

The Nomination Committee's statement regarding the proposal for the Board of directors of Hemnet Group AB (publ) at the Annual General Meeting 2023

Background

Hemnet Group AB (publ)'s nomination committee for the annual general meeting 2023 consists of Henrik Persson (General Atlantic RR B.V.), Jonas Bergh (Mäklarsamfundet Bransch i Sverige AB), Andreas Haug (Vor Capital LLP) and Jonathan Schönback (Odin Funds) jointly representing approximately 24.69 percent of the voting rights for all shares in Hemnet Group AB (publ), and Chris Caulkin (chair of the board of directors). The nomination committee was, in accordance with the instruction adopted by the annual general meeting 2022, composed based on the shareholdings in Hemnet Group AB (publ) as per 31 August 2022.

On 31 January 2023 General Atlantic RR B.V. confirmed that it had sold its shares in Hemnet. On 3 February 2023 Didner & Gerge flagged a shareholding of 8.3 percent in Hemnet. According to the instruction for the nomination committee, ownership changes that occur later than four months before the Annual General Meeting shall not result in any changes to the composition of the nomination committee. A shareholder that has become one of the four largest shareholders on account of a more significant change in the number of votes held later than four months before the Annual General Meeting shall, however, be entitled to appoint a representative who shall be invited to participate in the committee's work as a co-opted member. Didner & Gerge was in accordance with the instructions invited to participate, and appointed Per Johansson as co-opted member, who has confirmed that he supports the nomination committee's proposal.

Shareholders have been given the opportunity to submit proposals to the nomination committee. No proposals from shareholders have been received.

Presentation of the nomination committee's work

The nomination committee has before the annual general meeting 2023 held six formal meetings. The nomination committee has stayed in contact between the meetings and the new members of the committee have also met with the CEO of Hemnet Cecilia Beck-Friis and with the board members.

The nomination committee's work has been focused on the nomination of a new chair of the board of directors, a work initiated by the former nomination committee. In the process of searching for a new chair the committee engaged a well-renowned recruitment firm, tasked with presenting diverse candidates meeting a number of criteria set by the committee. The committee conducted a number of interviews with several candidates. On 12 December 2022, the Nomination Committee announced its decision to propose that the AGM on 27 April 2023 elects Anders Nilsson as new chair of the board of directors of Hemnet.

The nomination committee has been presented with the results from an evaluation of the board of directors, performed by an external service provider: Amrop Sweden. The committee has noted that all board members have high attendance and that they are engaged in the company and the board's work. The committee has also evaluated each board member's ability to devote necessary time for the board work.

The nomination committee has evaluated the current board of directors' size and composition, together with the specific requirements that Hemnet Group AB (publ)'s operation imposes on the board members' competence, experience, diversity and breadth (including gender, nationality, industry experience and age).

The nomination committee considers that it is important that the fees to the board of directors are competitive in order to enable recruitment and retention of relevant competence. The proposal for the board of director's remuneration has thus been determined based on the scope of the required work and through a comparison with the board remuneration in companies of comparable size and complexity on Nasdaq Stockholm and international peers.

Assessment of the proposed board of directors

The committee has particularly considered the matter of the board's size, following Chris Caulkin's decision to decline re-election. It is the committee's opinion that a board with seven board members is an adequate size and that the proposed chair of the board of directors, Anders Nilsson, with his many years of experience from executive and leading positions within Swedish consumer-oriented, technology-driven and public companies adds valuable competence to the board. Anders Nilsson was most recently CEO of Com Hem AB and then of Tele2 AB, in connection with the merger of the two companies, between the years 2014 and 2020. The nomination committee has, based on the work described above, concluded that the proposed board of directors has an appropriate composition and size with the competence, experience, qualifications, diversity and breadth as deemed necessary to support Hemnet Group AB (publ)'s operation and long-term strategic work.

The nomination committee has applied rule 4.1 of the Swedish Corporate Governance Code as diversity policy in its nomination work. The nomination committee has assessed the requirements of the Swedish Corporate Governance Code regarding appropriate composition, versatility and diversity in regards to the proposed board members' competence, experience, background and the aspiration for a more equal gender composition. The nomination committee has also duly considered Hemnet's new Sustainability Policy (adopted in December 2022) which includes a long-term gender distribution goal based on the Swedish Equality Authority's definition of equality. The nomination committee acknowledges the gender balance in the proposed board of directors, but has also considered the advantage of continuity and knowledge of the company and therefore proposes re-election of six members of the board.

The nomination committee has, following assessment of the independence of the proposed board members, concluded that the board composition, as proposed by the nomination committee, meets the requirements of independence as set out by the Swedish Corporate Governance Code.

Assessment of the proposed fees to the board of directors

The nomination committee has concluded that the proposed fees to the board of directors are, in comparison to board fees in other companies of the same size and complexity, in line with market practice and therefore competitive and reasonable.

The nomination committee of Hemnet Group AB (publ)

Stockholm, March 2023