

Proposal by the Board of Directors on a long-term share savings program

The Board of Directors of Eolus Vind Aktiebolag (publ) ("**Eolus**" or the "**Company**") proposes that the Annual General Meeting 2024 (the "**AGM**") resolves on a long-term share savings program for all permanent employees of the Eolus group (the "**Share Savings Program 2024**"). In order to secure the undertakings of Eolus to deliver shares to the participants under the program and to cover the cash flow effects associated with the Share Savings Program 2024, the Board of Directors further proposes that the AGM resolves on delivery arrangements. The Board of Directors' proposal for the Share Savings Program 2024 is set out in A. below, and the proposal for the delivery arrangements is set out in B. below.

A. Proposal on the implementation of the Share Savings Program 2024

Background and reasons

Previous Annual General Meetings of Eolus have adopted share savings programs under which employees have been able to choose to acquire savings shares in Eolus out of any variable remuneration, whereby the Company has compensated the participants, subject to continued employment, with the cost of acquiring the number of shares equal to half of the number of savings shares, three years after the acquisition of savings shares. The now proposed program entails, in contrast to previous programs, that employees can choose to acquire savings shares for an amount related to the fixed monthly salary. The Share Savings Program 2024 is considered to strengthen Eolus' ability to recruit, motivate and retain competent employees by facilitating for new employees to participate in the program on the same terms as other employees in the group. By linking the outcome of the proposed program to the development of the Company's share price, the Share Savings Program 2024 is expected to align the interests of the employees with those of the shareholders in the long-term value growth of the Company, to a greater extent than previous share savings programs, and thereby further contribute to Eolus' business strategy and long-term interests.

Eolus' ambition is to continue to propose programs of a similar nature to future Annual General Meetings.

Terms and conditions for the program

1. The Share Savings Program 2024 comprise all permanent employees in the group, approximately 150 employees (the "**Participants**").
2. The Share Savings Program 2024 shall comprise a maximum of 150,000 series B shares in Eolus, of which 120,000 shares can be allocated to Participants. The remaining 30,000 shares in Eolus are such shares that may be transferred by Eolus in order to cover the cash flow effects associated with the Share Savings Program 2024, primarily social security charges.
3. Participation in the Share Savings Program 2024 requires that the Participants, for own funds, acquire new series B shares in Eolus ("**Savings Shares**") on Nasdaq Stockholm no later than 28 June 2024.

4. Members of Eolus' group management who were entitled to acquire savings shares under the Share Savings Program 2023 (currently 7 persons) are entitled to acquire Savings Shares under the Share Savings Program 2024 for an amount corresponding to a maximum of 140 per cent of one month's salary. Other permanent employees of the Eolus group who were entitled to acquire savings shares under the Share Savings Program 2023 (currently approximately 100 persons) are entitled to acquire Savings Shares for an amount corresponding to a maximum of 40 per cent of one month's salary.
5. Members of Eolus' group management who were not entitled to acquire savings shares under the Share Savings Program 2023 (currently 0 persons) are entitled to acquire Savings Shares under the Share Savings Program 2024 for an amount corresponding to a maximum of two months' salary. Other permanent employees of the Eolus group who were not entitled to acquire savings shares under the Share Savings Programs 2023 (currently approximately 40 persons) are entitled to acquire Savings Shares for an amount corresponding to a maximum of one month's salary.¹
6. The Board of Directors shall be entitled to bring forward or postpone the last date for the acquisition of Savings Shares pursuant to item 3 above for one or several Participants, for example if Participants are prevented from acquiring Savings Shares due to inside information, however not later than 31 December 2024.
7. Each Savings Share entitles the Participants, subject to the restrictions set out in items 11-16 below, to receive 0.5 series B shares in the Company free of charge ("**Matching Shares**") at the end of a three-year vesting period commencing on 1 July 2024 (the "**Vesting Period**"). In the event that the Board of Directors brings forward or postpones the last date for the acquisition of Savings Shares pursuant to item 6 above, the date of commencement of the Vesting Period shall be adjusted to the day after the last date for the acquisition of Savings Shares.
8. In addition, each Savings Share entitles the Participants, subject to the restrictions set out in items 11-16 below and provided that the performance condition in item 9 below is achieved, to at the end of the Vesting Period receive 0.5 series B shares in the Company free of charge ("**Performance Shares**").
9. The right to receive Performance Shares is conditional on that the share price of the Company's share on Nasdaq Stockholm at the end of the Vesting Period has increased by 30 per cent during the Vesting Period, whereby the volume-weighted average price of Eolus's share on Nasdaq Stockholm during the ten (10) trading days immediately preceding the Vesting Period shall be compared with the corresponding average price during the last ten (10) trading days of the Vesting Period (the "**Performance Condition**").
10. Provided that the above conditions are met, and subject to the restrictions set out in items 11-16 below, Matching Shares and/or Performance Shares are expected to be transferred to the Participants within 60 days from the end of the Vesting Period. The Board of Directors is authorised to extend the deadline for the transfer of Matching Shares and/or Performance Shares if Participants are prevented from receiving shares during the specified period due to applicable laws and regulations.

¹ The intention is that the investment limits set out in item 5 shall apply to all Participants in any future share savings programs. The investment limits in item 4 have been determined taking into account the fact that a majority of the Participants have already been offered to acquire savings shares earlier in 2024 under the Share Savings Program 2023.

11. Should there be a decline in the price of the Eolus series B share at the time of the Participants' acquisitions of Savings Shares such that the number of Matching Shares and Performance Shares subject to allocation exceeds the maximum number of shares set out in item 2 above, the number of Matching Shares and Performance Shares that may be subject to allocation will be reduced proportionately.
12. Allocation of Matching Shares and Performance Shares is conditional upon the Participant retaining all Savings Shares and maintaining his/her permanent employment within the Eolus group over the entire Vesting Period. The Board of Directors is authorised to disregard these conditions if certain good leaver rules apply. The allocation of Matching Shares and Performance Shares to a good leaver will be proportionately adjusted for time served during the Vesting Period and the Board of Directors' assessment of the extent to which the Performance Condition has been achieved by the time the employment terminated.
13. If the aggregated number of Matching Shares and/or Performance Shares that a Participant is entitled to receive at the end of the Vesting Period does not correspond to a whole number of shares, the number of Matching Shares and/or Performance Shares that the Participant is entitled to receive shall be rounded downwards to the nearest whole number.
14. The number of Matching Shares and Performance Shares shall be subject to recalculation in the event of any intervening bonus issue, share split, reverse share split, rights issue, and/or other similar corporate actions. The same shall apply for the distribution of an extraordinary dividend (or distribution of other assets).
15. If significant changes in the Eolus group or in the market occur which, in the opinion of the Board of Directors, would result in a situation where the conditions for allocation of Matching Shares and/or Performance Shares become unreasonable, the Board of Directors is entitled to make adjustments to the Share Savings Program 2024, including, inter alia, to resolve to reduce the allocation of Matching Shares and/or Performance Shares or to not allocate any Matching Shares and/or Performance Shares at all. In the event that allocation of Matching Shares and/or Performance Shares has been made based on incorrect information, or if actions have been taken by any Participant which could result in material damage to the Eolus group's reputation, the Board of Directors may decide to reclaim whole or a part of the allocated Matching Shares and/or Performance Shares.
16. Participation in the Share Savings Program 2024 presupposes that such participation is legally possible in the various jurisdictions concerned and that the administrative efforts and costs are reasonable in the opinion of the Board of Directors. The Board of Directors shall be entitled to make such local adjustments of the Share Savings Program 2024 that may be necessary or appropriate to implement it with reasonable administrative efforts and costs in the concerned jurisdictions, including, inter alia, to offer cash settlement.
17. The Board of Directors shall be responsible for the further design and administration of the Share Savings Program 2024 within the framework of the above stated main terms and conditions and shall be authorised to make such minor adjustments and applications as required by law or for administrative reasons.

Estimated costs, effects on key ratios and dilution

The costs for the Share Savings Program 2024 are calculated according to the accounting standard IFRS 2 and accrued on a linear basis over the Vesting Period.

Assuming (i) a share price of SEK 74.25 for the Company's share on Nasdaq Stockholm (corresponding to the closing price of the Company's share on Nasdaq Stockholm on 28 March 2024) at the time of the Participants' acquisition of Savings Shares, (ii) acquisition of the maximum number of Savings Shares by eligible Participants, and (iii) an annual employee turnover of 10 per cent, the total effect on the income statement of the Share Savings Program 2024, including costs for social security charges, is estimated to amount to SEK 3.8 million if Eolus's share price at the time of delivery of shares to the Participants is unchanged. Under the corresponding assumptions, the total effect on the income statement, including costs for social security charges, is estimated to amount to SEK 3.9 million if Eolus's share price at the time of delivery of shares to Participants has increased by 30 per cent.

The estimated aggregated annual costs of between SEK 1.3-1.4 million correspond to approximately 1 per cent of the group's total employee costs for the financial year 2023. Thus, the costs for the Share Savings Program 2024 are expected to have a marginal effect on the group's key ratios.

The proposed delivery arrangements below will not give rise to an increased number of shares in Eolus and, accordingly, no dilutive effect in terms of shares issued will occur for existing shareholders.

B. Delivery arrangements

The Board of Directors has considered different methods for delivery of shares under the Share Savings Program 2024 to the Participants and to cover the cash flow effects associated with the Share Savings Program 2024, primarily social security charges. For this purpose, the Board of Directors proposes that the AGM resolve on (i) an authorisation for the Board of Directors to resolve on the repurchase of own series B shares on Nasdaq Stockholm; and (ii) transfer of own series B shares free of charge to the Participants.

The detailed conditions for the Board of Directors' proposal are set out below.

Authorisation for the Board of Directors to resolve on acquisition of own series B shares

The Board of Directors proposes that the AGM authorises the Board of Directors to resolve on acquisition of own series B shares on Nasdaq Stockholm on the following terms:

1. Acquisitions of series B shares in Eolus may only be effected on Nasdaq Stockholm.
2. A maximum of 150,000 series B shares in Eolus may be acquired.
3. Acquisitions of series B shares in Eolus on Nasdaq Stockholm may only be made at a price within the prevailing price interval on Nasdaq Stockholm applicable from time to time (i.e. the interval between the highest purchase price and the lowest selling price).
4. The authorisation may be utilised on one or several occasions prior to the Annual General Meeting 2025.

The purpose of the resolution is to secure the undertakings of Eolus according to the Share Savings Program 2024 and to cover the cash flow effects associated with the Share Savings Program 2024, primarily social security charges.

Resolution on transfer of own series B shares to the Participants

The Board of Directors proposes that the AGM resolves that own series B shares may be transferred to the Participants in the Share Savings Program 2024 on the following terms:

1. A maximum of 120,000 series B shares in Eolus (60,000 Matching Shares and 60,000 Performance Shares) may be transferred free of charge to the Participants.
2. Right to purchase series B shares in Eolus free of charge shall – with deviation from the shareholders' preferential rights – be granted to each such person within the group who is a Participant.
3. Transfers of series B shares in Eolus shall be made free of charge at the time and on the other terms that the Participants, as relevant, are entitled to be allocated shares.
4. The number of series B shares in Eolus that may be transferred under the Share Savings Program 2024 shall be subject to recalculation in the event of any intervening bonus issue, share split, reverse share split, rights issue, and/or other similar corporate actions. The same shall apply for the distribution of an extraordinary dividend (or distribution of other assets).

As the Share Savings Program 2024, in principle, is not expected to give rise to any initial social security payments for Eolus (and as an authorisation for the Board of Directors to resolve on transfer of the Company's own shares is valid only until the next Annual General Meeting), the Board of Directors has decided not to propose to the AGM 2024 to authorise the Board of Directors to resolve on transfer of the Company's own series B shares on a regulated market in order to cover such payments. However, prior to any transfer of Matching Shares and Performance Shares to the Participants, the Board of Directors intends to propose to a later general meeting to authorise the Board of Directors to resolve on transfer of the Company's own series B shares on a regulated market in order to cover such costs.

Reasons for deviation from the shareholders' preferential rights

The reason for deviation from the shareholders' preferential rights is Eolus' wish to implement the proposed share savings program. In light of the above stated, the Board of Directors considers it to be advantageous for Eolus and the shareholders that the Participants are offered to increase their shareholdings in Eolus.

C. Majority requirements

The AGM's resolution on the implementation of the Share Savings Program 2024 according to item A above, is conditional upon the AGM resolving in accordance with the Board of Directors' proposal under item B above, and the proposals under items A and B shall therefore be adopted as one resolution. A valid resolution requires that shareholders representing not less than nine-tenths of the votes cast as well as of the shares represented at the AGM approve the resolution.

D. Other

The proposal for the Share Savings Program 2024 has been prepared by the Board of Directors and its Remuneration Committee in consultation with external advisors.

Eolus already has three ongoing share savings programs for the financial years 2023, 2022 and 2021 relating to the variable cash remuneration. For a more detailed description of these programs, reference is made to Eolus Annual Report and Sustainability Report for 2023, note 5.

A reasoned statement of the Board of Directors pursuant to Chapter 19, Section 22 of the Swedish Companies Act has been prepared.