

**The board of directors' proposal for  
resolutions to the annual general meeting in  
Mentice AB on 27 April 2022, at 3.00 p.m.**

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## **Item 8 (b) – The board of directors’ proposal regarding allocation of the company’s financial result in accordance with the adopted balance sheet**

The board of directors proposes to balance all of the company’s total available financial result, in total SEK 78 158 578,60.

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The board of directors of Mentice AB

## **Item 11 – The board of directors’ resolution on guidelines for remuneration to senior executives**

The board of directors of Mentice AB proposes that the annual shareholders’ meeting resolves on the adoption of guidelines for remuneration and other employment conditions for the senior management. The guidelines also apply to board members in so far as they receive remuneration for services provided to the company or any subsidiaries outside of the scope of the board assignment.

### **Scope**

These guidelines shall encompass those persons that are members of the senior management of the company during the period when the guidelines are in force. The guidelines are applicable on agreements entered into after the resolution of the annual shareholders’ meeting, and as far as changes are made to existing agreements, thereafter. The guidelines do not include remuneration resolved by the shareholders’ meeting, such as remuneration for board members or share-based incentive programs.

More information regarding Mentice vision and business plan can be found in Mentice financial reports at <https://www.mentice.com/financial-reports-presentations>.

In order for Mentice to be able to execute the company’s business strategy and care for the company’s long-term interests, including sustainability, it is necessary that Mentice can recruit and retain qualified employees. In order to achieve this, Mentice is required to be able to offer competitive remuneration solutions, which these guidelines facilitate.

### **Remuneration**

The main principle is that remuneration and other employment conditions for members of the senior management shall be based on market terms and be competitive in order to ensure that the company can attract and retain competent members of the senior management at a reasonable cost for the company.

The total remuneration for the senior management shall consist of fixed salary, variable remuneration, pension and other benefits. In order to avoid that the senior management is encouraged to take unreasonable risks, there shall be a fundamental balance between fixed and variable remuneration. The fixed salary shall thus be large enough in relation to the total remuneration paid to the member of the senior management in order to render it possible to reduce the variable remuneration to zero. The variable remuneration to a member of the senior management whose function or total remuneration level implies that he or she can have a material effect on the company’s risk profile, may not be greater than five times the fixed yearly salary.

Regarding employments that are regulated by laws and regulations other than Swedish, necessary adjustments may be adopted regarding pension benefits and other benefits in order to follow such regulations or fixed local customs, whereas these guidelines’ overall purpose shall be applied as far as possible.

**Fixed salary**

Each member of the senior management shall be offered a fixed salary on market terms, based on the work instructions, degree of difficulty of the work performed, as well as experience, responsibilities, competence and performance. The fixed salary shall be adjusted annually.

**Variable remuneration**

In addition to the fixed annual salary, the members of the senior management may be offered variable remuneration which shall be paid in cash and based on the result in relation to performance goals within the respective area of responsibility and be in line with the shareholders' interests. Variable remuneration shall correspond to a maximum of 50% of the fixed annual salary for the CEO and a maximum of 50% of the fixed annual salary for other members of the company senior management, except members of the senior management within sales management, meaning employee whose primary function is sales. Should variable remuneration paid have been based on information that later shows to have been evidently incorrect, the company shall have the possibility to request repayment.

Variable remuneration shall be based on clear, predetermined and measurable criteria and financial results and predefined individual and operational goals and shall be designed with the objective to promote the company's business plan, long-term value creation, including sustainability. The board of directors shall determine the criteria's yearly. The variable remuneration shall have a cap. The maximum level for total variable remuneration to the senior management shall be set annually in connection with the establishment of goals for the coming financial year.

Additional variable remuneration can be awarded in extraordinary circumstances, provided that such extraordinary arrangements are solely made on an individual level in order to either recruit or retain members of the senior management, or as remuneration for an extraordinary work performance beyond the person's ordinary work tasks. Such remuneration may not exceed a sum corresponding to 50 percent of the annually fixed salary and may not be provided more than once a year per person. Resolutions regarding such remuneration shall be made by the board of directors.

**Pension**

Members of the senior management shall, unless otherwise specifically agreed upon, be offered pension terms which are in accordance with the market in the country where the members of the senior management reside.

Variable remuneration shall not entitle to pension.

**Other benefits**

Other benefits such as a company car, additional health insurance and medical benefits shall be limited in value in relation to other remuneration and shall be paid only in so far

as it is considered to be in accordance with the market for other members of senior managements holding corresponding positions on the employment market where the member in question is operating.

### **Long-term share-based incentive programmes**

The annual shareholders' meeting 2019 resolved to implement an incentive program 2019/2024 available for employees in the company's group and certain consultants tied to the group. Senior executives may also be offered the opportunity to participate in long-term incentive program, which the board of directors proposes at the annual shareholders meeting. Under such incentive programs, senior executives will have the opportunity to subscribe and be allotted warrants against payment in cash corresponding to the warrants market value. Each warrant would entitle the holder to subscribe for one new share in the company against cash payment at a determined subscription price. Since the price per each warrant would correspond to the market value, the company's assessment is that no payroll expenses or social security contributions will occur for the company in relation to such incentive program.

The board of directors shall each year consider whether the annual shareholders' meeting is to be proposed to adopt a share-based incentive program. Proposed incentive programs shall contribute to a long-term value growth.

It shall be possible to offer members of the senior management corresponding incentives as should have been offered pursuant to a share-based incentive program, should it show to be practically impossible to effectuate such program in the tax domicile of a member of the senior management, or if the company assesses that such participation cannot take place at reasonable administrative costs or financial contributions. The cost and the investment for the company as well as the incentive and financial outcome for the senior management member in question shall under those circumstances essentially correspond to the share-based incentive program.

### **Notice**

The notice period for notice given by the company shall be no longer than 12 months for members of the senior management, with a right to redundancy payment after the expiration of the notice period corresponding to not more than 100% of the fixed salary for a maximum of 12 months, meaning that the fixed salary and redundancy payment shall together not exceed 24 months' fixed salary. Any right to redundancy payment shall, as a main rule, decrease in situations where remuneration is received from another employer. Upon notice given by a member of the senior management, the notice period shall generally be 6 months for the CEO and 3-6 months for other members of the senior management.

### **Remuneration to board members**

If a board member that is elected by the shareholders' meeting is performing work for Mentice that stretches beyond the tasks of the board of directors, it shall be possible to pay such member of the board of directors for such work through consulting fees to the board member or to a by the board member controlled company provided that the performed

work contributes to the implementation of Mentice business strategy as well as the procurement of the long-term interest of Mentice, including its sustainability. Such remuneration shall be market based and shall be approved by the board of directors.

### **Salary and terms of employment for employees**

When preparing of the board of directors proposal for these remuneration guidelines, factors such as salary and terms of employment for the company's employees have been taken into account through the review of information regarding the employees total remuneration, the remuneration components as well as the remuneration increase and pace of increase over time, which have all constituted part of the board of directors' basis for decision when evaluating the reasonability and the limitations of the guidelines.

### **Deviations from the guidelines**

The board of directors shall be entitled to deviate from the guidelines in individual cases if there are exceptional reasons for doing so and if it is necessary in order to facilitate the long-term interests of the company, including sustainability. During 2021 no deviations from the adopted guidelines have been applied.

### **Significant changes to the guidelines**

The proposal for guidelines presented at the shareholders' Meeting 2022 does not involve any significant changes in relation to the company's existing remuneration guidelines.

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The board of directors of Mentice AB

## **Item 12 - The board's proposal for resolution to authorise the board of directors to resolve on issue of shares**

The board of directors in Mentice AB proposes that the annual shareholders' meeting resolves to authorise the board of directors, until the next annual shareholders' meeting, on one or several occasions, with or without deviation from the shareholders' preferential rights, to resolve on new issues of shares and/or issues of warrants, entitling the holders to subscribe for new shares and/or issues of convertibles, entitling the holders to convert the convertibles to new shares. Issues may be undertaken against cash payment and/or with provisions regarding issue in kind or set off or other provision.

The maximum number of shares to be issued under this authorisation together with any shares possibly issued in connection with use of options and converting of convertibles shall not exceed 2,476,885 shares, implying a maximum dilution of equity of approximately 10 per cent of all outstanding shares in Mentice AB at the time of this resolution proposal.

The incentive for this proposal and the reasons for deviation from the shareholders' preferential rights and/or the possibility to resolve on issuing of new shares with provisions on issue in kind, set off or other provisions, is to provide the board of directors with flexibility within the company financing and to enable an accelerated expansion and development of the company, its markets and products by e.g. acquisition of enterprises, businesses or other assets where payment wholly or partially shall be made with new issued shares and/or to enable the board of directors to swiftly obtain funds for such acquisitions.

The board of directors or the person appointed by the board of directors is authorised, to make such minor formal adjustments to the resolution, which may be required for registration with the Swedish Companies Registration Office and Euroclear Sweden AB. For a valid resolution, this proposal must be supported by shareholders with at least two thirds of the votes cast as well as of the shares represented at the meeting.

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The board of directors of Mentice AB