
The Board of Directors' complete proposal for the AGM 2024

Item 2 Election of a Chairman of the Meeting

The Nomination Committee proposes that Bo Elisson is elected Chairman of the Meeting.

Item 9 b. Dividends

The Board of Directors proposes a dividend of SEK 1.00 per ordinary share and May 16, 2024 as record date for the dividend. If the meeting decides in accordance with the proposal, the dividend is expected to be distributed by Euroclear Sweden on 21 May 2024.

Item 10. Decision on approval of the Board of Directors' Remuneration report for 2023 and Guidelines for Remuneration to Senior Executives

Item 10 a. Remuneration report

The Board of Directors' remuneration report for 2023 provides an overview of how the guidelines for salary and other remuneration to the CEO and members of the Group Management adopted by the Annual General Meeting 2020 have been implemented during 2023. There have been no deviations from the procedure for the implementation of adopted guidelines and no exceptions to the application of adopted guidelines.

The Board of Directors proposes that the Annual General Meeting approves the Board's remuneration report for 2023. The remuneration report will be kept available on the company's website (www.ependion.com).

Item 10 b. Guidelines for remuneration to Senior Executives

The Board of Directors proposes that the Annual General Meeting 2024 resolves to approve guidelines for remuneration to the CEO and members of the Group Management (hereinafter referred to as "senior executives"). There have been no significant changes to the guidelines proposed below, in relation to the remuneration guidelines adopted by the 2020 Annual General Meeting.

The guidelines do not cover compensation decided by an annual general meeting of the shareholders, such as fees to the Board of Directors or share-based incentive programs. The guidelines shall apply for compensation that is agreed upon after the guidelines have been adopted by this AGM or for subsequent changes made to existing agreements.

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

Ependion is an innovative and hi-tech group that offers the market digital solutions that supports the customers in optimizing their processes in different levels of the business. The vision is to be a leading global supplier of user-friendly and robust digital solutions, which entails certain demands on the organization and the employees. For further information on the company's vision, strategy and targets in different aspects, please refer to the company's website www.ependion.com.

A successful implementation of Ependion's business strategy and capitalization on the long-term interests, including its sustainability, requires that the company can recruit and retain qualified employees with the right competence in the management team. Achieving this, requires that the company can offer competitive compensation.

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Ependion has established long-term share-based incentive programs, that have been decided by the annual general meetings and therefore are not covered by these guidelines. The programs include the senior executives and a number of key persons. The performance requirements used to assess the outcome of the programs have a clear coupling to the business strategy and to the long-term interests, including sustainability. For further information about these programs, including the criteria that the outcomes are based on, please refer to the company's website www.ependion.com.

Forms of compensation and criteria for variable compensation

The compensation offered shall be in line with the going market rate and shall consist of fixed base salary, variable compensation, pension benefits and other benefits. The level of compensation is individual and differentiated depending on factors such as the individual's competence, responsibility and performance, to be adjusted to market conditions and be revised annually. In addition, the general meeting of the shareholders may - independent of these guidelines - decide on share-based and share-price-related compensation.

In addition to fixed base salary, variable compensation may be payable. Variable compensation shall be coupled to financial criteria that is measurable during a one-year period. The financial criteria may, for example, be coupled to the company's and the group's development of earnings, sales growth, cash-flow and the targets are set from a long-term perspective. The measurable criteria shall be formulated in a way that the criteria promotes the company's business strategy and long-term interests, including sustainability, with the object to promote long-term value for the shareholders. The criteria shall be adopted in advance with the compensation committee and the Board of Directors. The variable compensation may amount to a maximum of 50 per cent of the fixed yearly base salary for the measurement period.

Pension benefits shall be in accordance with a defined contribution solution, if the executive is not part of other pension benefits according to compulsory collective bargaining agreements. Pension premiums for defined contribution pensions shall amount to a maximum of 35 % of the pensionable salary.

Other benefits shall be of limited scope and may include, for example, disability, life and health insurance and a car, travel and housing benefit.

Termination of employment

For notice of termination by the company, the notice period may be a maximum of eighteen months for the CEO of Ependion and a maximum of twelve months for other senior executives. No severance pay shall be agreed upon. For notice given by a senior executive, the notice period may be a maximum of six months, with no severance pay.

Remuneration to Board members

Board members may be engaged to perform limited consulting assignments (which do not constitute board work) within the scope of their respective areas of expertise. Such engagements shall be subject to market remuneration, provided that the engagement contributes to Ependion's business strategy and safeguarding of the Group's long-term interests. These guidelines are not applicable to such engagements, but information on any remuneration for such engagements will be included in the annual report and remuneration report.

Salary and terms of employment for employees

Salary and terms of employment for the company's employees have been taken into account in drafting these compensation guidelines. Information on the employees' total compensation, compensation components and the increase in compensation and the rate of growth over time has made up part of the compensation committee and the Board's decision-making documentation in their evaluation of the fairness of the guidelines and the limitations that emanate from these.

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Decision-making process for adopting, reviewing and implementing the guidelines

The Board of Directors has established a compensation committee, with the principal task to conduct preparatory work for the Board's decision on guidelines, compensation and other terms of employment for the senior executives. The compensation committee shall also monitor and evaluate ongoing programs and programs concluded during the year for variable compensation of senior executives. The committee shall also monitor and evaluate the application of the guidelines for compensation of the senior executives that the general meeting according to law shall decide upon and applicable compensation structures and compensation levels of the company.

The Board shall draw up a proposal for new guidelines at least every fourth year and submit the proposal for decision by the general meeting of shareholders. The compensation committee members are independent in relation to the company and the management. In the Board's handling of and decisions on compensation related matters, the CEO or other members of the management team are not present to the extent that they are subject to the matter at hand.

Deviation from the guidelines

The Board of Directors may decide to temporarily deviate from the guidelines, entirely or in part, if in an individual case, there are special reasons therefore and if a deviation is necessary to safeguard the long-term interests of the company, including sustainability, or in order to safeguard the company's financial soundness. The compensation committee shall conduct preparatory work for any decisions to deviate from the guidelines.

Items 11-14 Proposals for resolutions regarding the number of Board members, Directors' and Auditors' fees and election of the Board of Directors, Chairman of the Board and Auditors

The following shareholders were members of the Nomination Committee: Stena Adactum, represented by Anders Wassberg (Chairman and convener), Svolder, represented by Fredrik Carlsson, Nordea Fonder, represented by Bengt Belfrage and Fjärde AP-fonden, represented by Lovisa Runge. The Chairman of the Board, Bo Elisson, has been adjunct in the Nomination Committee.

The Nomination Committee has proposed the following:

Item 11

- That the Board of Directors shall consist of five members, with no deputies.

Item 12

- That fees of SEK 650,000 will be payable to the Chairman of the Board, and that fees of SEK 270,000 will be payable to each of the other Board members.
- That fees of SEK 100,000 will be payable to the Chairman of the committee for work in the audit committee, and that fees of SEK 55,000 will be payable to each of the other Board members for work in such committee.
- That fees of SEK 50,000 will be payable to the Chairman of the committee for work in the remuneration committee, and that fees of SEK 30,000 will be payable to each of the other Board members for work in such committee.
- That fees to Auditors will be payable according to approved invoice.

Item 13

- re-election of Board members Johan Wester, Karin Gunnarsson, Lars Eklöf and Jonas Hård. Bo Elisson has declined re-election. Charlott Samuelsson has also, for personal reasons, declined re-election.

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- new election of Board member Peter Nilsson. *Peter Nilsson, born in 1966, has been CEO of the listed company Trelleborg AB since 2005. In his role, he has successfully run a global business with several different companies and business models. Peter holds a Master of Science in Engineering from Linköping Institute of Technology and an honorary doctorate from Lund University. He is Chairman of the Board of Cibes Lift Group and a member of the Board of Directors of the Chamber of Commerce and Industry of Southern Sweden. Peter Nilsson is considered independent in relation to the company, its management and its major shareholders. Peter (and his related natural or legal persons) has no holdings of shares or other financial instruments in the company.*
- election of Peter Nilsson as Chairman of the Board.

Item 14

- Appointment of the registered public accounting firm, KPMG, as the company's auditor until the close of the AGM 2025. Should KPMG be appointed, the auditor in charge will be Jonas Nihlberg.

Item 15 Resolution on authorization for the Board of Directors to decide on new share issues

The Board of Directors proposes that the AGM resolves to authorize the Board of Directors to decide on the new issue of a maximum of 2,890,000 ordinary Shares on one or more occasions before the next AGM 2025.

The proposal means that the Board of Directors would be authorized to decide on the new share issue with stipulations on issue in kind, set-off or subject to other terms stated in Chap. 13 § 5 para. 1 cl. 6 p of the Swedish Companies Act, and waiving shareholders' preferential rights. The Board of Directors will be entitled to stipulate other terms for the share issue, including issue price, which however, shall be based on market terms.

The purpose of this authorization is to enable the company to issue shares to guarantee funds for purchase price related to the acquisition of other companies, parts of companies, or other assets that the Board of Directors judges to be valuable to the company's operations. Full utilization of this authorization would correspond to dilution of some 10 per cent of the share capital and votes.

Resolution pursuant to the Board of Directors' proposal requires the AGM's resolution being supported by shareholders representing at least two-thirds of the votes cast and shares represented at the Meeting.

Item 16 Resolution on (A) implementation of a long-term share based incentive program (LTI 2024/2027) and (B) hedging activities including resolution on (1) authorization for the Board of Directors to resolve decisions on a directed issue of series C shares, (2) authorization for the Board of Directors to repurchase all issued series C shares and (3) transfer of own ordinary shares to participants in LTI 2024/2027

See separate proposal including attachment A.

The Board of Directors' proposal under items 15–16 above also include authorization for the CEO to make such amendments to the AGM resolutions that may be necessary for registering these resolutions with the Swedish Companies Registration Office.

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Item 17 Resolution on authorization for the Board of Directors to transfer own ordinary shares

The Board of Directors proposes that the annual general meeting authorises the Board to resolve, at one or more occasions, during the period until the next AGM, on the transfer of the company's ordinary shares on Nasdaq Stockholm at a price within the share price interval registered at that time. The transfers may not exceed 27,000 ordinary shares.

The purpose of the proposed authorization is to give the company the possibility to sell shares in its own holding for cash flow hedging of social security charges that arise upon delivery of shares to participants in the incentive program LTI 2021/2024, according to the terms of the program.

The Board of Director's proposal must be supported by shareholders representing at least two thirds of both the votes cast and the shares represented at the AGM.

Malmö April 23, 2024

The Board of Directors
EPENDION AB