

## **THE PROPOSALS BY THE NOMINATION COMMITTEE TO THE ANNUAL GENERAL MEETING OF DUNI AB (ITEM 2 AND 13-18 ON THE AGENDA) AND THE REASONED OPINION IN RESPECT OF THE PROPOSAL REGARDING BOARD OF DIRECTORS**

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The members of Duni's nomination committee in respect of the annual general meeting 2023 are Thomas Gustafsson, chairman of the board of directors, Johan Andersson nominated by Mellby Gård AB, Hans Hedström, nominated by Carnegie fonder and Bernard R. Horn, Jr. nominated by Polaris Capital Management, LLC. Johan Andersson has been the chairman of the nomination committee. The composition of the nomination committee was published on 14 November 2022 and all shareholders have had the opportunity to contact the nomination committee with nomination proposals. The proposals by the nomination committee for resolutions to be passed at the annual general meeting, and the reasoned opinion in respect of the proposal regarding the board of directors are as follows:

### **Election of chairman of the annual general meeting (item 2 on the agenda)**

The nomination committee proposes chairman of the board of directors Thomas Gustafsson, as chairman of the annual general meeting.

### **Resolution on the number of directors, election of directors and chairman of the board of directors and auditor (item 13 and 16-17 on the agenda)**

The nomination committee proposes that the number of directors shall be six and proposes re-election of the directors Morten Falkenberg, Thomas Gustafsson, Sven Knutsson and Pia Marions, and new election of Viktoria Bergman and Janne Moltke-Leth. The nomination committee proposes that Thomas Gustafsson is re-elected as chairman of the board of directors. Pauline Lindwall has declined re-election.

For further information about the proposals of directors for re-election and new election, see [Appendix A](#).

The nomination committee proposes, in accordance with the Audit Committee's recommendation, re-election of the registered public accounting firm PricewaterhouseCoopers AB for the period until the end of the next annual general meeting. PricewaterhouseCoopers AB has informed that Carl Fogelberg will be auditor in charge.

### **Resolution on the remuneration to the chairman of the board of directors, the other directors, and to the auditor (item 14-15 on the agenda)**

The nomination committee proposes that the chairman of the board shall receive SEK 610,500 (SEK 590,000) and the other directors appointed by the meeting SEK 326,000 (SEK 315,000) each. In addition, the chairman of the remuneration committee shall receive SEK 69,000 (SEK 67,000) and the other members of the remuneration committee SEK 32,000 (SEK 31,000) each, and the chairman of the audit committee shall receive SEK 132,000 (SEK 128,000) and the other members of the audit committee SEK 65,000 (SEK 60,000) each.

The nomination committee has further proposed that fair remuneration to the auditor is to be paid as charged.

**Proposal regarding the nomination committee (item 18 on the agenda)**

The nomination committee proposes that the representatives of the nomination committee shall be appointed through a procedure where the chairman of the board of directors contacts the three largest shareholders in terms of votes as per 30 September 2023 and that each such shareholder appoints a representative to, together with the chairman of the board of directors, constitute the nomination committee up until the next annual general meeting, or, if applicable, up until a new nomination committee has been appointed. The nomination committee shall be convened no later than 31 October 2023. If any of the three largest shareholders, in terms of votes, renounces from its right to appoint a representative, the right shall pass to the largest shareholder in turn. Should a representative resign from the nomination committee before its work is completed, a substitute shall be appointed by the same shareholder that has appointed the resigning representative, if considered necessary, or, if this shareholder does not belong to the three largest shareholders in terms of votes anymore, by the new shareholder that belongs to this group. The nomination committee shall appoint one of its members as chairman. The composition of the nomination committee shall be made public as soon as the nomination committee has been formed and no later than six months before the annual general meeting. In the event that the ownership structure is changed after the nomination committee has been composed such that one or several shareholders that have appointed a representative to the nomination committee is no longer in the group of the three largest shareholders in terms of votes, the composition of the nomination committee may be changed in accordance therewith if the nomination committee considers that it is necessary. The tasks of the nomination committee shall be to prepare, for the next annual general meeting, proposals in respect of number of members of the board of directors to be elected by the annual general meeting, remuneration to the members of the board of directors and the auditors, remuneration, if any, for committee work, the composition of the board of directors, the chairman of the board of directors, resolution regarding the nomination committee, chairman at the general meeting and election of auditors.

**The nomination committee's reasoned opinion in respect of the proposal regarding board of directors**

Considering the company's operations, stage of development and other relevant circumstances, the nomination committee has discussed the size of the board of directors and its composition in respect of industry experience, competence and international experience. As a basis for its work, the nomination committee has, inter alia, used an evaluation of the board of directors and its work. The nomination committee has noted that the evaluation of the board of directors of Duni, as well as the nomination committee's own assessment, that the six proposed members constitute an appropriate board composition. The nomination committee has assessed that the relatively limited size of the board of directors encourages efficiency at board meetings and active commitment.

As diversity policy, the nomination committee has applied Section 4.1 in the Swedish Corporate Governance Code whereby the board is to have a composition appropriate to the company's operations, phase of development and other relevant circumstances. The board members elected by the shareholders' meeting are collectively to exhibit diversity and breadth of qualifications, experience and background and the nomination committee is to strive for gender balance on the board.

The nomination committee's proposal means that three out of six of the proposed members are women, and that the gender distribution between the members elected by the general meeting is thus equal.

In addition, the nomination committee has assessed the independence of the directors. The nomination committee believes that its proposal regarding the composition of the board of directors fulfills the requirements for independence as stipulated in the Swedish Corporate Governance Code. It is the opinion of the nomination committee that Thomas Gustafsson and Sven Knutsson are to be regarded as dependent in relation to major shareholders. Other proposed directors, are to be regarded as independent in relation to the company and executive management as well as to major shareholders.

The nomination committee makes the overall assessment that the proposed board of directors meets the demands well that will be imposed on the board of directors in the future as a consequence of Duni's situation and future direction.