

## **The nomination committee's proposals to the annual general meeting 2021, including explanations**

The nomination committee of Scandi Standard hereby presents its proposals to the annual general meeting 2021.

### **The nomination committee's proposals**

#### **Chairman of the annual general meeting**

The nomination committee proposes that Advokat Björn Svensson is elected chairman of the annual general meeting of shareholders 2021.

#### **Number of members of the board of directors to be elected by the annual general meeting**

The nomination committee proposes that the number of board members elected by the annual general meeting is six without deputies.

#### **Fees payable to members of the board of directors elected by the annual general meeting and to members of the committees of the board elected by the annual general meeting**

The nomination committee proposes the following fees to the board members for the period until the next annual general meeting.

The fee to the chairman of the board shall be SEK 875,000 (SEK 700,000) and the individual fee payable to the other non-employed board members elected by the annual general meeting shall be SEK 360,000 (SEK 360,000).

The nomination committee proposes that the fees to members of the committees of the board, for the period until the next annual general meeting, shall be paid as follows. An individual annual fee of SEK 150,000 (SEK 150,000) for the chairman of the audit committee and SEK 75,000 (SEK 75,000) for each of the two other members of the audit committee, SEK 100,000 (new) for the chairman of the investment committee and SEK 50,000 (new) for each of the two other members of the investment committee as well as SEK 60,000 (SEK 60,000) for the chairman of the remuneration committee and SEK 30,000 (SEK 30,000) for each of the two other members of the remuneration committee.

#### **Election of board members and chairman of the board of directors**

The nomination committee proposes that the following persons be elected board members.

Re-election of:

- Michael Parker
- Heléne Vibbleus

- Öystein Engebretsen
- Henrik Hjalmarsson

New election of:

- Johan Bygge
- Cecilia Lannebo

The nomination committee proposes that Johan Bygge is elected as chairman of the board.

#### **Number of auditors**

The nomination committee proposes that Scandi Standard shall have one auditor without deputy auditor.

#### **Fees payable to the auditor**

The nomination committee proposes that the auditor fees are paid against approved account.

#### **Election of auditor**

The nomination committee proposes that Öhrlings PricewaterhouseCoopers AB is re-elected as auditor for the period until the close of the next annual general meeting.

#### **Description of the nomination committee's work for the annual general meeting 2021**

The composition of the nomination committee was made public by Scandi Standard AB (publ) on 27 October 2020. The nomination committee consists of the following members:

- Andreas Hofmann (chairman, appointed by Investment AB Öresund);
- Johannes Wingborg (appointed by Länsförsäkringar Fondförvaltning AB);
- Per Olof Nyman (appointed by Lantmännen Animalieinvest AB); and
- Per Harkjaer (chairman of the board of directors of Scandi Standard).

Justin Carton was initially a member of the nomination committee but resigned from the nomination committee on 18 February 2021 following the sale by Themvar Eight of all its shares in Scandi Standard.

The nomination committee started its work by reviewing the tasks incumbent on it under the Swedish Corporate Governance Code and the Instruction for the nomination committee adopted at the annual general meeting 2020. During the course of its work, the nomination committee was informed that Per Harkjaer and Karsten Slotte were not available for re-election. The nomination committee reviewed the results of the external evaluation of the board work and procedures,

including the performance of the chairman of the board and its members individually. On this basis, the nomination committee has assessed what competence and experience is required of Scandi Standard's board members and evaluated the need for increased diversity on the board in terms of age, gender, cultural/geographic background and ownership representation. During this assessment, the nomination committee has identified the opportunity to further strengthen the board's competence in and experience from capital market communications. In addition, the nomination committee has sought for a new chairman with broad experience from board work. The nomination committee also had contacts with the chairman of the audit committee to familiarize itself with the assessments made by the company and the audit committee of the quality and efficiency of the external auditor's work. The audit committee also provided its recommendations on external auditor and auditor fees. Prior to submitting this proposal, the nomination committee has held three minuted meetings.

### **Explanation of proposal regarding board composition, independence etc**

#### *Diversity policy*

The nomination committee has determined that Rule 4.1 of the Swedish Corporate Governance Code is to be applied as board diversity policy. This means that when preparing its proposals to the annual general meeting, the nomination committee will consider that the board of directors is to have a composition appropriate to Scandi Standard's operations, phase of development and other relevant circumstances. The board members elected by the general meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. The nomination committee is to strive for gender balance on the board of directors of Scandi Standard.

All board assignments in Scandi Standard are to be based on merit with the prime consideration being to maintain and enhance the board of directors' overall effectiveness. Within this, a broad set of qualities and competences is sought for and the nomination committee recognises that diversity (including age, gender, geographical provenance and professional background) is an important factor to take into consideration. In particular, the nomination committee notes the necessity to increase the gender balance of the board of directors over time and is pleased to be able improve the gender balance of the board of directors while at the same time strengthening the expertise within capital market communications.

#### *The number of board members*

According to the articles of association, the board shall consist of no less than three and no more than nine board members, without deputies. The AGM 2020 elected

seven board members and the nomination committee considers that a board consisting of six board members is adequate.

*The nomination committee's considerations regarding proposed board composition*

The nomination committee considers that the current board and board work have functioned well and that the board fulfils high expectations in terms of composition and that the board as well as the individual board members fulfil high expectations in terms of expertise. All board members have contributed meritoriously with their respective expertise. The nomination committee has noted that board members in Scandi Standard have high board meeting attendance and that they are well prepared at the meetings.

The nomination committee takes into account the competence and experience of each individual member along with the individual member's contribution to the board work as a whole in its appraisal of qualifications and performance of the individual board members. The nomination committee considers it important that board members can devote the necessary time and care required to fulfil their tasks as board members in Scandi Standard, and has therefore also familiarized itself with the proposed board members' engagements outside of Scandi Standard and the time they require.

Based on thorough discussions and assessments, the nomination committee considers that the proposed board well balances the desire to reflect the ownership structure of the company while taking continuity and gender diversity into account. The nomination committee believes that the proposed new board members Johan Bygge and Cecilia Lannebo will contribute to the board with ownership representation, broad experience from board work and industry as well as expertise in capital market communications and, consequently, further strengthen the board within these areas. The nomination committee considers that all proposed board members have sufficient skills and time to fulfil their tasks as board members of Scandi Standard.

*Independence of board members*

According to the Swedish Corporate Governance Code (the "**Code**"), a majority of the members of the board of directors elected by the general meeting are to be independent of the company and its senior management. At least two of the members of the board of directors who are independent of the company and its senior management are also to be independent in relation to the company's major shareholders. The nomination committee is of the opinion that the proposed composition of the board of directors fulfils the requirements of the Code.

In terms of applicable Swedish independence requirements, the nomination committee assesses that all of the proposed board members are independent of the

company and its senior management and that that all of the proposed board members except Øystein Engebretsen (being an employee of Investment AB Öresund) are independent of Scandi Standard's major shareholders. The nomination committee notes that Johan Bygge is a board member of Lantmännen, that has a significant shareholding in the company that does not meet the ten percent threshold for being considered a major shareholder.

#### *Board remuneration*

It is important that board fees (including for committee work) are maintained at an appropriate level to make it possible to recruit the best possible international competence to the board of directors of Scandi Standard and to make it possible to keep such competence. The nomination committee has compared the board fees in Scandi Standard with board fees in other mid-market comparable companies on Nasdaq Stockholm. In light of this, the nomination committee proposes a larger adjustment of the fee for the chairman. Further, the board has established an investment committee which currently is not remunerated. The nomination committee proposes that the work in the investment committee, similar to other committee work, is remunerated based on an assessment of time required and responsibility. The nomination committee's assessment is that the proposed fees for board and committee work are in line with market practice and reasonable.

#### *Information regarding the proposed board members*

##### **Johan Bygge**

**Born:** 1956

**Education:** MSc in Business and Economics, Stockholm School of Economics.

**Other assignments:** Chairman of the board of directors of Nobina AB (publ) and board member of Baltic Deep Water Life, Lantmännen, Getinge AB (publ) and Tredje AP-fonden.

**Shareholding in Scandi Standard:** No shareholding.

**Principal work experience:** Johan has extensive experience of board work in listed and unlisted companies. Johan Bygge has also been deputy CEO of Electrolux, COO of EQT AB and CFO of Investor AB.

##### **Cecilia Lannebo**

**Born:** 1973

**Education:** MSc in Business and Economics with a major in International Marketing from Mälardalen University and Wirtschaftsuniversität Wien.

**Other assignments:** Founder and CEO of i-Core Communications AB. Board member of Boozt AB.

**Shareholding in Scandi Standard:** No shareholding.

**Principal work experience:** Over 20 years of work experience from capital markets, as an analyst within the retail and services sector and seven years as responsible for investor relations in listed companies.

Information regarding the board members that are proposed to be re-elected can be found on Scandi Standard's website.

\* \* \*

Stockholm in March 2021

*The nomination committee*