

# THE NOMINATION COMMITTEE'S PROPOSALS AND MOTIVATED STATEMENT TO THE ANNUAL GENERAL MEETING OF CLIMEON AB (PUBL) ON 15 MAY 2024 AND INCLUDING THE NOMINATION COMMITTEE'S WORK REPORT

Climeon AB's Nomination Committee for 2024 has been constituted based on the ownership as per 31 August 2023 and comprises the following members:

- Thomas Öström, the Chairman of the Nomination Committee, appointed by himself
- Joachim Karthäuser, appointed by himself
- Björn Wasing, appointed by the shareholder SEB-Stiftelsen, Skandinaviska Enskilda Bankens Pensionsstiftelse
- Peter Lindell, appointed by the shareholder Cidro Förvaltning AB
- Sara Lindell, co-opted, Cidro Förvaltning AB
- Håkan Osvald, co-opted at the first and last meeting with the Nomination Committee, the Chairman of the Board

The Nomination Committee initiated its work during October and has held two minuted meetings and held separate interviews with the present Board members and the CEO regarding among all the Board evaluation.

Shareholders have been informed of the possibility to submit proposals to the Nomination Committee, three proposals have been received.

During the Committee meetings, the Committee has dealt with the matters that it has a duty to deal with under the Swedish Code of Corporate Governance.

## ***Proposals of the Nomination Committee to the AGM and motivated statement***

### *Election of the Chairman of the Meeting*

It is proposed that the lawyer Sven Rasmusson at the law firm Rasmusson & Partners Advokat AB will be appointed as Chairman of the AGM.

### *Number of Board members and deputies*

It is proposed that the Board should comprise of five (5) ordinary Board members (previous year 5) and no deputies (previous year 0) for the period up to the next AGM.

### *Number of auditors and deputies*

It is proposed that one auditing firm is appointed as the company's auditor.

### *Fees for the Board of Directors and auditor*

The Nomination Committee proposes that the overall Board fee will be SEK 1,200,000 (previous year SEK 1,200,000), whereof SEK 400,000 is to be allocated to the Chairman (previous year SEK 400,000) and SEK 200,000 (previous year SEK 200,000) to all other non-employed Board members. In addition, a fee of SEK 40,000 (SEK 40,000) shall be paid to the Chairman of the remuneration committee and a fee of SEK 20,000 (SEK 20,000) to each other member of the remuneration committee. A fee of SEK 80,000 (SEK 80,000) shall be paid to the Chairman of the audit committee and SEK 40,000 (SEK 40,000) to each other member of the audit committee.

The Nomination Committee proposes that the auditor will be paid a fee in accordance with a reasonable invoice approved by the company.

### *Election of Board members and Chairman of the Board*

In its work, the Nomination Committee has considered the importance of continuity in the work of the board while at the same time wanting to strengthen the company in investor relations, financing and business development in order to prepare the company for an upcoming growth phase. It is also considered that the board as it has been for the past year has an appropriate size.

It has been noted that Anders Lindberg and Peter Carlberg have declined re-election.

It is proposed that the present board members Thomas Öström, Liselotte Duthu Törnblom and Håkan Osvald will be re-elected and that Joakim Thölin and Sebastian Ehrnrooth will be newly elected.

It is proposed that Håkan Osvald will be re-elected as Chairman of the Board (re-election).

Joakim Thölin, who is proposed as a new board member, was born in 1965, holds a Master of Science in Economics from the Stockholm School of Economics. Joakim Thölin has been active within the Alfa Laval Group for several years in various positions such as e.g. Vice President for the Marine division, Vice President Equipment division and Managing Director for Alfa Laval Austria. In recent years, Joakim Thölin has led Alfa Laval's M&A group and has been a board member for AlfaWall, a product supplier in the Marine segment. Joakim Thölin also has experience from the startup area as chairman of Starcus, active in media & internet.

Sebastian Ehrnrooth, who is proposed as a new board member, was born in 1963, has a Bachelor of Science in Engineering from Linköping Institute of Technology and an MBA from IMD in Lausanne. Sebastian Ehrnrooth has been active in Segulah for more than 20 years, where he resigned as chairman of the investment committee in 2023. Sebastian Ehrnrooth has solid experience in corporate financing and has served as a board member and owner representative in around 20 companies.

Information about the Board members proposed for re-election is available at the company's website [www.climeon.com](http://www.climeon.com).

### *Motivated statement regarding the Board and fee proposal*

The Nomination Committee has applied Section 4.1 of the Swedish Code of Corporate Governance as its diversity policy when processing its proposal as regards election of Board members. The Nomination Committee has in its work considered the aim to achieve gender balance within the Board and that the Board should be characterized by diversity and breadth in competencies, experience and backgrounds.

This year, the Nomination Committee has carried out a board evaluation which was carried out through written documentation with assessments in all relevant areas. The evaluation has been carried out based on input data from everyone on the board as well as the CEO and CFO. In addition to this, interviews with the board and CEO have been conducted.

In connection with its work, the Nomination Committee has evaluated which qualities, experiences and competences may need to be added to the board now that Climeon is facing the next phase of its development, which began in 2023

with the first orders and delivery preparations of the new product HP300. The increased focus in the marine segment have been intensified during 2023 as well as intensified business development within the industrial segment. The new board members are deemed to be able to strengthen the board's competence within these areas.

The Nomination Committee considers that the proposed Board members individually and as a group possess a wide range of competencies and experience that are relevant for Climeon's business, but also as regards accounting, capital markets, financing, legal, sustainable businesses, and in generating long-term shareholder value and good board work in general.

In overall, the Nomination Committee considers that the proposed Board members together constitute a Board of Directors which meets the requirement of continuity and has the versatility and breadth of competencies, experience and background required with respect to Climeon's business, development phase and other circumstances. The Nomination Committee is aware that its final proposal has not reached all the way as regards the number of female members. The Nomination Committee's work to strive for an even gender distribution will continue and the intention is to strengthen the number of female members. The Nomination Committee's proposal of Board members fulfils the independence requirements in accordance with the Swedish Code of Corporate Governance.

The Nomination Committee has discussed the level and structure of the Board compensation. A basic principle when assessing Board fees is that these shall be competitive and make it possible to recruit and retain individuals with the best possible competence. When assessing the level of fees, a comparison has been made in relation to Board fees in companies of equal size and complexity, and it has also been taken into account that the AGM 2020 decided to increase the Board fees in accordance with the Nomination Committee's proposal. Against this background, the Nomination Committee has concluded that the present level and structure are reasonable and well justified. According to the Nomination Committee, the former Legal Committee has fulfilled its purpose and will be terminated in consideration of reduced need in the future.

#### *Auditor*

The Nomination Committee proposes, in accordance with the audit committee's recommendation, re-election of the audit firm Deloitte AB. It is noted that Deloitte AB has notified that the chartered accountant Daniel Wassberg will continue to be the main auditor if Deloitte AB is re-elected.

#### *Instructions for the Nomination Committee*

The Nomination Committee has reviewed the current instructions for the Nomination Committee, which were approved by the Annual General Meeting 2023, has concluded that no changes will be proposed.

Stockholm April 2024

The Nomination Committee of Climeon AB (publ)