

## **The Nomination Committee of Net Insight AB (publ)'s proposal for decision, motivated opinion and presentation of its work for the annual general meeting 2020**

### **Background**

On 10 October 2019, it was announced that the Nomination Committee had been constituted in accordance with the resolution from the annual general meeting in Net Insight. The Nomination Committee consists of:

Ramsay Brufer, Alecta, (Chairman of the Nomination Committee)

Jan Barchan, Brihan Invest

Martin Wallin, Lannebo Fonder

Christian Brunlid, Handelsbanken Fonder

Gunilla Fransson, Chairman of the Board of Directors of Net Insight AB

### **Motivated opinion and presentation of the Nomination Committee's work**

The Nomination Committee has, pursuant to the instruction adopted by the annual general meeting, been instructed to procure proposals for decisions on Net Insight's annual general meeting 2020 regarding the following decisions:

- election of chairman of the Board of Directors and other Board members,
- fees for the Board of Directors allocated between the chairman and the other Board members and any potential remuneration for committee work,
- election of chairman at the meeting, and
- election of auditor and fees for auditor

The Nomination Committee has adopted rule 4.1 of the Swedish Corporate Governance Code as diversity policy.

The Nomination Committee has held 5 meetings with minutes and several other additional meetings for interviews.

The Nomination Committee has discussed the demands, in terms of competence, experience and background, of the Board of Directors. The Nomination Committee has also discussed the size and composition of the Board of Directors based on the expectations that can be placed on the Board of Directors of Net Insight. The Nomination Committee has also taken into account the ongoing need of renewal and need for diversity in respect of experience, international and national background and gender, and continuity in the core competence as well as contributing with new competence. As basis for its work, the Nomination Committee has received a report from the Chairman of the Board of Directors and the interim CEO in respect of the company's business, targets and strategies and held interviews with the members of the board.

The shareholders have been given the opportunity to submit proposals to the Nomination Committee. The Nomination Committee has received proposals and has considered the nominations in their work.

The assessment of the Board's work shows that the Board is well functioning and with great dynamics within the group. The Nomination Committee's assessment is that Net Insight has a well-functioning Board of Directors.

## **The Nomination Committee's proposals for decision**

### *Election of Chairman at the meeting*

The Nomination Committee proposes that the Chairman of the Board of Directors Gunilla Fransson, is to chair the 2020 annual general meeting.

### *Fees for the Chairman, other Board members and the deputy*

The Nomination Committee has discussed the level and structure of fees to the Board of Directors. The Nomination Committee proposes an unchanged fee, except for the Chairman of the audit committee. The fees are proposed to be allocated with SEK 700,000 to the Chairman of the Board, SEK 240,000 to each other member of the Board of Directors elected by the meeting and who are not an employee of the company and SEK 120,000 to any deputy member of the Board of Directors who are not an employee of the company. The remuneration to the chairman of the audit committee is proposed to be SEK 75,000 and SEK 40,000 to each member of the audit committee. The remuneration to the chairman of the remuneration committee is proposed to be SEK 50,000 and SEK 40,000 to each member of the remuneration committee. The total fee according to the above corresponds to SEK 2,225,000, which is an increase of 1.14 per cent.

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

The Nomination Committee proposes that the Board of Directors shall consist of six board members and one deputy.

The Nomination Committee proposes re-election of Board members, Gunilla Fransson, Anders Harrysson, Jan Barchan, Charlotta Falvin and Mathias Berg. Crister Fritzson has declined re-election since he has been appointed as CEO of the company. Stina Barchan is proposed to be re-elected as personal deputy for Jan Barchan. Kjell Arvidsson is proposed as new member of the board.

Kjell Arvidsson (born 1961) is an engineer and marketing economist with a background including founder and CEO of Ericsson IPX, co-founder and CEO of CLX Networks and CEO of Symsoft. Kjell Arvidsson is a board member of Coach and Capital Nordic 1 AB, Zignsec AB, Picky Investments AB. Kjell Arvidsson owns 195,292 B shares in Net Insight AB through a company. Kjell Arvidsson is independent of the company and its management as well as of larger shareholders. Thus, Kjell Arvidsson has extensive experience as an entrepreneur and investor in relevant and related industries to Net Insight and it is the Nomination Committee's assessment that he will provide the Board with valuable competence and experience.

The proposal for Board of Directors of Net Insight fulfils the provisions in the Swedish Corporate Governance Code with regards to independence. Jan Barchan and Stina Barchan are considered dependent in relation to the company's major shareholders. All Board members and deputy Board members are considered independent in relation to the company and the executive management. The Proposal deviates from the Corporate Governance Code with regard to the election of a deputy board member.

The Nomination Committee proposes election of Gunilla Fransson as Chairman of the Board of Directors.

*Information about proposed members*

Information on the proposed members of Net Insight, including the assessment of each member's independence is available on the company's website; [www.netinsight.net](http://www.netinsight.net).

*Election of auditor and deputy auditor, as well as fees for the auditor*

The Nomination Committee has received the Board of Directors' evaluation of Deloitte AB's auditing work, the audit committee's recommendation and the Board of Directors' proposal for auditor and fees for the auditor. The Nomination Committee proposes, in accordance with the recommendation from the Board of Directors, that the meeting re-elects the registered public accounting firm Deloitte AB as its auditor until the end of the 2021 annual general meeting, as well as that the fee to the auditor shall be on approved accounts. If the meeting resolves in accordance with the Nomination Committee's proposal, the public accountant Therese Kjellberg will continue as the auditor in charge.

Further, the Nomination Committee proposes that no deputy auditor is elected.

*Principles for appointment of nomination committee*

The Nomination Committee has also reviewed the current principles for appointment of nomination committee, as adopted by the 2017 annual general meeting, and has decided not to propose any adjustments

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THE NOMINATION COMMITTEE  
**Net Insight AB (publ)**