

Note 6

Employees, personnel costs and remuneration of senior executives

Accounting principles

Short-term benefits

Liabilities regarding salaries and distributed benefits, including non-monetary benefits and paid absences, which are expected to be settled within 12 months after the end of the financial year, are reported as current liabilities at the undiscounted amount that is expected to be paid when the debts are settled. The cost is reported in line with the services being performed by the employees. The liability is reported as a liability regarding remuneration to employees in the balance sheet.

Remuneration after termination of employment

The Group only has defined-contribution pension plans. A defined contribution pension plan is a pension plan according to which the Group pays fixed contributions to a separate legal entity. The Group does not have any legal or informal obligations to pay additional fees if this legal entity does not have sufficient assets to pay all compensation to employees related to employee service during the current or prior periods. The fees are reported as an expense in the profit for the period at the rate at which they are earned by employing services performed for the company during the period.

The average number of employees with a geographical distribution per country

	2024		2023	
	Number of employees	Of which men	Number of employees	Of which men
<i>Parent company</i>				
Sweden	6	4	7	5
<i>Subsidiaries</i>				
Sweden	761	694	755	686
Norway	364	329	360	326
Finland	48	48	38	38
Total in subsidiaries	1,173	1,071	1,153	1,050
Group total	1,179	1,075	1,160	1,055

Gender distribution among Board members and other senior executives in the Group

The Board refers to the board of the parent company. Only the Board of the parent company and Group Management, including the Chief Executive Officer ("CEO"), are considered senior executives. The figures refer to the number as of the balance sheet date.

	2024		2023	
	Quantity	Of which men	Quantity	Of which men
The Board of the parent company	5	3	5	4
CEO and other senior executives	4	4	4	4
Group total	9	7	9	8

Personnel costs

The Group only has defined contribution pension costs. Of the parent company's pension costs, SEK 0.9 (0.9) million relates to the parent company's Board and CEO.

2024

	Salaries and compensations	Other social costs	Pension costs	Other	Total personnel costs
				personnel costs	
<i>Parent company</i>					
Sweden	11.4	3.6	2.3	0.1	17.4
<i>Subsidiaries</i>					
Sweden	439.1	147.1	40.6	36.5	663.3
Norway	246.6	32.2	21.1	16.2	316.1
Finland	38.6	1.7	7.9	6.2	54.3
Total in subsidiaries	724.3	180.9	69.6	58.8	1,033.7
Group total	735.8	184.5	71.9	58.9	1,051.1

2023

	Salaries and compensations	Other social costs	Pension costs	Other personnel costs	Total personnel costs
<i>Parent company</i>					
Sweden	11.7	3.7	2.5	0.2	18.1
<i>Subsidiaries</i>					
Sweden	443.0	132.3	41.6	9.7	626.6
Norway	265.2	34.4	17.3	1.6	318.5
Finland	27.9	1.6	5.6	4.7	39.8
Total in subsidiaries	736.1	168.3	64.6	15.9	984.8
Group total	747.8	172.0	67.1	16.1	1,002.9

Salaries and remuneration and pension costs divided between the Board, the CEO and other senior executives and other employees

	2024			2023		
	Salaries and compensations	Of which variable remuneration and similar	Pension costs	Salaries and compensations	Of which variable remuneration and similar	Pension costs
The Board of the parent company	2.0	-	-	1.8	-	-
CEO and other senior executives	7.1	0.1	1.7	6.7	1.0	1.5
Other employees	726.7	0.2	70.2	739.3	0.2	65.6
Group total	735.8	0.3	71.9	747.8	1.2	67.1

Salaries and remuneration distributed per Board member, CEO and other senior executives

Financial year 2024

	Basic salary/ Board remuneration	Variable compensation	Fee, invoiced	Other benefits/ compensation	Pension cost	Total
Mats O. Paulsson - Styrelseordförande	0.6	-	-	-	-	0.6
Göran Näsholm - Styrelseledamot	0.4	-	-	-	-	0.4
Marie Osberg - Styrelseledamot	0.3	-	-	-	-	0.3
Victor Örn - Styrelseledamot	0.2	-	-	-	-	0.2
Ljot Strömseng - Styrelseledamot	0.3	-	-	-	-	0.3
Monika Gutén - Styrelseledamot	0.2	-	-	-	-	0.2
Summa styrelsearvode, ersättning från moderbolaget	2.0	-	-	-	-	2.0
Andreas Christoffersson - koncernchef och VD moderbolag	3.1	0.1	-	0.1	0.9	4.2
Other senior executives, remuneration from the parent company ¹⁾	2.6	0.1	1.5	0.2	0.8	5.1
Other senior executives, remuneration from subsidiaries	1.4	0.0	-	0.3	0.1	1.7
Other senior executives	7.1	0.1	1.5	0.6	1.7	11.0
Group total	9.1	0.1	1.5	0.6	1.7	13.0

¹⁾ The IR and communications manager invoices his fee.

Salaries and remuneration distributed per Board member, CEO and other senior executives

Financial year 2023

	Basic salary/Board remuneration	Variable compensation	Fee, invoiced	Other benefits/compensation	Pension cost	Total
Mats O. Paulsson - Chairman of the Board	0.5	-	-	-	-	0.5
Göran Näsholm - Board member	0.4	-	-	-	-	0.4
Marie Osberg - Board member	0.3	-	-	-	-	0.3
Victor Örn - Board member	0.3	-	-	-	-	0.3
Ljot Strömseng - Board member	0.3	-	-	-	-	0.3
Total board fee, remuneration from the parent company	1.8	-	-	-	-	1.8
Andreas Christoffersson - Group CEO and CEO Parent company	2.9	0.5	-	0.1	0.9	4.5
Other senior executives, remuneration from the parent company ¹⁾	2.0	0.3	1.5	0.1	0.6	4.5
Other senior executives, remuneration from subsidiaries	1.8	0.2	-	0.4	0.1	2.5
Other senior executives	6.7	1.0	1.5	0.7	1.5	11.4
Group total	8.5	1.0	1.5	0.7	1.5	13.2

¹⁾ The IR and communications manager invoices his fee.

Conditions and remuneration of senior executives

Remuneration is paid to the members of the Board in accordance with the decision of the Annual General Meeting for board work and committee work. No pensions are paid to the board. Board fees are paid as salary. Remuneration to the CEO and other senior executives consists of fixed and variable remuneration, other benefits and a defined-contribution pension. Other senior executives refer to the persons who, together with the CEO, constitute Group management.

Terms of resignation

The CEO has a notice period of six months. The notice period from the company is twelve months. Other senior executives have a notice period of six months and between six and twelve months if the company is terminated.

Guidelines for remuneration to senior executives

Below are the guidelines decided by the 2024 Annual General Meeting and which apply until the 2028 Annual General Meeting, unless significant changes are implemented before then.

The guidelines cover remuneration that arises through agreements and changes that take place regarding already agreed remuneration after the 2024 Annual General Meeting has adopted the guidelines. The guidelines do not cover remuneration decided by the Annual General Meeting, such as fees to board members or share-based incentive programs.

More information about Nordisk Bergteknik AB's (publ)'s ("Company") vision and business strategy can be found in the Company's annual reports at www.nordiskbergteknik.se. In order for the Company to be able to implement its business strategy and safeguard the company's long-term interests, including sustainability, the Company must be able to recruit and retain qualified employees. To achieve this, the Company must be able to offer competitive total remuneration, which these guidelines make possible.

Remuneration to senior executives

In order to ensure that the Company can recruit and retain qualified senior executives, the Board proposes that the basic principle should be that salary and other terms of employment should be such that the Group can always attract and retain competent senior executives at reasonable costs for the company. Remuneration within the Group must therefore be based on the position, character, performance, competence requirements, competitiveness and fairness. With regard to employment relationships that are subject to rules other than Swedish, with regard to pension benefits and other pension benefits, appropriate adjustments may be made to comply with such mandatory rules or established local practice, whereby the overall purpose of these guidelines shall be met as far as possible.

Forms of compensation

The company's remuneration to senior executives shall constitute market remuneration consisting of a fixed salary, pension and other benefits, short-term incentive / variable remuneration (STI) and long-term incentive program (LTI). Respective compensation is described below. In addition to, and without regard to these guidelines, the Annual General Meeting may decide on, for example, share and share price-related programs.

Fixed salary

Each senior executive must be offered a fixed salary that is market-based and based on the senior executive's job description, responsibilities, competence and performance. Salary must be determined per calendar year.

Pension

For senior executives, pension benefits, including health insurance, shall be premium-based. Variable cash remuneration shall not be pensionable. The pension premiums for premium-based pensions shall amount to a maximum of 33% of the fixed annual cash salary (including holiday pay). Regarding employment relationships governed by rules other than Swedish rules, as far as pension and other benefits are concerned, appropriate adjustments may be made to comply with such mandatory rules or established local practice, considering, as far as possible, the overall purpose of these guidelines. Benefit-based pension schemes should, as far as possible, always be avoided.

Other benefits

The senior executives can also be covered by other benefits, such as life insurance, health insurance and car benefits. Premiums and other costs that arise through other benefits, excluding car benefits, may in total amount to a maximum of 10% of the fixed salary for each individual person.

Short-term incentive / variable remuneration (STI)

Senior executives may, from time to time, be offered a variable salary (performance-based bonus) to be paid in cash. Such a bonus may, as far as the CEO is concerned, amount to a maximum of 50 % of the annual fixed salary. Bonus may, as far as other senior executives are concerned, amount to a maximum of 40 % of the annual fixed salary. The criteria shall be determined annually by the Remuneration Committee and the Board, respectively.

The bonus shall primarily be based on the development for the entire Nordisk Bergteknik Group or the development for the unit for which the person in question is responsible. The development must refer to the fulfillment of various improvement goals or the achievement of various financial goals. The performance targets shall be related to growth, operating profit (EBIT) in relation to sales and shall aim to benefit the Company's business strategy and long-term interests, including sustainability. Any bonus and bonus bases must be determined for each financial year. When the measurement period for meeting the criteria for payment of variable cash compensation has ended, it must be assessed and determined to what extent the criteria have been met. In the annual evaluation, the Remuneration Committee, or, where applicable, the Board, may adjust the targets and / or remuneration for both positive and negative extraordinary events, reorganisations and structural changes.

Additional variable cash remuneration may be paid in exceptional circumstances, provided that such extraordinary arrangements are only made at the individual level either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary work in addition to the person's ordinary duties. Such compensation may not exceed an amount corresponding to 30% of the fixed annual salary and must not be paid more than once a year per individual. Decisions on such remuneration shall be made by the Board after preparation by the Remuneration Committee.

Long-term variable incentive program (LTI)

Prior to each Annual General Meeting, the Board shall consider whether a share or share price-related incentive program should be proposed to the Annual General Meeting or not, noting that the Board currently anticipates that such proposals will not be submitted as long as the Board considers LTI to continue to be offered. It is the Annual General Meeting that decides on share or share price-related incentive programs. Incentive programs must contribute to long-term value growth and that the company, the participants and the shareholders have a common interest in the share's positive value development.

Termination period and severance pay

As a general rule, a mutual notice period of six months shall apply to senior executives, however, a maximum of 12 months. Severance pay, in addition to salary during the notice period, may occur but must together with a fixed salary during the notice amount to a maximum of 18 monthly salaries. Persons residing outside Sweden may be offered notice periods and severance pay that are competitive in the country where the persons are or have resided or to which they have a significant connection, preferably solutions corresponding to what applies to senior executives residing in Sweden.

Remuneration to board members

To the extent that board members elected by the AGM perform work for the Company that goes beyond the board work, they must be remunerated for such work through consulting fees to the board member or to companies controlled by the board member, provided that the work performed contributes to the implementation of the Company's business strategy, including its durability. The remuneration must be market-based and must be approved by the board.

Salary and terms of employment for employees

In the preparation of the Board's proposal for these compensation guidelines, salaries and employment conditions for the company's employees have been considered by including information on total remuneration, compensation components, as well as the increase and rate of increase of compensation over time as part of the Compensation Committee's and Board's decision-making basis in evaluating the reasonableness of the guidelines and the limitations imposed by them.

Board decision-making

The Board's Remuneration Committee proposes and the Board decides on the salary and other conditions for the CEO. The Remuneration Committee shall also be responsible for preparing the Board's decision on proposed guidelines for remuneration to the Board and the company's management. Proposals from the Board of Directors for resolutions on new guidelines at the Annual General Meeting shall be prepared at least every four years and be valid until the Annual General Meeting has adopted new guidelines. The Remuneration Committee is responsible for being updated and evaluating the variable remuneration given as a result of the guidelines. In the Board of Directors' decisions on remuneration-related issues, the CEO or other senior executives shall not participate if they are affected by the issues.

Deviations from the guidelines

The Board of Directors shall be entitled to deviate from the guidelines if in the individual case there are special reasons for the deviation and this is necessary to take into account the company's long-term interests, including sustainability. It falls within the preparatory competence of the Remuneration Committee, as stated above, to prepare decisions on deviations from the guidelines.

Decided compensation that has not yet fallen due for payment

On June 10, 2019, new rules were introduced in the Swedish Companies Act, including the design of the remuneration guidelines. According to the transitional provisions to the new rules, the proposed compensation guidelines must contain information on previously decided compensation that has not yet fallen due for payment. For further information on remuneration to senior executives, see note in the annual report.