

The Nomination Committee's reasoned opinion regarding the proposal for the Board of Directors of Permascand Top Holding AB, including a report on the Nomination Committee's work, ahead of the Annual General Meeting 2023

Background

In accordance with the Nomination Committee's process resolved at the Annual General Meeting 2021, and which applies until further notice, the four largest shareholders as of 30 September 2022, who wished to participate in the Nomination Committee, have each appointed a representative to constitute Permascand Top Holding AB's ("**Permascand**") Nomination Committee together with the Chairman of the Board.

The Nomination Committee consists of Trond Bjørnøy (appointed by Norvestor VI LP), Fredrik Herlitz (appointed by 5J Holding AB), Ingar Jensen (appointed by Ulven Invest AB), Erik Hallengren (appointed by SEB Fonder) and Per Lindberg (Chairman of the Board, Permascand). Trond Bjørnøy has been appointed Chairman of the Nomination Committee.

Shareholders have had the opportunity to submit proposals to the Nomination Committee in accordance with instructions on the company's website. No proposals from shareholders have been received.

The Nomination Committee's work ahead of the Annual General Meeting 2023

According to the Nomination Committee's process, the Nomination Committee shall prepare proposals for Chairman of general meetings, Board of Directors, Chairman of the Board, auditor, Board fees divided between the Chairman and other members, as well as remuneration for committee work and other remuneration for Board assignments and fees to the Company's auditor.

The Nomination Committee has worked actively to evaluate Permascand's current Board of Directors and its work ahead of the proposals presented to the Annual General Meeting 2023. Prior to this year's general meeting, three meetings have been held. As a basis for its proposal for the Board of Directors, the Nomination Committee has taken note of the results of the evaluation that the Board of Directors has carried out of its work during the year and in addition conducted interviews with all Board members as well as the company's CEO and CFO.

In accordance with the requirements of the Swedish Code of Corporate Governance (the "**Code**"), the Nomination Committee has paid attention to issues of, among other things, diversity, independence and even gender distribution, whereby rule 4.1 of the Code has been applied as a diversity policy. According to this, the Board of Directors shall have a composition appropriate to the company's operations, stage of development and other circumstances, characterized by versatility and breadth in terms of the members' competence, experience and background, as well as that an even gender distribution shall be sought. The Nomination Committee has also extensively discussed the requirements for competence, experience and background that may be placed on the Board of Directors of the company. In its evaluation, the Nomination Committee has found that the work of the Board of Directors functions well and that the current Board of Directors is considered to possess considerable breadth and versatility in terms of competence, experience and background.

In its work, the Nomination Committee has further analysed Board fees in equivalent companies. A small percentage increase in the Board fees to the Board members elected by the general meeting and to the Chairman of the Audit Committee is proposed as a market adjustment.

The registered accounting firm KPMG AB (“KPMG”) has been Permascand’s auditor since 2019. The Nomination Committee proposes, in accordance with the recommendation of the Remuneration Committee, re-election of KPMG as auditor for the period until the end of the next Annual General Meeting. Regarding fees to the auditor, the Nomination Committee proposes that the Annual General Meeting resolves that this shall be paid as per approved invoice.

The Annual General Meeting 2021 resolved on a Nomination Committee process that applies until further notice, regarding, among other things, the appointment of the Nomination Committee and the tasks of the Nomination Committee, ahead of the company’s annual general meetings. The Nomination Committee does not propose any change to the current Nomination Committee process.

Proposal for the Board of Directors and reasoned opinion

In light of the evaluation that has been carried out, the Nomination Committee proposes re-election of Per Lindberg, Marie Grönborg, Mario Houde, Ingar Jensen, Johan Karlsson, Anna Alexandersson and Karl Bergman for the period until the end of the next Annual General Meeting. Per Lindberg is proposed to be re-elected as Chairman of the Board.

The Nomination Committee considers that the proposed Board of Directors has appropriate qualifications and an appropriate composition, characterized by versatility and breadth in terms of the Board members’ competence, experience and background, taking into account the company’s operations, stage of development and conditions in general and therefore proposes re-election of all current Board members.

The Nomination Committee has paid particular attention to the requirement that an even gender distribution on the Board of Directors should be sought. With a composition of two women and five men, the proportion of women is 29 percent. The Nomination Committee considers the gender equality issue to be important and that it is important that future Nomination Committees continue to work actively to achieve an even gender distribution.

It is the Nomination Committee’s assessment that all proposed members have the time at their disposal required to fulfil the assignment as a member of Permascand’s Board of Directors. The Nomination Committee considers that the proposed composition of the Board of Directors of Permascand meets the requirements of the Swedish Code of Corporate Governance regarding the number of independent members in relation to the company and its management, as well in relation to major shareholders in the company.

More detailed information on the proposed members can be found on Permascand’s website, www.permascand.com.

Stockholm in April 2023

The Nomination Committee of Permascand Top Holding AB