

# Corporate Governance Report 2022

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The Swedish Corporate Governance Code in force during the financial year 2022 (the “Code”) came into force on January 1, 2020. The rules of the Code are a supplement to the main provisions of the Swedish Companies Act (2005:551) regarding a company’s organization, but also to the relatively extensive self-regulation that exists for corporate governance in the Swedish markets. The Code is based on the principle of “comply or explain”. According to this principle a company may choose whether it wants to follow a clause in the Code, or explain why it has chosen not to.

## CORPORATE GOVERNANCE CODE APPLICATION

The common shares of VNV Global AB (publ) (the “Company”) are listed for trading on Nasdaq Stockholm. As a Swedish listed company, the Company applies the Code in full. The Company did not deviate from the Code during 2022.

The main principles of corporate governance in the Company are described below.

### Shareholders’ meetings

The Annual General Meeting (“AGM”) is the highest decision-making body of the Company, in which all shareholders are entitled to attend in person or by proxy. The AGM of the Company is generally held in Stockholm, Sweden, where the Company’s shares are listed and where most of the Company’s shareholders are domiciled, in the Swedish language but with simultaneous interpretation into English, once per year, no later than six months after the end of the financial year. In addition to traditional representation in person or by proxy, the 2022 AGM allowed for votes to be cast by advance voting pursuant to the 2020 Swedish Act on temporary exceptions to facilitate conducting general meetings in companies and associations, which had been reinstated on March 1, 2022 to remain in force throughout 2022.

The task of the AGM is to report on the financial results and take decisions on corporate matters, including payment of dividends and amendments to the Articles of Association. The AGM also appoints members of the Board of Directors and auditors, and determines the remuneration of the Board of Directors and auditors.

The AGM was held on May 12, 2022. Apart from customary matters, the 2022 AGM resolved to authorize the Board, during the period until the next Annual General Meeting and on one or more occasions:

- i) to resolve upon issuances of new shares, with or without deviating from the shareholders’ preferential rights, to be paid for in cash, in kind or by way of set-off, provided such issuance does not exceed an increase of 20 percent of the number of ordinary shares outstanding at the time of the resolution on the authorization; and
- ii) to buy back ordinary shares up to 10 percent of the Company’s total number of shares, subject to customary restrictions on share repurchases imposed under the Nasdaq Nordic Mainmarket Rulebook for Issuers of Shares.

In addition to the AGM, the Company held an Extraordinary General Meeting on March 11, 2022, which resolved on the adoption of a Long-Term Incentive Program for 2022 (described below).

### Major Shareholders

The largest shareholder is Acacia Partners, whose aggregate shareholding as at year-end 2022 amounted to 23,360,381 shares, representing a total of 19.55 percent of the outstanding shares of the Company. Other major shareholders include E. Öhman J:or AB, with a total of 20,174,064 shares, representing 16.53 percent of the outstanding shares of the Company, and Baillie Gifford & Co, with a total of 5,242,641 shares, representing 4.40 percent of the outstanding shares of the Company. There are no other shareholders holding more than 6 percent of the shares of the Company.

### Nomination Committee

Shareholders in the Company have the right to nominate members of the Board of Directors, and auditors, to the AGM.

At the 2022 AGM, it was resolved to establish a Nomination Committee consisting of representatives of the three largest shareholders of the Company, as at the last banking day of August 2022. The Nomination Committee for the 2023 Annual General Meeting consists of the following members: Jake Hennemuth, appointed by Acacia Partners, Björn Fröling, appointed by E. Öhman J:or AB, Stephen Paice, appointed by Baillie Gifford & Co, and Lars O Grönstedt, Chairman of the Board. At the Nomination Committee’s first meeting Björn Fröling was elected Chairman of the Committee. The Nomination Committee’s task is to prepare proposals for the following resolutions at the 2023 AGM: (i) election of the chairman of the AGM, (ii) the election of Board members, (iii) the election of the Chairman of the Board, (iv) the remuneration of the directors, (v) election of auditors and remuneration of the Company’s auditors, and (vi) proposals on the nomination process for the AGM 2024.

In proposing Board members for election at the AGM, the Nomination Committee is guided by section 4 of the Code, which contains provisions regarding diversity and breadth of qualifications, experience and background, gender equality, and the directors’ independence of the company, its executive management and major shareholders.

### Appointment and Remuneration of the Board of Directors and the Auditors

The Board shall consist of not less than 3 and not more than 10 directors with no alternate directors. The Board is appointed annually at the AGM for the period until the closing of the next AGM. The term of office of a director may be terminated prematurely at the director’s own request to the Board or by the general meeting. In addition, the office of a director may be terminated prematurely by the Board upon the occurrence of any of the following events: (i) if he/she becomes of unsound mind or a patient for any purpose of any statute or applicable law relating to mental health; (ii) if he/she becomes bankrupt or compounds with his creditors; or (iii) if he/she is prohibited by law from being a director. Where a director’s term of office is terminated prematurely, then the other directors shall take steps to have a new director appointed by the general meeting, for the remaining term of the office. However, such new appointment may be postponed until the next AGM at which an election of directors shall take place, provided that the remaining directors form a quorum and that the remaining number of directors is not less than the prescribed minimum number of directors.

Auditors are elected by the AGM for a term of one year at a time.

### The 2022 Board of Directors

The 2022 AGM resolved, in accordance with the Nomination Committee’s proposal, to re-elect Josh Blachman, Per Brilioth, Lars O Grönstedt, Ylva Lindquist and Keith Richman, with Lars O Grönstedt as Chairman. All Directors are independent vis-à-vis the Company and its management, with the exception of Per Brilioth, who is Managing Director of the Company. All Directors are independent of the Company’s major shareholders.

#### *Board of Directors*

##### Lars O Grönstedt

##### Chairman

Swedish citizen, born 1954. Member of the Board since 2010 and Chairman since 2013. Chair of the Compensation Committee and member of the Audit Committee since 2018. Lars O Grönstedt holds a BA in languages and literature from Stockholm University and an MBA from Stockholm School of Economics. Mr. Grönstedt spent most of his professional life at Handelsbanken. He was CEO of the bank 2001–2006 and Chairman 2006–2008. Today he is, among other

things, Chairman of VEF AB and of the housing association Blå Tornet, member of the board in the Fabius group of companies, speaker of the body of elected representatives at SEB Trygg Liv and council member Global Access Partners, Australia. *Holdings in the Company:* 11,400 Common Shares (including 4,100 through closely associated person) and 820 Warrants. *Remuneration:* USD 207 thousand. No agreement regarding severance pay or pension.

Josh Blachman  
Board member

US citizen, born 1974. Member of the Board since 2013 and Chair of the Audit Committee since 2018. Josh Blachman is a Founder and Managing Director of Atlas Peak Capital, an investment firm focused on private technology companies. Prior to co-founding Atlas Peak Capital, Josh Blachman was a Vice President at Saints Capital where he completed a variety of investments in private technology companies. Previously, Josh Blachman worked in the Corporate Development groups at Microsoft and Oracle where he evaluated and executed both acquisitions and investments. Josh Blachman holds Bachelor and Master of Science degrees in Industrial Engineering from Stanford University and an MBA from the Stanford Graduate School of Business. *Holdings in the Company:* 17,790 Common Shares. *Remuneration:* USD 101 thousand. No agreement regarding severance pay or pension.

Ylva Lindquist  
Board member

Swedish citizen, born 1961. Member of the Board since 2015. Ylva Lindquist is Vice President Compliance, Epiroc Group. Formerly Vice President and General Counsel, EMEA at Xylem Inc and Partner at Hammarskiöld & Co. She has also been junior judge at Stockholm City Court. Ylva Lindquist holds a Master of Law from Stockholm University. *Holdings in the Company:* 8,600 Common Shares and 854 Warrants. *Remuneration:* USD 95 thousand. No agreement regarding severance pay or pension.

Keith Richman  
Board member

US citizen, born 1973. Member of the Board since 2013 and member of the Compensation Committee since 2018. Keith Richman is currently CEO of Boosted Commerce, an eCommerce aggregation platform selling across Amazon, DTC and Wholesale channels.

Until September 2018, Keith Richman was Founder and President of Defy Media, an Internet entertainment community for men. Prior to co-founding Defy Media, Keith Richman was the Co-Founder and Vice-President of OnePage (acquired by Sybase 2002) and Co-Founder and Director of Business Development for Billpoint Inc. (acquired by eBay in 1999). Previous posts include Director of Corporate Planning at the Walt Disney Company, where he focused on consumer products, cable and emerging media. Keith Richman holds Bachelor and Master of Arts degrees in International Policy Studies from Stanford University. *Holdings in the Company:* 20,790 Common Shares. *Remuneration:* USD 101 thousand. No agreement regarding severance pay or pension.

Per Brilioth

Managing Director and Board member  
Swedish citizen, born 1969. Member of the Board and Managing Director since 2007. Between 1994 and 2000, Per Brilioth was head of the Emerging Markets section at Hagströmer & Qviberg and he has worked close to the Russian stock market for a number of years. Per Brilioth is a graduate of Stockholm University and holds a Master of Finance from London Business School. *Other significant board assignments:* member of the boards of VEF AB, Kontakt East Holding AB, NMS Invest AB and Voi Technology AB. *Holdings in the Company:* 1,679,619 Common Shares (of which 40,000 are Saving Shares under LTIP 2019, 2020 and 2021 and including 18,000 held by closely associated person), 940,940 Shares of Class C 2019\*, 235,235 shares of Class C 2020\*, 262,500 Shares of Class C 2021 and 221,080 Warrants (including 3,000 held by closely associated person). *Salary and variable remuneration:* USD 822 thousand (2021: 947). *Agreement regarding severance pay and pension:* Per Brilioth has the right of twelve months' full salary in the event of termination by the Company. Should he resign on his own initiative, he must give six months' notice. Per Brilioth enjoys a contribution-based pension plan in line with Swedish market practice.

*Board meetings*

The Board of Directors meets at least three times per year in person, and more frequently when necessary. In addition, meetings are conducted by telephone if considered necessary, and, on occasion, resolutions may be passed by circulation. The Managing Director is in regular contact with the Chairman of the Board

of Directors as well as with the other members of the Board of Directors. During 2022, the Board held a total of twelve meetings, of which four physical meetings, six by video conference and two by circulation.

*Evaluation of the Board of Directors and Managing Director*

The Chairman of the Board annually conducts an evaluation of the Board by distributing self-assessment forms and conducting one-on-one interviews with the other Board members with a view to assessing how well the Board functions and whether there are areas that need improvement or competences that are deemed lacking. The Chairman compiles the results of the self-assessment forms and interviews and presents them to the Nomination Committee along with any issues raised by Board members during the year.

The Board evaluates the work of the Managing Director at one of the three regular in person meetings in the form of a discussion in camera (without management present) at which the performance of senior management is also discussed.

*Work and Responsibilities*

The Board of Directors adopts decisions on overall issues affecting the Group which include preparing and issuing investment recommendations to the Board of the subsidiary. The Board of Directors' primary duties are the organization of the Company and the management of the Company's operations including:

- Decisions regarding the focus of the business and adoption of Company policies;
- Supply of capital;
- Appointment and regular evaluation of the work of the Managing Director and Company management;
- Approval of the reporting instructions for the Company management;
- Ensuring that the Company's external communications are open, objective and appropriate for target audiences;
- Ensuring that there is an effective system for follow-up and control of the Company's operations and financial position vis-à-vis the established goals; and
- Follow-up and monitoring that the operations are carried out within established limits in compliance with laws, regulations, stock exchange rules, and customary practice on the securities market.

*Composition of the Board of Directors, elected on May 12, 2022, including meeting attendance*

Name	Elected to the Board	Position	Independent in relation to the Company and the Company's management	Independent in relation to the Company's major shareholders	Attended Board meetings	Annual Board fee, USD thousand <sup>1</sup>
Lars O Grönstedt	2010	Chairman	Yes	Yes	100%	207 <sup>2,3</sup>
Josh Blachman	2013	Member	Yes	Yes	100%	101 <sup>2</sup>
Per Brilioth	2007	Member	No	Yes	100%	–
Ylva Lindquist	2015	Member	Yes	Yes	90%	95
Keith Richman	2013	Member	Yes	Yes	100%	101 <sup>3</sup>
Number of meetings					10	504

1. The table shows the remuneration as resolved at the 2022 AGM.

2. Includes remuneration for participation in the Audit Committee.

3. Includes remuneration for participation in the Compensation Committee.

The Board shall on a continuous basis (at least once a year) meet with the Company's auditors to stay informed of the direction and extent of the audit. The Board and the auditors shall also discuss the coordination between internal control and external audit and the auditors' views on potential risks to the Company's quality of reporting.

The Board shall on an annual basis in connection with the end of the financial year, evaluate the performance by the Company's auditors. They shall inform the nomination committee of the result of the valuation, to be considered when they nominate auditors for the Annual General Meeting ("AGM").

The Board shall further assist the nomination committee in the process of nominating auditors and proposing the remuneration for the auditors.

#### *Sub-committees of the Board*

The Board has among its members constituted an Audit Committee and a Compensation Committee.

#### Audit Committee

The main tasks of the Audit Committee follow from Chapter 8, Section 49b of the Swedish Companies Act, which prescribes in pertinent part that, provided the responsibility and tasks of the Board shall not be otherwise affected, the Audit Committee shall

1. Supervise the Company's financial reporting and issue recommendations and proposals to ensure the veracity of the reporting;
2. With regard to the financial reporting, supervise the effectiveness of the Company's internal controls and risk management;
3. Keep informed of the audit of the Annual Report and Group Annual Report and of the conclusions of the quality control of the Swedish Inspectorate of Auditors;
4. Inform the Board on the results of the audit and on the manner in which the audit contributed to the veracity of the financial reporting and the role played by the Audit Committee;
5. Review and supervise the impartiality and independence of the Auditor and in particular note whether the Auditor provides other services to the Company besides audit services; and
6. Contribute to the proposal to the General Meeting regarding election of Auditors.

The Audit Committee has held four meetings during 2022, where both members were present.

#### Compensation Committee

The main task of the Compensation Committee is to review and propose amendments to the Remuneration Principles as well as to propose for the Board's consideration the structure and size of the Company's long term incentive programs and other variable remuneration as well as the annual remuneration of the Managing Director. The Compensation Committee consists of Lars O Grönstedt (Chair) and Keith Richman. The Compensation Committee has held three meetings during 2022, where both members were present.

#### **Management**

The Managing Director, who is a member of both the Board of Directors as well as of group management, prepares and issues investment recommendations in co-operation with the other members of the Board. For a detailed presentation of the management, see the section "Board of Directors, group management and auditors".

#### *Group Management in 2022*

Per Brilioth: Managing Director.

Nadja Borisova: Chief Financial Officer.

Anders F. Börjesson: General Counsel.

Björn von Sivers, Investor Relations and Investment Manager.

Per Brilioth: Managing Director

See also heading "Board of Directors" above.

Nadja Borisova: Chief Financial Officer

Swedish citizen, born 1968. Employed since 2010.

*Holdings in the Company*: 176,760 Common Shares (of which 17,050 are Saving Shares under LTIP 2019, 2020, 2021 and 2022), 325,710 Shares of Class C 2019, 81,428 Shares of Class C 2020, 91,000 Shares of Series C 2021, 112,000 Shares of Series C 2022 and 23,520 Warrants.

Anders F. Börjesson: General Counsel

Swedish citizen, born 1971. Employed since 2008.

*Holdings in the Company*: 76,900 Common Shares (of which 17,050 are Saving Shares under LTIP 2019, 2020, 2021 and 2022 and including 3,000 held by closely related persons), 325,710 Shares of Class C 2019, 81,428 Shares of Class C 2020, 91,000 Shares of Class C 2021, 112,000 Shares of Class C 2022 and 53,600 Warrants (of which 200 held by closely associated persons).

Björn von Sivers: IR and Investment Manager

Swedish citizen, born 1988. Employed since 2012.

*Holdings in the Company*: 42,862 Common Shares (of which 17,750 are Saving Shares under LTIP 2019, 2020, 2021 and 2022), 325,710 Shares of Class C 2019, 81,428 Shares of Class C 2020, 91,000 Shares of Class C 2021, 129,500 Shares of Series C 2022 and 8,080 Warrants.

#### *Other management*

In addition to the Group Management, the Group retains the services of local directors in its subsidiaries, of whom four in Cyprus and one in Bermuda.

#### **Investor Relations**

The Investor Relations function of the Company is handled in-house by Björn von Sivers, and, during his parental leave from July 2022 through January 2023, by Dennis Mohammad.

#### **Remuneration of the Board of Directors and group management**

*Remuneration of the Company's Board of Directors*

At the 2022 AGM it was resolved that the remuneration of the Board of Directors remain unchanged at a total of USD 504 thousand, with USD 195 thousand to the Chairman and USD 95 thousand to each of the three other Directors who were not employed by the Company and that a total of USD 24 thousand be allocated to work on Board committees, of which 6 thousand to each of two members of the Audit Committee and 6 thousand to each of two members of the Compensation Committee. The Nomination Committee encourages each Director – for so long as the value of his or her shareholding in the Company is less than their annual Board fee – to apply 25 percent of their annual Board fee toward purchasing shares in the Company.

#### *Remuneration of the senior management*

New guidelines for the remuneration of senior management (the "Guidelines") were adopted at the 2020 AGM.

The Guidelines stipulate that remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of the Guidelines – resolve on share or share price-related remuneration as well as other forms of remuneration without limitation.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration may amount

to not more than 100 per cent of the fixed annual cash salary. Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance and one-time highly remarkable achievements and results. Such remuneration may not exceed an amount corresponding to 200 per cent of the fixed annual cash salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the Board of Directors based on a proposal from the Compensation Committee.

For the Managing Director and other executives, pension benefits, including health insurance, shall be premium-defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

Other benefits may include, for example, life insurance, medical insurance (Sw. sjukvårdsförsäkring) and partial compensation for loss of salary in connection with parental leave. Such benefits may amount to not more than 50 per cent of the fixed annual cash salary.

In 2022, the Managing Director received a fixed annual salary of USD 502 thousand (2021: 476). The Managing Director was awarded variable remuneration for 2022 in the amount of USD 320 thousand (2021: 471). The Managing Director has a pension plan based on Swedish market practice, which is accounted for as a defined contribution plan in accordance with IAS 19. The premium is calculated on the basis of the Managing Director's base salary. The Managing Director is entitled to 12 months' full salary in the event of termination by the Company. Should he himself choose to resign the notice period is six months.

The combined fixed annual salary to the other senior executives amounted to a total of approximately USD 504 thousand (2020: 599). The senior management was awarded variable remuneration for 2022 in the amount of USD 917 thousand (2021: 1,059). This includes retention payments in the aggregate amount of USD 198 thousand to senior staff to address the negative impact to them of incentive program LTIP 2018. Like the Managing Director, the other senior executives have a pension plan based on Swedish market practice, which is accounted

for as a defined contribution plan in accordance with IAS 19. The premium is calculated on the basis of base salary. Other benefits include market-based work injury insurance, life insurance, private health insurance as well as compensation for loss of salary in connection with parental leave. The employment agreements of the other members of the group management have a mutual notice period of three months.

### Incentive programs

During 2022, there were a total of four incentive programs outstanding in the Company. The main features and status of these programs during 2022 are set out below. For further details, see Note 19 of the Company's 2022 Annual Report.

**LTIP 2019, LTIP 2020, LTIP 2021 and LTIP 2022**, (adopted at a Special General Meeting in VNV Global Ltd held on 22 August 2019, Annual General Meeting in VNV Global Ltd held on 12 May 2020, Annual General Meeting of the Company on 4 May 2021 and Extraordinary General Meeting held on 11 March 2022, respectively). Participants in the programs are invited to purchase a number of common shares in the Company, designated savings shares. For each purchased savings share, participants are then entitled to subscribe for one share of a new class of redeemable common shares (incentive shares of Series C 2019, C 2020, C 2021, C 2022, respectively) in the Company. Depending on the performance of both the Company's NAV and of the VNV share price over the five-year measurement period (January 1, 2019 through December 31, 2023, January 1, 2020 through December 31, 2024, January 1, 2021 through December 31, 2025, and January 1, 2022 through December 31, 2026, respectively), the incentive shares will be either redeemed by the Company for a nominal amount or reclassified as ordinary common shares. The Company subsidized the subscription price payable by participants for the incentive shares in LTIP 2019 and LTIP 2020 (but not LTIP 2021 or LTIP 2022). LTIP 2019 matures in 2024, LTIP 2020 matures in 2025 and LTIP 2021 matures in 2026, and LTIP 2022 in 2027 (but fully vests in 2025).

### Other matters related to remuneration

In addition to their Board fees as resolved by the 2022 AGM, two Directors, Josh Blachman and Keith Richman, have during 2022 received remuneration for consultancy services outside the scope of their duties as Directors in the Company under separate contract. The gross annual cost per contract is USD 102 thousand annually.

There are no agreements on severance payment or pensions for the Board of Directors with the exception for Per Brilioth in his capacity as Managing Director, see "Remuneration of the senior management" above.

Except as otherwise stated there are no reserved or accrued amounts in the Company for pensions or other post-employment or post-assignment for members of the Board of Directors or the senior executives.

### Treasury Shares

As at January 1, 2022, the Company held a total of 906,119 common shares acquired pursuant to a repurchase mandate granted at the 2021 AGM. During 2022, 951,830 shares were repurchased and 1,535,078 previously repurchased shares were cancelled by resolution of the 2022 AGM. The remaining 322,871 repurchased shares are held in treasury.

### Auditors

At the 2022 AGM, the audit firm PricewaterhouseCoopers AB, Sweden ("PwC"), was appointed as auditor for the period up to the next AGM.

Bo Karlsson, born 1966. Authorized Public Accountant at PwC's Gothenburg office serves as Auditor in charge. Bo Karlsson replaces previous Auditor in Charge Martin Oscarsson, who served as Auditor in the Company since 2019 and who left PwC in 2022.

During 2022, PwC conducted their review of the company's interim report for the third quarter in accordance with ISRE 2410.

In addition to the audit assignment, the Company has consulted with PwC in connection with the rights issue as well as on general tax and accounting issues. The remuneration paid to PwC during 2022 is disclosed in note 6 to the consolidated financial statements.

PwC is obliged to verify its independence before accepting independent advisory assignments from the Company.

### Internal control

The Board of Directors is responsible for the Company's organization and administration of the Company's activities, which includes internal control. Internal control in this context regards those measures taken by the Company's Board of Directors, management and other personnel, to ensure that bookkeeping, asset management and the Company's financial condition in general are controlled in a reliable fashion and in compliance with relevant legislation, applicable

accounting standards and other requirements for listed companies. This control is exercised by the Board in its entirety. This report on internal control is made in accordance with section 7.4 of the Code, which governs internal control over the financial reporting, and in accordance with guidance provided by FAR, the institute for the accounting profession in Sweden, and by the Confederation of Swedish Enterprise.

VNV is an investment company whose main activity is the management of financial investments. As such, the Company's internal control over financial reporting is focused primarily on ensuring an efficient and reliable process for managing and reporting on purchases, sales and holdings of shares and equity-related instruments. According to the Swedish Corporate Governance Code, the Board shall ensure that the company has an adequate internal control and shall continuously evaluate the Company's internal control system. Since VNV is a relatively small organization, the Board has decided that an internal audit function is not needed, since the internal control can be maintained through the work methods described above. The system of internal control is normally described in terms of five different areas that are a part of the internationally recognized framework introduced in 1992 by The Committee of Sponsoring Organizations in the Treadway Commission (COSO). These areas, described below, are control environment, risk assessment, control activities, information and communication and monitoring.

Management continuously monitors the Company's operations in accordance with the guidelines set out below.

### Control environment

The control environment, which forms the basis of internal control over financial reporting, to a large extent exists of the core values which the Board of Directors communicate and themselves act upon. VNV's ambition is that values such as precision, professionalism and integrity should permeate the organization. Another important part of the control environment is to make sure that such matters as the organizational structure, chain of command and authority are well defined and clearly communicated. This is achieved through written instructions and formal routines for division of labor between the Board of Directors on the one hand, and management and other personnel on the other. The Board of Directors establishes the general guidelines for VNV's core business, which comprises purchases, sales and holdings of shares

and equity-related instruments. To ensure a reliable and predictable procedure for purchases and sales of securities the Company has established a sequential process for its investment activities. The Board of Directors as a whole is responsible for identifying and reviewing potential investments or divestments. After review, a majority is needed to issue a recommendation for sale or purchase, upon which investment decisions are made by the board of directors of VNV (Cyprus) Limited, VNV Sweden AB or, in certain cases, of Vostok Co-Investment Coöperatief BA. As for the investment process, as for all other company activities they are governed by internal guidelines and instructions. VNV has a small and flat organizational structure. The limited number of staff members and the close cooperation among them contribute to high transparency within the organization, which complements fixed formal control routines. VNV's Chief Financial Officer is responsible for the control and reporting of the Company's consolidated economic situation to management and Board of Directors.

### Risk assessment

The Board of Directors of VNV is responsible for the identification and management of significant risks for errors in the financial reporting. The risk assessment specifically focuses on risks for irregularities, unlawful benefit of external parties at VNV's expense and risks of loss or embezzlement of assets. It is the ambition of VNV to minimize the risk of errors in the financial reporting by continuously identifying the safest and most effective reporting routines. An internal control review is performed by management and assessed by the Board of Directors on a quarterly basis in connection with the review of the Company's quarterly reports. The Company's flat organizational structure and open internal communication facilitate the work to identify potential shortcomings in the financial reporting, and also simplify implementation of new, safer routines. The Board of Directors puts most effort into ensuring the reliability of those processes that are deemed to hold the greatest risk for error or where potential errors would have the most significant negative effect. Among other things this includes establishing clearly stated requirements for the classification and description of income statement and balance sheet items according to generally accepted accounting principles and applicable legislation. Another example is the routine of a sequential procedure for investment recommendations and approvals of the same.

*Control activities*

To verify compliance with the requirements and routines established in response to the risk assessment made, a number of concrete control activities need to be put in place. The purpose of the control activities is to prevent, detect and rectify any weaknesses and deviations in the financial reporting. For VNV's part such control activities include the establishment of verifiable written decisions at every instance in the investment procedure. In addition, after every completed transaction, purchase or sale, the whole process is examined to verify the validity of the transaction, from recommendation to approval, execution and entry of the transaction into the Company's books. Bank and share ledger reconciliations are also performed and compared to reported financial statement items. Control activities also include permanent routines for the presentation and reporting of company accounts, for example monthly reconciliations of VNV's assets and liabilities as well as quarterly reconciliation of portfolio changes. Special focus is also put on making sure that the requirements and routines for the accounting procedure, including consolidation of accounts and creation of interim and full year reports comply with pertinent legislation as well as generally accepted accounting principles and other requirements for publicly listed companies. Controls have also been carried out to ensure that the IT-/computer systems involved in the reporting process have a sufficiently high dependability.

*Regulatory Compliance*

VNV acknowledges the importance of complying with international best practice in relation to such fields as anti-bribery, anti-money laundering and international sanctions. These issues become all the more relevant with the Company's expanding geographic footprint, which includes jurisdictions which are subject to international sanctions and with a perceived heightened risk for corruption. To ensure full compliance by the Company and its portfolio companies with international norms, the Company has commissioned a tailored Compliance Tool Box, which includes checklists for use before and after investing, due diligence questionnaires and model contract clauses, all with the aim of ensuring that compliance permeates all aspects of the investment process. With the Compliance Tool Box now in its fourth year of operation, management continues to implement and adjust its content to make sure that the right balance between stringent control and expediency are maintained.

*Information and communication*

VNV has tried to ensure an efficient and accurate provision of information internally and externally. For this purpose the Company has established fixed routines and invested in reliable technical applications to guarantee a fast and reliable way of sharing information throughout the organization. Internal policies and general guidelines for financial reporting are communicated between the Board of Directors, management and other personnel through regular meetings and e-mails. VNV's flat organizational structure and limited number of staff members further contributes to the efficient sharing of accurate information internally. To ensure the quality of the external reporting, which is an extension of the internal reporting, there is a written communication policy which sets out what information shall be communicated and how it shall be communicated.

*Monitoring*

The Board of Directors receives monthly NAV reports and detailed quarterly reports on VNV's financial position and changes in its holdings. The Company's financial situation and strategy are discussed at every Board meeting, as well as any problems in the business and financial reporting since the last Board meeting. Potential reported shortcomings are followed up via management. The Company prepares interim reports four times annually which are reviewed by the Board. A review of the Company's accounts is also performed by the Auditors at least once a year in addition to the comprehensive audit in connection with the Annual Report.

VNV is in full compliance with the NOREX member rules for issuers, which are rules and regulations for members and trading in the SAXESS system for each exchange in the NOREX-alliance, i.e. Nasdaq Nordic Exchanges in Copenhagen, Helsinki, Iceland and Stockholm, and Oslo Börs. There has not been any infringement to fair practices on the Swedish stock market.

Lars O Grönstedt  
Chairman

Josh Blachman  
Board member

Ylva Lindquist  
Board member

Keith Richman  
Board member

Per Brilioth  
Managing Director and Board member

# Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in  
VNV Global AB (publ), corporate identity number  
556677-7917

## Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2022 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 auditing 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.

## Opinions

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.

Gothenburg February 17, 2023

## PricewaterhouseCoopers AB

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