

Corporate Governance Report

This Corporate Governance Report has been prepared by the Company's Board and presents the corporate governance for the financial year 2021. The Corporate Governance Report is presented in accordance with the Swedish Annual Reports Act and the Swedish Code of Corporate Governance. The Corporate Governance Report has been reviewed by the Company's Auditor Deloitte.

Corporate Governance at Net Insight

Net Insight AB is a Swedish public limited company with its registered office in Solna, Sweden. The Company's Class B-shares are listed on Nasdaq Stockholm. Corporate governance, management and control is divided between the shareholders, the Board of Directors, the CEO and management in accordance with applicable legislation, regulations and recommendations, Nasdaq Stockholm's Rules for Issuers, the Swedish Code of Corporate Governance and internal control documents such as the Articles of Association, policies and guidelines.

The Annual General Meeting is the Company's highest decision-making body and the forum where shareholders exercise their voting rights. The Board and Chairman are elected by the Annual General Meeting based on a proposal by the Nomination Committee. The Board appoints the CEO. The Board's and CEO's management and the Company's financial reporting are reviewed by the external Auditor appointed by the Annual

General Meeting. In order to streamline and broaden the work relating to certain issues, the Board has established an Audit Committee and a Remuneration Committee.

Net Insight applies the Swedish Code of Corporate Governance (the "Code", available at www.bolagsstyrning.se), and there were two deviations from the Code in the year: Deviation from the Code 4.2: a personal deputy was appointed for Board member Jan Barchan (Briban Invest) for reasons of continuity; deviation from the Code 2.4: Board member Jan Barchan was elected Chairman of the Nomination Committee due to the Company's ownership structure.

The Articles of Association are the Company's overarching internal control document. The Annual General Meeting makes decisions relating to changes to the Articles of Association. The applicable Articles of Association were adopted by the Annual General Meeting on May 8, 2018 and can be found on the Company's website: <https://netinsight.net/investors/corporate-governance/>.

The Company did not contravene Nasdaq Stockholm's Rules for Issuers in 2021.

Shareholders

Net Insight has issued two share classes: Class A and Class B shares. Each Class A share confers the right to 10 votes and each Class B share to 1 vote. All shares have equal right to participation in the Company's profit and assets.

Distribution of shares as of 31 Dec 2021	
Number of shareholders:	12 984
Number of Class A shares:	1 000 000
Number of Class B shares:	388 933 009
Total number of shares:	389 933 009
of which Class B shares held in Treasury:	12 625 000
Number of votes:	398 933 009

The three largest shareholders at the end of 2021 were Briban Invest with 13.3 percent of the votes, Avanza Pension with 6.1 percent of the votes and Nordnet Pension with 4.2 percent of the votes.

Annual General Meeting

The Annual General Meeting is the Company's highest decision-making body and the forum where shareholders are entitled to decide on matters relating to the Company. Net Insight's Annual General Meeting is held once annually at the beginning of May. The Notice convening the Annual General Meeting is published in a press release and in the Official Swedish Gazette (Sw. Post-och Inrikes Tidningar) and on netinsight.net. An announcement stating that the AGM has been convened is published in Swedish broadsheet Svenska Dagbladet.

Net Insight's Annual General Meeting 2021 was held on May 7, 2021 through advance ballot with no physical participation by shareholders due to the Covid-19 pandemic.

The following main decisions were reached:

Board Chairman Gunilla Fransson was elected Chairman of the AGM

The Parent Company Balance Sheet and Income Statement were adopted.

The Company's earnings were carried forward. No dividends were paid to shareholders.

The Board members and CEO were discharged from liability for the financial year 2020.

- The number of Board members should be six with one deputy.

Gunilla Fransson, Kjell Arvidsson, Jan Barchan, Mathias Berg, Charlotta Falvin and Anders Harrysson were re-elected as Board members. Stina Barchan was re-elected as personal deputy for Jan Barchan. Gunilla Fransson was re-elected Chairman of the Board.

It was decided that the fees for Board work should amount to SEK 2,315,000, allocated as follows: SEK 700,000 to the Chairman, SEK 250,000 to each Board member, SEK 125,000 to the Board deputy, an additional SEK 100,000 to the Chairman of the Audit Committee, an additional SEK 50,000 to members of the Audit Committee, an additional SEK 50,000 to the Chairman of the Remuneration Committee and an additional SEK 40,000 to members of the Remuneration Committee.

Deloitte AB was re-elected as the Company's Auditor, with Therese Kjellberg as Auditor in Charge. Remuneration to the auditor, to be on approved account.

It was resolved to approve the Board of Directors' proposal regarding new guidelines for remuneration and other terms of employment for senior executives.

It was decided to adopt the Nomination Committee's proposal for new instructions to the Nomination Committee.

The AGM decided to authorize the Board of Directors to, in the period until the next AGM is held, repurchase

shares totaling up to 10 percent of all the shares in the Company.

The complete minutes of the AGM, as well as the supporting documentation, are available at <https://investors.netinsight.net/corporate-governance/>.

Nomination Committee

In accordance with the instructions for the nomination committee that have been adopted at the AGM, Net Insight's Nomination Committee consists of the Chairman of the Board of Net Insight AB and the Company's three largest shareholders as of the last banking day each August, and on other reliable information obtained by the Company. Each one of these shareholders are entitled to appoint a member of the Nomination Committee.

The composition of the Nomination Committee ahead of the Annual General Meeting 2022 was announced on October 4, 2021 when it consisted of Jan Barchan (Briban Invest), Martin Wallin (Lannebo Fonder), Lars Gauffin and Chairman of the Board Gunilla Fransson. Martin Wallin resigned from his assignment after the Board review had been completed in December 2021, since Lannebo Fonder had reduced its holding in Net Insight. After this, the next largest shareholders in terms of the number of votes were asked, and on February 25, 2022 Lars Bergkvist was appointed new member of the Nomination Committee by shareholder Johanna Lindner.

The Nomination Committee appointed Jan Barchan (Briban Invest) as its Chairman. The Nomination Committee held five meetings where minutes were kept in preparation for the AGM 2022, prior to the signing of the Annual Report. In order to assess the degree to which the current Board satisfies the requirements made on the

Board as a result of the Company's position and future focus, the Nomination Committee has discussed the size and composition of the Board in terms of sector experience, competencies and diversity. The Board applies the Swedish Code of Corporate Governance 4.1 as its diversity policy, which means that the Board shall have an expedient composition in relation to the Company's operations, stage of development and conditions otherwise, characterized by versatility and breadth relating to the Board members' competencies, experience and background. An even distribution between the sexes shall be sought.

Auditor

According to the Articles of Association, Net Insight shall appoint one to two Auditors with or without Deputy Auditors. The stipulated term of office for Auditors is one year. The Company's Auditors, Deloitte AB was re-elected at the AGM 2021 to serve in the period until the AGM 2022. Therese Kjellberg was appointed Auditor in Charge.

Board of Directors

The Board of Directors governs the Company's affairs in the interests of the Company and all of its shareholders. The size and composition of the Board ensures its ability to govern the Company's affairs effectively and with integrity.

The Board's duties include establishing business goals and strategies, deciding on acquisitions and divestitures, capitalization of the Company, appointing, appraising, and determining compensation to the CEO, ensuring that there are effective systems to monitor and control the Company's business, ensuring that the necessary ethical guidelines for the Company's conduct are established, and appraising the Board's work. The

Board's rules of procedure are established annually at the Board Meeting following election, or as required. In addition to the above duties, the rules of procedure stipulate items including Board meeting procedures, instructions for the Company's CEO, decision making procedures within the Company, division of responsibilities, and the disclosure of information between the Company and the Board. The Board monitors and appraises the CEO's performance, including implementation of the Board's decisions and guidelines annually.

Work of the Board

The Board held 11 meetings during the year where minutes were kept. At these meetings, the Board considered standing agenda items for each Board meeting such as the state of the business, year-end and interim reports, budgets, business goals, risks, compensation issue to management with principles for variable salary portions, as well as monitoring these issues and audit matters. The rules of procedure for the Board and the Board's instructions to the CEO were addressed and adopted at the constituent board meeting.

Each year, the Chairman of the Board initiates an evaluation of the Board's work. The evaluation for 2021 has taken place through a written survey that has been compiled and presented to the Nomination Committee and by the Nomination Committee meeting with a number of Board members to interview them about the Board's work. The Nomination Committee carried out its own evaluation based on this.

The Board of Directors continuously evaluates the CEO on the basis of specific targets. A formal review is carried out once annually.

Independence of the Board

Net Insight's Board of Directors is considered to satisfy the Code's standard of independence: All Board members are independent of the Company and management. All Board members, apart from Jan Barchan and Stina Barchan, are independent of the Company's largest owners.

For more information on Board members and the CEO, see Annual Report 2021.

Remuneration Committee

The Board has instituted a Remuneration Committee tasked with preparing matters concerning salaries, compensation and other terms of employment for the CEO, as well as compensation programs of a broader nature, such as option programs, for final decision by the Board. The Remuneration Committee decides on issues regarding salaries and compensation and other terms of employment for all direct reports to the CEO, and follows up that the guidelines for remuneration to senior executives are followed. The Committee reports to the Board on a continuous basis.

The Remuneration Committee members for 2021 were Gunilla Fransson, chair, and Jan Barchan. During the year, the Committee held three meetings where minutes were kept.

Audit Committee

Net Insight's Board of Directors has instituted an Audit Committee, tasked with providing depth and efficiency in respect of the Board's overseeing responsibility of internal controls, audit, internal audit, risk assessment, accounting and financial reporting. The Audit Committee shall also provide matters relating to tendering for auditing and for other audit-related services. In addition, the Committee is responsible for preparing accounting

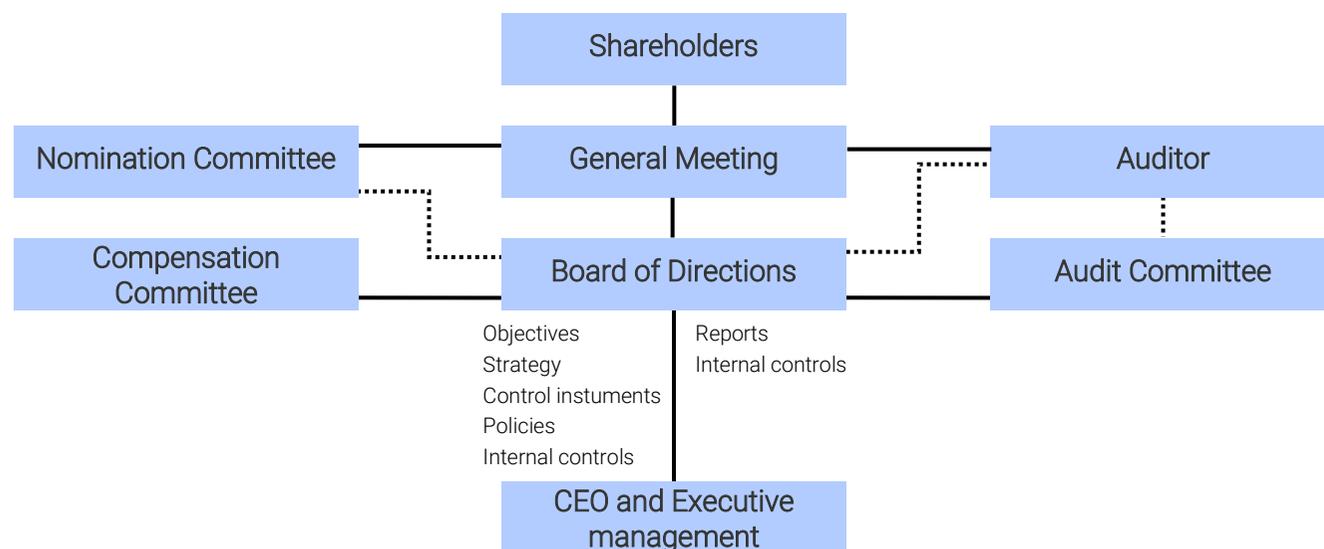
and audit questions that need the attention of the Board. For 2021, the Audit Committee consisted of Charlotta Falvin, chair, and Kjell Arvidsson (part of the year) and Anders Harrysson (part of the year). In connection with the Annual General Meeting 2021, Kjell Arvidsson resigned as member of the Audit Committee and was replaced by Anders Harrysson. Net Insight's CFO and, at some instances, the auditors are co-opted to the Committee's meetings. The Board has set the rules of procedure which formalizes the work of the Audit Committee. The Audit Committee held seven meetings in 2021. The auditors participated at three meetings. Oral and written reports are continuously handed over from the Committee to the Board, as well as suggestions in relation to questions that require the Board's attention.

Attendance in 2021

Attendance by each Board member at meetings when minutes were kept is presented below.

Name	Attendance		
	at Board meetings	Remuneration Committee	Audit Committee
Gunilla Fransson	11/11	3/3	
Jan Barchan	11/11	3/3	
Mathias Berg	11/11		
Charlotta Falvin	11/11		7/7
Kjell Arvidsson*	11/11		3/3
Anders Harrysson*	11/11		4/4

*Anders Harrysson replaced Kjell Arvidsson in the audit committee from the meeting in May.



The CEO and the Executive Management Team

The CEO leads the company in accordance with the Board's instructions to the CEO and reports on a monthly and quarterly basis to the Board of Directors in respect of financial and operational progress against financial and operational objectives set by the Board of Directors. The CEO attends Board meetings and provides the Board of Directors with the necessary information and decision-basis. The Company is organized into functions, with each Head of Function included in the Executive Management Team. The Executive Management Team holds regular meetings with a standing agenda and, in between these, does weekly debriefs. Additional meetings are furthermore held when required.

For more information on the CEO and members of the Executive Management Team, see page 34 in Annual Report 2021.

The Board's report on internal controls

Purpose of internal controls

The purpose of Net Insight's work with internal controls is to:

Ensure satisfactory compliance with applicable laws, rules and regulations.

Ensure that financial reporting gives a fair and true view of the Company's financial situation and gives accurate decision-basis for shareholders, the Board and management.

Ensure the Company's operations are organized and managed so financial and operational objectives are met and that significant risks are dealt with in a timely and appropriate manner.

Responsibility

Net Insight's Board is responsible for ensuring that the Company has due internal control and that it meets the

standards of the Swedish Companies Act and Swedish Code of Corporate Governance. Internal control of financial reporting is an integral part of corporate governance within Net Insight. These controls contain processes and methods to safeguard the Group's assets and the accuracy in the financial reporting, for the purpose of protecting owners' investments in the Company.

On an annual basis, the Board adopts rules of procedure to formalize the work of the Board and the management of board matters. The Board issues instructions to the CEO, which stipulate for what matters the CEO may exercise authority to act on behalf of the Company after the Board's authorization or approval. These instructions are revised annually. The Board also issues instructions to the CEO regarding financial reporting. In accordance with these instructions, the CEO is responsible for reviewing and ensuring the quality of all financial reporting, as well as ensuring that the Board receives any other report that is necessary for the Board to continually assess the Group's financial position and risks. The Board of Directors adopts important policies, such as the Company's Finance Policy, codes for business ethics and the Whistleblower Policy.

Risk identification and follow-up

Net Insight's overarching risk assessment, i.e. the identification and evaluation of risk of not reaching business targets, is carried out as part of the Company's strategy process where probabilities and measures are discussed with the Board of Directors. This process is repeated in connection with the budget process. These risks are also evaluated and managed in the Company's line organization on an ongoing basis. In its reporting to the Board of Directors, the executive management

regularly presents significant risk areas that have been identified, such as the Company's competitive situation, credit risk and technology trends. For an overview of the Company's risks and risk management, see pages 46-47 in the Administration Report and the Sustainability Notes on pages 48-49 in the Annual Report 2021.

The Board, the Audit Committee, the CEO, the Executive Management Team and the Finance Department are responsible for follow-up to ensure the effectiveness of internal control of financial reporting. The follow-up includes continuous quality checks of monthly financial reporting, continuous follow-up of central financial processes, and a review of Net Insight's external Audit reports..

External reporting

The Board monitors and evaluates the quality of financial reporting through quarterly reports on the Company's business and earnings trends, and by considering the Group's financial situation at each scheduled Board meeting.

Risks are assessed continuously as part of day-to-day processes within Net Insight. The Finance Department evaluates the risk of material error in the financial reporting annually, and establishes action plans to mitigate identified risks. The focus lies on material Income Statement and Balance Sheet items, which are associated with relatively higher risk depending on complexity, or where the effects of potential errors are at

risk of becoming extensive because values are significant. The results of the analysis in respect of the risk of errors in financial reporting for 2021 have been presented to and discussed with the Audit Committee. The risk assessment forms the foundation for the work of ensuring the reliability of financial reporting. This is an important part of the Audit Committee's decisions regarding which identified risks should be prioritized. Proposed improvements are identified and implemented continuously.

To support the accuracy of external reporting and risk management, the internal reporting and control system builds upon annual financial planning, monthly reports and daily monitoring of key financial ratios. The group's finance department inspects and monitors reporting, as well as compliance with internal and external regulations. In addition to laws and regulations, the Finance Policy is incorporated into internal rules and guidelines, authorization instructions, a financial handbook, credit and accounting principles and routine descriptions. These policies and guidelines are updated regularly. Identified risks concerning financial reporting are managed through the Company's control activities. For example, the ERP system has automated controls that manage authorities and authorization rights, as well as manual controls such as duality in both regular bookkeeping and closing entries. The business-specific controls are supplemented by detailed financial analyses of the company's results and follow-ups against budget

and forecasts, which provide an overall confirmation of the quality of reporting.

On one occasion each year, the Company's auditor attends a Board meeting to present the outcome of the full year audit review. On this occasion the Auditor also presents any changes to accounting policies that affect the Company. In connection with the presentation of the full-year audit and without the presence from the executive management, the auditor also states its view on the adequacy of the organization and competence of the finance function,.

See also the Audit Committee paragraph above..

Internal audit

Each year, the Board evaluates whether there is a need to create a dedicated internal audit function. The Board judged that there was no such need in 2021. In its reasoning, the Board stated that internal control is primarily exercised through:

The central accounting function

The Executive Management's supervisory controls

The Audit Committee

On the basis of these factors combined with the Company's size and limited complexity, the Board considers that an additional function is not financially justifiable at present.