



Vikmanshyttan

April 2022

## **The nomination committee's proposal for the Annual General Meeting 2022 and motivated statement regarding the proposal for the board of directors of CTEK AB (publ)**

### **Instructions for the nomination committee**

At the Extraordinary General Meeting held on 6 September 2021, it was resolved that the nomination committee for the Annual General Meeting 2022 shall consist of representatives from the three largest shareholders listed in the share register maintained by Euroclear Sweden as of 31 October 2021 and the chairman of the board of directors, who will also convene the first meeting of the nomination committee.

Anders Mörck (the chairman of the nomination committee), Investment AB Latour, Øistein Widding, Altor Equity Partners AB, Patricia Hedelius, AMF Tjänstepension and the chairman of the board of directors, Hans Stråberg, have been appointed to the nomination committee for the Annual General Meeting 2022.

The nomination committee has processed the issues that a nomination committee is required to process in accordance with the Swedish Code of Corporate Governance (the "Code").

### **The nomination committee's proposal for election of chairman of the general meeting**

The nomination committee proposes that Hans Stråberg is elected as chairman of the general meeting.

### **The nomination committee's proposal for the number of board members, election of members of the board and election of auditor**

The number of board members is proposed to be seven without any alternate board members. In addition to these seven members, there are employee representatives who are not appointed by the general meeting.

The nomination committee proposes that Hans Stråberg, Ola Carlsson, Michael Forsmark, Björn Lenander, Stefan Linder, Jessica Sandström and Pernilla Valfridsson are re-elected as board members. Additionally, it is proposed that Hans Stråberg is elected as chairman of the board of directors.

The board will appoint an audit committee and a remuneration committee.

The nomination committee proposes that the registered auditing firm Ernst & Young AB is re-elected as auditor, in accordance with the audit committee's recommendation.



### **The nomination committee's proposal for fees for the chairman of the board of directors, other members of the board of directors and the auditor**

The nomination committee proposes board fees as follows. The fee for the chairman of the board of directors is proposed to be SEK 775,000 and SEK 260,000 for each of the other members elected by the Annual General Meeting. The proposal means that the total remuneration to the board of directors will amount to SEK 2,335,000. The nomination committee further proposes that the fees to the audit committee shall be SEK 103,000 to the chairman and SEK 52,000 to the other members. Furthermore, it is proposed that the fee to the chairman of the remuneration committee shall be SEK 52,000 and SEK 31,000 to the other members.

The fees to the auditor is proposed to be paid in accordance with approved invoices.

### **The nomination committee's proposal for nomination committee instructions**

According to the Code, the general meeting shall appoint the members of the nomination committee or specify how the members are to be appointed. According to the Code, the nomination committee shall consist of at least three members and a majority of these shall be independent in relation to the company and group management. In addition, at least one member of the nomination committee must be independent in relation to the largest shareholder in terms of number of votes or the group of shareholders who act jointly in relation to the management of the company.

The nomination committee proposes that the nomination committee shall consist of representatives from the three largest shareholders listed in the share register maintained by Euroclear Sweden as of 31 August each year and the chairman of the board of directors, who will also convene the first meeting of the nomination committee. The member who represents the largest shareholder shall be appointed chairman of the nomination committee unless the nomination committee unanimously appoints someone else. If one or more of the shareholders who have appointed representatives to the nomination committee earlier than three months before the Annual General Meeting are no longer among the three largest shareholders, representatives appointed by these shareholders shall resign, and the shareholders who subsequently belong to the three largest shareholders may appoint their representatives.

If a representative resigns from the nomination committee before the nomination committee's work is completed and the nomination committee deems it necessary to replace him or her, such a replacement representative shall represent the same shareholder or, if the shareholder is no longer one of the largest shareholders, the largest shareholder in turn. A shareholder who has appointed a representative to the nomination committee shall have the right to discharge such representative and appoint a new representative of the nomination committee. Changes in the composition of the nomination committee must be announced immediately.

The composition of the nomination committee prior to the Annual General Meeting shall be announced on the company's website no later than six months before the meeting. Remuneration shall not be paid to the representatives in the nomination committee. The company shall reimburse any costs that the nomination committee incurs in its work. The



term of office for the nomination committee ends when the composition of the succeeding nomination committee has been announced.

The nomination committee shall submit to the Annual General Meeting:

- proposal for chairman at the general meeting;
- proposal for the number of board members;
- proposal for board members and chairman of the board of directors;
- proposal for fees and other remuneration for board assignments to each of the members of the board of directors and, where applicable, remuneration for work in the committees;
- proposal for auditors;
- proposal for fees to the auditors;
- proposal for principles for appointment of the nomination committee.

### **The nomination committee's motivated statement regarding the proposal for board of directors**

The nomination committee considers that the composition and size of the proposed board of directors is appropriate to meet CTEK's needs. The nomination committee further assesses that the proposed board members will be able to devote the necessary time required to fulfill their duties as board members of CTEK.

The nomination committee has applied rule 4.1 in the Swedish Code of Corporate Governance as a diversity policy in the preparation of proposals for the board of directors. The nomination committee considers that a diversity and breadth regarding age, nationality, educational background, gender, experience and competence are represented among the proposed board members. The nomination committee also believes that the issue of diversity is important and that it is important that future nomination committees continue to work actively to achieve an even gender distribution on the board.

In assessing the independence of the proposed board members, the nomination committee has found that its proposal for the composition of the board of directors of CTEK AB (publ) meets the requirements for independence set out in the Swedish Code of Corporate Governance. Of the proposed board members, Björn Lenander and Stefan Linder cannot be considered independent in relation to major shareholders in the company. The other proposed board members are considered to be independent in relation to CTEK AB (publ), the executive management and to major shareholders.