, or corresponding authorisation document, must be attached to the form.

## NOMINEE-REGISTERED SHARES

In order to be entitled to participate in the meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of its participation in the meeting, register its shares in its own name so that the shareholder is listed in the presentation of the share register as of 13 March 2024. Such registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee, in accordance with the nominee's routines, at such a time in advance as decided by the nominee. Voting rights registrations that have been made by the nominee no later than 15 March 2024 will be taken into account in the presentation of the share register.

## AGENDA OF THE GENERAL MEETING

### Proposal for agenda

1. Opening of the annual general meeting.
2. Election of chairman of the general meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Determination of whether the general meeting has been duly convened.
6. Election of two persons to approve the minutes together with the chairman.
7. Presentation of the annual report and the auditor's report, the consolidated financial statements and the auditor's report on the consolidated financial statements for 2023 as well as the auditor's statement regarding whether the applicable guidelines for remuneration have been complied with. In connection herewith, a report by the chairman of the board of directors Magnus Nicolin of the work of the board of directors during 2023 and a presentation by the President and CEO Klas Forsström.

8. Resolution on adoption of the income statement, the balance sheet, the consolidated income statement and the consolidated balance sheet for 2023.
9. Resolution on appropriation of the company's results in accordance with the adopted balance sheet.
10. Resolution on discharge of the board members and the CEO from personal liability towards the company for the administration of the company in 2023.
11. Resolution on number of board members and alternate board members to be elected by the general meeting.
12. Resolution on remuneration for board members.
13. Election of board members.
  - a. Helen Fasth Gillstedt (re-election)
  - b. Maria Håkansson (re-election)
  - c. Anders Lindqvist (re-election)
  - d. Magnus Nicolin (re-election)
  - e. Kristian Sildeby (re-election)
  - f. Sabine Simeon-Aissaoui (re-election)
  - g. Elizabeth Nugent (new election)
14. Election of chairman of the board of directors.
  - a. Magnus Nicolin (re-election)
15. Resolution on remuneration for the auditor.
16. Resolution on guidelines for the remuneration of senior executives.
17. Resolution on approval of the remuneration report.
18. Resolution on authorisation for the board of directors to issue new shares and/or convertible bonds and/or warrants.
19. Resolution on authorisation for the board of directors to resolve on transfer of own shares.
20. Closing of the annual general meeting.

## Proposals

### Proposal regarding election of chairman of the general meeting (item 2)

The nomination committee ahead of the 2024 annual general meeting consists of Magnus Fernström (chairman) (FAM AB), Celia Grip (Swedbank Robur Fonder), Mats Larsson (Första AP-fonden), and Philip Mesch (Odin Fonder). The chairman of the board of directors Magnus Nicolin is co-opted to the nomination committee.

The nomination committee proposes that attorney-at-law Emil Boström from Mannheimer Swartling Advokatbyrå should be elected chairman of the 2024 annual general meeting.

### Preparation and approval of the voting list (item 3)

The voting list proposed to be approved is the voting list prepared by Euroclear Sweden AB on behalf of the company, based on the meeting's share register, shareholders having given notice of participation and being present at the meeting venue, and received postal votes.

### Proposal regarding appropriation of the company's results in accordance with the adopted balance sheet (item 9)

The board of directors proposes that dividend is to be distributed with SEK 1.30 per share, to be paid in two equal instalments of SEK 0.65, and that the record dates for payment of the dividend should be 25 March 2024 and 25 September 2024. If the annual general meeting resolves in

accordance with the proposal, the dividend is expected to be distributed by Euroclear Sweden AB on 28 March 2024 and 30 September 2024.

**Proposal regarding the number of board members and alternate board members to be elected by the general meeting (item 11)**

The nomination committee proposes that the number of ordinary board members should be seven, without alternate board members.

**Proposal regarding remuneration for board members (item 12)**

The nomination committee proposes that board fees and fees for work in the committees of the board of directors, for non-employed board members elected by the general meeting, should be paid as follows: SEK 1,305,000 (1,236,000) to the chairman of the board of directors, SEK 495,000 (464,000) to each of the other board members, SEK 265,000 (258,000) to the chairman of the audit committee, SEK 157,500 (155,000) to each of the other members of the audit committee, SEK 140,000 (126,000) to the chairman of the remuneration committee, SEK 70,000 (63,000) to each of the other members of the remuneration committee, SEK 175,000 (126,000) to the chairman of the investment committee, and SEK 87,500 (63,000) to each of the other members of the investment committee.

**Proposal regarding election of board members (item 13)**

The nomination committee proposes that the board members Helen Fasth Gillstedt, Maria Håkansson, Anders Lindqvist, Magnus Nicolin, Kristian Sildeby, and Sabine Simeon-Aissaoui should be re-elected as board members, and that Elizabeth Nugent should be elected as new board member. Anna Westerberg has declined re-election.

*Elizabeth Nugent*

Born: 1975

Education and professional experience: MBA, University of Limerick and Bachelor of Science, Institute of Technology, Sligo. Extensive experience from a variety of global senior positions at Amcor, Nelipak Healthcare Packaging, Sealed Air and Boston Scientific.

Current assignments/positions: Chief Commercial Officer, Schoeller Allibert

Selected previous assignments: Vice President and General Manager, Medical Health Care, EMEA, Amcor; Senior Head, Healthcare Sales and Global Accounts, EMEA, Amcor; Vice President, European Sales, Design and Development, Nelipak Healthcare Packaging; Global Quality Manager and Head of Quality, Rigids, Sealed Air; Production Manager, Quality Project Lead and Manager; Boston Scientific.

**Proposal regarding election of chairman of the board of directors (item 14)**

The nomination committee proposes that Magnus Nicolin should be re-elected as chairman of the board of directors.

**Proposal regarding remuneration for the auditor (item 15)**

The nomination committee proposes that the fees to the auditor should be paid in accordance with normal standards and approved invoice.

## **Proposal regarding guidelines for the remuneration of senior executives (item 16)**

The main changes to the existing guidelines proposed by the board of directors comprise only updates of the examples of weighted sustainability goals that the non-financial criteria linked to the long-term variable cash salary may consist of.

The board of directors proposes that the 2024 annual general meeting resolve on guidelines for the remuneration of senior executives to be in force until further notice, pursuant to the following.

The group of executives encompassed by the guidelines comprises the CEO and other members of the group management. The guidelines also encompass any remuneration to board members, other than board fees. The guidelines shall apply to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2024 annual general meeting. The guidelines do not apply to any remuneration resolved by the general meeting.

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

Munters business strategy is to be a global leader in energy-efficient and sustainable climate solutions. Our solutions enable energy efficient production processes with reduced carbon dioxide emissions for our customers. Using innovative technologies, Munters creates the perfect climate for demanding and sophisticated industrial applications and processes, of which the largest segments are industry, defense, data centers, food, pharmaceuticals, and agriculture.

Munters conducts operations in three business areas:

- AirTech is a global leader in energy-efficient air treatment for industrial and commercial fields of application.
- FoodTech is one of the world's leading suppliers of innovative and energy-efficient climate systems for livestock farming and greenhouses, as well as software for controlling and optimising the entire food production value chain.
- Data Center Technologies is a leading supplier of advanced climate cooling solutions using a wide range of heat rejection technologies that create sustainable climate solutions for data center operators worldwide.

For further information regarding Munters business strategy, see Munters website (<https://www.munters.com/en/about-us/munters-in-short/>).

A prerequisite for the successful implementation of Munters business strategy and safeguarding of the company's long-term interests, including its sustainability, as well as delivery on the ambitions the company has, is that the company is able to recruit and retain qualified personnel. In order to do so, Munters must be able to offer a competitive total remuneration based on market terms, which these guidelines enable.

Munters has implemented long-term share-related incentive programs in 2017-2020, in which some senior executives have had the opportunity to participate. These programs have been resolved by each general meeting and are therefore excluded from these guidelines. For information regarding performance criteria, terms and conditions, and costs for these programs, see the board of directors' complete proposal for each general meeting on Munters website and in Munters annual report.

Variable cash remuneration covered by these guidelines shall aim to promote the company's business strategy and long-term interests, including its sustainability.

*Types of remuneration, etc.*

The remuneration shall be on market terms and may consist of the following components: fixed annual cash salary, variable cash salary, pension and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, for example, share and share price-related remuneration.

Fixed cash salary

The fixed cash salary shall reflect the demands and responsibility that the position entails as well as individual performance. The fixed cash salary shall be revised annually.

Variable cash salary

Variable cash salary may consist of annual variable cash salary and / or long-term variable cash salary.

The annual variable cash salary shall be maximized to 50 per cent of the fixed annual cash salary for the CEO and other senior executives. The satisfaction of criteria for awarding variable cash salary shall be measured over a period of one year.

The annual variable cash salary shall be linked to predetermined and measurable financial criteria, such as operating result and working capital. By linking the remuneration of the senior executives to the company's earnings and financing of its operating activities, the criteria promote the implementation of the company's business strategy and long-term interests, including its sustainability. Furthermore, the criteria for variable cash salary shall be designed so that they do not encourage excessive risk taking.

The long-term variable cash salary shall be awarded after one, two, and three years, respectively, and shall be maximized to a total of 150 per cent of the annual fixed cash salary for the CEO, and 55 per cent of the annual fixed cash salary for other members of group management, distributed pro-rata over the three years. The satisfaction of criteria for pay out of long-term variable cash salary shall be measured during a one-, two- and three-year period, respectively, before pay out.

The long-term variable cash salary shall be linked to predetermined and measurable financial criteria (weighting 70 per cent) and non-financial criteria (weighting 30 per cent). The financial criteria may consist of, for example, adjusted EBITA and Operating Working Capital and the non-financial criteria may consist of, for example, weighted sustainability goals (such as annual reduction of direct (scope 1) and indirect (scope 2) emissions measured in tons of carbon dioxide, annual share of female managers who have been appointed within the group, as well as annual service growth). By linking the remuneration of the senior executives to the company's earnings, financing of day-to-day operations, and sustainability, the criteria promote the implementation of the company's business strategy and long-term interests, including its sustainability. The criteria for long-term variable cash salary shall be designed so that they do not encourage excessive risk-taking.

A certain part of the net amount after tax of paid out long-term variable cash salary is expected to be invested in Munters shares, according to the share ownership policy which the board has adopted. The entire net amount after tax is expected to be invested in Munters shares until the holding in value corresponds to 200 per cent of the gross annual fixed cash salary for the CEO and 100 per cent of the gross annual fixed cash salary for other members of group management. When such a holding has been achieved, half of the net amount after tax is expected to be invested in Munters shares.

To which extent the criteria for awarding variable cash salary have been satisfied shall be evaluated when the measurement period has ended. The board of directors is responsible for the evaluation so far as it concerns variable cash salary to the CEO. The remuneration committee is responsible for the evaluation so far as it concerns variable cash salary to other members of the group management. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Terms and conditions for both annual variable cash salary and long-term variable cash salary shall be designed so that the board of directors, if exceptional economic circumstances prevail, has the option of limiting or refraining from payment if such a measure is considered reasonable.

Additional 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 executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 50 per cent of the fixed annual cash salary and shall not be paid more than once per year and per individual. Resolution on such remuneration shall be made by the board of directors based on a proposal from the remuneration committee.

#### Pension

For the CEO, pension benefits, including health insurance, shall be defined contribution. Variable cash salary shall not qualify for pension benefits. Pension contributions for defined contribution pension shall amount to not more than 35 per cent of the fixed annual cash salary.

For other members of the group management, pension benefits, including health insurance, shall be defined contribution unless the executive concerned is subject to defined benefit pension under mandatory collective agreement provisions. Variable cash salary shall qualify for pension benefits to the extent required by mandatory collective agreement provisions applicable to the executive. Pension contributions for defined contribution pension shall amount to not more than 35 per cent of the fixed annual cash salary.

#### Other benefits and compensation

Other compensation may consist of other benefits that are customary and in line with market terms, such as medical insurance, life insurance and company cars, which shall not constitute a significant part of the total remuneration. Such benefits may amount to not more than 10 per cent of the fixed annual cash salary.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

### Consultancy fee to board members

In specific cases, and for a limited time, Munters board members elected by the general meeting may be able to be remunerated for services within their respective areas of expertise, which do not constitute board work. For these services (including services performed by a board member's wholly-owned company), a fee on market terms can be paid, provided that such services contribute to the implementation of Munters business strategy and safeguarding of Munters long-term interests, including its sustainability. Such consultancy fee may, for each board member, in no case exceed one year's board fee.

### *Termination of employment*

Fixed cash salary during the notice period and severance pay, as well as remuneration for any non-compete restrictions, shall in total not exceed an amount corresponding to the fixed cash salary for two years for the CEO and 18 months for other members of the group management. Severance pay shall not be paid if notice of termination of employment is made by the CEO and other members of the group management. The notice period between the company and the CEO, and other members of the group management, shall not exceed 6 months.

Remuneration for any non-compete restrictions shall compensate for any loss of income and shall only be paid for such period as the former executive does not have the right to severance pay. The remuneration shall amount to not more than 60 per cent of the fixed annual cash salary at the time of termination of employment, unless otherwise provided by mandatory collective agreement provisions, and shall be payable during the period subject to the non-compete restriction, which shall not exceed 12 months after 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 and the group's Swedish operations have been taken into account by including information on the employees' total remuneration, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.<sup>1</sup>

### *Preparation and decision-making process*

The board of directors has established a remuneration committee. The committee's tasks include, among other things, preparing the board of directors' decision to propose guidelines for remuneration to senior executives. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit the proposal to the annual general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the group management, the application of the guidelines for remuneration to senior executives as well as the current remuneration structures and compensation levels in the company. The CEO and other members of the group management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters. Remuneration to the CEO is prepared by the

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<sup>1</sup> In the company, i.e. in Munters Group AB, there are only seven employees, where all are senior executives.



remuneration committee and decided by the board of directors. Remuneration to other members of the group management is prepared by the CEO and decided by the remuneration committee.

#### *Derogation from the guidelines*

The board of directors may temporarily resolve to derogate from the guidelines resolved by the general meeting, 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. As stated above, the remuneration committee's tasks include preparing the board of directors' resolutions in remuneration-related matters, which includes preparing any resolutions to derogate from the guidelines.

#### **Proposal regarding authorisation for the board of directors to issue new shares and/or convertible bonds and/or warrants (item 18)**

The board of directors proposes that, for the period until the end of the next annual general meeting, the board of directors should be authorised to resolve, at one or several occasions, on a preferential or non-preferential basis, on the issuance of shares and/or convertible bonds and/or warrants. Such resolution may provide for payment in kind, payment against set-off of claims and/or on other conditions. The number of shares that may be issued, the number of shares that convertible bonds may be converted into and the number of shares that may be subscribed for by the exercise of warrants may not exceed 18,445,781 in total.

If the authorisation is exercised in full, the dilution would amount to approximately 10 per cent of the number of shares in the company (counted before the authorisation has been exercised).

The purpose of the authorisation is to enable payment through the issuance of own financial instruments in connection with possible investments and transactions that the company may make in accordance with its growth ambitions as well as to raise capital in order to finance completed or future investments and transactions.

A valid resolution in accordance with the proposal requires that shareholders representing not less than two-thirds of the votes cast as well as of the shares represented at the general meeting approve the resolution. The board of directors, or any person appointed by it, is authorised to make any minor adjustments to the resolution that may be necessary to enable registration with the Swedish Companies Registration Office.

#### **Proposal regarding authorisation for the board of directors to resolve on transfer of own shares (item 19)**

The board of directors proposes that, for the period until the end of the next annual general meeting, the board of directors should be authorised to resolve, at one or several occasions, with or without deviation from the shareholders' preferential rights, on the transfer of the company's own shares. Such resolution may provide for payment in kind, by set-off of claims, and/or on other conditions as follows.

Transfer of the company's own shares may be made on Nasdaq Stockholm, as well as outside of Nasdaq Stockholm. The shares may be used as payment in connection with possible investments and transactions that the company may make in accordance with its growth ambitions as well as to raise capital in order to finance completed or future investments and transactions. The

number of shares that may be transferred may not exceed the number of shares held by the company at the time of the resolution of the board of directors. Transfer outside of Nasdaq Stockholm may be made at a minimum price per share corresponding to an amount in close connection with the price of the company's shares on Nasdaq Stockholm at the time of the decision of transfer. Transfer made on Nasdaq Stockholm may be made at a price within the each time prevailing price interval of the share.

The purpose of the authorisation is to enable payment through transfer of own shares in connection with possible investments and transactions that the company may make in accordance with its growth ambitions as well as to raise capital in order to finance completed or future investments and transactions.

A valid resolution in accordance with the proposal requires that shareholders representing not less than two-thirds of the votes cast as well as of the shares represented at the general meeting approve the resolution.

## NUMBER OF SHARES AND VOTES IN THE COMPANY

At the time of this notice the total number of shares and votes in the company amounts to 184,457,817. All shares are of the same class. The company holds 1,933,033 own shares, which may not be represented at the annual general meeting.

## AVAILABLE DOCUMENTATION

The Nomination Committee's reasoned statement, form of power of attorney and postal voting form are available at the company and on the company's website, [www.munters.com](http://www.munters.com).

The financial statements, the audit report and other documentation that shall be available for the shareholders according to the Swedish Companies Act will be available at the company and on the company's website, [www.munters.com](http://www.munters.com), no later than three weeks before the annual general meeting.

The documents will be sent free of charge to shareholders who so request and state their address.

## INFORMATION AT THE GENERAL MEETING

The board of directors and the CEO shall, if any shareholder so requests, and the board of directors considers that this can be done without significant harm for the company, at the annual general meeting provide information on circumstances that may affect the assessment of an item of the agenda, circumstances that may affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the group. A shareholder may send questions in advance by post to Munters Group AB, Att: Vice President, Investor Relations and Enterprise Risk Management, Box 1188, SE-164 26 Kista, Stockholm, Sweden, or by email to [investorrelations@munters.com](mailto:investorrelations@munters.com).

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

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Stockholm, February 2024

**Munters Group AB**

*The Board of Directors*

For more information, please contact:

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## About Munters Group

Munters is a global leader in energy-efficient air treatment and climate solutions. Using innovative technologies, Munters creates the perfect climate for customers in a wide range of industries. Munters has been defining the future of air treatment since 1955. Today, around 5,000 employees carry out manufacturing and sales in more than 30 countries. Munters Group AB reported annual net sales of more than SEK 14 billion in 2023 and is listed on Nasdaq Stockholm. For more information, please visit [www.munters.com](http://www.munters.com).