



Remuneration Report 2022



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Letter from the Chair of the Remuneration Committee

Dear Shareholders,

2022 was for me an exciting year where I took office both as Chair of the Board of Nilfisk but also as Chair of the Remuneration Committee. I think that the remuneration structures of a company is an important part of enabling short and long-term shareholder value creation. That is why the Remuneration Committee during the year initiated a review of the existing short- and long-term incentive structures and policies to make sure they serve the purpose of the remuneration policy.

The suggested updates of the remuneration policy for this year's annual general meeting is to further enable long-term shareholder value creation as well as offering an attractive total remuneration package for the key talent that Nilfisk would need to attract and retain in the coming years.

As new Chair I will share with you an overview of the main items that we have worked on in the Remuneration Committee during 2022.

A more simple STI model

In 2021 the STI model included KPIs for revenue growth, EBITDA, working capital, customer satisfaction and employee satisfaction.

In 2022 we decided to simplify the STI model, bringing the number of KPIs down from five to three, to prioritize activities and to give a bigger opportunity to achieve our key ambitions for the year. The 3 KPIs for 2022 was revenue growth, EBITDA and working capital.

Redesigning the long-term incentive program (LTIP) to attract and retain senior leadership talent

After 5 years of awarding the current LTIP program a market review and stakeholder analysis of the current long-term incentive program was conducted. A number of key challenges was identified and based on these an ambition to create a revised long-term incentive program (LTIP) was formulated. In order to enable successful execution of Nilfisk's business plan it is important that key employees are effectively tied to the performance and growth of the company. With ambitious growth plans, the LTIP must align with market to ensure motivation and performance. There is an opportunity to increase the perceived long-term attractiveness of the total remuneration package for key employees by introducing a more efficient LTIP. Further a new redesigned LTI model have to create alignment between shareholders and key employees by ensuring long-term executive commitment and sufficient value sharing given performance.

This is why we propose to adjust the remuneration policy and introduce a new LTIP for Nilfisk on the Annual General Meeting (AGM) in 2023 based on the recommendations from the LTIP market review.

Benchmark study and preparation for the pay transparency directive

In 2022 we conducted a study on employee pay in the wider workforce drawing upon external benchmark data and Nilfisk's global pay and position system. The survey included 77% of all positions from production/assembly jobs to sales and after sales service jobs,

staff functions and R&D. The benchmark study helped Nilfisk identify and analyze how to become even better at attracting and maintaining talented employees but also to prepare for the upcoming implementation of the EU Pay Transparency Directive, which includes an enhanced pay transparency for potential and current employees to know, act and chose employer based on the actual pay levels before signing up for a job, a promotion or salary adjustment.

Although the study showed a positive development of the salary level of each position according to market level, the survey also showed that there are still improvement points on same pay for same job at a few locations in Nilfisk. This was addressed by the Committee and Nilfisk have taken steps to make sure that any pay gaps that are not defined by objective criteria, such as performance, seniority, educational background, experience or skills are corrected.

Remuneration policy – we keep making sure it is relevant and aligned with shareholders

Our aim and intent are to pay executives and employees at Nilfisk appropriately and fairly according to market standards. We strive for a remuneration policy and practice that reflects the nature, complexity and size of the company and its current situation. Furthermore, we do our best to ensure that the remuneration policy continues to support the strategy of the company, that it attracts, motivates and retains key employees, in the best interest of all stakeholders.

I look forward to receiving your support for our Remuneration Report at the Annual General Meeting on March 23, 2023.

Peter Nilsson

Chair of Nilfisk Remuneration Committee



Remuneration Report

There is a clear alignment between shareholder value creation and the current remuneration policies for the Board of Directors, the Executive Management Board, and the Nilfisk Leadership Team.

In accordance with section 139 b of the Danish Companies Act implementing the requirements from Directive (EU) 2017/828 (SRD II), this Remuneration Report for Nilfisk Holding A/S ("Nilfisk Holding" or the "Company") includes information on the total remuneration received by each member of the Board of Directors, the Executive Management Board and the Nilfisk Leadership Team (NLT). This includes information on the most important content of retention and resignation arrangements, and the correlation between the remuneration and the company remuneration policy approved at the Annual General Meeting of the Company on March 25, 2022, the company strategy and relevant related goals.

Remuneration Committee

The overall responsibility of the Remuneration Committee, as laid out in the Terms of Reference, is to oversee and recommend to the Board, the remuneration of the Board of Directors, the Executive Management Board, and other members of the Nilfisk Leadership Team to ensure that the company's remuneration practice is appropriate, balanced, and effective to achieve growth, profitability, and shareholder value. This responsibility includes establishing the Remuneration Policy for the Board of Directors and the Executive Management Board, making proposals on changes to the Remuneration Policy, and obtaining the approval of the Board of Directors prior to seeking shareholders' approval at the Annual General Meeting. The Remuneration Committee also oversees the company's short-term and long-term incentive programs, including awards,

target-setting and a review of target achievements every year. The Remuneration Committee reports to the Board of Directors at all regular board meetings to ensure transparency and efficient decision making.

Main activities in 2022

The Remuneration Committee had four regular meetings during 2022. In addition to regular meetings several phone meetings took place in connection with remuneration topics.

An annual wheel governed the four regular meetings in the remuneration committee during the year. The wheel lays out the plan for the meetings:

- **January meeting:** Targets for the coming year's annual bonus program are approved
- **March meeting:** The annual bonus payments for the prior year and the allotment of performance shares (if any) for the coming year are reviewed
- **May meeting:** The remuneration policy and general guidelines for incentive pay, including current and new initiatives are reviewed. The annual wheel governing the plan for the four regular meetings is also reviewed.
- **November meeting:** The coming year's salary adjustments and the coming year's annual bonus metrics and weights are reviewed. The Remuneration Report for the ending financial year, including highlights and focal points as well as implementation of any new corporate governance requirements or changes to the Remuneration Policy, is planned and discussed.

In addition to these main topics, the Remuneration Committee annually reviews how Nilfisk Leadership Team is compensated. In November 2022 a benchmarking exercise was conducted.

The Remuneration Committee also reviewed the status on major initiatives on improved transparency on compensation. This year the global pay governance system has been further implemented to allow for review of the global workforce compensation on an annual basis compared to market (pay) benchmark.

Key components in the remuneration of the governing bodies of Nilfisk under current policy

Remuneration	Board of Directors	Executive Management Board	Comments
Fixed fee/base salary	•	•	Salary levels take into account market remuneration as well as the executives' skills, performance and experience, increases for the broader workforce and external market data for peers
Fee for committee work	•		Members of Audit Committee, Nomination Committee and Remuneration Committee. The Chair of the Board is not remunerated for committee participation, nor are ad hoc committee members
Short-term cash based incentive		•	Maximum award of 100% of base salary for the Executive Management Board
Long-term share-based incentive		•	Maximum award of 100% of base salary
Benefits		•	Company cars, phone, private health care etc. are set taking into account the wider workforce rate and market practice in the country in which the executive resides
Pension			Set to take into account the wider workforce rate and market practice in the country in which the executive resides. No member of the Executive Management Board has a defined pension contribution, but this has been taking into account when setting the total remuneration.

Summary of the Remuneration Policy

Under the Remuneration Policy, the Board of Directors receive a fixed fee, while members of the Executive Management Board receive a fixed salary, a short-term cash-based incentive and a long-term share-based incentive. This structure is designed to ensure commonality of interest between the management and shareholders of Nilfisk and maintains management's motivation to achieve both short-term results and pursue long-term strategic goals.

Members of the Board of Directors are not entitled to any kind of compensation upon resignation as a member of the Board of Directors. Members of the Executive Management Board are not entitled to severance pay beyond ordinary remuneration during their notice period.

The Board of Directors may enter into an agreement with an executive on an extended termination notice period in case of a change of control of the Company.

Remuneration of the Board of Directors

Members of the Board of Directors receive a base fee as well as fees for committee duties. Fees are evaluated relative to Danish and other European companies of comparable size and complexity to Nilfisk. No member of the Board of Directors participates in any of the company's incentive plans.

Each member of the Board of Directors receives a fixed annual fee while the Chair receives 3x the base fee and the Deputy Chair receives 2x the base fee. Other members of permanent board committees also receive a supplemental annual fee per committee.

Remuneration fees of the Board of Directors – 2022

Total remuneration (Cash-based) in thousands EUR	Fees structure	
	until March 2022	after March 2022
Board fee		
Chair	120.8	130.9
Deputy Chair	80.5	87.2
Member	40.3	43.6
Audit Committee fee		
Chair	26.8	29.1
Member	13.4	14.5
Nomination Committee fee		
Chair	13.4	14.5
Member	6.7	7.3
Remuneration Committee fee		
Chair	13.4	14.5
Member	6.7	7.3

Total remuneration of the Board of Directors – 2022

EUR thousand	Board of Directors	Audit Committee	Remuneration Committee	Nomination Committee	Total
Peter Nilsson (Chair) ¹	98.2	-	10.9	5.5	114.6
Jens Due Olsen (Chair) ²	30.0	-	-	-	30.0
René Svendsen-Tune (Deputy Chair)	85.6	-	-	14.2	99.8
Jutta af Rosenborg	42.8	28.5	3.4	-	74.7
Thomas Lau Schleicher	42.8	-	7.1	-	49.9
Richard Bisson	42.8	-	-	-	42.8
Franck Falezan	42.8	-	-	7.1	49.9
Are Dragesund	Fee waived	Fee waived	-	-	0.0
Gerner Raj Andersen	42.8	-	-	-	42.8
Thorkil Vinum ³	10.1	-	-	-	10.1
Nadia Roya Damiri ¹	32.7	-	-	-	32.7
Claus Dalmoose ¹	32.7	-	-	-	32.7
Marcus Faber Kappendrup ¹	32.7	-	-	-	32.7
Yvonne Markussen ⁴	10.1	-	-	-	10.1
Total	546.1	28.5	21.4	26.8	622.8

1. Appointed March 25, 2022.

2. Appointed October 10, 2017, resigned on March 25, 2022.

3. Appointed January 1, 2022, resigned March 25, 2022.

4. Appointed February 18, 2019, resigned March 25, 2022.

Board of Directors' Shareholding in Nilfisk – 2022

Number of Nilfisk shares	January 1, 2022	Movements in 2022	December 31, 2022	Market value on December 31, 2022 in EUR thousand (closing price)
Peter Nilsson (Chair)	19,104	8,000	27,104	533.3
Jens Due Olsen (Former Chair)	21,732	(21,732)	-	-
René Svendsen-Tune (Deputy Chair)	4,000	-	4,000	78.7
Jutta af Rosenborg	-	-	-	-
Thomas Lau Schleicher	2,600	-	2,600	51.2
Richard Bisson	-	-	-	-
Are Dragesund	-	-	-	-
Franck Falezan	-	-	-	-
Gerner Raj Andersen	210	-	210	4.1
Nadia Roya Damiri	-	145	145	2.9
Claus Dalmoose	-	30	30	0.6
Marcus Faber Kappendrup	32	-	32	0.6
Thorkil Vinum	6	(6)	-	-
Yvonne Markussen	6	(6)	-	-
Total	47,690	(13,569)	34,121	671.4

Shareholdings are included from the day the board members became members of the Board of Directors until the day they retired from the Board of Directors at Nilfisk Holding A/S.

Remuneration of the Executive Management Board and the Nilfisk Leadership Team

The members of the Executive Management Board and the Nilfisk Leadership Team receive a fixed salary, benefits, a pension plan where appropriate, a short-term cash-based incentive and a long-term share-based incentive.

This structure is designed to ensure commonality of interest between the management and shareholders of Nilfisk and maintains management's motivation to achieve both short- and long-term strategic goals. Benchmarking on total remuneration level is used to ensure retention and alignment with similar and comparable companies.

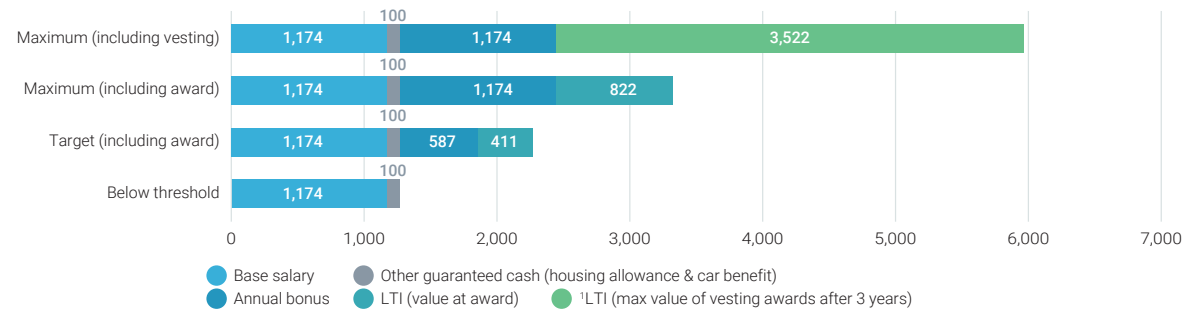
Illustration of the remuneration packages for the Executive Management Board

The charts on this page provide a graphical overview of total remuneration scenarios for each Executive Management Board member based on the remuneration opportunity granted in 2022.

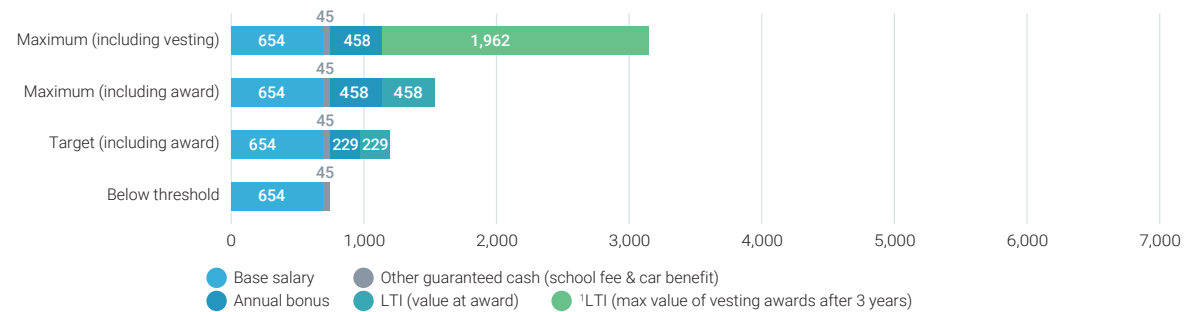
Potential total outcomes for each member, based on three different performance scenarios, are shown:

1. below threshold performance
2. on target performance
3. maximum performance.

CEO remuneration opportunity in EUR thousands



CFO remuneration opportunity in EUR thousands



1. Below threshold performance

Only the guaranteed pay elements (base salary and other guaranteed cash) of the package is received. Minimum performance targets for the annual bonus are not achieved, therefore, no payments are made. The Long-term Incentive Program (LTI) will be awarded at target value (35% of base salary for CEO and 30% for CFO) but if the 3 years performance targets are not met, the vesting will not result in any share delivery, so the award value is zero at vesting.

2. On target performance

Guaranteed pay elements (base salary and other guaranteed cash) are received. Annual bonus on-target performance is achieved, resulting in a bonus of 50% of base salary for CEO and 35% for CFO. The Long-term Incentive Program will be awarded at target value (35% of base salary for CEO and 35% for CFO).

3. & 4. Maximum performance

In both scenarios guaranteed pay elements (base salary and other guaranteed cash) are received as well as maximum annual bonus of 100% of base salary for CEO and 70% for CFO. In scenario 3 the Long-term Incentive Program is shown at full awarded value (70% of base salary for CEO and 70% for CFO). In scenario 4 the theoretical max value of vesting awards after 3 years are shown (including maximum share price development). This value is capped at maximum 3 times base salary at award for CEO and CFO cf. current Remuneration Policy.

¹ LTI (theoretical max value of vesting awards) under the maximum performance scenario is shown as the maximum vested value deriving from both maximum share price increase and maximum target achievement during the performance period. Also taken into account under the LTI (theoretical max value of vesting awards) under the maximum performance scenario is the defined cap on maximum vested value in the current Remuneration Policy, that states: "The maximum value at vesting cannot exceed three times the individual's base salary at the time of award. If the total exceeds this level, awards are scaled back accordingly. In 2022 figures this maximum vested value is therefore capped at 3,522 EUR thousands for the CEO and at 1,962 EUR thousands for the CFO."

Development in total remuneration for the Executive Management Board and the Nilfisk Leadership Team – 2022

In 2022 the total remuneration packages adopted for the CEO and CFO and the mix of compensation elements is displayed in the table for a full financial year unlike the year before where the mid-year hiring of both CEO and CFO affected the total remuneration offered.

From 2021 to 2022 the CEO's and CFO's base salary did not increase since they were both hired during 2021. Looking at the long-term incentives, the CEO and CFO continued to accrue long-term incentives in 2022 (from the Long-term Incentive Program) adding to the existing but prorated awards from 2021 (not vested).

The CEO's total pay decreased from 2,358.7 kEUR in 2021 to 2,133.6 kEUR in 2022 because of a lower awarded annual bonus. A similar total pay decrease is seen the CFO from 1,380.3 kEUR in 2021 to 1,074.7 kEUR in 2022.

The decrease in bonus in 2022 has to be seen on the backdrop of a very difficult year in 2022. The total bonus realization for the year was 33.6% which is below target level. The Revenue target however was realized above target level for 2022 with 95.9% achievement. For the EBITDA and Working Capital targets the threshold performance was not achieved.

Total remuneration for the Executive Management Board and the Nilfisk Leadership Team – 2022

EUR thousand	Salary and pension	Annual bonus awarded ¹	Other short term compensation	Long-term incentive awarded ¹	Other benefits	Total	Long-term incentive expensed ³	Bonus, paid ²	Long-term incentive, vested and paid ³
Torsten Türling (CEO)	1,174.5	375.8	72.2	411.1	99.9	2,133.6	233.0	414.8	0.0
Reinhard Mayer (CFO)	654.4	146.6	0.0	229.0	44.7	1,074.7	129.8	258.5	0.0
Nilfisk Leadership Team	2,232.0	277.4	298.7	309.9	177.5	3,295.5	110.1	565.4	92.8
Former members of the Nilfisk Leadership Team	284.8	50.9	988.2	45.1	13.0	1,382.0	52.9	325.4	92.8
Total	4,345.6	850.7	1,359.1	995.1	335.2	7,885.7	525.8	1,564.1	185.5

¹ Amounts shown in these columns are expected pay-out annual bonus for 2022 performance and long-term incentives awarded for 2022. Bonus amounts will be settled and paid out in 2023 at the displayed value. The long-term incentives are displayed at fair value, meaning that values are based on expected financial performance during the program's performance period. Long-term incentive amounts will be settled (depending on performance) in 2025.

² Amounts shown in this column are actual amounts settled and paid out in financial year 2022 regarding 2021 performance. For the CEO, value covers both contractually agreed annual bonus and a discretionary cash bonus that was paid in 2022 to off-set the loss of annual bonus for the CEO when comparing the contractually agreed and prorated target annual bonus for 2021 with the actual target realization of the year 2021.

³ Amounts shown in this column are accrued amounts for long-term incentives earned in financial year 2021 and 2022 regarding 2022 performance. Long-term incentive amounts will be settled (depending on performance) in 2024-2025.

The table show the expensed accounting value of the total remuneration for the Executive Management Board, the Nilfisk Leadership Team and the former members of the Nilfisk Leadership Team as determined under IFRS 2. The gray column shows the accrued fair value amounts for long-term incentives awarded in financial year 2022. The two gray columns to the right show the actual payout of the short-term bonus and long-term compensation in 2022, and thus the actual cash impact to Nilfisk.

In 2022 the Board of Directors has authorized a discretionary cash payment to off-set the loss of annual bonus for the CEO when comparing the contractually agreed and prorated target annual bonus for 2021 with the actual target realization of the year 2021. The amount of thousand 72.2 kEUR is seen in the column "Other short term compensation".

Further, a sign-on bonus and a retention bonus of 298.7 kEUR are shown in the column, "Other short term compensation" for the Nilfisk Leadership Team. Both amounts are subject to claw-back. In the same column, a redundancy payment to a former member of the Nilfisk Leadership Team of 988.2 kEUR is shown.

Annual bonus plan – short-term cash-based incentive plan for 2022

The Executive Management Board and the rest of Nilfisk Leadership Team participate in the short-term cash-based incentive plan (STIP).

The Bonus targets has been defined in the Remuneration Policy as consisting of at least 50% financial targets, and will only pay out if the threshold targets have been reached.

In former years up to five KPIs, both financial and non-financial was applied to the STIP.

In 2022 we decided to simplify the current STIP, bringing the number of KPIs down from five to three, to prioritize activities and to give a bigger opportunity to achieve our key ambitions for the year.

In 2022, the Executive Management Board and the rest of the Nilfisk Leadership Team were measured as shown.

For 2022 the short term remuneration structures in place was adjusted to accommodate for the opportunities in the markets and helped maintain momentum and focus in sales, production, supply and support at a high level despite the head wind experienced from supply chain challenges, raw materials and energy price increases and the unforeseen tornado destroying our US distribution center.

Target overview and achievement STI 2022

Target type	Weight in model	KPI	Achievement level incl. weights
Group financial targets	35%	Revenue growth	95.9% (above target achievement)
	45%	EBITDA in mEUR (before special items)	0% (below target achievement)
	20%	Working Capital in % of revenue	0% (below target achievement)
		Total achievement incl. weights	Total achievement is 33.6% (below target level)

For 2023 STIP the following 3 KPIs have been defined, however the applicable weigh of each KPI has yet to be defined.

Executive Management Board and Nilfisk Leadership Team short-term incentive plan, target overview – 2023

Target type	Weight in model	KPI
Group financial targets	100%	Revenue growth
		EBITDA margin (before special items)
		Net debt position

Long-term incentive programs (LTIP) overview for 2022

The 2022 LTIP award which is issued under the Remuneration Policy is structured as a performance share award, where shares will be delivered to the participant in three years subject to the achievement of the long-term targets linked to Nilfisk's strategy and business plans. It is designed to drive sustainable growth and shareholder value creation by providing an opportunity to receive shares, which are directly aligned to our long-term financial performance.

The performance conditions will be determined at award and will be a combination of different financial metrics designed to ensure alignment of long-term interests with shareholders.

Under the Remuneration Policy and in the LTIP, the Board of Directors has a discretionary right to

adjust the incentive program in case of certain extraordinary circumstances to cater to shareholder interests if there is any unforeseen impact on the value of the program.

The value at vesting in respect of each individual award, cannot exceed three times the participant's fixed annual salary as of the time of award. In such cases where this cap is applied the number of shares vesting will be reduced accordingly.

In 2022, the participants in the LTIP have been awarded a number of contingent performance shares that will vest in 2025 depending on the company's achievement of targets specifically relating to total shareholder return, EBITDA before special items, and ESG target. Each of these elements and vesting conditions are further described below.



Total Shareholder Return

The following 50% of the LTIP award is based on Nilfisk's Total Shareholder Return (TSR) performance, which for the 2022 award will be the average TSR performance from release of annual accounts in 2022 through to the release of the annual accounts (for FY 2024) in 2025 and measured against the defined targets.

TSR calculates the shareholder value created over the mentioned period taking into account share price growth and the value of any dividends. TSR is calculated via a Calculated Total Return and Compound Annual Growth Rate or CAGR. CAGR provides the annual return for such an investment as if it had grown at a steady, even pace over the relevant three years.

TSR is commonly used in incentive plans to reward value delivered to shareholders over the performance period.

EBITDA

The first 30% of the LTIP award is based on Nilfisk's publicly reported EBITDA in mEUR measured at the end of the three-year performance period, which for the 2022 award is the EBITDA for the financial year ending December 31, 2024, measured against the defined targets.

The EBITDA is the calculated earnings in mEUR before interest, tax, depreciation and amortization (EBITDA), before special items. It is reported publicly both in quarterly and annual reports.

ESG target – Co2 emissions

The 20% of the LTIP is based on Nilfisk performance in relation to CO2 emissions from product usage,

according to category 11 of the Greenhouse Gas Protocol, reported for the Performance Period. Also known as "Scope 3 targets", they are set according to Science Based Targets and cover the emissions from our products during their lifetime in use, measured in Kilograms (Kg) CO2e pr EUR Gross Profit. The targets are set and measured as a percentage reduction of the 2021 baseline. Actual performance is reported annually in the CSR report.

Status for 2022 LTIP award allotment

Nilfisk made a total award of 89,405 contingent performance shares to members of the Executive Management Board, the Nilfisk Leadership Team, and other selected key employees.

The number of performance shares awarded to each participant is based on a probability-adjusted percentage of his/her base salary, also referred to as the "face value". The actual number of share units awarded is calculated by dividing the face value with a fixed share award price, equal to the Volume Weighted Average share Price (VWAP) over the 10 trading days following the release of the Annual Report. For 2022, the VWAP used in the LTIP was 203.0 DKK for all participants.

Movements in the Nilfisk Long-term Incentive Program – 2022

Number of awarded performance shares	September, 2022	December 31, 2022
Torsten Türling	30,172	30,172
Reinhard Mayer	16,810	16,810
Nilfisk Leadership Team	25,374	21,542
Other key employees	17,049	15,153
Total	89,405	83,677

The difference in number of awarded performance shares of 89,405 and the number of performance shares of 83,677 still in the program at the end of 2022 is due to a number of resignations from key members of staff.

Terms and conditions for notice of termination for the Executive Management Board

Nilfisk does not have a standard notice policy. However, our notice period is normally:

- 6-9 months by the executive;
- 12-18 months by the Company.

In exceptional circumstances, the Board of Directors may appoint an executive with a regular notice period (upon the Company) of up to 24 months. Where such deviation from the normal notice period has been agreed to, the Board of Directors will endeavor to provide appropriate supporting rationale within the following annual remuneration report.

The CEO and CFO does not have a contractually agreed change of control clause in their employment contracts.

Following the Remuneration policy, the Board of Directors may enter into an agreement with an executive on an extended termination notice period in case of a change of control of the Company. Change of Control will be defined as a situation where either i) one or more shareholders obtains a controlling influence over the company as defined in section 44 of the Danish Capital Markets Act, or ii) a transfer of all or the majority of the business activities carried out by the Company to a third party. The agreed total termination notice period in case of a Change of Control cannot exceed 24 months.

Terms and conditions for indemnity for the Executive Management Board

Nilfisk has taken out a standard D&O insurance for the Executive Management Board. In line with international practice, should the insurance coverage be insufficient, Nilfisk will in certain cases cover additional claims that a member of the Executive Management Board may personally incur.

Payment for non-competition and non-solicitation of customers

The CEO and CFO are entitled to receive a fixed proportion of their normal salary after they have left the company as compensation if Nilfisk chooses to enforce the non-competition and non-solicitation clauses agreed in their employment contracts.

Payment in connection with sickness and death in service

The CEO and CFO are entitled to receive full salary during periods of sickness. If the executive dies during the term of the employment, Nilfisk will pay salary for the current month plus six months post-service salary to spouse, partner or dependents.

Shareholder feedback

This section on "Shareholder feedback" includes a high-level description and the results on AGM voting on the remuneration policy and remuneration report in 2022.

The adoption of the Remuneration Report was done by 85.21% of the valid votes casted.

The adoption of the revised Remuneration Policy was done by 100% of the valid votes casted. No comments nor questions regarding the contents of the Remuneration Policy or Remuneration Report was received ahead of or at the Annual General Meeting. However, at the Annual General Meeting one shareholder requested that the presentation of remuneration to the management presented at the Annual General Meeting should include more information in addition to the Remuneration Report and information on Nilfisk's website. The Chair of the Board of Directors then presented all key parts of the Nilfisk's remuneration of management as described in the Nilfisk's 2021 Remuneration Report.

Shareholdings of the Executive Management Board and the Nilfisk Leadership Team**Executive Management Board and the Nilfisk Leadership Team's Shareholding in Nilfisk – 2022**

Number of Nilfisk shares	January 1, 2022	Movements in 2022	December 31, 2022	Market value on December 31, 2022 in EUR thousand (closing price)
Torsten Türling	16,980	-	16,980	334.1
Reinhard Mayer	13,869	-	13,869	272.9
Camilla Ramby	1,155	-	1,155	22.7
Steen Lindbo	-	-	-	-
Jamie O'Neill	-	-	-	-
Pierre Mikaelsson	15	-	15	0.3
Jacob Blom (former NLT member)	200	(200)	-	-
Jesper Terndrup Madsen (former NLT member)	1,000	(1,000)	-	-
Anupam Bhargava	-	6,000	6,000	118.1
Siam Schmidt	-	2,000	2,000	39.4
Hans Flemming Jensen	735	-	735	14.5
Søren Pap-Tolstrup	-	-	-	-
Total	33,954	6,800	40,754	802.0

Shareholdings are included from the day the Nilfisk Leadership Team members became members of the Nilfisk Leadership Team until the day they retired from the Nilfisk Leadership Team.

Comparative overview of remuneration and key figures

6 years key figures (amounts in thousand EUR)	2022	% Change	2021	% Change	2020	% Change	2019	% Change	2018	% Change	2017 ¹
Remuneration of the Board of Directors											
Peter Nilsson (Chair)	114.6	100%	-	-	-	-	-	-	-	-	-
René Svendsen-Tune (Deputy Chair)	99.8	18%	84.4	78%	47.5	18%	40.3	-	40.3	333%	9.3
Jutta af Rosenborg	74.7	(7%)	80.5	0%	80.5	0%	80.5	-	80.5	333%	18.6
Thomas Schleicher	49.9	6%	47.0	(12%)	53.2	15%	46.3	-	-	-	-
Richard Bisson	42.8	6%	40.3	0%	40.3	30%	30.9	-	-	-	-
Are Dragesund	Fee waived	0%	Fee waived	0%	Fee waived	-	-	-	-	-	-
Franck Falezan	49.9	6%	47.0	86%	25.3	-	-	-	-	-	-
Jens Due Olsen (former Chair) ²	30.0	(81%)	120.8	0%	120.8	0%	120.8	-	120.8	309%	29.5
Anders Runevad	-	(100%)	18.8	(70%)	62.0	54%	40.3	-	40.3	333%	9.3
Lars Sandahl Sørensen ³	-	-	-	-	43.4	(54%)	93.9	-	93.9	333%	21.7
Jens Maaløe ⁴	-	-	-	-	-	(100%)	15.1	(75%)	60.4	331%	14.0
Gerner Raj Andersen	42.8	6%	40.3	0%	40.3	0%	40.3	29%	31.3	-	-
Søren Giessing Kristensen ⁵	-	(100%)	40.3	0%	40.3	0%	40.3	29%	31.3	-	-
Yvonne Markussen ⁶	10.1	(75%)	40.3	0%	40.3	15%	35.0	293%	8.9	(4%)	9.3
Michael Gamtofte ⁷	-	-	-	-	-	(100%)	5.3	(87%)	40.3	333%	9.3
Jean-Marc Rios Dionne ⁸	-	-	-	-	-	-	-	(100%)	8.9	(4%)	9.3
Claus Dalmoose ⁹	32.7	-	-	-	-	-	-	-	-	-	-
Nadia Roya Damiri ⁹	32.7	-	-	-	-	-	-	-	-	-	-
Marcus Faber Kappendrup ⁹	32.7	-	-	-	-	-	-	-	-	-	-
Remuneration to the Executive Management Board and the Nilfisk Leadership Team¹⁰											
Torsten Türling (CEO)	2,133.6	(10%)	2,358.7	100%	-	-	-	-	-	-	-
Reinhard Mayer (CFO)	1,074.7	(22%)	1,380.3	100%	-	-	-	-	-	-	-
Hans Henrik Lund (former CEO)	-	(100%)	1,831.2	(10%)	2,043.7	23%	1,753.8	(23%)	2,264.4	83%	1,239.7
Prisca Havrenek-Kosiciek (former CFO)	-	(100%)	913.5	(14%)	1,050.0	1,636%	60.5	-	-	-	-
Nilfisk Leadership Team	3,295.5	(14%)	3,686.7	26%	2,927.8	(8%)	3,171.9	(23%)	4,100.1	(43%)	7,171.5
Former members of the Nilfisk Leadership Team	1,382.0	100%	-	(100%)	1,105.8	(26%)	1,501.4	-	-	-	-
Financial measures, Nilfisk Group¹¹											
Revenue (mEUR)	1,069.5	74.6	994.9	19%	832.9	(14%)	966.5	(8%)	1,054.3	(3%)	1,081.9
EBITDA margin (before special items)	13.2%	(1.3)pp	14.5%	2.4pp	12.1%	(0.5pp)	12.6%	0.7pp	11.9%	0.8pp	11.1%
Organic growth	4.9%	(15.8)pp	20.7%	32.2pp	(11.5%)	(7.5pp)	(4.0%)	(6.0pp)	2.0%	(1.7)	3.7%
Average number of full-time equivalents	4,772	2%	4,696	5%	4,460	(14%)	5,158	(11%)	5,819	2%	5,708
Average pay for company equivalents (thousand EUR) ¹²	58.5	7%	54.8	(2%)	56.2	1%	55.8	8%	51.5	(1%)	52.0
CEO Pay-Ratio ¹³	36.4	(6%)	38.6	1%	38.2	22%	31.4	(28%)	43.9	84%	23.8

See next page for table footnotes.

¹ Pro-rated fees, since Board of Directors was formed on October 10, 2017 when the company became an independent listed company.

² Appointed October 10, 2017, resigned March 25, 2022

³ Appointed October 10, 2017, resigned in June 17, 2020

⁴ Appointed October 10, 2017, resigned March 26, 2019

⁵ Appointed March 23, 2018, resigned March 25, 2022

⁶ Appointed October 10, 2017, resigned March 25, 2022

⁷ Appointed March 23, 2018, resigned in February 18, 2019

⁸ Appointed October 10, 2017, and resigned March 23, 2018

⁹ Appointed March 25, 2022.

¹⁰ Remuneration figures for 2017 to 2020 are shown excluding the value of earned long-term incentive.

¹¹ Figures for 2019 and 2020 stated according to latest account standard IFRS 16. Comparative figures from 2016 to 2018 are not restated with the effect of IFRS 16. Please refer to note 1 of the annual report.

¹² Average pay excluding Board of Directors and Executive Management Board

¹³ CEO pay-ratio is calculated by dividing the CEOs full year target salary costs by the average pay for company employees.



Statement by the Board of Directors

The Board of Directors has today considered and approved the remuneration report of Nilfisk Holding A/S for the financial year 1 January - 31 December 2022.

The remuneration report has been prepared in accordance with section 139b 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.

The remuneration report will be presented for an advisory vote at the Annual General Meeting.

Brøndby, February 23, 2023

Board of Directors

Peter Nilsson

Chair

René Svendsen-Tune

Deputy-Chair

Richard Bisson

Jutta af Rosenborg

Thomas Lau Schleicher

Claus Dalmose

Are Dragesund

Franck Falezan

Nadia Roya Damiri

Gerner Raj Andersen

Marcus Faber Kappendrup

Independent auditor's report

To the shareholders of Nilfisk Holding A/S

We have examined whether the remuneration report for Nilfisk Holding A/S for the financial year 1 January - 31 December 2022 contains the information required by section 139b(3) of the Danish Companies Act.

We express a conclusion providing reasonable assurance.

The Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the remuneration report in accordance with section 139b(3) of the Danish Companies Act and the remuneration policy adopted at the Annual General Meeting.

Further, the Board of Directors is responsible for the internal control that the Board of Directors considers necessary to prepare the remuneration report without material misstatement and omissions, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the remuneration report based on our examinations.

We conducted our examinations in accordance with ISAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and additional requirements 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 statutory 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.

As part of our examinations, we have checked whether the remuneration report, to the extent relevant, includes the information required by section 139b(3), items 1-6, of the Danish Companies Act for the remuneration of each member of the Executive Management and the Board of Directors.

We believe that the procedures performed provide a sufficient basis for our conclusion.

Our examinations have not included an examination to verify the accuracy and completeness of the information provided in the remuneration report, and therefore we do not express any conclusion in this regard.

Conclusion

In our opinion the remuneration report contains, in all material respects, the information required by section 139b(3) of the Danish Companies Act.

Copenhagen, 23 February 2023

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Kirsten Aaskov Mikkelsen
State-Authorized
Public Accountant
MNE no mne21358

Anette Beltrão-Primdahl
State-Authorized
Public Accountant
MNE no mne45854



Nilfisk's Remuneration Report 2022 was published on February 23, 2023.
The report is also available at www.nilfisk.com.

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Company reg. No. 38 99 88 70.