

## **The nomination committee's motivated statement**

### **The nomination committee's work prior to the annual general meeting**

In accordance with the instruction to the nomination committee that was adopted by the annual general meeting 2023, valid until further notice, the three largest shareholders as of 31 August 2023 that wished to participate in the nomination committee have each appointed a member to constitute engcon's nomination committee. The chairman of the board of directors has been a co-opted member of the nomination committee.

The nomination committee has been comprised of Monica Engström, Monen Holding AB, Peter Hofvenstam, Nordstjernan AB and Fredrik Carlsson, Svolder AB with Peter Hofvenstam as chairman. In connection with the nomination committee finalising its work and prior to submitting its proposals to the company, including with the proposal to elect Peter Hofvenstam as a new member of the board of directors, Peter Hofvenstam chose to resign from the nomination committee and was replaced by Johan Lilliehöök, Nordstjernan AB.

The members have been appointed by shareholders who hold approximately 25 percent of the votes in engcon AB.

The nomination committee has, in accordance with the instruction adopted by the annual general meeting 2023 and the Swedish Corporate Governance Code, been assigned to prepare proposals on the following matters to be presented at the Company's annual general meeting 2024:

- election of chairman at the annual general meeting,
- election of chairman and other members of the Company's board of directors,
- resolution on remuneration to the board of directors, divided between the chairman and the other members as well as remuneration for committee work, and
- election of and remuneration for the auditor.

The nomination committee has held five recorded meetings and maintained regular contact in between these meetings.

The nomination committee has applied section 4.1 of the Swedish Corporate Governance Code as a diversity policy in the preparation of its proposal. This means that the nomination committee has had as a starting point that the board of directors shall have an appropriate composition with regard to the Company's operations, stage of development and circumstances in general, characterised by versatility and breadth regarding the competence, experience and background of the board members elected by the general meeting. An even gender distribution has been sought.

The nomination committee also considers it to be important that the members of the board of directors are able to devote the time and care required to fulfil their duties as members of the board of directors of the Company, and the nomination committee has therefore assessed the members of the board of directors' assignments outside the Company and the time that these assignments require.

The nomination committee has received a report from the chairman of the board of directors on how the board of directors' work has been conducted. The nomination committee has also had the opportunity to interview a number of board members and considers that the overall evaluation of the board of directors' work shows that the board of directors is well-functioning.

The nomination committee has discussed the size and composition of the board of directors in light of the company's situation and development opportunities. The nomination committee's intention has been to maintain the versatility and breadth of the board of directors. In general, the nomination committee

considers that the competence of the board of directors is good. The nomination committee works on a long-term basis, and in order to ensure future competence needs and possible succession in the board of directors, the nomination committee has identified candidates who could become members of engcon's board of directors in the future.

Bob Persson has declined re-election to the board of directors of engcon. In view of the competence that Bob Persson possesses, and an evaluation of the board of directors' collective competence and experience, the nomination committee considers that the board of directors needs to be strengthened with competence in strategy and financial operations. The nomination committee therefore proposes new election of Peter Hofvenstam, who has both strategic and financial competence. With the new election of Peter Hofvenstam, the nomination committee's assessment is that the competence and experience that are of importance to engcon, and which the nomination committee considers to be necessary to meet the company's future challenges and needs, are well represented on the board of directors.

In the preparation of the nomination committee's proposal for election of auditor and decision on the remuneration to the auditor, the nomination committee has received a written statement from the chairman of the audit committee. Through the statement, the nomination committee has been informed of the board of directors' and the audit committee's assessment of the quality and efficiency of the auditor's work. The nomination committee's proposal for the election of auditor and resolution on remuneration for the auditor is in accordance with the audit committee's recommendation.

#### **The nomination committee's assessment of the proposed composition of the board of directors**

In the opinion of the nomination committee, the proposed board of directors has an appropriate composition, taking into account the company's operations, development stage and other circumstances, characterised by versatility and breadth regarding the proposed board members' competence, experience and background. The nomination committee's proposal for board of directors means that 60 percent of the members are women and 40 percent of the members are men. The nomination committee continuously works towards an even gender balance within the board of directors. Furthermore, the nomination committee considers that the proposed board members have sufficient time to fulfil their duties as board members in the Company.

#### **The nomination committee's assessment of the proposed board members' independence**

Taking into consideration applicable Swedish rules on independence, the nomination committee has made the following assessments of the proposed board members' independence in relation to the Company and its management as well as the Company's major shareholders:

- The nomination committee considers that all proposed board members, except Stig Engström, are independent in relation to the Company and its management. Stig Engström is not independent as he has worked in the group management during the past three years and also receives remuneration for consultancy work that he performs for the Company.
- The nomination committee considers that all proposed board members except Stig Engström and Monica Engström are independent in relation to the Company's major shareholders. Stig Engström and Monica Engström are not independent as they each control more than 10 percent of the shares in the Company.

#### **The nomination committee's assessment of the proposed remuneration to the board of directors**

The nomination committee considers it to be important that board fees (including fees for committee work) is kept on a level that makes it possible to recruit and retain high and internationally competitive

competence to the board of directors of the Company. The nomination committee has interviewed the chairman of the board of directors about the scope and complexity of the board work and compared the Company's board fees with board fees in other comparable companies listed on Nasdaq Stockholm. Against this background, the nomination committee has concluded that the current fees are lower in comparison with board fees in companies of similar size and complexity. The nomination committee considers it important to gradually increase the fees in the coming years in order to reach fees that are in line with the market.

## **Information on the proposed members of the board of directors**

### **Proposals for re-election**

#### **Annika Bärema**

Born 1964.  
Education: Law degree from Uppsala University.

Annika Bärema is Senior Vice President and General Counsel at Saab, chair of the board of Teknikföretagens juridikstyrelse and board member of Saab Dynamics AB.

Direct and indirect holdings of financial instruments in engcon: 5,650 shares of class B.

*Independent in relation to the Company and Group management, and independent in relation to major shareholders.*

#### **Anna Stålenbring**

Born 1961.  
Education: Bachelor of Science in Business Administration from the Higher School of Växjö, Strategic Finance from IMD Lausanne, Switzerland, and Advanced Management Programme from INSEAD, France.

Anna Stålenbring is owner and board member of A Advisory AB, board member of VBG Group AB (publ), Troax Group AB (publ), Lammhults Design Group AB (publ) and Investment Aktiebolaget Chiffonjén, as well as chair of the board of Aspholmsparken housing association.

Direct and indirect holdings of financial instruments in engcon: 5,650 shares of class B.

*Independent in relation to the Company and Group management, and independent in relation to major shareholders.*

#### **Stig Engström**

Born 1963.  
Education: Four-year technical education.

Stig Engström has assignments as chair of the board, CEO and board member in a number of companies within the engcon Group. Stig is also chair of the board of Aktiebolaget Mähler & Söner, board member of Drivex AB, Mähler International AB and Ommapo förvaltning AB.

Direct and indirect holdings of financial instruments in engcon: 29,037,204 shares of class A and 24,735,396 shares of class B.

*Not independent in relation to the Company and Group management, not independent in relation to major shareholders.*

#### **Monica Engström**

Born 1963.  
Education: Secondary school studies in economics and certified board training from StyrelseAkademien.

Monica Engström is chair of the board of Hotel Nordica i Strömsund AB, board member and CEO of Monen Holding AB and chair of the board, CEO and board member of several of the Group's subsidiaries. Board member of JIT Mech se Industri Aktiebolag and chair of the board and board member of several of the Group's subsidiaries. Board member of Aktiebolaget Mähler & Söner, Mähler International AB and the non-profit association IBK Strömsund.

Direct and indirect holdings of financial instruments in engcon: 6,307,574 shares of class A and 42,212,226 shares of class B.

*Independent in relation to the Company and Group management, not independent in relation to major shareholders.*

**Proposed new board member:**

**Peter Hofvenstam**

Born 1965.

Education: MSc Economics.

Peter Hofvenstam is currently Senior Advisor at Nordstjernan AB as well as board member of Nordstjernan Growth AB and Nordstjernan Kredit AB. Previously, Peter was CEO of Nordstjernan AB, and, prior to that, deputy CEO of Nordstjernan AB. Peter has also previously been a partner at E. Öhman J:or Fondkommission AB, as well as CFO and member of Group management at AB Aritmos and Analyst at Proventus AB.

Direct and indirect holdings of financial instruments in engcon: -

*Independent in relation to the Company and Group management, and independent in relation to major shareholders.*