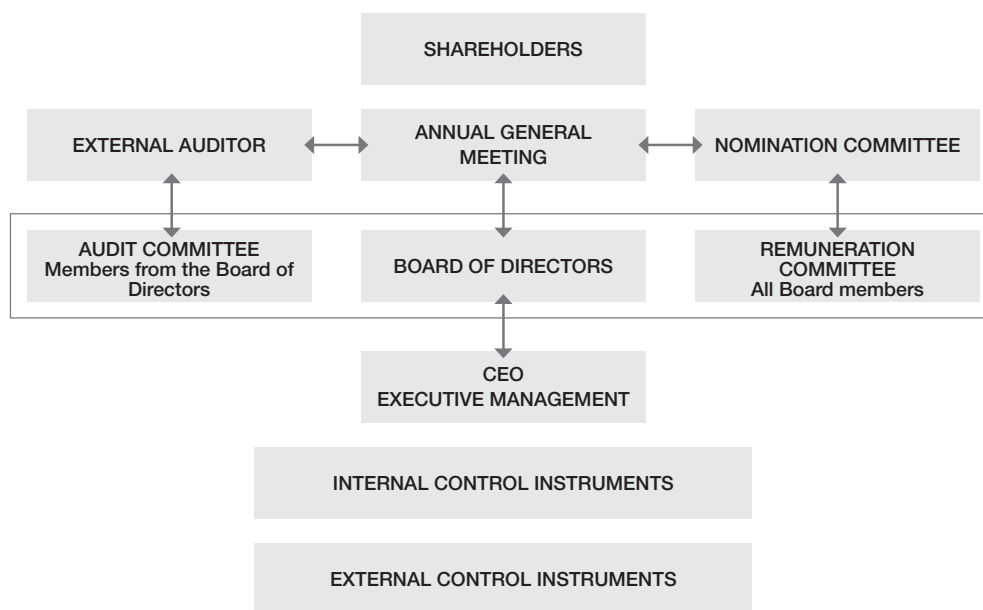


# Corporate Governance Report

## Pricer's governance



Pricer AB (publ) is a Swedish public company domiciled in Stockholm. The company's Class B share is quoted on the Mid Cap list of Nasdaq Stockholm.

This corporate governance report has been prepared in accordance with the Annual Accounts Act and the rules in the Swedish Corporate Governance Code, "the Code" (more information about the Code is available at [www.bolagsstyrning.se](http://www.bolagsstyrning.se)).

This report has been submitted by the Board of Directors of Pricer AB but is not part of the formal financial statements. According to the Board of Directors, Pricer has followed the Code in all respects during 2022. The report has been read by the company's auditor, who has issued a separate opinion that the statutory information in the corporate governance report is consistent with that in the annual report and the consolidated financial statements.

### Share structure and ownership

Pricer has two classes of shares: Class A and Class B. Class A shares carry five votes per share, and Class B shares carry one vote per share. On the balance sheet date, there were 225,523 Class A shares and 110,746,258 Class B shares, all with a quota value of SEK (1) each.

The number of shareholders at December 31, 2022, was 18,355 (18,373). The ten largest shareholders held 44 percent of the number of shares and votes. For more information about shareholders, see pages 6–7.

### Annual General Meeting

Pricer's highest governing body is the AGM, where all shareholders have the right to attend, have matters addressed and vote for

all their shares. The AGM is held once per year (if applicable, an Extraordinary General Meeting may also be held). The AGM appoints the Board members and the chair of the Board, elects the auditors, and decides on amendments to the Articles of Association. In addition, the AGM adopts the income statements and balance sheets and approves the appropriation of the company's profit or loss. The AGM also decides on discharge from liability for the Board members and the CEO, decides on fees for the Board and auditors and establishes the principles for remuneration to the CEO and senior executives. The AGM of Pricer is normally held in April or May in Stockholm. The date and location of the AGM is announced as soon as the Board has made its decision, normally in connection with the Q3 report. Information about the date and location of the AGM can be found on the company's website [www.pricer.com](http://www.pricer.com).

Notice of the AGM is published by announcement in the Swedish Official Gazette (Post- och Inrikes Tidningar), in the newspaper Svenska Dagbladet and on the company's website. Shareholders who are registered in their own name in the share register maintained by Euroclear Sweden AB on the record date and have notified the company by the specified date are entitled to attend the AGM and vote for their shares. Shareholders who are unable to attend may be represented by proxy.

All information about the company's general meetings is available on the company's website.

The company's Articles of Association contain no restrictions on the number of votes each shareholder may cast at a general meeting, nor is the issue of amending the Articles of Association regulated.

### **Nomination Committee**

The Nomination Committee represent Pricer's shareholders. The tasks of the Nomination Committee are to evaluate the composition and performance of the Board and prepare proposals for approval by the AGM regarding the election of the chair of the AGM, the chair of the Board, Board members and auditors. The Nomination Committee should also prepare proposals for the AGM regarding fees to the Board and auditors. Finally, the Nomination Committee proposes principles for the appointment of a new Nomination Committee. Shareholders may submit proposals to the Nomination Committee in accordance with the instructions on the company's website.

According to the Code, the Nomination Committee should consist of at least three members, one of whom should be appointed the chair. The general meeting of shareholders should appoint the members of the Nomination Committee or specify how they should be appointed.

No remuneration is paid to the Nomination Committee.

### **Board of Directors**

#### *Size and composition*

Board members are appointed by the shareholders at the AGM for the period until the end of the next AGM. In accordance with the Code, the chair of the Board is also appointed by the AGM.

In accordance with the Articles of Association, the Board of Pricer should consist of a minimum of three and a maximum of seven members, and the AGM should decide on the exact number of Board members. The Articles of Association contain no specific provisions regarding the appointment or dismissal of Board members.

For a presentation of the Board members, see page 25.

#### *Role*

The chair of the Board is responsible for organizing and overseeing the work of the Board and ensuring that this work is performed in accordance with the applicable rules. The chair of the Board continuously monitors operations through a dialogue with the CEO and ensures that the Board is provided with the information and documentation necessary for it to discharge its duties. The chair of the Board is responsible for ensuring that the work of the Board is well-organized and carried out efficiently and that the Board discharges its obligations. He is responsible for ensuring that the other Board members receive the information and documentation necessary for high-quality discussions and decisions and verifies that the Board's decisions are carried out.

The Board is responsible for the company's strategy and organization as well as the management of the company's affairs. The Board ensures that the company's organization is designed to enable the verification of the accounting, cash management and other financial matters in a satisfactory manner. The Board continuously monitors the financial situation of the company and the Group, which is reported monthly, to ensure that the Board can meet its assessment obligation as required by law and the listing rules. The work of the Board is governed by specially formulated rules of procedure. Generally, the Board handles matters of material significance to the Group, such as strategic plans, budgets and forecasts, product planning, working capital, financing and the acquisition of operations, businesses or significant investments.

### *Committees*

The Board has appointed an Audit Committee. Within the framework of the Board's duties, the Audit Committee should, in part, monitor the company's financial reporting and prepare matters regarding the company's financial reporting and audit in accordance with Chapter 8, section 49b of the Swedish Companies Act and fulfill the duties imposed by EU Regulation No 537/2014. The Audit Committee has also regularly supported the CEO in major financing and structural matters and in the preparation of these matters for the Board.

The Board of Directors has decided not to establish a Remuneration Committee. The Board considers it to be more suitable for its members to discharge the tasks applied to the Remuneration Committee in accordance with the Code. The Board of Directors prepares matters related to remuneration and terms of employment for senior executives and draft guidelines for remuneration to the CEO and senior executives, which the Board submits to the AGM for resolution.

### *Evaluation of the Board*

The chair of the Board is responsible for the evaluation of the Board of Directors' performance, including the contributions of individual members. This is done through a structured yearly self-assessment that is followed by discussions within the Board and the Nomination Committee, where the compiled results of the survey, including any comments made, are presented by reviewing the individual answers as well as the average and standard deviation for each question.

### **CEO and Executive Management**

The CEO is appointed and dismissed by the Board, and their performance is evaluated regularly by the Board without the presence of company's management. The company's CEO supervises the ongoing operating activities. Written instructions define the division of responsibilities between the Board of Directors and the CEO. The CEO reports to the Board and presents a special CEO report at each Board meeting, which among other things contains information about how the business is developing based on the decisions taken by the Board.

The CEO prepares the agenda in consultation with the chair ahead of each meeting and determines the required supporting data and documentation necessary to deal with the matters at hand. Other members may request that certain matters be added to the agenda. Prior to each scheduled meeting, the CEO provides the Board with a status report containing the as a minimum the following points: the market, sales, production, research and development, finance, staff and, where appropriate, legal disputes.

Pricer's Executive Management is comprised of, in addition to the CEO, members who bear operating responsibility for the various parts of the organization.

For a presentation of the members of Executive Management, see page 26.

### **External Auditor**

The Auditor is appointed by the AGM following a proposal by the Nomination Committee. The auditing firm of Ernst & Young AB was elected auditor by the 2022 AGM until the 2023 AGM, with Authorized Public Accountant Jakob Wojcik as auditor-in-charge.

### Control instruments

Corporate governance within Pricer takes place through external rules such as the Swedish Companies Act, Nasdaq Stockholm's Rules for Issuers, the Swedish Corporate Governance Code ("the Code") and other relevant laws, ordinances and rules.

The internal regulatory framework that regulates the governance of Pricer consists mainly of the Articles of Association, the rules of procedure for the Board, instructions for the CEO, and other policy documents adopted by the Board for various areas, e.g., attest and authorization rules, finance, and communication.

### 2022 Annual General Meeting

Pricer AB's Annual General Meeting (AGM) was held on May 11, 2022. Given the extraordinary situation caused by the COVID-19 pandemic, the meeting was held solely via absentee ballot, without physical participation. The absentee ballots represented 27 percent of the votes and 27 percent of the number of shares in the company. The AGM adopted the following resolutions:

- To adopt the income statement, balance sheet and consolidated income statement and consolidated balance sheet.
- To adopt the proposed dividend of SEK 1.00 per share, broken down into two payment occasions of SEK 0.50 per share each.
- To discharge the Board of Directors and the CEO from liability for the 2021 financial year.
- To re-elect Board members Knut Faremo, Hans Granberg, Jonas Guldstrand, Jenni Virnes and Göran Sundholm and to elect new member Irene Waldemarson. To re-elect Knut Faremo the chair of the Board.
- To pay Board fees for the next term of office of SEK 650 T to the chair and SEK 325 T to each Board member. To pay fees for the chair and member of the Board's Audit Committee of SEK 50 T each. To pay fees for the auditors in accordance with invoices approved by the company.
- To re-elect Ernst & Young AB as the company's auditor for the period until the end of the next AGM in accordance with the proposal of the Nomination Committee and the recommendation of the Audit Committee.
- To adopt the Nomination Committee's proposed principles for appointment of the Nomination Committee for the 2023 AGM.
- To adopt the principles for remuneration to senior executives.

- To approve the long-term incentive program according to the Board of Director's proposal.
- To authorize the Board of Directors to decide on the issue of new Class B shares as proposed by the Board.
- To authorize the Board of Directors to decide on a new share issue.
- To authorize the Board of Directors to decide on the repurchase and transfer of the company's treasury shares as proposed to the AGM.

The AGM's resolutions in their entirety are set out in the full minutes of the AGM, which together with other information about the AGM is available on the company's website, [www.pricer.com](http://www.pricer.com).

### Work performed by the Board of Directors

The Board held 20 meetings during the 2022 financial year. The attendance of the Board members at these meetings is shown in the following table.

The CEO and CFO attend all Board meetings, except when the Board is addressing topics associated with a conflict of interest, for example adoption of remuneration for the CEO or evaluation of the performance of the CEO. The company's auditors attended one Board meeting in 2022. The meetings have mainly been held at the company's headquarters in Stockholm or digitally.

The Board's work in 2022 followed an annual action plan that is set for each new fiscal year.

The Board serves as the Remuneration Committee and has prepared matters related to remuneration and other terms of employment for Executive Management.

The Audit Committee consisted of Board members Hans Granberg and Knut Faremo. The committee held five meetings, of which the company's auditor participated in two.

For 2022, the work of the Board of Directors has been evaluated by the Board through an online evaluation in which the members of the Board individually and anonymously consider statements regarding the Board as a whole, the chair of the Board, the CEO's work in the Board and their own work. The evaluation focuses, for example, on improving the efficiency and focus areas of the Board as well as the need of specific skills and working methods. The evaluation has then been used as a basis

### Board members' attendance 2022

Board and committees						Attendance at meetings <sup>1)</sup>	
Board members	Year of election	Fees, TSEK	Independent in relation to the company and its management	Independent in relation to the company's major shareholders	Board of Directors (20)	Audit Committee (5)	
Knut Faremo, Chair	2019	700	Yes	Yes	18/20	5/5	
Hans Granberg	2014	375	Yes	Yes	20/20	5/5	
Jenni Virnes	2016	325	Yes	Yes	19/20		
Jonas Guldstrand	2017	325	Yes	Yes	19/20		
Göran Sundholm <sup>2)</sup>	2021	–	Yes	No	14/16		
Irene Waldemarson	2022	217	Yes	Yes	13/13		
<b>Total fees:</b>		<b>1,942</b>					

1) Refers to the period January 1–December 31, 2022.

2) Irene Waldemarson was elected at the AGM held on April 29, 2022. 3) Göran Sundholm declined the Board fee during the mandate period. Göran Sundholm stepped down on September 12, 2022.

for the Nomination Committee's proposed Board members and remuneration levels.

With regard to the company's business, stage of development and other circumstances, it is the Board's opinion that its composition is appropriate and features diversity and breadth regarding the members' skills, experience and background.

## Remuneration

### *Board of Directors*

The 2022 AGM resolved in accordance with the proposal from the Nomination Committee on total remuneration to the Board of SEK 1,950 T, of which SEK 650 T will be paid to the chair of the Board and SEK 325 T to each of the other four members. One Board member opted to decline the fee.

The chair of the Board and the Board members elected to the Audit Committee receive remuneration of SEK 50 T each.

Other than the remuneration mentioned above SEK 200 T paid as fee for the working chairman of the board, no other remuneration or financial instruments were paid or made available other than pure reimbursement for outlays.

### *External auditors*

The 2022 AGM resolved to approve the Nomination Committee's proposal that fees to the auditors be paid in accordance with invoices approved by the company.

### *CEO and senior executives*

The 2022 AGM resolved to approve the Board's proposed guidelines regarding remuneration to senior executives. The Board of Directors determines remuneration to the CEO and senior executives.

### *Compliance with the Swedish stock exchange rules in 2022*

During the 2022 financial year, Pricer has not been subject to any decision by Nasdaq Stockholm's disciplinary committee or the Swedish Securities Council regarding violations of Nasdaq Stockholm's regulatory framework or good practices in the stock market.

## Nomination Committee 2023

The Nomination Committee for the 2023 AGM was announced on November 9, 2022, through a press release and on the company's website. The Nomination Committee consists of Göran Sundholm, Ulf Palm and Marc St John Webb. Ulf Palm was elected chair of the Nomination Committee. Pricer's Nomination Committee held three meetings prior to the AGM. No special remuneration was paid to the Nomination Committee members.

The members of the committee are independent in relation to the company and its management. The Nomination Committee's members are independent in relation to the company's major shareholders, with the exception of Göran Sundholm, who owns 12,000,000 shares in Pricer AB.

The Nomination Committee's proposals will be presented in the notice of meeting and be made available on [www.pricer.com](http://www.pricer.com). The Nomination Committee proposes that the Board of Directors consist of six members. The Nomination Committee proposes, for the period until the end of the next AGM, the re-election of Board members Knut Faremo, Hans Granberg, Jonas Guld-

strand, Jenni Virnes and that Torbjörn Möller and Emil Ahlberg be elected as new Board members, Irene Waldemarson declined to be re-elected. Knut Faremo is proposed to continue as the chair of the Board.

## Diversity policy

The Nomination Committee of Pricer AB has applied Rule 4.1 of the Swedish Code of Corporate Governance as a diversity policy in the preparation of proposals for the Board. Accordingly, Pricer's Board of Directors should consist of a well-balanced mix of skills that are essential for managing Pricer's strategic work in a responsible and successful manner. In order to achieve this, knowledge is sought in areas such as retail, e-commerce, corporate governance, compliance with rules and provisions, finance and financial analysis and remuneration issues.

Previous board experience is another important qualification. Furthermore, it is important that the Board members do not have too many executive or non-executive assignments to allow them to spend the time required for their Board work for Pricer AB.

The Nomination Committee believes that breadth and diversity in areas such as age, nationality, educational background, gender, experience and expertise are represented among the proposed members of the Board.

The Nomination Committee further believes that diversity is a key issue and that it is important for future nomination committees to continue working actively to achieve a well-balanced gender distribution on the Board.

The 2022 AGM resolved in accordance with the Nomination Committee's proposal, which meant that six members were elected, two women and four men, with a composition otherwise based on the criteria addressed by the diversity policy.

In the Nomination Committee's work prior to the 2023 AGM, the diversity policy has been applied as described above. This resulted in the Nomination Committee's proposal to the AGM of a total of six members, one woman and five men according to the notice of the AGM.

## INTERNAL CONTROL OF FINANCIAL REPORTING

The Board is responsible for internal control pursuant to the Swedish Companies Act and the Code.

The Swedish Annual Accounts Act requires the company to prepare an annual description of the company's internal control and risk management system regarding financial reporting. The Board has overall responsibility for the financial reporting. The Audit Committee has an important task in preparing the Board's work on quality assurance of the financial reporting. This preparation includes issues regarding internal control and compliance, control of carrying amounts, estimates, assessments and other factors that may affect the quality of the financial reports. The Committee has commissioned the company's auditor to examine in particular how well the rules for internal control, both comprehensive and detailed, are complied with in the company.

Pricer's internal control process should provide reasonable assurance regarding the quality and reliability of its financial reporting. It should also ensure that reports are prepared in accordance with the applicable laws and regulations and the requirements that apply to publicly listed companies in Sweden.

### Control environment

Pricer's internal control over financial reporting is based on the organizational and system structures, decision-making paths and separation of duties that are documented and communicated in control documents, policies and manuals. The Board has adopted rules of procedure that regulate the Board's responsibilities and work on the Board's committees. To uphold an effective control environment and good internal control, the Board has delegated practical responsibility to the CEO and drafted instructions for the CEO. To safeguard the quality of the financial reporting, the company has a number of internal control instruments, such as a finance policy, attest and authorization routines, and a standard model for ongoing monthly reporting that has been designed together with the Board. Pricer uses an integrated ERP system, which handles all financial flows.

The company has set up a whistleblowing function that can be used anonymously.

### Risk assessment

Regarding financial reporting, the risks are assessed to lie primarily in the possibility that material errors may arise in the accounting for the company's financial position and results. The Board is responsible for ensuring that significant financial risks and risks of misstatement in the financial statements are identified and dealt with.

### Control activities and monitoring

The company also has a number of control activities aimed at ensuring the accuracy and completeness of the financial statements. Procedures and measures have been designed to manage material risks related to the financial statements as identified in the risk assessment. Control activities are available at both a general and detailed level in the Group. For example, complete monthly financial statements are prepared and monitored by the responsible unit and function managers and controllers.

Executive Management meets at least once a month to review the business operations. In addition, persons from the finance function maintain regular contact with the heads of Group companies to discuss current issues, performance and the financial position and follow up that processes are being followed and developed. The Board of Directors monitors the operations through monthly reports from the CEO regarding business developments, performance and the financial position. Measures and activities aimed at strengthening and optimizing internal controls are implemented on a regular basis.

Internal control is monitored continuously. This is done primarily in the form of deviation reporting against the budget/forecast and the previous year's outcome.

The Board reviews each interim report and discusses the content with the CFO and, when appropriate, the company's auditor. The company monitors the areas for improvement in its internal control as identified by the external auditor.

Furthermore, the CEO and the CFO hold regular meetings with the Board's Audit Committee to discuss financial matters on an ongoing basis. The finance staff employed in the subsidiaries have explicit responsibility for reporting deviations to the central finance and controller organization.

In accordance with the rules in the Swedish Corporate Governance Code, the Board has assessed the need for a special internal audit function. Give the background presented above, the Board of Directors is of the opinion that there is currently no need for such function in the company.

### Work performed during the year

The work to improve the company's internal control has continued through development of the integrated ERP system used by most of the company's subsidiaries along with reporting tools to improve reporting quality and the analysis of the company's economic development.

## Auditor's report on the corporate governance statement

*To the general meeting of the shareholders of Pricer AB, corporate identity number 556427-7993*

### Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the year 2022 on pages 20–24 and that it has been prepared in accordance with the Annual Accounts Act.

### The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 16 *The auditor's examination of the corporate governance statement*. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

### Opinion

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, April 28, 2023  
Ernst & Young AB

*Jakob Wojcik*  
Authorized Public Accountant