

# **The nomination committee's proposals to the annual general meeting 2023 and information regarding the proposed board of directors as well as motivated statement regarding the nomination committee's proposal for election of board of directors and auditor**

## **The nomination committee's proposals and report to the annual general meeting 2023**

The annual general meeting 2022 in Nordic Waterproofing Holding AB (NWP), resolved to appoint a nomination committee, with the main task to prepare proposals for the annual general meeting 2023 in accordance with the requirements set forth in the Swedish Corporate Governance Code (the Code).

Based on the ownership of NWP as of 2022-08-31, the nomination committee shall be formed on the basis of the largest shareholders of the company with the chairman of the board as co-opted. Based on this, a nomination committee consisting of representatives of major shareholders was formed. These consisted of Anna Sundberg (Handelsbanken Fonder), Peter Lundkvist (Tredje AP-fonden), Petter Mattsson (Alcur fonder), Viktor Henriksson (Carnegie fonder) as well as NWP's chairman of the board Mats O. Paulsson, co-opted. The nomination committee constituted itself consisting of the above persons and with Anna Sundberg as chairman of the nomination committee. This was disclosed through a press release on 2022-10-19. The shareholders represented in the nomination committee have a voting and equity share of approximately 22 per cent in NWP.

The assignments of the nomination committee include preparations of proposals in respect of the election of the chairman of the board of directors and other members of the board of directors, as well as the chairman of the annual general meeting 2023. In addition, the nomination committee shall issue proposals regarding fees and remuneration to the board of directors and additional fees and remuneration for committee work, as well as the fees and remuneration to the auditor. Furthermore, the nomination committee submits a proposal for the election of the auditor, subject to the recommendation by the board of directors and the audit committee.

The nomination committee has reviewed the work conducted by the board of directors and has, prior to the meeting, held five meetings and has further had several contacts. The outcome of the evaluation of the nomination committee's work has been summarised and recorded in minutes. In order to assess to which extent the current board of directors meet the prescribed requirements due to the company's situation and future orientation, the size and composition of the board of directors, in terms of competence, experience, gender balance and background, have been discussed. The nomination committee has conducted interviews with all members of the board of directors in order to evaluate, determine and verify the essential parts of the board of directors' work. Outcomes of the interviews have been presented to the chairman of the board. Furthermore, the chairman of the board of directors has provided the nomination committee with the board of directors' own evaluation of their conducted work.

A central aspect of the nomination committee's work is to identify board members and potential board members with relevant experience from primarily Nordic business. Senior positions such as CEO, CFO, COO, CIO and CTO are particularly meritorious. With regard to NWP's business activities within the Nordic countries, and also

gradually in the immediate area outside of the Nordic countries, the nomination committee deems it valuable that there are experience and background from several Nordic countries and that the board of directors consists of several nationalities. In addition, the nomination committee considers it to be important that the company adheres to the Code's recommendations of equality for the board of directors. Through this year's proposal, the Code's recommendation is met again.

NWP's articles of association stipulate that the board of directors shall comprise of at least four and no more than eight, without deputies. It is the assessment of the nomination committee that the board of directors for NWP is most efficient with a number between these external boundaries. It is the nomination committee's assessment that the current board members are well suited for their assignment, both individually and jointly. Leena Arimo has declined re-election and is not proposed to be replaced, which means that the number of board members will be reduced to five.

The nomination Committee proposes the re-election of the following board members: Hannele Arvonen, Steffen Baungaard, Riitta Palomäki, Mats O. Paulsson and Hannu Saastamoinen. Leena Arimo has declined reelection. Furthermore, the nomination committee proposes that the annual general meeting re-elects Mats O. Paulsson as chairman of the board. Mats O. Paulsson has been a member of the NWP board of directors since 2017 and chairman of the board since 2020.

In assessing the independence of the proposed members of the board of directors in relation to the company and major shareholders, the nomination committee has concluded that all the proposed board members are independent with regard to both the company and towards major shareholders. Thus, the requirements of independent board members stipulated in the Code are met.

The nomination committee has further resolved to propose remuneration to the board of directors, for the period until the end of the next annual general meeting, amounting to SEK 710,000 to the chairman and SEK 360,000 to each ordinary member. This represents an increase for the chairman and other board members with SEK 60,000 each. The remuneration in the audit committee is proposed to amount to SEK 125,000 to the chairman and SEK 50,000 to each member (2) as well as SEK 50 000 to the chairman of the remuneration committee and SEK 25 000 to each member (2). All remuneration for committee work remains unchanged.

If the meeting approves the nomination committee's proposal for the composition of the board, and if the number of members of the audit committee and remuneration committee remains the same as the previous year, the total fees will amount to SEK 2,475,000, compared with last year's SEK 2,475,000. It is the nomination committee's opinion that the remuneration to the board of directors is in the upper quartile of comparable Swedish listed companies. However, the nomination committee has taken into consideration that the selection of professional board members is made from several Nordic countries, where the remuneration for a board member is generally higher.

The nomination committee further proposes that the remuneration of the company's auditors shall be paid as per approved current account.

Prior to the election of the auditor, the nomination committee has obtained various comments on the current auditor's work, but also generally with regard to the quality of the entire auditing team, especially from the NWP's board's audit committee. The overall assessment is that the audit has been intensified and professionalised. It is, according to the nomination committee, desirable that there is continuity in the ongoing audit as well as geographical proximity to the auditors leading the assignment. In light of the above, the nomination committee proposes that the company should have one auditor without a deputy auditor, as well as the re-election of the registered auditing company Deloitte AB as the company's auditor for the period until the next annual general meeting 2024. The nomination committee's proposal has been preceded by a corresponding proposal from NWP's board of directors and the board's audit committee. With regard to previous years

procurement of audit services, there is no obligation or requirement according to EU audit legislation, for auditors' rotation for this annual general meeting.

## The nomination committee's proposal

The nomination committee proposes:

- As chairman of the annual general meeting appoint Mats O. Paulsson, or the person he appoints.
- The board shall be comprised of five (six) board members. The company shall have one auditor without any deputy auditor.
- Remuneration to the board of directors, for the period until the end of the next annual general meeting, is paid in the amount of SEK 710,000 (650,000) to the chairman of the board and SEK 360,000 (300,000) each to the other board members, in the amount of SEK 125,000 (125,000) to the chairman of the audit committee and SEK 50,000 (50,000) each to the other member of the audit committee, and in the amount of SEK 50,000 (50,000) to the chairman of the remuneration committee and SEK 25,000 (25,000) each to the other member of the remuneration committee.

If the meeting approves the nomination committee's proposal for the composition of the board, and if the number of members of the audit committee and remuneration committee remains the same, the total fees will amount to SEK 2,475,000, compared with last year's SEK 2,475,000.

- Remuneration to the auditor shall be paid as per approved current account.
- Re-election of the board members Hannele Arvonen, Steffen Baungaard, Riitta Palomäki, Mats O. Paulsson and Hannu Saastamoinen.
- Mats O. Paulsson is elected as chairman of the board.
- The registered auditing company Deloitte AB is elected as the company's auditor for the period until the next annual general meeting 2024.

## Instructions for the nomination committee

The nomination committee has reviewed the instructions for the nomination committee and does not propose any changes.

## The nomination committee's motivated statement regarding proposals for the board of directors and election of auditors

The nomination committee's opinion is that the board of directors proposed by the nomination committee has a suitable composition, characterised by versatility and breadth with regard to the members' competence, experience, gender and background (with the application of the diversity policy in accordance with rule 4.1 of the Code). Furthermore, it is the nomination committee's assessment that the proposed registered accounting firm has the desired experience, expertise and integrity to perform an audit in accordance with generally accepted auditing standards for the benefit of all the company's shareholders.

## Information about the proposed board members

### **Hannele Arvonen**

*Born:* 1966.

*Education:* Master's degree (certificated forester) from Helsinki University, Finland. Bachelor's degree (International Relations) from Beloit College, USA.

*Other assignments:* CEO and partner of Flooré AB. Board member of Södra Skogsägarna and Plantvaton AB.

*Previous assignments:* CEO of Sveaskog and Setra Group. Various senior executive positions within Holmen and Metsä Board.

*Independent in relation to major shareholders:* Yes

*Independent in relation to the Company:* Yes

*Current share ownership in Nordic Waterproofing (own and closely related):* 0

### **Steffen Baungaard**

*Born:* 1967.

*Education:* Master of Business Economics at Copenhagen Business School, Denmark. Bachelor's degree from Copenhagen University of Technology, Denmark. Leadership courses from IMD Business School, Switzerland, and Harvard Business School, USA.

*Other assignments:* Chairman of the board of Brøndum Holding A/S, DEKO A/S, MB Packaging A/S, Fredrikshøj Ejendomme A/S and Din ByggeRådgiver ApS. Vice chairman of Arkil Holding A/S. Board member in MT Højgaard Holding A/S, Carl Ras A/S and EBK Huse A/S, Durapor A/S, Dansk Celleglas ApS and Dansk Installations Teknik ApS.

*Previous assignments:* Group CEO of HusCompagniet A/S. CEO/Executive Vice President NCC Danmark A/S and Sales director VELFAC A/S.

*Independent in relation to major shareholders:* Yes

*Independent in relation to the Company:* Yes

*Current share ownership in Nordic Waterproofing (own and closely related):* 0

### **Riitta Palomäki**

*Born:* 1957.

*Education:* Master of Science in Accounting and ICT from Turku School of Economics and Business Administration, Finland.

*Other current assignments:* Member of the Board of Directors, Chair of the Risk Committee at OP Financial Group.

*Previous assignments:* Board member, Chair of the Audit Committee and member of the Remuneration Committee at HKScan Oyj. Executive Vice President and CFO of Uponor Oyj. Board member and Chair of the Audit Committee of Componenta Oyj. CFO of Kuusakoski Group. Various managerial positions at Konecranes and ABB Finland.

*Independent in relation to major shareholders:* Yes

*Independent in relation to the Company:* Yes

*Current share ownership in Nordic Waterproofing (own and closely related):* 5,000

### **Mats O. Paulsson**

*Born:* 1958.

*Education:* Master of Science in Engineering from Lund University of Technology, Sweden.

*Other assignments:* Chairman of the Boards of Caverion Oy, Nordisk Bergteknik AB and Svevia AB. Board member in BE Group AB and Bösarps Grus & Torrbruk AB.

*Previous assignments:* CEO of Bravida AB Strabag Scandinavia AB and Peab Industri AB. Member of the board of Acando AB, Elda Acquisition AB, Paroc Oy, Ramirent Plc, BTH Bygg AB, KEWAB, Mark & Energibyggnarna AB and Win Group AB.

*Independent in relation to major shareholders:* Yes

*Independent in relation to the Company:* Yes

*Current share ownership in Nordic Waterproofing (own and closely related):* 15,000

**Hannu Saastamoinen**

*Born:* 1960.

*Education:* Master's degree from Helsinki School of Business, Finland.

*Other assignments:* Senior advisor Investment AB Latour in Finland. Owner and CEO of Sandbacka Advisory Services Oy.

*Previous assignments:* CEO Swegon Group AB. Senior positions within, among others, Munters, Huurre Group, TAC Svenska, Carrier Refrigeration and Electrolux.

*Independent in relation to major shareholders:* Yes

*Independent in relation to the Company:* Yes

*Current share ownership in Nordic Waterproofing (own and closely related):* 0

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Stockholm in March 2023  
Nordic Waterproofing Holding AB  
*The Nomination Committee*

Anna Sundberg  
*Chairman*

Peter Lundkvist

Petter Mattsson

Viktor Henriksson