

# **Proposals by the Nomination Committee in respect of the Annual General Meeting 2023 in GARO Aktiebolag**

## **1. Resolutions and the composition of the Nomination Committee**

At the Annual General Meeting in GARO Aktiebolag (“**GARO**”) held on 4 May 2017, instructions for the establishing of a Nomination Committee were adopted to apply until further notice. The Nomination Committee shall be composed of members, representing the three largest shareholders in terms of voting rights registered in the shareholders’ register maintained by Euroclear Sweden AB as of 31 August each year, together with the Chairman of the Board.

The Nomination Committee in respect of the Annual General Meeting 2023 has comprised:

- Niklas Bogefors, appointed by Lars Svensson
- Fredrik Carlsson, appointed by Svolder AB (publ)
- Jan Andersson, appointed by Swedbank Robur fonder
- Rickard Blomqvist, in his capacity of Chairman of the Board of GARO

Niklas Bogefors has been elected Chairman of the Nomination Committee.

The Nomination Committee shall submit proposals regarding the election of Chairman of the General Meeting, members of the Board of Directors, Chairman of the Board, auditor, fees for the members of the Board including division between the Chairman and the other Board members, as well as fees for committee work, fees to the company’s auditor and changes of the instructions to the Nomination Committee.

## **2. Proposals by the Nomination Committee in respect of the Annual General Meeting**

The Nomination Committee makes the following proposals in respect of the Annual General Meeting 2023:

**Chairman of the Annual General Meeting:** The Chairman of the Board, Rickard Blomqvist, shall be elected Chairman of the Annual General Meeting.

**Board of Directors:** The number of Board members shall be seven (without deputies). Re-election shall be made of the Board members Martin Althén, Rickard Blomqvist, Susanna Hilleskog, Mari-Katharina Jonsson Kadowaki, Johan Paulsson and Lars-Åke Rydh and new election shall be made of Lars Kongstad. Re-election shall be made of Rickard Blomqvist as the Chairman of the Board. Ulf Hedlundh has declined re-election.

Additional information on Board member proposed for new election, Lars Kongstad, is set out in Appendix A. Information about all Board members proposed for re-election is available on the Company’s website, <https://www.garogroup.se/en>.

**Board and Committee fees:** Board fees, excluding Committee fees, shall be paid in a total of SEK 2,525,000 (previously SEK 2,440,000), of which SEK 725,000 (previously SEK 700,000) to the Chairman of the Board and SEK 300,000 (previously SEK 290,000) to each of the other Board members elected by the Annual General Meeting who are not employed by the group. Fees for assignment in the Audit Committee shall continue to be paid in a total of SEK 200,000 (based on an unchanged number of committee members), of which SEK 100,000 to the Chairman and SEK 50,000 to each of the other members of the Audit Committee. Fees for assignment in the Remuneration Committee shall continue to be paid in a total of SEK 100,000 (based on an unchanged number of committee members), of which SEK 50,000 to the Chairman and SEK 25,000 to each of the other members of the Remuneration Committee. Prior to the Annual General Meeting 2023, a comparison of the Board fees in GARO with the Board fees paid in other comparable Mid Cap companies has been made, whereby the Nomination Committee has found that the now proposed Board fees are on market terms and reasonable in light of the expected work effort and the responsibilities of the Board.

**Auditor:** The number of auditors shall be one without deputies. In accordance with the Audit Committee's recommendation, the registered audit firm Ernst & Young AB is proposed for re-election as GARO's auditor for a period of one year until the end of the Annual General Meeting 2024. Ernst & Young AB has notified that the authorised public accountant Joakim Falck will continue as auditor in charge, if Ernst & Young AB is elected as auditor by the Annual General Meeting. The auditor's fee is proposed to be paid according to approved invoice.

### **3. Report on how the Nomination Committee has performed its tasks**

All members of the Nomination Committee have carefully considered and concluded that there is no conflict of interest or other circumstances making it inappropriate to accept the assignment as member of the Nomination Committee of GARO.

Five meetings have been held by the Nomination Committee. In addition, the Nomination Committee has had contact via telephone and email. The Nomination Committee has, through the Chairman of the Board, been informed of the results of the Board evaluation and has also conducted interviews with all members of the Board of Directors and the Board's employee representative. The Nomination Committee has further taken note of the Audit Committee's recommendation regarding election of auditor.

The Nomination Committee has considered all tasks stated in the Swedish Corporate Governance Code under the responsibility of the Nomination Committee. The Nomination Committee has discussed and considered, inter alia, (i) to what extent the current Board of Directors fulfils the requirements that will be imposed on the Board of Directors as a result of GARO's business and development phase, (ii) the size of the Board of Directors, (iii) the different areas of competence that are and should be represented on the Board of Directors, (iv) the composition of the Board of Directors with respect to experience, gender and background, (v) remuneration to the members of the Board of Directors and (vi) questions relating to election of auditor and the auditor's fee. The Nomination Committee has applied rule 4.1 in the Swedish Corporate Governance Code as diversity policy, entailing that the Board of Directors shall, taking into account the company's business, phase of development and other relevant circumstances, have a suitable composition characterised by diversity and

breadth of qualifications, experience and background among the Board members elected by the general meeting, as well as that an equal gender distribution shall be sought.

Finally, the Nomination Committee has, in order for the company to fulfil its information obligation to the shareholders, informed the company on how the Nomination Committee has performed its tasks and on the proposals that the Nomination Committee presents.

#### **4. Motivated statement by the Nomination Committee on the proposed Board of Directors**

The Nomination Committee has assessed the number of Board members and found that Board's current composition of seven members is suitable considering, *inter alia*, the company's current challenges, operations and geographical market range. Furthermore, the interviews conducted has strengthen the opinion that seven Board members is an effective and well-functioning number.

The Nomination Committee considers that the members of the Board of Directors of GARO are competent and have extensive experience regarding digitalisation, electrical installations, temporary power and charging infrastructure in a broad sense, technical innovation, economics, sustainability matters, capital market matters and financing matters, wholesale stages, customer service and changed customer behaviours, trend analysis, communication and marketing, internationalisation and regarding Board work in general. The Board members have demonstrated a high level of commitment and the attendance rate at Board meetings has been high. The way in which the presidency has been managed is deemed to ensure an open and constructive dialogue within the Board.

The Nomination Committee concludes that the Board's need for competence is of significant importance. Thus, the Nomination Committee deems it important for GARO to supplement the current expertise on the Board with the experience and knowledge that Lars Kongstad possesses. Lars Kongstad has extensive experience in board and corporate governance matters, as well as strategic business law, negotiation and large-scale project management, both nationally and internationally.

In consideration hereof, the Nomination Committee has proposed new election of Lars Kongstad and re-election of Martin Althén, Rickard Blomqvist, Susanna Hilleskog, Mari-Katharina Jonsson Kadowaki, Johan Paulsson and Lars-Åke Rydh as Board members and re-election of Rickard Blomqvist as Chairman of the Board.

Therefore, the Nomination Committee considers that the abovementioned Board members, together with the Board member proposed for new election, constitute a Board which has the diversity and breadth of competence, experience and background required with respect to GARO's business, development phase and other circumstances.

The question of equal gender distribution within the Board should be given specific attention in relation to election of Board members. The proposed Board members comprise two women and five men (equivalent to approximately 29 and 71 per cent, respectively). The Nomination Committee intends to continue its efforts to achieve a more equal gender distribution.

In addition, the Nomination Committee has assessed the independence of the Board members. The Nomination Committee believes that its proposal regarding the composition of the Board

in GARO fulfils the requirements of independence as stipulated in the Swedish Corporate Governance Code. In order to be able to evaluate the proposed members of the Board of Directors' independence in relation to GARO and the executive management, as well as to the larger shareholders in GARO, the Nomination Committee has obtained information on the proposed members of the Board of Directors. The Nomination Committee deems that all proposed Board members are to be regarded as independent in relation to GARO and the executive management. Six of the Board members are also to be regarded as independent in relation to major shareholders in GARO.

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March 2023

**The Nomination Committee of GARO Aktiebolag**

## **Lars Kongstad (born 1963)**

<b>Principal education:</b>	Master of Laws (LL.M.).
<b>Work experience:</b>	Lars Kongstad is partner and lawyer at the business law firm Mannheimer Swartling Advokatbyrå AB.
<b>On-going assignments:</b>	Chairman of the Board of MFF Event AB, Fotbollsstadion i Malmö Fastighets AB and Volador AB and Vice Chairman of the Board of Malmö FF. Board member of Lars Kongstad Advokat AB and deputy Board member of Lexy Advokataktiebolag.
<b>Holding in GARO:</b>	250 shares.

The Nomination Committee deems that Lars Kongstad is to be regarded as independent in relation to GARO and the executive management and to GARO's major shareholders.