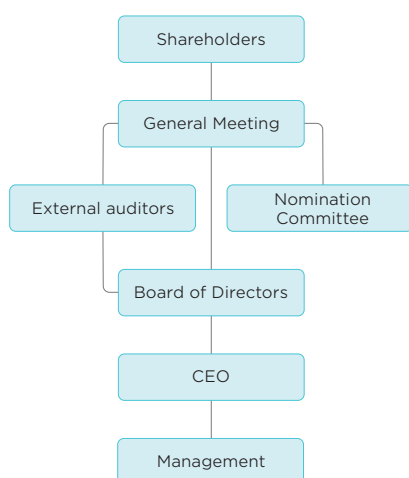


Corporate governance report

Plejd AB (publ) is a Swedish public limited liability company with its registered office in Mölndal Municipality, Västra Götaland County, Sweden. Plejd has been listed on the Spotlight Stock Market since 11 April 2016. Plejd applies the Swedish Corporate Governance Code ("the Code") and provides the Corporate Governance Report for the 2021 financial year here. The Corporate Governance Report has been reviewed by the company's auditors.

The illustration below provides a general description of corporate governance in Plejd



Guidelines on the Code are available on the website for the Swedish Corporate Governance Board (www.bolagsstyrning.se). The Code is based on the principle of "comply or explain", which means that companies that apply the Code can deviate from individual rules, but then provide an explanation for the deviation.

Deviation from the Code

The company has chosen to depart from point 2.3 by not restricting persons in the management from being part of the Nomination Committee; however, persons from the management may not constitute a majority of the members or be appointed chairman, and the CEO shall also not be included as a member of the Nomination Committee. The company believes that people in the management have good insight into the business which can be beneficial when evaluating candidates and therefore does not want to restrict them from being elected by the owners.

The company has also chosen to depart from point 4.3 by not restricting persons in the company's management or the management of its subsidiaries from being on the Board. The company thus does not wish to restrict the AGM's ability to select candidates and considers that the Board's independence from the company is ensured by the majority of the Board members being independent from the company as a whole as already mentioned in point 4.4.

Shareholders & General Meeting

The shareholders' right to decide on Plejd's affairs is exercised at the Annual General Meeting (or if applicable, the Extraordinary General Meeting), which is Plejd's highest decision-making body. The Annual General Meeting (AGM) is held in Mölndal or Gothenburg every calendar year before the end of June. An Extraordinary General Meeting is held when necessary.

The General Meeting passes resolutions on a number of matters, including the adoption of the income statement and balance sheet, appropriation of Plejd's profit or loss, discharge from liability to the company for the members of the Board and the CEO, the composition of the Nomination Committee, election of the Board members (including the Chairman of the Board) and the auditor, remuneration of Board members and auditors, guidelines for the remuneration of senior executives and possible changes to the Articles of Association.

There were 32,465 shareholders (14,473) at year-end.

AGM 2021

At Plejd's Annual General Meeting on 29 April 2021, Pär Källeskog was elected as the Chairman, Erik Calissendorff (Board member), Gustav Josefsson (Board member) and Nico Jonkers (Board member) were re-elected and the election of Lars Kry (Board member) and Ylwa Karlgren (Board member) as new Board members. A resolution was passed to set Board fees to TSEK 250 for the Chairman and TSEK 150 for Board members who do not work in the company. In accordance with the Board's proposal, the Annual General Meeting resolved that no dividend should be paid. The Annual General Meeting also adopted instructions on procedures for the appointment and work of the Nomination Committee.

AGM 2022

The 2022 Annual General Meeting will take place on 28 April 2022.

Nomination Committee

Plejd's Annual General Meeting passes resolutions regarding procedures for the appointment and work of the Nomination Committee. The Nomination Committee's task comprises the preparation and compilation of proposals on the election of Board members, the Chairman of the Board, the Chairman of the General Meeting, and auditors, as well as proposals regarding fees to the Board members, members of any Board committees and the auditor.

The AGM on 29 April 2021 resolved that the Nomination Committee would consist of at least three and at most six members. Members shall be elected at the Annual General Meeting. The four largest owners or owner groups in the company according to Euroclear on 31 December shall be invited to appoint a representative to the Nomination Committee. If any of the largest owners/owner groups refrains from the right to appoint a member to the Nomination Committee, the next shareholder/owner group by size shall be given the opportunity to appoint a member to the Nomination Committee. If any asked shareholder/owner group waives its right to appoint a member to the Nomination Committee, no more than eight of the largest shareholders/owner groups need be asked, unless this is required for at least three members to be appointed. In addition, a member can represent the smaller shareholders and the Chairman of the Board can be co-opted in. Board members can be members of the Nomination Committee, but shall not constitute a majority of the Nomination Committee's members. The CEO shall not be a member of the Nomination Committee. At least one of the Nomination Committee's members must be independent in relation to the largest shareholder or group of shareholders in the company by votes that collaborate on the company's management. The Nomination Committee's term in office extends until a new Nomination Committee has been appointed.

If shareholders have joined the four largest shareholders after the Nomination Committee has been formed, they may contact the Chairman of the Nomination Committee with a request to appoint a member. The Chairman of the Nomination Committee shall then inform the other members of the Nomination Committee of the request. If the Nomination Committee is complete and the change of ownership is substantial, where necessary competence can be added to the Nomination Committee, a member appointed by a shareholder/owner group that no longer belongs to the four largest owners may make his or her place available and the new shareholder may appoint a member. However, the composition of the Nomination Committee should not change later than three months before the Annual General Meeting.

The Nomination Committee's independence according to the "Code" is considered to be fulfilled.

External auditors

The company's auditor, elected at the Annual General Meeting, examines Plejd's annual report and consolidated financial statements, the Board's and CEO's management and the annual reports of subsidiaries, and submits an auditor's report.

At the 2021 Annual General Meeting, Öhrlings PricewaterhouseCoopers AB was re-elected as auditors, with Johan Malmqvist as auditor in charge. The examination of the Group's companies is coordinated by Öhrlings PricewaterhouseCoopers.

Nomination Committee member	Represents	Holding
Suzanne Sandler (Chair)	Handelsbanken fonder	7.85%
Emmanuel Ergul	Christian von Koenigsegg	12.50%
Iman Habib	Pluspole Group	7.50%
Erik Calissendorff	Tansaki AB	4.28%

Board of Directors

Composition & independence

According to the Articles of Association, Plejd's Board of Directors shall consist of at least four and at most six members. At the Annual General Meeting on 29 April 2021, six Board members were elected, of which one representative of the management is a member of the Board. The President and CEO participates in the Board's meetings as a presenter.

Other officers in Plejd participate in the Board's meetings as presenters in particular matters. The company's CFO functions as the Board's secretary.

The Nomination Committee's reasoned opinion for the 2021 AGM shows that the Nomination Committee has applied rule 4.1 of the Code as a diversity policy in the preparation of its proposal for the Board of Directors. The objective of the policy is that the Board of Directors shall have a suitable composition considering the company's operations, phase of development and conditions otherwise that is characterized by diversity and breadth in terms of the competence, experience and background of the members elected by the General Meeting, and that an even gender distribution shall be strived for. The 2021 Annual General Meeting resolved to elect Board members in accordance with the Nomination Committee's proposal, which resulted in the current Board. At the 2021 Annual General Meeting, six members were elected, including one woman and five men.

In accordance with the Code, a majority of the elected Board members shall be independent in relation to the company and its management. To determine if a Board member is independent, a collective assessment shall be made of all circumstances that can give cause to question the member's independence in relation to Plejd or company management, such as if the Board member was recently employed in Plejd or a related company. At least two of the Board members who are independent in relation to the company and company management shall also be independent in relation to the company's major shareholders. To assess this independence, the scope of the member's direct or indirect relationships to major shareholders shall be taken into account. In the Code, major shareholders refer to shareholders who directly or indirectly control 10% or more of the shares or votes in the company.

The Board's assessment of the Board members' independence in relation to the company, its management and major shareholders is presented in the section "Board, Group management and auditor". All Board members, except Erik Calissendorff and Gustav Josefsson, are deemed to be independent in relation to the company and its management. All are also independent in relation to the company's major shareholders. Plejd thereby meets the Code's requirements on independence.

For further information concerning the Board members elected at the General Meeting, refer to the section on the Board of Directors on page 15 of this annual report.

Name	Position	Elected	Attendance at Board meetings	Independent in relation to the company and its management and major shareholders	Shareholding in Plejd
Pär Källeskog	Chairman of the Board	2011	7/7	Yes	Yes
Erik Calissendorff	Founder and Board member	2009	7/7	No	Yes
Gustav Josefsson	Board member	2018	7/7	No	Yes
Nico Jonkers	Board member	2020	7/7	Yes	No
Lars Kry	Board member	2021	5/5	Yes	Yes
Ylwa Karlgren	Board member	2021	5/5	Yes	Yes

Responsibility & work

The work of the Board of Directors is regulated by the Swedish Companies Act and the Articles of Association. The work of the Board of Directors is also regulated by the written rules of procedure that the Board adopts annually.

The rules of procedure regulate, among other things, the division of responsibility between the Board, the Chairman of the Board and the CEO, as well as the decision procedure in the Board, the Board's meeting plan and the Board's work on accounting and audit-related issues and financial reporting. The Board of Directors has also established terms of reference for the CEO and adopted other special policy documents.

The Board of Directors is responsible for the Group's organization and management of its affairs, setting the Group's overall objectives, development and follow-up of the overall strategies, decisions on major acquisitions, divestments and investments, decisions on capital placement and loans in accordance with the finance policy, continuous follow-up of operations, establishment of interim and year-end reports and the continuous evaluation of the CEO and other members of the management. The Board is also responsible for ensuring the quality of the financial reporting, including systems for monitoring and internal control of Plejd's financial statements and position. The Board shall also ensure that Plejd's external information provisioning is marked by openness and is correct, relevant and clear. At the Board meetings, the following items are recurring on the agenda: business status, future and decision issues, and economic and financial reporting.

The Chairman of the Board monitors Plejd's operations through continuous contacts with the CEO. The Chairman organizes and leads the Board's work and is thereby responsible for other Board members receiving satisfactory information and decision data. The Chairman is also responsible for the Board continuously updating and deepening its knowledge of Plejd and otherwise receiving the training required for the Board work to be able to be conducted effectively. It is also the Chairman who is responsible for ensuring that the Board annually evaluates its work. During 2021, the Board's evaluation was conducted and reported to the Board and the Nomination Committee by the Chairman.

The Board of Directors held seven ordinary Board meetings during 2021. The Board meetings have been devoted to financial follow-up of the business, strategic issues, budget discussions, investment decisions, adoption of policies and instructions, listing issues and external economic information. The Board meetings are prepared by the Chairman and the CEO. The CEO provides the members with written reports and documentation at least five workdays before the respective meeting. The Board members received monthly reports continuously during the year, which shed light on the Group's financial and operational development in relation to the budget. These reports are prepared jointly by the CEO and CFO.

Board committees

According to the Code and the Swedish Companies Act, the Board shall establish a Remuneration Committee and an Audit Committee from within its ranks. The CEO participates in the work incumbent on the Remuneration Committee and Audit Committee only as the presenter. The Board of Directors works according to set instructions for issues that are incumbent on the Audit Committee and Remuneration Committee. Only external Board members allowed.

Audit Committee

The Board as a whole, excluding the CEO, performs the duties incumbent on the Audit Committee. The main duties of the Audit Committee are to monitor Plejd's and the Group's financial reporting, monitor the effectiveness of its internal controls, internal audit and risk management, and keep informed on the audit of the annual report and consolidated financial statements, examine and monitor the auditor's impartiality and independence and thereby pay particular attention to whether or not the auditor provides the company services other than audit services. The Board of Directors shall also assist the Nomination Committee with regard to the election of auditors. The Chairman has recurring contact with the company's auditor with the aim of creating a continuous exchange of opinions and information. The Board of Directors has received a preliminary and final presentation of the company's development by the auditor. In addition, all external members of the Board have met with the auditor separately for a review uninfluenced by the CEO, CFO and management.

Remuneration Committee

The Remuneration Committee consists of the Chairman and two of the external members from the Board. The main duties of the Remuneration Committee are to prepare the Board's decisions in matters that concern remuneration principles, remuneration and other terms of employment for company management, to monitor and evaluate programs for variable remuneration of company management and to monitor and evaluate the application of the guidelines for remuneration of senior executives that the AGM approved.

Board of Directors



Pär Källeskog

Chairman of the Board since 2011

Born | 1947

Bachelor of Business Administration and Master of Political Science from the University of Gothenburg. CEO and entrepreneur of Infratest Burke Marketing Information Group Sweden, later several leading global management roles in TNS Kantar, the world's largest market research company, several different board assignments.

Shares | 274,563

(personal and through a related and wholly owned company)



Erik Calissendorff

Founder and Board member since 2009

Born | 1980

Master of Science degrees in IT and Entrepreneurship from Chalmers University of Technology. Worked as Chief Electrical Technical Officer aboard the world's largest private superyachts such as M/Y Eclipse before the founding of Plejd.

Shares | 457,777

(personal and through a related and wholly owned company)



Nico Jonkers

Board member since 2020

Born | 1969

Master of Science in Industrial Engineering and Management from the University of Technology Eindhoven, Netherlands. Signify (Philips Lighting) - Schneider Electric - Royal Philips, responsible for global business units in smart homes and building automation. Since 2019, Global Head of Innovation for Philips Personal Health.

Shares | 0



Gustav Josefsson

Board member since 2018

Born | 1985

Master of Science in Electrical Engineering from Chalmers University of Technology. CTO at Plejd since 2018. Leader of hardware development at Plejd since 2014. Co-founder of the engineering company Pluspole AB, which was purchased by Plejd AB in 2018.

Shares | 337,342

(personal and through a joint-owned company)



Lars Kry

Board member since 2021

Born | 1969

Market Economist education from Berghs School of Communication as well as education from Harvard Business School and IMD Business School in Lausanne. CEO of Nexer Group, partner and board member of A Society, with a number of board positions within the Sigma Group. Former President and CEO of listed Proffice AB, COO of Manpower Sweden and CEO of subsidiaries in the Manpower Group.

Shares | 800



Ylwa Karlgren

Board member since 2021

Born | 1956

Master of Science in Economics and Business Administration from Uppsala University. 30 years of experience in senior positions and international business environments in the finance industry, including SEB, and the real estate and energy industries. Currently works as an independent business advisor. Current Board assignments include Ferroamp Elektronik AB, Acrinova AB and Ecoclimate Group AB all listed on Nasdaq First North.

Shares | 1,050

CEO & Group management

Plejd's President and CEO is responsible for leading and developing operating activities pursuant to the guidelines and instructions issued by the Board. The scope is comprised of written terms of reference for the CEO that are approved annually by the Board.

The CEO leads the work of management, which is responsible for overall business development. In addition to the CEO, the management consists of Plejd's CFO, COO, CTO, CHRO and Sales Manager.

Management meets to follow up on operations, discuss matters affecting the Group and draft proposals for strategic plans and budgets, which the CEO presents to the Board for decisions.

The CEO ensures that the Board receives such factual and relevant information as is required for the Board to be able to make well supported decisions. The CEO monitors that Plejd's targets, policies and strategic plans set by the Board are complied with and is responsible for informing the Board of Plejd's development between the Board's meetings.

Guidelines for remuneration

During the year, Plejd complied with the guidelines for remuneration of the CEO and other senior executives.

Plejd is to offer remuneration levels and terms of employment that are deemed to be necessary to recruit and retain a management team that is highly skilled and with the right capacity for achieving set targets. The overall principle for salaries and other remuneration of Plejd senior executives is to be market-based. Senior executives are to receive a fixed salary. Variable cash remuneration can be paid in addition to fixed salary as a reward for clearly defined, target-related performance in the context of a simple and transparent structure.

Share- and share-price-related incentive programs are resolved on by the General Meeting and are not covered by these guidelines. Non-monetary benefits for management, such as company cars, computers, mobile phones, additional health insurance or occupational health services, may be awarded to the extent that this is deemed to be market practice for senior executives in equivalent positions in the market in which the company operates. The total value of these benefits may be a small percentage of the total remuneration.

Senior executives are covered by the ITP plan applicable at any time or a defined-contribution occupational pension plan that does not exceed 30 percent of pensionable salary. Alternatively, senior executives residing outside Sweden or who are foreign citizens and receive their main pension from a country outside Sweden can be offered different pension solutions that are reasonable in the relevant country.

The Board is entitled to deviate from these guidelines if this is justified by special circumstances in individual cases, provided that this is subsequently reported and reasoning provided. For further information regarding salaries and remuneration, see Note 8.

Period of notice & severance pay

In the termination of the CEO's employment contract, there is a period of notice of six months, regardless of which party terminates the employment. No agreement has been made on severance pay. For other senior executives, a period of notice of up to three months applies, regardless of which party terminates the employment.

Internal control

The Board's and CEO's responsibility for internal control is regulated in the Swedish Companies Act. The Board's responsibility is also regulated in the Code and the Annual Accounts Act, which also contain requirements on annual external information disclosures regarding how the internal control is organized insofar as it pertains to financial reporting.

The aim of the internal control is in part to ensure achievement of Plejd's objectives in terms of suitable and effective operations, reliable reporting and compliance to applicable laws and ordinances. Internal control regarding financial reporting intends to provide reasonable certainty regarding the reliability of the external financial reporting and that the external financial reporting is prepared in accordance with law and applicable accounting standards.

Risk assessment

With regard to financial risk assessment, the risk that errors may be made when reporting the company's financial position and performance is considered the primary risk. To minimize this risk, control documents have been established pertaining to accounting, procedures for account closing and follow-up of reported account closings.

The Board deals with the outcome of the company's processes for risk assessment and risk management, in order to ensure that these cover all significant areas, and establishes, when appropriate, any necessary measures to be implemented. In addition to assessing the risks in the financial reporting, the Board and management work continuously to identify and manage significant risks affecting Plejd's business from an operational and financial perspective. Read more about the risks on page 34, Note 4 in this annual report.

Control environment

The Board of Directors bears the overall responsibility for internal control of the financial reporting. With the aim of creating and maintaining a functioning control environment, the Board has established a number of basic documents of significance to the financial reporting. This particularly concerns the Board's rules of procedure and terms of reference for the CEO. The Board ensures that established principles for financial reporting and internal control are complied with. The responsibility for maintaining an effective control environment and the daily work with internal control regarding the financial reporting is delegated to the CEO. The CEO regularly reports to the Board based on established procedures.

The internal control structure is also based on a management system based on Plejd's organization with clear financial roles, areas of responsibility and delegation of powers. Operational decisions are made at the company level while decisions on strategy, overall financial issues, acquisitions and major investments are made by Plejd's Board and management. The governance documents concerning accounting and financial reporting constitute the most significant parts of the control environment when it comes to financial reporting. These documents are continuously updated in the event of changes of, e.g., accounting standards and legislation.

Control activities

The risks identified with regard to financial reporting are managed through Plejd's control activities, such as authorization controls in IT systems and signature authentication.

The control structure consists of clear roles in the organization that enable an effective division of responsibilities of specific control activities that aim to discover or prevent the risk of errors in the reporting on time. The continuous analysis done of the financial reporting together with the analysis done at the Group level is very important to ensure that financial reporting does not contain any material misstatements.

Follow-up, evaluation and reporting

The CEO is responsible for the internal control being organized and followed up according to the guidelines that the Board has established. The CEO is also responsible for ensuring that independent objective audits are done with the aim of systematically evaluating and proposing improvements to the Group's processes for governance, internal control and risk management. Financial governance and control are carried out by local accounting functions and the Group accounting function. Plejd's management conducts a monthly earnings follow-up with an analysis of deviations from budget, forecast and previous years and all monthly closings are discussed with the management of the respective operating segments. The Board of Directors is sent monthly financial statements and the financial reporting

is followed up at every Board meeting. Prior to publication of the annual report, the Board and management go through the financial reporting.

Group management



Babak Esfahani

CEO

Born | 1982

Co-founder and CEO, employee of the company since 2010.

Shares | 400,000



Linda Erixon

CFO

Born | 1981

CFO of the company since 2019, employee of the company since 2016 with responsibility for finance.

Shares | 11,085

Warrants | 9,000



Mikael Blixman

COO

Born | 1985

Chief Operating Officer of the company since 2019, employee of the company since 2018 with responsibility for acquisitions and production.

Shares | 955

Warrants | 15,000



Gustav Josefsson

CTO

Born | 1985

Chief Technical Officer of the company since 2018, co-founder of Pluspole, which is part of the Plejd Group as a wholly owned subsidiary.

Shares | 337,342



Iman Habib

CHRO

Born | 1980

Chief HR Officer of the company since 2018, co-founder of Pluspole, which is part of the Plejd Group as a wholly owned subsidiary.

Shares | 320,121

Warrants | 7,500



Rikard Sköldin

Sales Manager

Born | 1983

Sales manager of the company since 2019, employed by the company as a seller since 2016.

Shares | 2,088

Warrants | 10,000

Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in Plejd AB, corporate identity number 556790-9477

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2021 on pages 11-18 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, date of signing appears from my electronic signature

Öhrlings PricewaterhouseCoopers AB

Johan Malmqvist

Authorized Public Accountant