

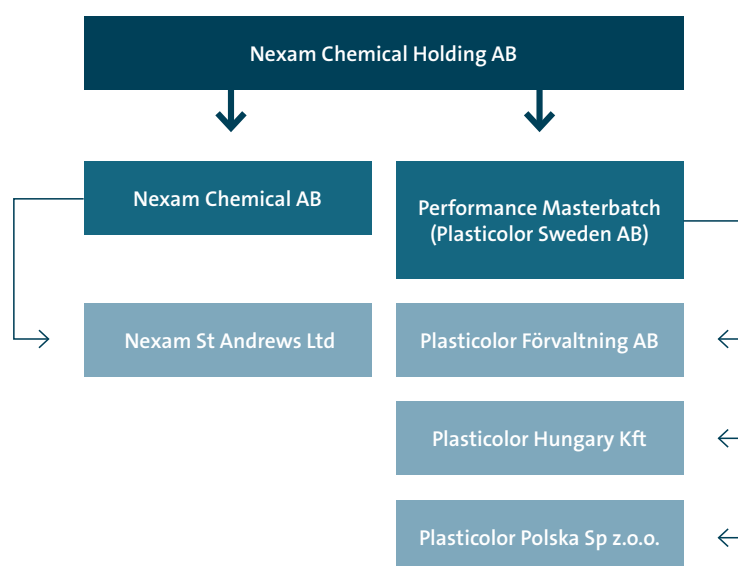
# Corporate governance

This corporate governance report has not been reviewed by the Company's auditors. The report does not form part of the formal annual financial statements.

Nexam Chemical is a Swedish public limited company with its registered office in Lomma. In addition to the parent company, the group consists of two wholly owned subsidiaries in Sweden and four additional companies owned through subsidiaries located in Sweden, the UK, Poland and Hungary.

The company's share is listed on Nasdaq First North Growth Market. Nexam Chemical has applied the Swedish Code of Corporate Governance (the Code) since January 1, 2017 and reports no deviations from the Code for the year 2025.

The term corporate governance usually refers to the rules and structure that are built up to effectively and controlledly govern and manage a limited liability company. Governance and control of Nexam Chemical is divided between the shareholders at the annual general meeting, the board of directors and the CEO, and is regulated in legislation (including the Swedish Companies Act), the articles of association, the Nasdaq First North rules for issuers and the Swedish Code of Corporate Governance. The code is available at [www.bolagsstyrning.se](http://www.bolagsstyrning.se). In addition to legal control and governance principles, Nexam Chemical is also affected by several internal governance documents, including instructions and work rules for the CEO and board of directors, as well as internal policies and guidelines.

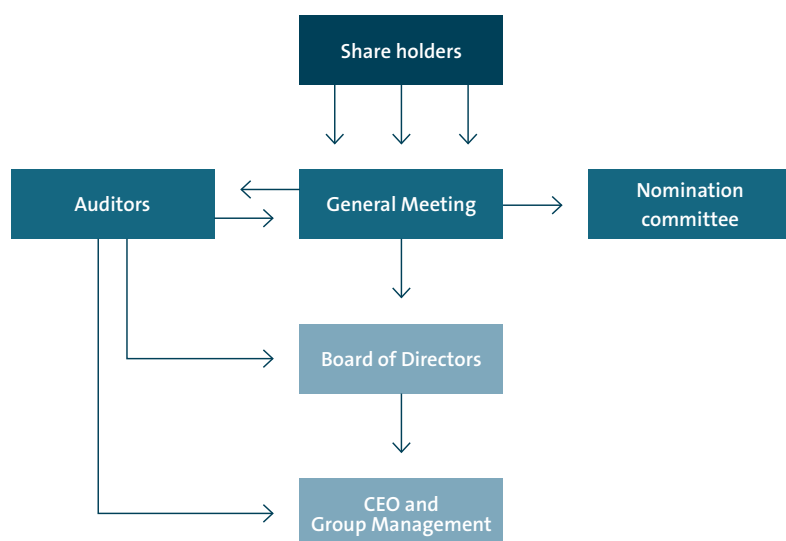


## Shareholder

The share capital on 31 December 2025 amounted to SEK 1,556,073 divided into 80,915,798 shares. Each share entitles to one vote and each voting shareholder may vote at a general meeting for the full number of shares owned and represented by him/her without limitation in voting rights. All shares carry equal rights to a share in the Company's assets and profits. On the closing date, Nexam Chemical had 4,869 (5,204) shareholders. Of these, one shareholder has direct and indirect holdings that constitute more than nine percent of the votes and capital, which is the insurance company Avanza Pension, which holds 10.2%. No shares are held by the company itself. For further information about the share and shareholders, see pages 30-31 and Nexam Chemical's website.

## Articles of association

The Articles of Association of Nexam Chemical stipulate that the Company shall develop, manufacture, market and sell chemical substances and carry out related activities. The Board of Directors is based in Lomma and the Company's financial year is the calendar year. The Articles of Association contain provisions on, among other things, the number of shares, the number of board members and auditors and the annual general meeting. The Articles of Association do not contain any specific provisions on the appointment or dismissal of board members or on amendments to the Articles of Association. The Articles of Association in their entirety can be downloaded at [www.nexamchemical.com](http://www.nexamchemical.com).



### General Meeting

Shareholders exercise their influence over Nexam Chemical at the Annual General Meeting, which is the highest decision-making body in Nexam Chemical. The Annual General Meeting is convened at least once a year and decides, among other things, on the treatment of the Company's and the Group's balance sheet and income statement including the allocation of the Company's results, discharge from liability for the Board of Directors and CEO, election of the Board of Directors and auditor, fees to the Board of Directors and auditor and how the Nomination Committee is to be appointed. Amendments to the Articles of Association also require a resolution at the Annual General Meeting. In order to participate in the Meeting, the shareholder who wishes to be present at the Meeting, in person or by proxy, must be entered in his or her own name in the share register no later than five business days before the Meeting and must notify the Company of his or her intention to participate in the Meeting no later than the date stated in the notice of the Meeting.

The Annual General Meeting is held in Lund or Lomma during the first half of each year. In connection with the third quarterly report, Nexam Chemicals shareholders are informed of the time and place of the Annual General Meeting and of their right to have a matter discussed at the meeting. Notice of the Annual General Meeting is published no earlier

than six and no later than four weeks before the meeting. An extraordinary general meeting may be held if the Board of Directors deems it necessary or if the Company's auditors or owners of at least 10 percent of the shares request it.

### Annual General Meeting 2025

Nexam Chemicals' Annual General Meeting was held in Lund at the Elite Hotel on Tuesday, May 13, 2025. At the meeting, 12 (14) shareholders were represented by proxy or in person. These represented approximately 17 (13) percent of the total votes. In essence, the following decisions were made:

- The Parent Company's and the Group's income statements and balance sheets were adopted.
- Discharge from liability for the board members and the CEO.
- Re-election of Cecilia Jinert Johansson, Magnus Wikström, Lennart Holm and Martin Roos as board members. Cecilia Jinert Johansson was elected as chairwoman of the board.
- Re-election of Deloitte AB as auditor.
- Board fees are presented in the table on page 38 and in Note 11 of the annual report.
- Guidelines for remuneration of senior executives.
- Authorization for the issuance of shares.

- Procedures and instructions for the nomination committee.

The minutes of the Annual General Meeting were presented on the website within one week of the meeting. The materials from the meeting, such as the notice, minutes and information about the nomination committee, can be found on Nexam Chemical's website. The full resolutions of the meeting as above are available at the Company's office, Industriegatan 27 in Lomma, and are sent to shareholders who request them.

### Nomination Committee

The Nomination Committee's primary task is to submit proposals to the Annual General Meeting regarding the composition of the Board of Directors, which are then decided by the Annual General Meeting. The Nomination Committee's work begins with reviewing the evaluation of the Board's work that the Board has commissioned. The Nomination Committee's work is characterized by openness and discussion in order to achieve a well-balanced Board of Directors. The Nomination Committee then nominates members to the Board of Directors for the upcoming term of office and submits proposals for the Board's remuneration. The Nomination Committee also submits proposals for the election and remuneration of the auditor.

### Nomination Committee for the 2026 Annual General Meeting

According to a resolution of the 2025 Annual General Meeting, Nexam Chemical's Nomination Committee for the 2026 Annual General Meeting shall consist of three members representing the three largest shareholders as of the last day of August 2025. The composition of the Nomination Committee was announced on 14 October 2025. The members of the Nomination Committee and the owners who appointed them are shown in the table below. The Chair of the Nomination Committee for the 2026 Annual General Meeting is Anita Otterheim.

The Nomination Committee has held 5 minutes-recorded meetings and in addition email and telephone contact prior to the 2026 Annual General Meeting. The

Nomination Committee's proposal is presented in the notice of the 2026 Annual General Meeting, which is also available on the Company's website, together with a reasoned statement regarding the proposal for the Board of Directors.

### Board

The Board of Directors and, by extension, the CEO, manage the company's affairs on behalf of the owners. The Board of Directors appoints the CEO who is responsible for the Company's day-to-day management. The division of work and responsibilities between the Board of Directors and the CEO is clarified in the Board's rules of procedure and the CEO's instructions. The Board of Directors is appointed by the shareholders at the Annual General Meeting with a term of office from the Annual General Meeting until the end of the next Annual General Meeting. The Board of Directors manages the company on behalf of the owners by establishing goals and strategy, evaluating the operational management and ensuring systems for monitoring and controlling the established goals. It is also

the Board's responsibility to ensure that the Company's information provision is correct, relevant and reliable. The Board of Directors has a quorum if more than half of the members are present. According to Nexam Chemical's articles of association, the Board of Directors shall consist of a minimum of three and a maximum of eight members without deputies. The Board of Directors constitutes itself at a meeting immediately after the Annual General Meeting.

### Chairman of the Board

Nexam Chemical's board of directors is led by Cecilia Jinert Johansson, who was re-elected at the Annual General Meeting.

The Chairman of the Board is appointed by the Annual General Meeting. The Chairman of the Board organizes and leads the work of the Board, ensures that the Board continuously deepens its knowledge of the company, conveys the views of the owners and supports the CEO. The Chairman of the Board and the CEO prepare proposals for the agenda for the Board meetings. It is the Chairman's

responsibility to ensure that the Board's decisions are implemented effectively, and that the Board's work is evaluated annually and that the Nomination Committee is informed of the results of the evaluation.

### Board rules of procedure

The Board of Directors establishes a procedure for its work each year. The current procedure was adopted on 13 May 2025. The procedure is also revised as necessary. The procedure describes, among other things, the Board's responsibilities and duties, the duties of the Chairman of the Board, audit issues and specifies which reports and financial information the Board shall receive prior to each regular Board meeting.

### Evaluation of the board's work

Under the leadership of the Chairman of the Board, the Board conducts an annual evaluation of its work. The evaluation concerns working methods and working climate, the focus of the Board's work and the availability and need for special expertise on the Board. The evaluation is used as a tool to develop the Board's work.

## The Nomination Committee

Members of the Nomination Committee, appointed by:	Share of votes
Antita Otterheim, SvenOlov Hjaelmstad	6.18%
Tomas Klevbo, Veronica Wallman	4.50%
Mette Gross, Holm Investment AB	2.47%
<b>Total</b>	<b>13.15%</b>

## Members of the Board

Name	Independent of the Company and company management	Independent of the Company's major shareholders	Total fee (kSEK)	Attendance at board meetings
Cecilia Jinert Johansson	Yes	Yes	290	13/13
Martin Roos	Yes	Yes	168	13/13
Lennart Holm	Yes	Yes	168	11/13
Magnus Wikström	Yes	Yes	168	13/13
<b>Total</b>			<b>794</b>	

In accordance with the Swedish Code of Corporate Governance, relevant parts of the results are reported to the Nomination Committee.

### **Board composition 2025**

The Board consists of four members without deputies. At the 2025 Annual General Meeting, Cecilia Jinert Johansson, Lennart Holm, Magnus Wikström and Martin Roos were re-elected as Board members. Cecilia Jinert Johansson was elected as Chair of the Board. The Board members have extensive experience and expertise in chemistry as well as business development, marketing, capital raising, communications and international operations. The composition of the Board meets the Code's requirements regarding independent members. The information that must be provided regarding the Board members according to section 10.2 of the Code can be found on page 88.

### **The board's work in 2025**

During 2025, Nexam Chemical's board of directors held a total of 13 minutes-recorded meetings. Four of the meetings were held in connection with the approval of the year-end report and interim reports. Between minutes-recorded board meetings, the CEO and CFO have updated the board monthly by telephone on the status of the business. On occasions when a member was unable to attend, the chairman of the board has collected views that affected decisions in advance. Important issues during the year have included strategy, capital situation, communication with investors, developments in additives for plastic recycling and the potential in the area, market assessments and significant risks. The company's CEO and CFO regularly participate in board meetings. Other senior executives participate in board meetings when necessary.

A more detailed presentation of the board members can be found on page 88 and on the Company's website [www.nexamchemical.com](http://www.nexamchemical.com).

### **Remuneration Committee**

The Board of Directors has decided not to establish a remuneration committee, but rather that the entire Board shall fulfill the tasks of the remuneration committee. The

primary task is to propose salary, other remuneration and terms of employment for the CEO. The committee develops proposals for principles for remuneration and terms of employment for other senior executives in the Group Management. The remuneration committee develops proposals for incentive programs. The remuneration committee shall ensure compliance with the established guidelines for remuneration to senior executives.

### **CEO and Group Management**

The CEO is appointed and receives instructions from the Board. Nexam Chemicals' CEO and Group CEO is Ronnie Törnqvist. Ronnie Törnqvist is responsible for the day-to-day management as well as strategic and operational issues of the Company in accordance with the Board's guidelines and instructions. The current CEO instruction was adopted by the Board on May 13, 2025. The CEO prepares information and decision-making documents for Board meetings and is the rapporteur at the meetings. The Board continuously evaluates the CEO's work by following up on the set goals. Once a year, a formal evaluation is made and discussed with the CEO.

### **Management composition 2025**

The CEO has appointed a management team responsible for different parts of Nexam Chemicals' operations. In 2025, the group management team consisted of five people, in addition to the CEO:

- Chief Financial Officer
- Research and Development Manager
- Quality and Environmental Manager
- Business Development Manager for Additives for Lightweight Applications
- Business Development Manager for Additives for Sustainability Applications

All members of the Group Management were based at the Company's head office in Sweden, except for the Quality and Environmental Manager who was based in St Andrews, Scotland. The Group Management has continuous meetings where operational issues are discussed, as well as quarterly meetings where strategic

issues are discussed. Each year, the Group Management prepares a business plan that is approved by the Board. A more detailed presentation of the CEO and the management team can be found on page 88. It also contains the information about the CEO that must be provided in accordance with section 10.2 of the Code.

### **Auditor**

The management of the Board of Directors and the CEO and the financial reporting are audited by the external auditor appointed by the Annual General Meeting. The auditor is proposed by the nomination committee and elected by the meeting for a term of one year. At the 2025 Annual General Meeting, Deloitte AB was re-elected as auditor until the 2026 Annual General Meeting. The auditor in charge at Deloitte AB is the authorized public accountant Jeanette Roosberg. The auditor's assignment is to audit Nexam Chemical's annual report and accounting, as well as the management of the Board of Directors and the CEO, on behalf of the shareholders. In addition to the annual audit, the auditor reviews at least one of the Company's interim reports per year. The auditor's fee is paid according to an approved invoice. For amounts, see Note 9.

### **Salaries, remuneration and other benefits**

Salaries, remuneration and other benefits for the Board of Directors, CEO and other senior executives are reported in Note 11 of the annual report. The Board's remuneration can also be followed in the table on page 43.

### **Guidelines for remuneration of senior executives 2025**

#### **Basic principles**

The Chairman and members of the Board of Directors are paid a board fee in accordance with the decision of the Annual General Meeting. Board fees are not paid to employees of the Group.

Nexam Chemicals' starting point is that remuneration should be paid on market and competitive terms that enable senior executives to be recruited and retained. Remuneration to the CEO and other senior executives may consist of base

salary, variable remuneration, pension, other benefits and share-based incentive programs. The CEO and other senior executives are generally entitled to health insurance and a company car as well as other benefits according to local practice. Remuneration to the CEO and other senior executives shall be based on factors such as work duties, skills, experience, position and performance. Remuneration shall not be discriminatory on the basis of gender, ethnic background, national origin, age, disability or other irrelevant circumstances.

#### **Fixed salary**

The CEO and other senior executives shall be offered a fixed salary that is in line with the market and based on the individual's responsibility and conduct. Salary shall be determined per calendar year with a salary review on January 1st of each year.

#### **Variable remuneration**

The CEO and Group Management have been entitled to variable remuneration in 2025.

#### **Share-based incentive programs**

Senior executives are included in share-based option programs in the Nexam Chemical Group. Share-based incentive programs are reported in the annual report and the full proposals for the annual general meeting. The board shall annually evaluate whether to propose additional share-based incentive programs to the annual general meeting.

#### **Pension**

The CEO is entitled to a defined contribution pension provision equivalent to 28% of pensionable salary. Other senior executives are entitled to annual pension provisions, which correspond to the amounts according to local practice.

#### **Termination and severance pay**

For the CEO and other senior executives residing in Sweden, a mutual notice period of no more than six months applies. Severance pay, in addition to salary during the notice period, occurs and may, in addition to fixed salary during the notice period, amount to a maximum of six months' salary for the CEO and other senior executives.

#### **Deviations from the guidelines**

The board shall be entitled to deviate from the guidelines if, in an individual case, there are special reasons for doing so.

#### **The Board's report on internal control and risk management regarding financial reporting**

This report on internal control over financial reporting is submitted by the board of Nexam Chemicals and has been prepared in accordance with the Swedish Code of Corporate Governance.

#### **Background**

According to the Companies Act and the Code, the board of directors is responsible for internal control.

#### **Control environment**

The basis for internal control is the overall control environment. A good control environment is based on an organization with clear decision-making paths where responsibilities and authorities are well defined. Within Nexam Chemical there are policies, guidelines and process descriptions for the essential elements of the business flow from transaction management to accounting and preparation of external reporting.

#### **Risk assessment**

The Board is responsible for identifying and managing significant financial risks and risks of errors in external reporting. The Board evaluates the need for risk management annually.

#### **Control activities**

The main purpose of control activities is to prevent and detect errors as early as possible so that any deficiencies can be addressed. Routines and activities have been designed to detect and manage the most significant risks related to financial reporting. The Group companies are followed up by the CEO and CFO through regular reports. The Board and Group Management receive monthly reports in which the CEO and CFO account for the past period regarding the Group's results and financial position. Monthly financial statement and annual report work is well defined and reporting is carried out according to standardized reporting

templates including comments regarding all significant profit and loss and balance sheet items.

At present, the Company's size or risk exposure does not justify its own internal audit. The Board of Directors assesses that with the procedures in place for monitoring and control, there is currently no need for this.

#### **Information and communication**

Nexam Chemical's procedures and systems for providing information aim to provide the market with relevant, reliable, accurate and up-to-date information about the Company's development and financial position. The Board of Directors has established an information policy that specifies what should be communicated, by whom and in what manner the information should be issued to ensure that external information is correct and complete. Financial information is provided regularly in the form of interim reports, annual reports and press releases on news that may affect the share price. Information and communication are published predominantly in both Swedish and English on the Company's website.

#### **Follow-up**

Compliance and effectiveness of internal controls are monitored on an ongoing basis. The company's financial situation and strategy regarding the financial position are discussed at each board meeting, where the board receives detailed monthly reports regarding the financial position and development of the business. Each interim report is analyzed and approved by the board before publication.

#### **Activities 2025**

Nexam Chemical continuously works to minimize risks by removing redundant manual steps from the Company's processes and having a clear structure in decision-making paths, authorities and responsibilities. ■