



**DOCUMENTS TO THE ANNUAL GENERAL MEETING
TUESDAY, 9 APRIL 2024 IN CLOETTA AB (PUBL)**

CONTENT

1. The Board of Directors' proposal for agenda
2. The nomination committee's proposal to the Annual General Meeting, report on its work and statement regarding the proposal for Board of Directors and auditor
3. Information about the proposed members of the Board of Directors
4. The Board of Directors' proposal regarding disposition of earnings
5. Statement by the Board of Directors pursuant to Chapter 18 Section 4 and Chapter 19 Section 22 of the Swedish Companies Act





THE BOARD OF DIRECTORS' PROPOSAL FOR AGENDA

1. Opening of the meeting
2. Election of the chairman of the meeting
3. Drawing up and approval of voting list
4. Approval of the agenda
5. Election of two persons to verify the minutes
6. Determination as to whether the Annual General Meeting has been duly convened
7. Presentation of the annual report and the auditor's report, as well as the consolidated financial statements and the consolidated audit report, for the financial year 1 January - 31 December 2023
8. Report by the chairman of the board on the work of the board
9. Presentation by the CEO
10. Resolution on adoption of the income statement and the balance sheet as well as the consolidated income statement and consolidated balance sheet
11. Resolution on disposition of the company's earnings according to the approved balance sheet, and record day for any dividend
12. Presentation of remuneration report for approval
13. Resolution on discharge from personal liability of the directors and the CEO
14. Resolution on the number of directors
15. Resolution on remuneration to be paid to the directors and to the auditor
16. Election of directors
17. Election of chairman of the board
18. Election of auditor
19. Proposal regarding
 - (A) long-term share-based incentive plan (LTI 2024) and
 - (B) transfer of own B-shares under LTI 2024
20. Proposal regarding authorisation for the Board of Directors to resolve upon repurchase and transfer of own B-shares
21. Closing of the meeting



THE NOMINATION COMMITTEE'S PROPOSAL TO THE ANNUAL GENERAL MEETING, REPORT ON ITS WORK AND STATEMENT REGARDING PROPOSAL FOR BOARD OF DIRECTORS AND AUDITOR

The nomination committee's proposal to the Annual General Meeting

Cloetta's nomination committee, consisting of Lars Schedin, chairman, appointed by AB Malfors Promotor, Johan Törnqvist, appointed by Ulla Håkanson, Victoria Lidén, appointed by Storebrand Fonder AB, and Mikael Norman, appointed by the Board of Directors of Cloetta AB, shall in accordance with the resolution by the Annual General Meeting of Cloetta AB on 4 April 2023, prepare proposals to the next Annual General Meeting regarding:

- Chairman of the Annual General Meeting.
- Number of members of the Board of Directors.
- Members of the Board of Directors to be elected by the Annual General Meeting.
- Chairman of the Board of Directors.
- Remuneration to the members of the Board of Directors elected by the Annual General Meeting distributed between the chairman, any deputy chairman, other members of the Board of Directors, and for work on the committees.
- Remuneration to the auditors.
- Election of auditor.
- Rules for the nomination committee.

The nomination committee proposes the following to the Annual General Meeting

- Fredrik Lundén is proposed as chairman of the Annual General Meeting.
- The Board of Directors shall comprise seven members with no deputies.
- The nomination committee proposes re-election of the board members Patrick Bergander, Malin Jennerholm, Pauline Lindwall, Alan McLean Raleigh, Camilla Svenfelt and Mikael Svenfelt. Morten Falkenberg is proposed as new board member. Information regarding the proposed board members is set out in Schedule A.
- Morten Falkenberg is proposed to be elected as new chairman of the Board.
- It is proposed that the chairman of the Board shall be paid a fee of SEK 800,000 (previously SEK 750,000) and that each of the other directors elected by the Annual General Meeting shall be paid a fee of SEK 340,000 (previously SEK 325,000). Furthermore, it is proposed that fees shall be payable for work in the Board's committees with SEK 110,000 to each member of the audit committee (previously SEK 100,000) and with SEK 175,000 to the chairman of the audit committee (previously SEK 150,000) and with SEK 100,000 to each member of the remuneration committee (unchanged) and with SEK 150,000 to the chairman of the remuneration committee (unchanged). The proposal by the nomination committee constitutes a total fee to the Board of SEK 3,585,000 (previously SEK 3,400,000), including work on the committees.
- The nomination committee proposes, in accordance with the audit committee's recommendation, that the registered auditing company, Öhrlings PricewaterhouseCoopers AB ("PwC"), shall be re-elected as auditor until the end of the next Annual General Meeting. PwC has informed that Sofia Götmar-Blomstedt will be appointed as the auditor in charge.
- Remuneration to the auditor is proposed to be paid in accordance with approved invoices.



- No changes are proposed to the rules for the nomination committee.

The nomination committee's report on its work

The nomination committee has had the assignment to prepare the proposals to the Annual General Meeting as set out above. Information has been held available on the company's website about how shareholders have been able to submit proposals to the nomination committee.

The nomination committee has held five recorded meetings, including interviews with potential board candidates, and has had continuous contacts in between meetings. The nomination committee has also taken part of the result of the evaluation of the Board of Directors, had contacts with current board members and has taken part of the audit committee's recommendation as regards auditor.

In its work, the nomination committee has strived for gender balance on the Board and has concluded that the Board has had an almost even gender distribution during recent mandate periods. The composition of the proposed Board will reach the ambition that the Swedish Corporate Governance Board previously has expressed of 40 percent representation of the least represented gender. In addition, the nomination committee has taken into account that the Board shall exhibit diversity and breadth of qualifications, experience and background. The nomination committee has in its proposal for election of the Board of Directors applied rule 4.1 of the Swedish Corporate Governance Code as its diversity policy.

Statement regarding the nomination committee's proposal for the Board of Directors

Prior to the Annual General Meeting 2024, chairman Mikael Norman has declined re-election and the nomination committee has had to assess the skills and experience that a successor to Mikael Norman should have, as well as the overall skills that are important for the Board in the future.

The nomination committee's interviews and evaluation of the Board and its work have indicated that the work of the Board is very well-functioning and that the Board of Directors is well composed. The nomination committee has therefore made the assessment to propose that the Board of Directors shall continue to consist of seven members elected by the general meeting and that all board members, except Mikael Norman, shall be proposed for re-election.

Considering that Mikael Norman has declined re-election and taken into account Cloetta's business and stage of development, the nomination committee assesses that there are reasons for a successor to Mikael Norman to have broad experience from leading positions and board work in listed companies, a clear operational focus and experience and knowledge from FMCG and factory investments.




It is the nomination committee's assessment that the proposed new board member and chairman Morten Falkenberg has the competence and experience that the nomination committee seeks (for more information about Morten Falkenberg, see the section "Information about the members of the Board of Directors"). The nomination committee considers that the proposed Board has an appropriate composition and satisfies the requirements that will be placed on the Board in the future as a result of Cloetta's situation and future direction. In assessing the independence of the proposed board members, the nomination committee has found that the proposed Board of Directors meets the requirements for independence as set out in the Swedish Corporate Governance Code.






Statement regarding the nomination committee's proposal for auditor

The audit committee has recommended re-election of PwC as auditor. The nomination committee shares the audit committee's assessment and therefore proposes that the Annual General Meeting, for the period until the next Annual General Meeting, appoints PwC as the company's auditor in accordance with the audit committee's recommendation.

Information about board members proposed for re-election¹

	<p>Patrick Bergander</p> <p>Elected to the Board: 4 April 2019 Born: 1971 Nationality: Swedish Education: B.Sc. in Business and Economics, Stockholm University. Other assignments: CEO at Nordic Tyre Group. Board member of SPP Pension & Försäkring AB. Previous assignments: CFO Rosti Group, CEO and CFO in RSA Scandinavia (Codan/Trygg-Hansa). Several positions in Electrolux, such as CFO Asia Pacific and head of Group Business Control. CFO business unit Private at IF Skadeförsäkring and consultant and auditor at Arthur Andersen. Independent from major shareholders: Yes Independent from the company and management: Yes Shareholding: 4,180 B-shares.</p>
	<p>Malin Jennerholm</p> <p>Elected to the Board: 6 April 2022 Born: 1970 Nationality: Swedish Education: B.Sc. in Business Administration and Economics from School of Business, Economics and Law at the University of Gothenburg. Other assignments: CEO at Svenska Retursystem AB. Previous assignments: Board member of Livsmedelsföretagen, Board member of Sweden Food Arena, CEO at Orkla Confectionery & Snacks Sweden, General Manager Professional Nordics at Jacobs Douwe Egberts and various positions at Mondelez International and Kraft Foods. Independent from major shareholders: Yes Independent from the company and management: Yes Shareholding: 2,000 B-shares</p>
	<p>Pauline Lindwall</p> <p>Elected to the Board: 4 April 2023 Born: 1961 Nationality: Swedish Education: M.Sc. (Econ), Växjö University Other assignments: Board member of Huhtamaki Finland and European Institute of Innovation & Technology (EIT) Food Previous assignments: Board member of Duni AB, board member of Swedish Match AB, McKesson Europe AG and Lantmännen. Senior Advisor of Stora Enso, Category Director Coffee France and Southern Europe, Mondelez International and several leading positions in Nestlé S.A. Independent from major shareholders: Yes Independent from the company and management: Yes Shareholding: 7,261 B-shares.</p>

¹ Shareholding as per 31 December 2023 and for the company known changes thereafter.

	<p>Alan McLean Raleigh</p> <p>Elected to the Board: 16 April 2018 Born: 1959 Nationality: British Education: BSc Hons Production Engineering and Production Management, University of Strathclyde. Other assignments: Board Chairman of Robinson plc. Previous assignments: Board member in Chartered Institute of Procurement and Supply (CIPS), Executive Vice President, Personal Care Supply Chain, Unilever. Independent from major shareholders: Yes Independent from the company and management: Yes Shareholding: 8,144 B-shares.</p>
	<p>Camilla Svenfelt</p> <p>Elected to the Board: 12 April 2016 Born: 1981 Nationality: Swedish Education: Degree in Sociology, Stockholm University. Courses at Stockholm University: Business Administration, Labor Economics, Management (leadership and organization). Other assignments: Board member of AB Malfors Promotor and a deputy board member of the Hjalmar Svenfelt Foundation. Works as an accountant at AB Malfors Promotor. Previous assignments: - Independent from major shareholders: No Independent from the company and management: Yes <i>Shareholding</i> Direct: 60 A-shares and 500,485 B-shares. Related parties: 5,729,569 A-shares and 86,786,068 B-shares.</p>
	<p>Mikael Svenfelt</p> <p>Elected to the Board: 25 August 2008 Born: 1966 Nationality: Swedish Education: Marketing and business economics, Tibbleskolan, and Law studies, Folkuniversitetet, Sweden. Other assignments: CEO and board member of AB Malfors Promotor. Previous assignments: Senior positions in Nicator group, Dell Financial Services, GE Capital Equipment Finance AB and Rollox AB. Board chairman of Fjärilshuset Haga Trädgård AB. Board member of Fjärilshuset Haga Trädgård Café AB. Independent from major shareholders: No Independent from the company and management: Yes <i>Shareholding</i> Direct: 25 A-shares and 47,535 B-shares. Related parties: 5,729,569 A-shares and 86,699,973 B-shares.</p>

Information about board member proposed for new election²



Morten Falkenberg

Elected to the Board: Proposed to be elected as the Chairman at the Annual General Meeting on 9 April 2023

Born: 1958

Nationality: Danish

Education: B.Sc. in Business Administration from the Copenhagen School of Economics and Business Administration.

Other assignments: Board member of Duni AB and Ansell Ltd.

Previous assignments: Chairman of Embellence Group (2021 - 2023), Non-Executive Director of Fagerhult AB (2017 – 2022), Lammhult AB (2021 – 2022), Velux Group (2008 – 2022) and Advisor to Nordstjernan AB, President and CEO, and board member, of Nobia AB (publ), Executive Vice President and Head of Floor Care and Small Appliances at Electrolux and also senior positions at TDC Mobile and the Coca-Cola Company.

Independent from major shareholders: Yes

Independent from the company and management: Yes

Shareholding: 300,000-shares.

² Shareholding as per 31 December 2023 and for the company known changes thereafter.



DISPOSITION OF THE COMPANY'S EARNINGS ACCORDING TO THE APPROVED BALANCE SHEET, RECORD DATE FOR ANY DIVIDEND

1. The following earnings are available to the parent company Cloetta AB at the Annual General Meeting:

Share premium reserve	SEK 2,711,620,366
Retained earnings	SEK -1,860,766,166
<u>Profit for the year (parent company)</u>	<u>SEK -3,107,068</u>
Total	SEK 847,747,132

2. The Board of Directors proposes that the earnings shall be allocated as follows:

SEK 285,342,034 is distributed to the shareholders, which corresponds to a dividend of SEK 1.00 per share.

To be distributed to the shareholders according to above	SEK 285,342,034
<u>To be carried forward</u>	<u>SEK 562,405,098</u>
Total	SEK 847,747,132

3. The Board of Directors proposes that the record day for the dividend payment shall be 11 April 2024. If the Annual General Meeting resolves in accordance with the proposal, payment through Euroclear Sweden AB is estimated to be made on 16 April 2024.
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STATEMENT BY THE BOARD OF DIRECTORS OF CLOETTA AB (PUBL) PURSUANT TO CHAPTER 18 SECTION 4 AND CHAPTER 19 SECTION 22 OF THE SWEDISH COMPANIES ACT

The Board of Directors has proposed that the Annual General Meeting on 9 April 2024 resolves to distribute SEK 1,00 per share to the shareholders and authorises the Board of Directors to, on one or more occasions for the period until the end of the next Annual General Meeting, resolve to acquire a maximum number of B-shares so that the company holds a maximum of ten per cent of all B-shares in Cloetta at any time following the acquisition. Due to these proposals, the Board of Directors hereby makes the following statement pursuant to Chapter 18 Section 4 and Chapter 19 Section 22 of the Swedish Companies Act.

The reason that the Board of Directors considers that the proposed dividend and the proposed authorisation to repurchase own B-shares are justifiable, taking into account Chapter 17 Section 3 paragraphs 2-3 of the Swedish Companies Act, is as follows.

The nature, scope and risks of the business

The nature and scope of the business are set out in the articles of association and the company's annual report for 2023. The activities carried out in the company and the group do not entail risks beyond what is or can be assumed to exist in the current industry or risks that are generally associated with conducting business operations. In addition, no events have occurred that adversely affected the company's ability to make value transfers to the shareholders. The company's cyclical dependency does not deviate from what is otherwise found in the current industry.

The financial position of the company and the group

The company's profit, share premium reserve and the previous year's retained earnings amounted to SEK 847,747,132 as per 31 December 2023. According to the annual report 2023 of the company, the group had an equity/assets ratio of 47.7 per cent and a net debt of SEK 1,825 million as per 31 December 2023. Provided that the Annual General Meeting resolves on a dividend of SEK 1.00 per share to the shareholders of the company in accordance with the proposal by the Board of Directors, SEK 562,405,098 will be carried forward. After the proposed dividend and after any repurchase of own B-shares in accordance with the proposed authorisation, there will be full coverage for the group's and the parent company's restricted equity. The company has, including agreed credit limits, access to significant liquid assets. As of 31 December 2023, the company had a net debt/EBITDA of 1.7 times. The long-term target is for net debt/EBITDA to be around 2.5 times. Based on the stable cash flow and that the company is deemed to be able to fulfil its commitments in both the short and the long term, the Board of Directors has made the assessment that there are prerequisites for proposing a dividend of SEK 1.00 per share. The Board of Director's ambition is to continue to propose a stable dividend and the long-term target of distributing 40–60 per cent of the profit after tax continues to apply.

With reference to the foregoing, the Board of Directors believes that the proposed dividend and the proposed authorisation to repurchase own B-shares are justifiable considering:

1. the demands with respect to the nature, scope and risks associated with the operations (of the group as well as of the company) impose on the size of the shareholders' equity, and
 2. the company's and the group's consolidation needs, liquidity and position in general.
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Cloetta AB (publ)
Board of Directors
March 2023