



The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.

## Report on how the Nomination Committee has conducted its work and complete proposal for the 2024 Annual General Meeting

### The Nomination Committee's work

#### Composition

The Nomination Committee of Pierce Group AB (publ), Reg. No. 556967-4392 (the “**Company**” or “**Pierce**”), in view of the 2024 Annual General Meeting has consisted of Jacob Wiström (Chairman), appointed by Verdane Capital XI Investments AB, Shu Sheng, appointed by Procuritas Capital Partners V LP and Staffan Östlin, appointed by Adrigo Small & Midcap L/S. In addition, the Chairman of the Board Henrik Theilbjørn has been an adjunct member of the Nomination Committee. The members of the Nomination Committee have been appointed in accordance with the Company's Instruction for the Nomination Committee (the “**Instruction**”). Bruce McGinn, General Counsel to the Company, has assisted the Nomination Committee.

#### Contacts and meetings

The Nomination Committee has, in addition to a significant number of informal contacts and Teams meetings, held five (5) meetings at which minutes have been kept. No remuneration has been paid for the work in the Nomination Committee. The meetings have mainly been focused on the following:

- Review of Board evaluation and interviews with the Board members and the CEO (see further “Evaluation of the Board's work etc.”).
- Review of the Board's and the committees' composition.
- The Audit Committee's recommendation regarding auditor.
- Benchmarking of remuneration.
- Recruitment of Board members proposed to be newly elected, including procurement of and contacts with recruitment agencies.
- Production of complete proposal/statement to the Annual General Meeting.
- Discussion on the Nomination Committee body as such, its main duties, work, and the Instruction.

#### Evaluation of the Board's work etc.

During the autumn of 2023, a comprehensive evaluation of the Board's work was carried out under the supervision of the Chairman of the Board. The evaluation is a systematic and structured process that is carried out on an annual basis. The work of the committees has also been evaluated.

The Chairman of the Board has reported the results of the evaluation, which was in all material respects positive, to the Nomination Committee. The Nomination Committee has also conducted interviews with each of the Board members and with the CEO. The Nomination Committee's overall assessment is that the Board's work functions well. The Nomination

Committee intends to follow up that the comments made are considered by the Board and executive management going forward.

## **The Nomination Committee's proposal for the 2024 Annual General Meeting**

### Election of Chairman at the meeting

The Nomination Committee proposes that lawyer Ola Grahn from Setterwalls Advokatbyrå AB be elected as Chairman of the Annual General Meeting.

### Determination on the number of the members of the Board

According to the Articles of Association of the Company, the Board shall consist of a minimum of three and a maximum of ten members, with no deputies. The Nomination Committee notes that one (1) member of the Board has declined re-election, while it has proposed two (2) new candidates for election. The Nomination Committee has made the assessment that the four (4) continuing members, with the addition of two (2) new candidates, will have relevant expertise and experience for the Board to carry out its mandate over the coming term (see next section for further details). The Nomination Committee therefore considers that a Board consisting of six (6) members will be appropriate and proposes that the number of Board members shall be six (6) until the end of the next Annual General Meeting.

### The Board

The Nomination Committee's proposal is that Henrik Theilbjørn, Thomas Schwarz, Max Carlsén and Lottie Saks are re-elected as ordinary Board members, that Kenneth Christensen and Niklas Jarl be elected as new ordinary Board members and that Henrik Theilbjørn is re-elected as Chairman of the Board. The existing Board member Mattias Feiff has declined re-election.

Information about the Board members proposed for re-election can be found in the Company's annual report and on the Company's website [www.piercengroup.com](http://www.piercengroup.com).

With regards to Kenneth Christensen and Niklas Jarl, who are proposed to be newly elected, the Nomination Committee wishes to emphasize the following.

Kenneth Christensen is a Danish citizen born in 1979 with an M.Sc. in Economics and Business Administration, Finance and Accounting from Copenhagen Business School. Kenneth Christensen has 17 years of experience within financing, and is currently Head of Financing in Procuritas Capital Partners. Before that, Kenneth Christensen worked with acquisition financing in Danske Bank for several years.

Other ongoing assignments: Board member in Swedish Electromagnet Invest AB (publ).

Shareholding in the Company: Kenneth Christensen does not currently hold, directly or indirectly, any shares in the Company.

Niklas Jarl is a Swedish citizen born in 1979 and educated at Berghs School of Communication. With over 20 years of experience in establishing successful online businesses, Niklas Jarl currently serves as CCO at WeSports.com and CEO at Zidcore.com and Rawbike.com. Previously, Niklas Jarl held the position of CEO at Vinoteket.com.

Other ongoing assignments: Board member in Thespis AB. Deputy Board member in Rawbike Scandinavia AB and Vinodino AB. CEO of Rawbike Scandinavia AB, Thespis AB and Zidcore AB.

Shareholding in the Company: Niklas Jarl does not currently hold, directly or indirectly, any shares in the Company.

It is the Nomination Committee's opinion that Kenneth Christensen with his senior experience within financial management and mergers & acquisitions and Niklas Jarl with his senior experience within online marketing and operations make them much qualified and welcome to the Company's Board.

#### Remuneration of the Board

Fees to the Board and remuneration for committee work are proposed in accordance with the following (to be paid proportionally to the term of office).

- SEK 450,000 to the Chairman of the Board (unchanged since last year).
- SEK 200,000 to each of the other Board members (unchanged since last year).
- SEK 175,000 to the Chairman of the Audit Committee (unchanged since last year).
- SEK 50,000 to each of the other members of the Audit Committee (unchanged since last year).
- SEK 30,000 to the Chairman of the Remuneration Committee (unchanged since last year).
- Kenneth Christensen and Max Carlsén shall not receive any Board fees or remuneration for committee work.

Additional compensation for travel time of SEK 20,000 per physical Board meeting held in Sweden is proposed to be paid to Board members domiciled abroad (unchanged since last year). In addition, a Chairman specific travel time compensation is proposed of SEK 360,000 annually, since the required time spent physically in Stockholm is more extensive than for other Board members (unchanged since last year). This fee replaces the SEK 20,000 per physical Board meeting that applies to other overseas domiciled Board members.

The total remuneration for work in the Board and its committees, assuming no changes to committee composition and excluding the compensation for travel time, is thus proposed, with one more remunerated member in the Board compared to the previous year, to amount to SEK 1,305,000 which is to be compared with SEK 1,105,000 for the previous year.

The Nomination Committee deems that the proposed remuneration levels are motivated by the Company's need to continue to be able to attract the Board competence required for the Company's future development. In preparing the proposal, an extensive benchmarking of remuneration to other companies has been made, considering factors such as sector and turnover.

#### Auditor

The Audit Committee has performed a tendering process regarding the auditing of the Company. As a result of the process, the Audit Committee has in its recommendation to the Nomination Committee stated two options regarding the election of auditor, Grant Thornton Sweden AB and Öhrlings PricewaterhouseCoopers AB, and that the Audit Committee recommends that Grant Thornton Sweden AB is elected as auditor. The recommendation from the Audit Committee is based on the tender submitted by Grant Thornton Sweden AB. Neither

the Nomination Committee's proposal nor the Audit Committee's recommendation for auditor has been subject to influence of a third party nor subject to any terms in contract limiting the choice of auditor. The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, that the registered accounting firm Grant Thornton Sweden AB be elected as new auditor for the period until the end of the next Annual General Meeting 2025. Grant Thornton Sweden AB has informed that in the event of them being elected, they will appoint the authorized public accountant Mia Rutenius as the auditor in charge.

#### Remuneration of the auditor

The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, that remuneration to the Company's auditor, as in previous years, shall be paid in accordance with approved invoices.

## **The Nomination Committee's motivated statement according to item 2.6 in the Swedish Corporate Governance Code (regarding proposals for Board election)**

As part of its assessment of the Board and its composition, the Nomination Committee has, as mentioned above, reviewed the internal evaluation of the Board's work in the autumn of 2023 and otherwise informed itself about the Board's work through e.g. interviews with all members of the Board and the Company's CEO.

The Nomination Committee has noted that the Board members' commitment has been great with high meeting attendance levels and that the co-operation within the Board and its committees has worked well. When composing the Board, the Nomination Committee has applied the rules on the composition of the Board in the Swedish Corporate Governance Code (the "**Code**"), including rule 4.1 on diversity, breadth and gender balance, and considered the Board's needs in terms of competence, experience, need for renewal and replacement.

According to the Nomination Committee, the competencies and experiences considered important for the Company are well represented in the proposed Board; for instance, Board members with vast experience regarding trade in general and e-commerce and Company relevant sectors in particular, as well as Board and operative work in a listed environment, are represented. The Nomination Committee has also deemed that the proposed Board members are able to devote the required time for the Board assignment in Pierce.

The Nomination Committee has assessed that the proposed Board fulfils the requirements in the Code regarding Board member independency. Three of the proposed Board members, Henrik Theilbjørn, Lottie Saks, and Niklas Jarl are deemed as independent in relation to the Company and the Company management as well as the Company's major owners. The Nomination Committee has deemed Kenneth Christensen and Max Carlsén as independent in relation to the Company and the Company management, but not in relation to the Company's major owners. The Nomination Committee has deemed Thomas Schwarz as independent in relation to the Company's major owners, but not in relation to the Company and the Company management.

The Nomination Committee has applied rule 4.1 in the Code as diversity policy when preparing its proposal regarding the Board. The goal of the diversity policy is that the Board shall have a composition that is appropriate in relation to the business, phase of development and other relevant circumstances, exhibiting diversity and breadth regarding the Board members' qualifications, experience and background, and that gender balance should be sought. In the view of the Nomination Committee, the proposed Board members exhibit such diversity and breadth in terms of e.g., age, educational and professional background, experience, competencies and time held as Board member in the Company.

One out of six Board members proposed to be elected by the Annual General Meeting is a woman. The gender distribution is thus 1/6 women and 5/6 men, which, in the Nomination Committee's opinion, is not in line with the requirement regarding gender balance and the Nomination Committee's ambition is that the gender balance shall improve further over time, and aim to correspond to the levels expressed by the Swedish Corporate Governance Board.

Stockholm in April 2024  
The Nomination Committee of Pierce Group AB (publ)