

# The Nomination Committee's proposal for the Annual General Meeting in RugVista Group AB (publ) on 20 May 2022, and the Nomination Committee's motivated statement as well as report on its work

The Nomination Committee has been constituted in accordance with RugVista Group AB's instruction for the Nomination Committee and has, as communicated in the company's press release on 18 November 2021, consisted of Andreas Nyberg (Litorina IV L.P), Klara Tersman (TIN Fonder), and Erik Lindgren (Chairperson of the Board of RugVista and the Nomination Committee). The Nomination Committee has decided on the following proposal to the Annual General Meeting.

The company's shareholders have been informed of the opportunity to submit proposals to the Nomination Committee.

## *Election of Chairperson of the General Meeting*

It is proposed that Jakob Wijkander, attorney at law of Mannheimer Swartling Advokatbyrå, is elected Chairperson of the General Meeting.

## *Number of Board members*

The number of Board members is proposed to be six (6), for the period until the next Annual General Meeting.

## *Number of auditors*

It is proposed that one (1) registered accounting firm be appointed as the company's auditor.

## *Remuneration to the Board of Directors and the auditor*

(i) Remuneration for non-employed Board members elected by the General Meeting, for the period until the end of the Annual General Meeting 2023, are proposed to be paid at unchanged levels as follows: the Chairperson shall receive SEK 400,000 and other Board members elected by the General Meeting shall receive SEK 175,000. The proposed Board remuneration thus amounts to SEK 1,275,000, in total.

(ii) In addition to the Board remuneration above, the Nomination Committee proposes that retroactive remuneration be paid as follows:

- Retroactive remuneration of SEK 133,000 to Erik Lindgren (Chairperson),
- Retroactive remuneration of SEK 48,000 to each of John Womack and Magnus Dimert, respectively,
- Retroactive remuneration of SEK 44,000 to Eva Boding, and
- Retroactive remuneration of SEK 29,000 to Paul Steene.

The retroactive remuneration is proposed in the light of the significantly increased workload and effort required of the Board members in connection with the preparation for and during the listing of the company on Nasdaq First North Premier Growth Market. It was noted that Erik Lindgren did not participate in the deliberations or the decision of the Nomination Committee's proposal in items (i)-(ii) due to a conflict of interest.

(iii) The Nomination Committee noted that Ludvig Friberger did not receive Board remuneration as he was not employed by the company at the time of the Annual General Meeting 2021. As of 1 January 2022, Ludvig Friberger is no longer employed by the company, but only a member of the

Board of Directors. Consequently, the Nomination Committee proposes retroactive remuneration of SEK 73,000 to Ludvig Friberger for his services in the Board of Directors from 1 January 2022 until the Annual General Meeting 2022.

(iv) It is proposed, in accordance with the recommendation of the Board of Directors, that the remuneration to the auditors be paid according to running/approved account in accordance with customary standards.

#### *Election of Board members and Chairperson of the Board of Directors*

After John Womack declined re-election, it is proposed that Erik Lindgren, Eva Boding, Magnus Dimert, Ludvig Friberger and Paul Steene be re-elected and that Hanna Graflund Sleyman be elected, as members of the board for the period until the end of the Annual General Meeting 2023. It is proposed that Erik Lindgren be re-elected Chairperson of the Board.

#### *Hanna Graflund Sleyman*

Hanna Graflund Sleyman was born in 1978 and holds a MSc in Business and Economics from the Stockholm School of Economics. She is currently CEO of PDL Group AB and has previously been Commercial Manager/Head of Vendor Management at Amazon Sweden, Executive Director Asia Pacific at Daniel Wellington, CEO of Departments & Stores AB (NK) and Engagement Manager at McKinsey & Company, among others. Hanna Graflund Sleyman has previously served as Board member of Atrium Ljungberg AB, Brothers AB, Polarn O. Pyret AB and FNB Far East Limited, and is proposed as new Board member of Embellence AB for its Annual General Meeting 2022. Hanna Graflund Sleyman is independent in relation to the company's major shareholders as well as in relation to the company and its executive management. Hanna Graflund Sleyman holds no shares in RugVista Group AB.

Information about the Board members proposed for re-election can be found at the company's website [www.rugvistagroup.com](http://www.rugvistagroup.com). The Nomination Committee's motivated statement on the proposal for the Board of Directors is outlined below.

#### *Election of auditor*

In accordance with the Board of Director's recommendation, it is proposed to re-elect the auditing firm Ernst & Young AB as the company's auditor for the period until the end of the Annual General Meeting 2023.

The Board of Director's recommendation has not been subject to influence by any third party or any mandatory contractual terms limiting the freedom of the General Meeting to choose the auditor.

#### *Instruction for the Nomination Committee*

The Nomination Committee proposes the following adjustment to the process for appointing the Nomination Committee for future Annual General Meetings; "that the representatives of the two largest shareholders, in terms of votes, shall be appointed based on the share register kept by Euroclear Sweden AB *as of the last banking day in September* each year or other reliable ownership information at such time...". The updated instruction for the Nomination Committee (Appendix 1) is proposed for adoption at the Annual General Meeting.

### **Motivated statement on the proposal to the Board of Directors**

In the evaluation of the Board, the Nomination Committee has taken note of the Board evaluation conducted by a third party in 2021 and has interviewed the Board members and the CEO of the company. Based on the above, the Nomination Committee has concluded the Board work is functioning well.

In preparation for the Annual General Meeting, the Nomination Committee's objective has been to ensure that the Board of Directors for RugVista Group overall has the skills and experience required to continue to lead the company successfully. Diversity in terms of age, gender, experience and education in the composition of the Board of Directors is a priority in order to promote different perspectives and challenging in the Board's work. In its work, the Nomination Committee has taken into account item 4.1 of the Swedish Corporate Governance Code (which also constitutes the Company's diversity policy) stating that an equal gender balance shall be sought.

The Nomination Committee has decided to propose re-election of all Board members except for Johan Womack, who has declined re-election, and new election of Hanna Graflund Sleyman. The Nomination Committee believes that the addition of Hanna Graflund Sleyman will further strengthen the Board's collective experience and expertise in a number of areas, particularly within international branding and marketplace sales. The Nomination Committee is of the opinion that the proposed Board of Directors consists of a broad and diverse group of individuals who complement each other well in terms of experience and expertise, and are well suited for the tasks required of the Board of Directors of the company. All of the proposed Board members have indicated that they will be able to devote sufficient time to carry out the Board assignment. The Nomination Committee strives to achieve and maintain a balanced gender representation and according to the Nomination Committee's proposal, the Board of Directors will consist of two women and four men, which corresponds to a proportion of women of approximately 33 %. The Nomination Committee's ambition is to even out the gender balance even more over time, which will continue to be an important task for future Nomination Committees.

In order to attract and retain competent individuals on the Board of Directors of the company, remuneration should be market-based and be proportionate to the responsibility and effort required in the Board work. The Nomination Committee has evaluated the remuneration levels and considers them to be appropriate, which is why the Nomination Committee's proposes unchanged remuneration levels for the period until the next Annual General Meeting.

### **The work of the Nomination Committee**

The Nomination Committee has held a number of meetings and, between meetings, has maintained ongoing dialogue to reconcile on materials and proposals. At its meetings, the Nomination Committee has dealt with the matters that it is required to deal with according to the Swedish Corporate Governance Code. The Nomination Committee has, among other things, discussed and considered the following:

- the extent to which the current Board of Directors meets the requirements that will be imposed on the Board based on the company's size, position and business,
- the size of the Board of Directors and the process for renewal of the Board,
- the composition of the Board of Directors in terms of experience, gender and background as well as potential conflicts of interest in the Board work,
- the instruction for the Nomination Committee.

The Nomination Committee has informed the company on how the work of the Nomination Committee has been carried out and what proposals the Nomination Committee has decided to propose to the Annual General Meeting.

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The Nomination Committee in RugVista Group AB (publ)

April 2022

Appendix 1.

## Instruction for the Nomination Committee of RugVista Group AB (publ)

Resolved on by the Annual General Meeting May 20, 2022.

- 1 The Nomination Committee shall consist of the Chairperson of the Board of Directors and one representative of each of the two largest shareholders in RugVista Group AB (publ) (the “**Company**”) in terms of votes based on the share register kept by Euroclear Sweden AB as of the last banking day in September each year or other reliable ownership information at such time.[1]
- 2 The Chairperson of the Board of Directors shall, as soon as practically possible after the last banking day in September each year, contact the shareholders in accordance with above. If any of the two largest shareholders chooses to waive their right to appoint a member to the Nomination Committee, or otherwise may be considered to have waived such a right, the right shall be transferred to the shareholder who, after these two shareholders, has the largest shareholding in the Company in terms of votes. The Chairperson of the Nomination Committee shall be the member who has been appointed by the largest shareholder in terms of votes, unless the Nomination Committee unanimously appoints another member. The composition of the Nomination Committee, stating which shareholder has appointed each member, shall be announced on the Company’s website no later than six months before the Annual General Meeting. The term of office for the Nomination Committee shall be for the period until a new Nomination Committee has been appointed.
- 3 The Chairperson of the Board of Directors shall convene the first meeting of the Nomination Committee and shall further, as part of the work of the Nomination Committee, report to the Nomination Committee the circumstances regarding the work of the Board of Directors and the needs of certain competences etc., which may be of importance for the work of the Nomination Committee.
- 4 If a shareholder who has appointed a member of the Nomination Committee no longer is among the two largest shareholders in terms of votes at a time that occurs no later than three months before the Annual General Meeting, the member appointed by such shareholder shall resign, and the shareholder who then is among the two largest shareholders in terms of votes may appoint a representative to the Nomination Committee. If such change in ownership occurs later than three months before the Annual General Meeting or only entails marginal changes in the number of votes, the composition of the already formed Nomination Committee shall not be changed. A shareholder that has become one of the two largest shareholders due to a more significant change in the number of votes later than three months before the Annual General Meeting shall, however, be entitled to appoint a representative who shall be invited to participate in the Nomination Committee’s work as a co-opted member.

- 5 In the event that a member leaves the Nomination Committee before its work has been completed, a replacement shall be appointed firstly by the shareholder who appointed the member and secondly by the next largest shareholder in terms of votes who has not appointed a member. A shareholder who has appointed a representative as a member of the Nomination Committee has the right to dismiss such member and appoint a new representative as a member. Changes in the composition of the Nomination Committee shall be announced immediately.
- 6 All information that the members of the Nomination Committee receive within the framework of their assignment or otherwise receive from the Company shall be treated strictly confidential and may not be revealed to any third party before the information has been made public. The Nomination Committee's proposals, statements and opinions shall be communicated to the Company in reasonable time to ensure compliance with the Swedish Corporate Governance Code. No remuneration shall be paid to the members of the Nomination Committee. The Company shall reimburse reasonable costs associated with the performance of the Nomination Committee's duties.
- 7 The Nomination Committee shall act on the basis of what is incumbent on it in accordance with the Swedish Corporate Governance Code.
- 8 This instruction applies until the General Meeting resolves otherwise.

[1] For the purposes of determining who constitute the two largest shareholders in terms of voting rights, a group of shareholders shall be deemed to constitute one shareholder if they (i) have been organized as a group in the Euroclear system or (ii) have made public and notified the Company that they have reached a written agreement to adopt a long-term common approach to the management of the Company by exercising their voting rights in a coordinated manner.

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