

# Notice of Annual General Meeting 2023 in Net Insight AB (publ)

The shareholders in Net Insight AB (publ), reg. no. 556533-4397, with registered office in Solna, Sweden, are hereby summoned to the annual general meeting to be held on Friday, 12 May 2023 at 10.00 CEST, at the company's offices at Smidesvägen 7, Solna, Sweden.

## Notification etc.

Shareholders who wish to participate in the meeting must

- firstly* be registered in the shareholders' register maintained by Euroclear Sweden AB on Thursday, 4 May 2023,
- secondly* notify the company of their participation no later than Monday, 8 May 2023 by post to Net Insight AB, "Annual General Meeting", Box 1200, SE-171 23 Solna, Sweden, or by email to [agm@netinsight.net](mailto:agm@netinsight.net), or by telephone to +46 (0)8 685 04 00 weekdays 09.00-16.00 CEST.

The notification must state the name, personal/corporate identity number, address, telephone number and shareholding and, as applicable, information about representatives, proxies and assistants. Information submitted in connection with registration will be computerized and used exclusively for the meeting. See below for additional information on the processing of personal data.

## Nominee registered shares

To be entitled to participate in the meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to providing notification of participation, register its shares in its own name so that the shareholder is recorded in the share register on Thursday, 4 May 2023. Such registration may be temporary (so-called voting right registration) and is requested from the nominee in accordance with the nominee's procedures and such time in advance as the nominee determines. Voting right registrations completed by the nominee not later than Monday, 8 May 2023, are taken into account when preparing the share register.

## Proxies, etc.

Shareholders represented by proxy shall issue dated and signed power of attorney for the proxy. If the power of attorney is issued on behalf of the proxy or, should the right to vote for the shares be divided among different representatives, the representatives, together with information on the number of shares each representative is entitled to vote for. The proxy is valid for one year from the issuance or the longer period of validity stated in the proxy, however not more than five years from the issuance. If the proxy is issued by a legal entity, attested copies of the certificate of registration or equivalent authorization documents, evidencing the authority to issue the proxy, shall be enclosed.

Shareholders attends through a representative or proxy are encouraged to submit in advance, as applicable, the power of attorney in original, the registration certificate or other authorization documents to Net Insight AB, "Annual General Meeting", Box 1200, SE-171 23 Solna, Sweden. Authorization documents, voting instructions and other correspondence regarding the meeting may also be sent by email to [agm@netinsight.net](mailto:agm@netinsight.net).

A proxy template is available on the company's web site: <https://netinsight.net/agm>.

## Proposed agenda

1. Election of the chair of the meeting.
2. Election of one or two persons to approve the minutes.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Determination of whether the meeting has been duly convened.
6. Presentation by the Chief Executive Officer and the Chair of the Board.
7. Presentation of the annual accounts and the auditor's report, the group annual accounts and the auditor's report on the group accounts, and the auditor's statement on whether the guidelines for remuneration to senior executives have been followed, as well as the auditor's presentation of the audit work with respect to 2022.
8. Resolutions regarding
  - a. adoption of the income statement and the balance sheet, and of the consolidated income statement and the consolidated balance sheet;
  - b. appropriation of the company's result according to the adopted balance sheet; and
  - c. discharge from liability for the members and deputy member of the Board of Directors and the CEO.
9. Determination of the numbers of members and deputies of the Board of Directors to be elected by the meeting.
10. Determination of the fees to the Board of Directors.
11. Election of the members and deputies of the Board of Directors.
12. Election of the Chair of the Board of Directors.
13. Determination of the numbers of auditors and deputy auditors.
14. Determination of the fees to the auditor.
15. Election of the auditors.
16. Adoption of an instruction for the Nomination Committee.
17. Presentation and approval of the Board of Directors' remuneration report.
18. Adoption of guidelines for remuneration and other terms of employment for the group management.
19. Authorization for the Board of Directors to resolve on repurchases and transfers of own shares.
20. Resolution regarding reduction of the share capital with cancellation of shares.
21. Closing of the meeting.

## The Nomination Committee's resolution proposals

The Nomination Committee, appointed in accordance with the instruction adopted at the annual general meeting 2021, consists of the chair of the nomination committee Jan Barchan (appointed by Briban Invest), Jesper Bergström (appointed by Handelsbanken fonder), Andreas Larsson (appointed by Successway AB) and Gunilla Fransson (Chair of the Board).

The Nomination Committee submits the following resolution proposals to the meeting.

**Item 1, chair of the meeting** – The Nomination Committee proposes that the Chair of the Board Gunilla Fransson is elected to chair the meeting.

**Item 9, numbers of members and deputies of the Board of Directors** – The Nomination Committee proposes that the number of ordinary board members shall be five, with one deputy.

**Item 10, fees to the Board of Directors** – The Nomination Committee proposes that fees for board work be as follows:

- SEK 750 000 to the Chair of the Board (*previously SEK 700 000*),
- SEK 275 000 to each of the other board members elected by the meeting (*previously SEK 250 000*),
- SEK 135 000 to the deputy elected by the meeting (*previously SEK 125 000*),

- SEK 100 000 to the Chair of the Audit Committee (*unchanged*),
- SEK 50 000 to Audit Committee (*unchanged*),
- SEK 50 000 to the Chair of the Remuneration Committee (*unchanged*), and
- SEK 40 000 to a member of the Remuneration Committee (*unchanged*).

If the meeting resolves in accordance with the Nomination Committee's proposal for the board's composition, and if the number of committee members remains the same as previously, the total fees for board work will total SEK 2 225 000 (*previously SEK 2 315 000*).

**Item 11, election of members and deputies of the Board of Directors** – The Nomination Committee proposes re-election of the board members Gunilla Fransson, Jan Barchan, Cecilia de Leeuw and Torbjörn Wingårdh, new election of Karl Thedéen as ordinary member and new election of Axel Barchan as personal deputy to Jan Barchan. Charlotta Falvin and Stina Barchan has declined re-election.

Information regarding the proposed members and deputies of the Board of Directors:

Please refer to the annual report for information on the board members proposed to be re-elected.

**Karl Thedéen**

*Proposed as new member of the Board of Directors*

Born 1963.

Holds an M.Sc. from the Royal Institute of Technology, Stockholm.

Current position and other significant assignments: CEO at Outpost24 AB, board member Smartoptics AS (publ).

Main work experience and other information: Previous experience, CEO at Edgeware AB (publ), Business Area Manager Infinera Inc (publ), CEO Transmode AB (publ), board member Semcon AB and senior positions within the Ericsson Group.

Holdings in Net Insight: None.

**Axel Barchan**

*Proposed as new personal deputy for Jan Barchan*

Born 1993.

Bachelor's degree in economics, Lund University and studies at McGill University in Montreal, Canada.

Current position and other significant assignments: Investment manager at Briban Invest. Board member of Briban Invest AB, Utvecklingsaktiebolaget Laburnum, Fastighets Aktiebolaget Trianon, Nok9 AB and Finansia.

Main work experience and other information: Axel has previous experience from Investment Banking at Carnegie.

Holdings in Net Insight: 53 152 568 B shares through Briban Invest AB.

All board members and deputy board members are considered independent in relation to the company and the executive management. Jan Barchan and Axel Barchan are considered dependent in relation to the company's major shareholders.

**Item 12, election of the Chair of the Board** – The Nomination Committee proposes re-election of Gunilla Fransson as Chair of the Board.

**Item 13, number of auditors** – The Nomination Committee proposes that the number of auditors shall be one without deputies.

**Item 14, auditor fees** – The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, that the fees to the auditor shall be paid on approved account.

**Item 15, election of auditor** – The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, re-election of the audit firm KPMG AB as the company's auditor until the end of the annual general meeting 2024. KPMG has informed that Henrik Lind will remain as auditor in charge if the meeting resolves in accordance with the Nomination Committee's proposal.

**Item 16, instruction for the Nomination Committee** – The Nomination Committee proposes that the following instruction for the Nomination Committee is adopted to apply until a general meeting of shareholders decides otherwise:

**Instruction for the Nomination Committee**

The chairman of the board must convene each year the three largest shareholders in terms of votes in the company based on owner-grouped information from the share register maintained by Euroclear Sweden AB as of the last banking day in August and on other reliable information provided to the company at this time. These shareholders then have the right to appoint each representative to be a member of the nomination committee together with the chairman of the board until a new nomination committee has been appointed. If the requested shareholder refrains from appointing a member, the right to appoint a member passes to the next shareholder in voting order. More than 15 shareholders do not need to be asked unless the chairman of the board deems it necessary.

The selection committee appoints a chairman from among itself.

If a member of the nomination committee resigns before the nomination committee's work is completed, the same shareholder who appointed the departing member shall have the right to appoint a new member if the nomination committee deems it necessary. If this shareholder no longer belongs to the largest voting shareholders in the company, a new member must be appointed by the new shareholder within this group. If the ownership structure of the company changes substantially, the composition of the nomination committee must change accordingly.

The composition of the nomination committee must be announced through a press release as soon as the nomination committee is appointed or changed.

The nomination committee shall prepare the following proposals to be submitted to the annual general meeting for resolution:

- proposal for chairman of the general meeting,
- proposal for the number of board members and deputies as well as auditors and deputy auditors,
- proposals for board members and deputies and proposal for Chair of the Board,
- proposals for board fees to the Chairman of the Board and other members and deputies elected by the general meeting, as well as proposals for fees for committee work,
- proposal for auditor and, where applicable, deputy auditor as well as auditor fees,
- proposal for instructions for the nomination committee, if deemed necessary.

In connection with its mission, the nomination committee must otherwise fulfill the tasks that fall to the nomination committee according to the Swedish Companies Act and the Swedish Code of Corporate Governance. The nomination committee shall have the right to charge the company with costs for, for example, recruitment consultants that may be required for the nomination committee to be able to fulfill its mission. Remuneration is not paid to the members of the nomination committee.

## The Board of Director's resolution proposals

The Board of Directors submit the following resolution proposals to the meeting.

**Item 8 b, appropriation of results** – The Board of Directors proposes that the company's results shall be carried forward and that no dividend shall be given.

**Item 17, remuneration report** – The Board of Directors proposes that the Board of Director's remuneration report is approved.

**Item 18, guidelines for remuneration to senior executives** - The Board of Directors proposes that that the following guidelines for remuneration to senior executives are adopted:

### **Guidelines for remuneration and other terms of employment for senior executives and general remuneration principles**

These guidelines include the CEO and members of the group management. Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines. The guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2023. These guidelines do not apply to any remuneration decided or approved by the general meeting.

#### *The guidelines' promotion of the company's business strategy, long-term interests and sustainability*

Net Insight develops and sells hardware and software products for the global media industry. Net Insight's solutions are used by customers to build secure and reliable media networks.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the group management a competitive total remuneration.

From time to time, the Board of Directors may propose share-based long-term incentive programs, which are then considered by the general meetings separately and are therefore excluded from these guidelines. The programs shall have a clear link to the business strategy and thereby to the company's long-term value creation, including its sustainability. The plans are conditional upon the participants' own investments and certain holding periods of several years. For more information on the current program, see the company's website:

<https://netinsight.net/investors/corporate-governance/incentive-programs-and-remuneration/>

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

#### *Types of remuneration, etc.*

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the

general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one or several years. For the CEO and the head of global sales, the variable cash remuneration may amount to not more than 100 per cent of the total fixed cash salary under the measurement period. For other executives, the variable cash remuneration may amount to not more than 60 per cent of the total fixed cash salary under the measurement period.

For the CEO, pension benefits, including health insurance (Sw. *sjukförsäkring*), shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

For other executives, pension benefits, including health insurance, shall be premium defined. The pension premiums for premium defined pension may amount to not more than 35 per cent of the fixed annual cash salary.

Other benefits may include, for example, life insurance, medical insurance (Sw. *sjukvårdsförsäkring*), accident insurance and company cars. Such benefits may amount to not more than 5 per cent of the fixed annual cash salary.

#### Termination of employment

When termination is made by the executive, the period of notice may not exceed six months without any right to severance pay.

When the termination is made by the company, notice period may not exceed twelve months for the CEO and six months for other executives, however, with the exception of senior executives who based on the collective bargaining agreement's criteria as regards to employment and age has 12 months period of notice upon termination of the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to 18 months of fixed cash salary for the CEO and 12 months for the other senior executives. Fixed cash salary and severance pay shall be set-off against other income.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed executive is not entitled to severance pay. The remuneration shall amount to not more than 60 per cent of the fixed cash salary at the time of termination of employment and be paid during the time the non-compete undertaking applies, however not for more than twelve months following termination of employment.

#### Criteria for awarding variable cash remuneration, etc.

The variable cash remuneration shall be linked to predetermined and measurable criteria which can be financial or non-financial and consist of individualized, quantitative or qualitative objectives. The objectives shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy. Senior executives' variable remuneration shall be at least 70 percent based on measurable financial goals, such as (but not limited to) a combination of revenue and earnings.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation of variable remuneration to the CEO and submit to the board of directors for approval. For variable cash remuneration to other executives, the CEO is responsible for the evaluation and the remuneration committee is responsible for approval. For

financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Conditions for variable remuneration shall be designed so that the board of directors has a) the right to limit payment in part or in full if exceptional economic conditions prevail and such a measure is considered reasonable; and b) is entitled to withhold or claim back paid variable remuneration to senior executives if such remuneration subsequently has been founded incorrect, due to improper actions or negligence.

The board of directors has the right to limit or refrain from payment of the senior executives' variable remuneration if the executive has violated or disregarded the company's codes of conduct.

#### Salary and employment conditions for employees

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable. Collective bargaining agreements shall also be taken into consideration.

#### The decision-making process to determine, review and implement the guidelines

The board of directors has established a remuneration committee. The committee's tasks include preparing the board of directors' decision to propose guidelines for executive remuneration. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The CEO and other members of the group management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

#### Derogation from the guidelines

The board of directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the board of directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

#### Description of material changes to the guidelines and how the views of shareholders' have been taken into consideration

These guidelines have been prepared for the annual general meeting 2023 and correspond to those adopted by the annual general meeting 2022 with the following two changes:

1. For senior executives, excluding the CEO and the head of global sales, the variable cash remuneration is increased from to be not more than 40 per cent to be not more than 60 per cent of the total fixed cash salary under the measurement period.
2. The cap for pension premiums is adjusted in accordance with the current collective bargaining agreement and the changes made in the ITP 1 pension plan for 2023.

The guidelines are subject to yearly review in the Remuneration Committee, which is tasked with preparing change proposals for the Board of Directors' consideration and the annual general meeting's resolution.

**Item 19, authority for the Board of Directors regarding repurchase and transfer of own shares –**

The Board of Directors proposes that the Board of Directors is authorized to resolve to repurchase, on one or several occasions until the next annual general meeting, as many own shares as may be purchased without the company's holding at any time exceeding ten per cent of the total number of shares in the company. The shares shall be purchased on Nasdaq Stockholm and only at a price per share within the price range applicable, i.e. the range between the highest purchase price and the lowest selling price.

It is furthermore proposed that the annual general meeting authorizes the Board of Directors to resolve, on one or several occasions until the next annual general meeting, to transfer (sell) own shares. Transfers may be carried out on Nasdaq Stockholm at a price within the price range applicable, i.e. the range between the highest purchase price and the lowest selling price. Transfers may also be made in other ways, with or without preferential rights for the shareholders, against cash payment or against payment through set-off or in kind, or otherwise on special conditions. Upon such transfers, the price shall be established so that it is not below market terms. However, a discount to the stock market price may apply, in line with market practice. Transfers of own shares may be made of up to such number of shares as is held by the company at the time of the Board of Director's resolution regarding the transfer.

The purpose of the authorization to repurchase own shares is to promote efficient capital usage in the company, to provide flexibility as regards the company's possibilities to distribute capital to its shareholders and to provide hedging for the company's option programs. The purpose of the authorization to transfer own shares is to enable the Board of Directors to make corporate acquisitions, product acquisitions or enter into collaboration agreements, or to raise working capital or broaden the shareholder base or for use in the context of the company's incentive plans or to provide hedging for the company's option program.

The annual general meeting's resolution according to the above shall be made taking into account the majority rules stipulated in Chapter 19, Sections 18 and 33 of the Swedish Companies Act, which means that the resolution must be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the meeting.

**Item 20, reduction of share capital with cancellation of shares** - The Board of Directors proposes that the annual general meeting resolves to reduce the company's share capital with SEK 511 000 for allocation to unrestricted equity. The reduction shall be made with cancellation of the 12 775 000 own B shares held by the company on the day of the notice to the annual general meeting.

A resolution in accordance with the board's proposal shall only be valid where supported by not less than two-thirds of both the votes cast and the shares represented at the annual meeting.

## Processing of personal data

For information on the processing of your personal data, please see [www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf](http://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf).

## Shares and votes in the company

There are 1 000 000 A shares with ten votes each and 367 758 009 B shares with one vote each, totalling 368 758 009 shares and 377 758 009 votes, in the company. The company's holding of own shares is 12 775 000 B shares as per the day of this notice.

## Information and materials

The shareholders are reminded of their right to receive information in accordance with Chapter 7 Section 32 of the Swedish Companies Act.



The annual report for the financial year of 2022, the auditor's report, the Board of Directors' remuneration report and the auditor's statement whether the Board of Directors' guidelines for remuneration to key executives have been followed and the Board of Director's complete proposals and supporting documents in accordance with the Swedish Companies Act will be held available at the company's office at Smidesvägen 7, Solna, Sweden, and on the company's website [www.netinsight.net](http://www.netinsight.net) at the latest three weeks prior to the annual general meeting. The materials will moreover be sent to the shareholders who so request and inform the company of their postal address.

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Solna, March 2023

**Net Insight AB (publ)**  
*Styrelsen*