

## **The Nomination Committee's proposals to Hexicon AB's annual general meeting 2022 (including reasoned statement)**

### *Description of the work of the nomination committee for the annual general meeting*

For the 2022 Annual General Meeting in Hexicon AB, a nomination committee was appointed, in accordance with the guidelines for the appointment of the nomination committee adopted at the general meeting held on 31 March 2021, consisting of the following members: Rickard Haraldsson (appointed by Index Equity Sweden AB and Gulfstream Group LLC.), Sanja Batljan (appointed by Ilija Batljan Invest AB (publ), Patrik Jönsson (appointed by SEB Trygg Liv) and Arne Almerfors (chairman of Hexicon AB's board of directors), with Rickard Haraldsson as chairman.

The nomination committee has, in accordance with the guidelines that was adopted at the extraordinary general meeting held on 31 March 2021 and the Swedish Corporate Governance Code, had the duty to prepare proposals regarding the following matters to be submitted at Hexicon AB's annual general meeting 2022:

- election of chairman of the general meeting,
- the number of board members to be elected by the general meeting,
- election of chairman and members of the board of directors,
- remuneration and other fees payable to the appointed board members and the members of the board committee,
- election of auditor/auditors,
- remuneration to the auditor/auditors,
- guidelines for the composition of the nomination committee,
- any changes in the instructions for the nomination committee.

The nomination committee has held 3 recorded meetings with ongoing contact in between.

The nomination committee has applied section 4.1 of the Swedish Corporate Governance Code (the "Code") as diversity policy in connection with the preparation of its proposals. This means that the nomination committee has taken as its starting point that the composition of the board should be appropriate in view of Hexicon AB's operations, stage of development and other circumstances. The nomination committee has also taken into account that the composition of the board members elected at the annual general meeting should be characterised by diversity and breadth in terms of skills, experience and background.

The nomination committee further considers it important that the board members can devote the time and care required to fulfil their duties as board members of Hexicon AB, and the nomination committee has therefore assessed the board members' assignments outside Hexicon AB and the time these assignments require.

The nomination committee has received a report from the chairman of the board on how the board's work has been carried out. The nomination committee has furthermore interviewed all board members.

The nomination committee has discussed the size and composition of the board in light of the company's situation and development opportunities. In general, the nomination committee believes that the board has good expertise, but that it could be strengthened, particularly in terms of industry expertise and international experience. As the chairman of the board has declined re-election, the nomination committee has also sought a new chairman who, in addition to the above experience, also has solid board and chairmanship experience. At the same time, the nomination committee considers that the size of the board can be reduced from a total of seven to six members.

In preparing the nomination committee's proposal for the election of the auditor and the decision on the auditor's remuneration, the nomination committee has been in contact with the chairman of the audit committee in order to obtain the board's and the audit committee's assessment of the quality and effectiveness of the auditor's work. The nomination committee's proposal for the election of the auditor and the decision on the auditor's remuneration is in line with the recommendation of the audit committee.

*The nomination committee's assessments of the proposed composition of the board*

In the opinion of the nomination committee, the proposed board represents a well-balanced composition of persons in terms of size, competence, experience and breadth and diversity of qualifications, which together complement each other. The nomination committee's proposal for the board means that 33 percent of the members elected at the annual general meeting are women. The aim is to increase this proportion over time. Furthermore, the nomination committee believes that the proposed board members have sufficient time to fulfil their duties as board members of Hexicon AB.

*The nomination committee's assessment of the independence of the proposed board members*

Taking into account the applicable Swedish independence rules, the nomination committee has made the following assessments of the independence of the proposed board members in relation to Hexicon AB and its senior management as well as Hexicon AB's major shareholders:

- In the opinion of the nomination committee, all proposed board members are independent of Hexicon AB and its senior management.
- In the opinion of the nomination committee, all proposed board members, except Mia Batljan, are independent of Hexicon AB's major shareholders. Mia Batljan is considered to be dependent in relation to Hexicon AB's largest shareholder Ilija Batljan Invest AB (publ). The proposed composition of the board of directors thus meets, in the opinion of the nomination committee, the requirements for independence set out in sections 4.4 and 4.5 of the Code.

*The nomination committee's assessment of the proposed board remuneration*

The nomination committee's assessment is based on a comparison with comparable companies and the complexity and time scope of the assignment. Furthermore, the nomination committee considers that a competitive remuneration is important to attract and

retain good expertise in the board. Overall, the assessment leads to the conclusion that a significant increase in the remuneration is justified.

*The nomination committee's proposal to the annual general meeting 2022*

The nomination committee proposes that the board of directors, in so far as it is elected by the annual general meeting, shall consist of six ordinary members without deputy board members.

For the period until the end of the next annual general meeting, the nomination committee proposes the re-election of the board members Bjarne Borg (member since 2021), Mats Jansson (member since 2013), Mia Batljan (member since 2021) and Vivianne Holm (member since 2020) as well as new-election of Lars Martinsson and Hans von Uthmann as board members. Björn Segerblom, Peter Anker and Arne Almefors have all declined re-election.

The nomination committee proposes the new-election of Hans von Uthmann as chairman of the board.

Information on the board members proposed to be new-elected

The nominating committee is nominating Hans von Uthmann (born 1958) as a new chairman. Hans will bring highly relevant experiences from both the oil and power industries, as well as a strong management and board career. He has served as CEO of Svenska Shell, CEO of Duni, and VP/Head of Nordics for Vattenfall. He has also been chairman of Netcontrol Oy, Falbygden energi and One Nordic, and ordinary board member of e.g. Eltel, Veidekke and Fortum. He has studied at the Swedish School of Economics (1979-1983).

Furthermore, the nominating committee is nominating Lars Martinsson (born 1968) as a non-executive Director. Lars will bring highly relevant experiences from the international power industry, as well as a strong management career. He has served as Senior VP at ABB and chief of business area Power Transformers, CEO Pharmadule, and thereafter various global executive positions within Alstom, GE and Consolis, based in Paris. During the past couple of years, he has among other things been working for KTH Science Park as a coach and advisor to startup in the cleantech sector. He has a M.Sc. from KTH in Stockholm (1992).

Information regarding the proposed board members will be held available at Hexicon AB's website, <https://www.hexicon.eu>.

*Proposal for fees payable to the chairman and other members*

The nomination committee proposes that the fees payable to the board of directors shall amount to a total of SEK 1,050,000 out of which SEK 300,000 shall be paid to the chairman of the board and SEK 150,000 shall be paid to each of the other ordinary members elected by the general meeting.

The nomination committee furthermore proposes that no fees shall be paid for committee work.

*Proposal for the election of, and remuneration to, the auditor*

The nomination committee proposes re-election of KPMG AB for the period until the end of the next annual general meeting. KPMG AB has informed the nomination committee that Fredrik Wollmann is the auditor in charge.

The nomination committee proposes that the auditor's fee be paid in accordance with approved invoicing.

The proposal is in accordance with the recommendation of the audit committee.

*The nomination committee's proposal of chairman for the annual general meeting 2022*

The nomination committee proposes that Marcus Nivinger (or in his absence the person designated by the nomination committee) is elected chairman of the 2022 annual general meeting.

*Proposed Guidelines for the appointment of and instructions for the nomination committee*

The nomination committee proposes that the annual general meeting resolves to adopt new guidelines for the appointment of and instructions for the nomination committee as set out in Appendix 1.

### **Guidelines for the appointment of and instructions for the nomination committee**

The nomination committee proposes that the general meeting resolves on new guidelines for the appointment of and instructions for the nomination committee in accordance with below. The new guidelines for the nomination committee shall apply until further notice until otherwise decided by the general meeting.

Provisions on the establishment of a nomination committee can be found in the Code. The nomination committee is a body of the general meeting with the sole task of preparing the general meeting's decision on electoral and remuneration issues and, where applicable, procedural issues of the next nomination committee. It is proposed that the nomination committee shall be comprised of three members to be appointed by the three largest shareholders by votes at the end of the third quarter each year and that the chairman of the board participates in the nomination committee meetings as adjunct member. Known groups of shareholders are to be included in the expression "the three largest shareholders by votes." The chairman of the board shall annually contact the shareholders who are entitled to appoint a member.

Should any of the entitled shareholders waive their right to appoint a member to the nomination committee, the right is transferred to the fourth largest shareholder by votes, and so on. There is however no need to contact more than five additional shareholders, unless the chairman of the board of directors finds that there are particular reasons to do so. When a shareholder is contacted with a request to appoint a member to the nomination committee the chairman of the board is to issue necessary rules of conduct such as final day to reply etc.

The names of the members of the nomination committee and the names of the shareholders appointing members shall be made public no later than six months prior to the annual general meeting. The nomination committee appoints a chairman among its members. Should a member resign before the work of the nomination committee is concluded, and if deemed appropriate by the nomination committee, a replacement member shall be appointed by the shareholder that appointed the member who resigned, or, if that shareholder no longer represents one of the three largest shareholders by votes, by the shareholder representing such group. If a shareholder who has appointed a certain member has substantially decreased its shareholding in the Company, and the nomination committee does not deem it inappropriate in a view of a potential need of continuity prior to an impending general meeting, the member shall resign from the nomination committee and the nomination committee shall offer the largest shareholder who has not yet appointed a member of the nomination committee to appoint a new member. The nomination committee shall further be composed and perform such tasks that from time to time are stated in the Swedish Corporate Governance Code. The members of the nomination committee shall not receive remuneration from the company. Any costs incurred in connection with the work of the nomination committee shall be paid by the company, provided that they have been approved by the chairman of the board of directors.