

## **The Nomination Committee's reasoned statement to the Annual General Meeting of Sensime AB (publ) in 2023 regarding the proposed Board of Directors and auditor, and a review of the work of the Nomination Committee.**

### **Composition of the Nomination Committee**

Prior to Sensime's Annual General Meeting (AGM) 2023, the Chairman of the Board established the Nomination Committee by contacting the three largest shareholders as of 1 September 2022, who each appointed a member to the Nomination Committee.

The Nomination Committee members are Adam Dahlberg (representing the Crafoord family and the Crafoord Foundation), Gabriel Urwitz (representing AB Segulah and others) and Malin Björkmo (representing Handelsbanken Fonder). At the time of their appointment to the Nomination Committee, they represented approximately 30 percent of the number of shares and votes of the company. Philip Siberg, in his capacity as Chairman of the Board, has been co-opted to all Nomination Committee meetings.

The members of the Nomination Committee appointed Adam Dahlberg as Chairman of the Nomination Committee. The election of Adam Dahlberg as Chairman of the Committee is a departure from the principles adopted for the appointment of Committee members (which stipulate that a Board member should not be Chairman of the Committee), but the Committee still considered the appointment justified given Adam Dahlberg's long-term involvement in, and knowledge of, Sensime.

### **Nomination Committee proposal for election of members**

Sensime's Board currently consists of seven members elected by the AGM. According to the Articles of Association, the Board should consist of a minimum of three and a maximum of ten members with no deputies.

The Nomination Committee proposes re-election of current members Philip Siberg, Adam Dahlberg, Sorin Brull, Eva Walde, Jenny Freeman and Laura Piccinini, and the election of Göran Brorsson. Lennart Kalén has informed the Committee that he is not available for re-election.

Göran Brorsson has over 40 years' experience of sales, marketing and finance, and executive positions with various companies. Between 2000 and 2015, Mr. Brorsson was CEO of Elos Medtech AB. He holds an MBA from the University of Gothenburg.

The Nomination Committee also proposes that Philip Siberg is elected Chairman of the Board.

### **The work of the Nomination Committee**

The Nomination Committee held three meetings where minutes were taken. To support its work, the Committee has received documentation including an evaluation of the Board and its work. To assess how well the current Board meets the requirements applying to it given the company's operations and future direction, the Nomination Committee has discussed the size and composition of the Board in terms of experience and competence. Those Board members proposed for re-election and election possess both financial and operational competence as well as in-depth Board experience. The Board has an express emphasis on long-term and relevant industry experience.

In its work, the Nomination Committee considered the standards set by the Swedish Corporate Governance Code on the independence of Board members, and in its opinion, the proposed Board meets these requirements. The Nomination Committee's opinion is that the Board has an appropriate composition for the company's operations, developmental stage and circumstances in

general. In line with previous practice, the Nomination Committee has endeavored to attain even gender division and versatility in terms of the Board's competence, experience and background. Three of the seven members proposed to the AGM are women, implying a gender division of 43 percent women and 57 percent men.

#### **The Nomination Committee's proposed Directors' fees**

The Nomination Committee has evaluated the current fees for service on the Board, and among other things, compared fees with those of similar companies. The Committee is proposing yearly Directors' fees of SEK 450,000 for the Chairman and SEK 210,000 for each of the other Board members. These amounts are unchanged from the levels approved by the AGM 2022. The Committee also proposes that no Director's fee should be payable to any Board member receiving consulting fees from the company during the financial year 2022 that exceed twice the Director's fee. The Nomination Committee also proposes that no special compensation should be paid for service on special committees.

#### **The Nomination Committee's proposal for the election of an auditor and fees**

The Nomination Committee proposes re-election of ÖhrlingsPricewaterhouseCoopers as the company's auditor, with Lars Kylberg as key audit partner, for the period until the end of the following AGM. The Nomination Committee also proposes that the auditor's fee be paid according to approved account.

#### **The Nomination Committee's proposed resolution on a Nomination Committee for the following AGM**

##### Principles for the appointment of the members of the Nomination Committee

The Meeting instructs the Chairman of the Board to contact the three largest shareholders in terms of votes according to Euroclear's share register as of September 30, 2023, to each appoint a member of the Nomination Committee. If one of the three largest shareholders does not wish to appoint a member, the next largest shareholder should be requested (and so on) until three Committee members have been appointed.

The majority of Nomination Committee members should be independent of the company and its management. The Chairman of the Board should not be a member of the Nomination Committee, but should be co-opted to Committee meetings. Neither the President nor any of a member of management may be a member of the Nomination Committee. At least one Committee member should be independent of the company's largest shareholder in terms of votes or group of shareholders who collaborate on the company's management.

Board members other than the Chairman of the Board may be Committee members but may not make up a majority of Committee members.

The members of the Nomination Committee should be published on the company's website no later than six months prior to the following AGM. The website should also provide information on how shareholders can submit proposals to the Nomination Committee.

The term of office of the appointed Nomination Committee should continue until a new Nomination Committee has been appointed according to the mandate of the following AGM.

The Nomination Committee should appoint a Chairman internally. The Chairman of the Board or another Board member should not serve as Chairman of the Nomination Committee.

If a member leaves the Nomination Committee before its work is complete, and if the Nomination Committee considers that such member should be replaced, the Committee should appoint a new member according to the above principles, albeit based on Euroclear's printout of the share register as soon as possible after said member leaves his/her post.

Changes in the composition of the Nomination Committee should be published without delay.

#### The Nomination Committee's duties

The Nomination Committee should submit proposals for resolutions on the following issues to the AGM 2024:

- a) Election of a Chairman of the Meeting,
- b) Determining the number of Board members,
- c) Determining fees and other compensation for the Board and its committees, with division between the Chairman and other members,
- d) Determining fees for auditors,
- e) Election of Board members and the Chairman of the Board,
- f) Election of auditors, and
- g) Proposal for principles for the Nomination Committee's composition and work ahead of the 2025 AGM.

When drawing up proposals—and otherwise in its work—the Nomination Committee should apply section 4.1 of the Swedish Code of Corporate Governance (the “Code”) on diversity policy. Otherwise, the Committee should comply with Code provisions when consulting on proposals for questions to the Annual General Meeting 2024 and in its duties in general.

#### The Nomination Committee's working methods

The Nomination Committee should meet as often as necessary for the Committee to perform its duties, but at least once a year. Notices of meetings are issued by the Chairman of the Nomination Committee. If a member requests that the Committee convenes for a meeting, such request should be complied with.

The Nomination Committee is quorate with at least two members present. The Committee's decision applies when more than half of the members present vote in favor of an opinion, or if votes are equal, that opinion seconded by the Chairman of the Committee.

## Fee

No compensation should be paid to members for their service on the Nomination Committee. The company should meet such reasonable costs as the Nomination Committee deems necessary to perform its duties.

The Nomination Committee of Sensime AB (publ)

Stockholm, Sweden, April 2023