

The Nomination Committee's proposals and reasoned statement in respect of the annual general meeting 2023 in Embracer Group AB (publ)

In accordance with the principles for the Nomination Committee which were established at Embracer Group AB's (publ) (the "**Company**") the annual general meeting 2022, the Nomination Committee shall consist of representatives of the five largest shareholders registered in the register of shareholders held by Euroclear Sweden AB at the end of November each year, with the chairman of the board as an adjunct to the Nomination Committee. The Nomination Committee, in respect of the annual general meeting 2023, has been comprised of Per Fredriksson (appointed by Lars Wingefors AB), Michael Levy (appointed by S3D Media Inc., owned by Matthew Karch and Andrey Iones), Ola Åhman (appointed by Savvy Gaming Group), Lennart Francke (appointed by Swedbank Robur Fonder), Henrik Olsson (appointed by Canada Pension Plan Investment Board). The chairman of the board, Kicki Wallje Lund has been an adjunct to the Nomination Committee. Per Fredriksson served as chairman of the Nomination Committee.

Work of the Nomination Committee

Ahead of the 2023 Annual General Meeting, the Nomination Committee has held twelve recorded meetings and has had regular contacts in between. For its work, the Nomination Committee has reviewed and considered the internal evaluation of the work that has been conducted by the Board of Directors (the Board), and the Chairman's statement regarding the Board's work. The Nomination Committee has also reviewed the Company's strategies and interviewed all individual members of the Board.

The task of the Nomination Committee is to submit proposals to the annual general meeting concerning the election of the chairman of the general meeting, the election of members of the Board and the chairman of the Board, the election of auditor, as well as remuneration for the chairman and the other members of the board, including remuneration for committee work, as well as remuneration to the Company's auditor. In respect of the annual general meeting 2023, the nomination committee has unanimously resolved to submit the following proposals.

Item 2: Proposal for chair of the Annual General Meeting 2023

The Nomination Committee proposes that Kicki Wallje Lund is elected as chair of the Annual General Meeting 2023.

Item 10: Proposal for candidates for the post of chair and other directors of the board

The Nomination Committee proposes the following to the 2023 Annual General Meeting:

- that the Board shall consist of eight directors, without deputy directors.
- that Kicki Wallje Lund, Lars Wingefors, Jacob Jonmyren, Cecilia Driving and David Gardner shall be re-elected and that Yasmina Brihi, Cecilia Qvist and Bernt Ingman shall be elected as new Board members.
- that Kicki Wallje Lund is re-elected as Chair of the Board.

Information on all proposed Board members is available on the Company's website www.embracer.com.

Reasoned statement

In preparing its proposal for the Board, the Nomination Committee has focused on strengthening the Board as a whole, paying particular attention to its composition and competencies with respect to the Company's strategic position and development, international operations, governance and financial controls. The Nomination Committee has also taken into account the Board's need for versatility and breadth in terms of skills, experience and background while maintaining the continuity in the work of the board.

The Nomination Committee has applied rule 4.1 of the Swedish Code of Corporate Governance (the "Code") as diversity policy, entailing that the Board of Directors shall, with regards to the Company's business, phase of development and other relevant circumstances, have an appropriate composition of Board members elected by the general meeting that collectively display diversity and breadth in respect of skills, experience and background, and to strive for an equal gender distribution. Half of the proposed Board members are women.

In addition, the Nomination Committee has assessed the independence of the Board members. The Nomination Committee's proposal regarding the composition of the Board meets the requirements of independence as stipulated in the Code. In preparing its proposal, the Nomination Committee has considered that a majority of the proposed directors are to be regarded as independent in relation to the Company and the executive management and that at least two of the Board members who are independent of the Company and the executive management shall also be independent in relation to the Company's major shareholders. Furthermore, no more than one elected member of the board may be a member of the executive management of the Company or a subsidiary, in accordance with rule 4.3 of the Code.

Erik Stenberg and Matthew Karch are thanked for their contributions within the Board of Directors.

Board members proposed for new election:

Yasmina Brihi, born 1975, holds an MBA from Harvard Business School. Yasmina has had several senior management positions within Google, including Senior Director Marketing and Senior Product Manager. She is well experienced in building and scaling businesses in multiple industries such as devices, music, gaming and e-Commerce. This includes vast experience in leading and growing large organizations, shaping and transforming team culture across geographies. She is to be regarded as independent in relation to major shareholders, the Company and Company management. Yasmina owns no shares in Embracer Group.

Bernt Ingman, born 1954, holds a Bachelor of Economics from Uppsala University. Bernt has broad competence in strategic and operational business development, divestments and restructuring from different industries and service businesses. He has held senior management positions within international companies, both from business-to-business and business-to-consumer companies, such as Alimak, Gunnebo, Husqvarna and Munters. Bernt has more than 25 years broad experience from board work in listed as well as private companies. He serves as a Chairman of the board for TagMaster and Pricer. He is to be regarded as independent in relation to major shareholders, the Company and Company management. Bernt owns no shares in Embracer Group.

Cecilia Qvist, born 1972, holds an MBA from the University of Edinburgh. Cecilia has extensive leadership experience in fast-paced, technology-driven companies undergoing transformational growth, including Leia Inc., Spotify, LEGO Ventures, and NASDAQ. For more than 20 years, she has worked with companies around the world on building dynamic, scalable business. Currently she serves as a board member for Kinnevik and Polarium. She is to be regarded as independent in relation to major shareholders, the Company and Company management. Cecilia owns no shares in Embracer Group.

Item 11: Proposal for fees and other remuneration

The Nomination Committee proposes that the level of remuneration for the Board, excluding remuneration for committee work, shall remain unchanged and be paid with a total of SEK 6,300,000 of which SEK 2,100,000 is remuneration for the chairman of the board of directors and SEK 600,000 to every other member of the board of directors who are not employed by the Company.

In addition, the Nomination Committee proposes that:

remuneration for work in the audit committee shall remain unchanged and be paid with SEK 275,000 to the chairman of the audit committee and SEK 175,000 to every other member of the audit committee.

remuneration for work in the remuneration committee shall remain unchanged and be paid with SEK 150,000 to the chairman of the remuneration committee and SEK 100,000 to every other member of the remuneration committee.

Reasoned statement

The Nomination Committee has done a thorough benchmark of remuneration levels from a Scandinavian and international point of view. Swedish remuneration levels for board assignments are relatively low from an international perspective. The Nomination Committee decided not to adjust existing levels of remuneration for the upcoming term at Embracer Group. However, the Nomination Committee advises Embracer Group and the future Nomination Committee to initialize a review of future remuneration-structure in anticipation of the annual general meeting 2024, and to consider a compensation structure that includes higher levels of remuneration and the requirements/possibilities for Board members to receive shares in the Company.

Item 12: Proposal for election and remuneration of Company auditor

The Nomination Committee proposes that a registered audit company is appointed as auditor until the end of the next annual general meeting. Further, the Nomination Committee proposes, in accordance with the audit and sustainability committee's recommendation, election of the registered audit company Öhrlings PricewaterhouseCoopers AB (PwC) as auditor in the Company for the period until the end of the next annual general meeting.

PwC has informed the Company that authorized public accountant Magnus Svensson Henryson shall be the auditor in charge.

Remuneration for the auditor shall be paid in accordance with approved invoices.

Item 13: Proposal for principles for appointment of the nomination committee

The Nomination Committee has reviewed the existing instruction for appointment of the Nomination Committee.

The Nomination Committee proposes that the “Principles for appointment of nomination committee” shall remain the same as the previous instruction, except for the deletion of the following two clauses, which the Nomination Committee deem as unnecessary given the strict confidentiality requirements that members of the Nomination Committee are subject to:

A nomination committee member shall store all confidential materials that he/she receives by reason of the nomination committee assignment in a manner so that the materials are not accessible to third parties. After the assignment has terminated, a nomination committee member shall hand over to the chair of the board all confidential materials that the nomination committee member has received in his/her capacity as nomination committee member and still has in his/her possession, including any copies of the materials, to the extent reasonably possible taking into account inter alia technical aspects.

The chair of the nomination committee may make public statements about the work of the nomination committee. No other nomination committee member may make statements to the press or otherwise make public statements regarding the Company and the group unless the chair of the board has given permission thereto.