

## The nomination committee's proposal and motived opinion for the Annual General Meeting 2022

The nomination committee of Embellence Group AB (publ) (the “**Company**” or “**Embellence Group**”), which consists of Morten Falkenberg (chairman of the board of directors), Jörgen Ekberg (appointed by Litorina), Karin Dennford (appointed by JCE Asset Management) and Jerker Adeberg (appointed by T-konsortiet AB), proposes the following:

- that Rikard Lindahl, member of the Swedish Bar Association, from Advokatfirman Vinge, is elected chairman of the annual general meeting,
- that the number of members of the board of directors elected by the general meeting shall be six without deputies,
- that a registered audit company shall be appointed as auditor,
- that directors' fees shall be paid with SEK 1,750,000 in total, with SEK 500,000 to the chairman of the board and SEK 250,000 to the other members of the board of directors that are not employed by the Company or the group,
- that the fee to the auditor shall be paid in accordance with approved statement of costs,
- that the board members Morten Falkenberg, Henrik Nyqvist, Paul Steene and Christina Ståhl are re-elected as board members and that Hanna Graflund Sleyman and Karin Dennford are elected as new members of the board for the period until the end of the next. It is noted that Mattias Letmark has declined re-election,
- that Morten Falkenberg is re-elected chairman of the board of directors for the period until the end of the next annual general meeting, and
- that the audit company PricewaterhouseCoopers AB is re-elected as auditor for the period up until the end of the next annual general meeting, with the request that Patrik Resebo acts as auditor in charge, in accordance with the board's (which performs the tasks of the audit committee in full) recommendation.

The nomination committee does not propose any amendment of the principles for appointing the nomination committee adopted by the annual general meeting held on 25 February 2021.

Information regarding the individuals proposed by the nomination committee for re-election is available at the Company's webpage and in the Company's annual report for 2021. Information on Hanna Graflund Sleyman and Karin Dennford can be found below.

Hanna Graflund Sleyman is born 1978. Hanna Graflund Sleyman holds a Master of Science in Business and Economics from Stockholm School of Economics. Hanna Graflund Sleyman is currently the CEO of PDL Group and has previously, *inter alia*, been Commercial Manager/Head of Vendor Management at Amazon Sweden, Executive Director Asia Pacific at Daniel Wellington and CEO of Departments & Stores AB (NK) and a board member of Atrium Ljungberg AB, Brothers AB, Polarn O. Pyret AB and RNB Far East Limited. Hanna Graflund Sleyman holds no shares in Embellence Group. Hanna Graflund Sleyman is independent in relation to larger shareholders as well as the Company and its executive management.

Karin Dennford is born 1976. Karin Dennford holds a Master of Science in Advanced Finance from Gothenburg School of Business, Economics and Law at the University of Gothenburg. Karin Dennford is currently an Investment Director of JCE and board member of OctoFrost and member of a number of nomination committees. Karin Dennford has previously been a board member of Capital Advisors (Alcur fonder), Senior Private Banker at Nordea Private Wealth Management and Portfolio Manager at Nordea Investment Management. Karin Dennford holds no shares in Embellence Group. Karin Dennford is independent in relation to the Company and its executive management, but not in relation to larger shareholders.

## **The nomination committee's work and motivated opinion**

The nomination committee has had two meetings ahead of the annual general meeting 2022 and has in addition thereto had informal contacts on several occasions. Meetings have been held with current and proposed board members as well as with the chairman of the board and the CEO. Particular focus has been the board composition and how the board of directors operates as a group and the nomination committee has discussed the evaluation of the board of directors' work. The nomination committee has also evaluated the level of fees to the board.

The nomination committee has, as basis for its work, been provided with an evaluation of the board of directors and its work, executed by the chairman of the board. The number of board members and its composition with regard to, *inter alia*, experience of the industry and qualifications have been discussed.

The nomination committee has, in its work before the annual general meeting, had an objective to ensure that the board, as a group, has the competence and experience necessary mainly with regard to Embellence Group's operations and stage in development as well as to be able to continue to lead the Company in a successful manner. The nomination committee has in particular taken into account the need for diversity and variety in terms of competence, experience and background, in consideration of, *inter alia*, the Company's strategic development, governance and control. The nomination committee has discussed diversity perspectives based on the perception that they are essential in the board composition and the nomination committee aims for equal distribution between genders.

The nomination committee has resolved to propose re-election of all Board members except Mattias Letmark, who has declined re-election, and the election of Hanna Graflund Sleyman and Karin Dennford as new board members. The nomination committee is of the opinion that the additions of Hanna Graflund Sleyman and Karin Dennford will strengthen the board's joint experience and expertise across a number of areas, including E-commerce and B2C sales as well as financing and M&A, respectively. The nomination committee regards the proposed composition of the board of directors to be balanced and well suited to oversee the continued development of Embellence Group and that the proposed board members complement each other well in terms of skills and experience. Accordingly, the nomination committee believes that the proposed six-member strong board is in possession of the right skills and commitment needed to support Embellence Group's management in its continued delivery of long-term shareholder value creation.

The nomination committee complies with the Swedish Corporate Governance Code (the "**Code**"). When assessing the independence of the proposed board members, the nomination committee has found that the proposed composition of the board of the Company fulfills the requirements regarding independence set forth in the Code. In relation to the composition of the board of directors, the provisions of rule 4.1 of the Code have been applied as diversity policy and with regard to the objectives of that policy.

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March 2022  
Embellence Group AB (publ)  
The nomination committee