

THE NOMINATION COMMITTEE'S MOTIVATED STATEMENT TO THE 2023 ANNUAL GENERAL MEETING OF CTT SYSTEMS AB (PUBL)

Introduction

Prior to the Annual General Meeting 2023, the nomination committee comprise of Steven Buesing, representing Collins Aerospace, Jonathan Schönbäck representing ODIN Fonder, Patrik Jönsson representing SEB Investment Management AB and Tomas Torlöf (chairman of the nomination committee) representing Trulscor Förförvaltning AB. Together, the members of the nomination committee represent shareholders with just over 40 percent of the votes in the company. The fact that Tomas Torlöf as chairman of the board of directors is also chairman of the nomination committee is a deviation from 2.4 of the "Swedish Corporate Governance Code". The nomination committee justifies the deviation by stating that Tomas Torlöf is well suited to lead the work of the nomination committee in order to achieve the best results for all shareholders of the company. No remuneration has been paid to the members of the nomination committee. Shareholders have had the opportunity to submit proposals to the nomination committee. The nomination committee has not received any proposals.

The nomination committee's proposal to the Annual General Meeting 2023

- The nomination committee proposes that the board of directors shall consist of six members with no deputies.
- Directors: For the period until the next Annual General Meeting, the nomination committee proposes re-election of: Steven Buesing (elected 2018), Anna Carmo e Silva (elected 2022), Annika Dalsvall (elected 2013), Per Fyrenius (elected 2018), Björn Lenander (elected 2018) and Tomas Torlöf (elected 2013). Furthermore, the nomination committee proposes that Tomas Torlöf is re-elected as chairman of the board of directors.
- Information about all of the directors proposed for re-election is available on the company's website, www.ctt.se.
- Fees: The nomination committee has compared the fees of the board of directors in comparable companies and concludes that CTT has relatively low fees (around 70 % of the benchmark). The nomination committee proposes to increase the board fees by a total of 2.8 % by increasing them to SEK 185,000 (180,000) for members of the board of directors and to SEK 370,000 (360,000) for the chairman of the board of directors, i.e. a total of SEK 1,295,000 (1,260,000). The nomination committee proposes an unchanged fee for members of the audit committee of SEK 75,000 (75,000) to the chairman and SEK 40,000 (40,000) to other members, i.e. a total of SEK 155,000 (155,000).
- Auditor: In accordance with the audit committee's recommendation, the nomination committee proposes new election of the accounting firm PwC as auditor for the period up to and including the Annual General Meeting 2024. Regarding remuneration to the auditor, the nomination committee proposes that the general meeting resolves that this shall be paid in accordance with approved invoices. PwC has informed that Andreas Skogh will be the company's auditor in charge if PwC is elected as auditor.
- Instruction of the nomination committee: At the Annual General Meeting 2016, an instruction to the nomination committee was adopted that applies until further notice, regarding, among other things, the appointment of the nomination committee and the tasks of the nomination committee, prior to the company's Annual General Meetings. The nomination committee does not propose any changes to the current instruction to the nomination committee.

The nomination committee's work prior to the Annual General Meeting 2023 and motivated statement regarding the proposed board of directors

The nomination committee has, in addition to an inaugural meeting, held three meetings, interviewed all directors of the board and the CEO. In addition, the nomination committee has taken notice of an internal evaluation of the board of director's work, which was carried out digitally in October 2022. The nomination committee is of the opinion that the board of directors has functioned well during the year and that the chairman, and the other members, conduct the board work in a motivated and committed manner.

The nomination committee has evaluated the different types of experience and competencies that should be covered by the members of the board of directors in a company the size of CTT, international presence and technical width and depth. The nomination committee considers that the board of directors possesses expertise within the aviation industry, airlines, general leadership and organisational development, as well as strategic capabilities that, in combination, can ensure that the company is able to take advantage of its niche market position and make strategic



decisions that can generate value for the stakeholders of the company. Furthermore, it is assessed that the proposed directors of the board are able to devote the time necessary for the board work. It can be noted that the nomination committee has considered section 4.1 of the Swedish Corporate Governance Code (the “Code”) as a diversity policy in its work. It states that the composition of the board of directors shall be appropriate to the company’s business, stage of development and other circumstances, and shall be characterised by a diversity and width of competencies, experience and background of its members. Furthermore, it is stated that an equal gender balance should be sought. In the nomination committee’s proposal for a new board of directors, two of the six proposed members are women (33 %). The nomination committee notes that the aim is to achieve greater diversity in the board of directors over time.

The nomination committee’s proposal of board of directors complies with the independency requirements in the Code. It is the nomination committee’s assessment that all members of the board of directors, except for the chairman of the board of directors, are considered independent in relation to the company, the management and the major shareholders of the company. Information on the proposed members of the board of directors and statements of dependence and independence are available on the company’s website.

Stockholm, 21 February 2023
CTT SYSTEMS AB (publ)
The nomination committee