

Corporate Governance Report

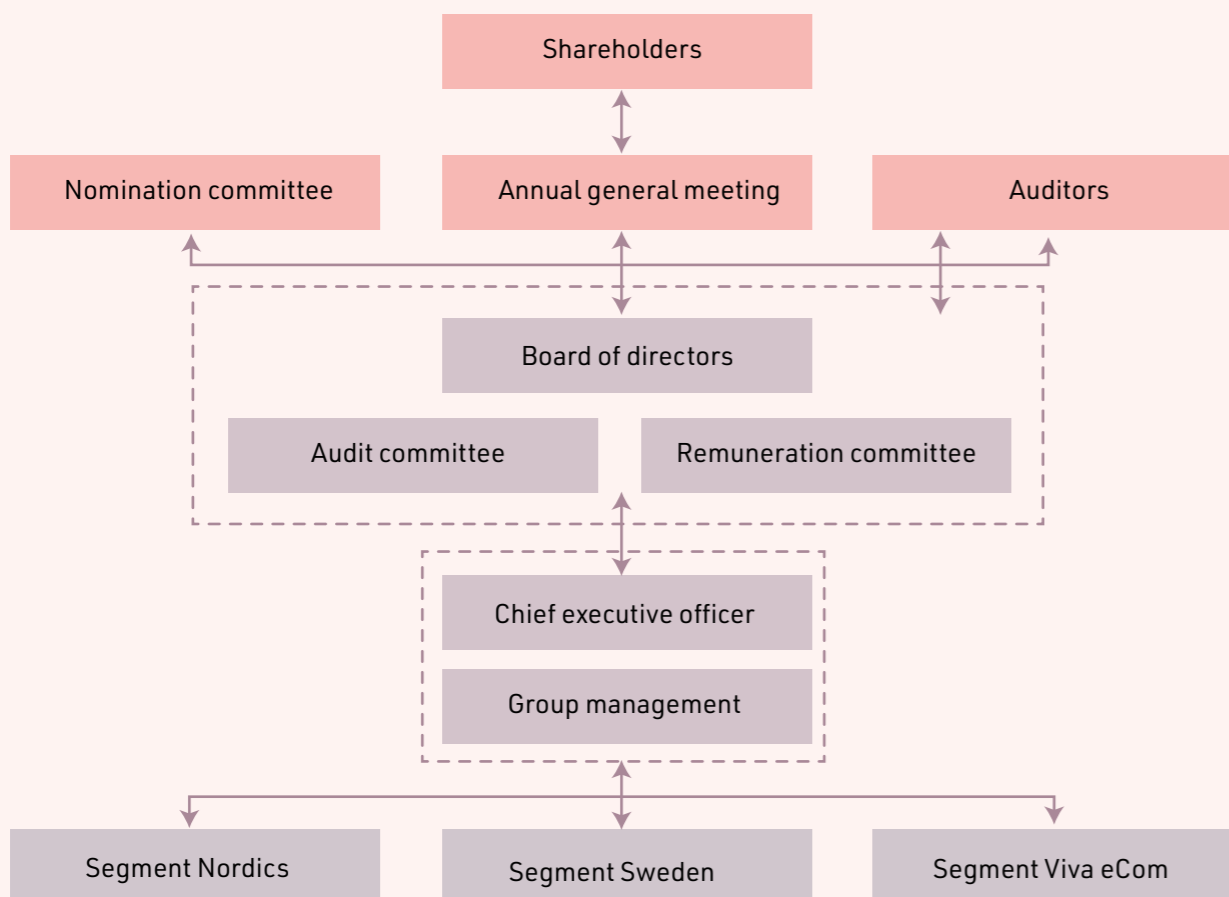
Viva Wine Group AB (publ) is a Swedish public limited company whose shares are listed on Nasdaq First North Premier Growth Market. According to the Company's Articles of Association, the object of its activities is to engage, directly or indirectly, in the business of developing and trading in wine and other alcoholic products, and to conduct other activities compatible therewith.

Good corporate governance entails ensuring that Viva Wine Group is managed sustainably, responsibly and as efficiently as possible for all shareholders. The overall objective is to increase shareholder value and thus meet the demands shareholders have for their invested capital.

CORPORATE GOVERNANCE AT VIVA WINE GROUP

Viva Wine Group bases its corporate governance on applicable legislation, resolutions of the General Meeting, the listing agreement and the work of the Board and management. Viva Wine Group has also chosen to comply with the Swedish Code of Corporate Governance (the "Code"). The main internal governance instruments are the Articles of Association, the Rules of Procedure of the Board of Directors, the instructions for the Board Committees, the Instructions for the CEO including instructions for financial reporting and policies set by the Board of Directors.

The Board of Directors of Viva Wine Group is responsible for the organisation of the Company and the management of the company's affairs. The CEO is responsible for the day-to-day management of the Company in accordance with the guidelines and instructions of the Board of Directors. In dialogue with the Chairman of the Board, the CEO also prepares an agenda for Board meetings and is otherwise responsible for providing the meetings with information and materials for use as a basis for decisions.



GROUP STRUCTURE

The name of the Group is Viva Wine Group, with the parent company Viva Wine Group AB. In Sweden, business is conducted through Giertz Vinimport AB, The Wine Team Global AB, Chris-Wine AB, Iconic Wines AB, Winemarket Nordic AB and Tryffelsvinet AB. In Finland, business is conducted through Cisa Group and in Norway through Norwegian Beverage Group AS. Outside the Nordic region, e-commerce is conducted through Viva eCOM, which owns Wine in Black GmbH and Vicampo. de GmbH with the e-commerce platforms Vicampo and Weinfürst.

SHAREHOLDERS

Viva Wine Group has been listed on Nasdaq First North Premier Growth Market since 14 December 2021. The ten largest shareholders at 31 December 2021 were Late Harvest 1971 Holding AB, Vin & Vind AB, Legendum Capital AB, Bergendahl & Son AB, Capital Group, Svolder, Erik Selin, Arinto AB, Danica Pension, Varma Mutual Pension with a combined shareholding of 89.9%. The remaining 10.1% is owned by other institutional owners and private individuals in Sweden and abroad. The company has one class of shares that entitle holders to equal voting rights and dividends. When voting at a general meeting, each share entitles the holder to one vote and each person entitled to vote may vote for the full number of shares represented. More information on the Viva Wine Group share and shareholder structure can be found in the section "Share and shareholders" on pages 44-45 of the Annual Report and on the Company's website, www.vivagroup.se.

ANNUAL GENERAL MEETING

The General Meeting is the highest decision-making body in a limited liability Company and is the forum in which shareholders exercise their right to decide on the Company's affairs. The Company's shareholders are informed of their legal rights to have issues addressed at General Meetings through the Company's website www.vivagroup.se. Resolutions adopted by General Meetings are generally resolved by a simple majority, though according to the Swedish Companies Act, certain matters are to be resolved by a qualified majority.

The Annual General Meeting must be held each year within six months of the end of the financial year. The Annual General Meeting adopts resolutions concerning such matters as dividend, approval of the annual report, discharge of the Board of Directors and the President from personal liability, election and compensation of the Chairman and members of the Board of Directors and, auditors, guidelines for determination of compensation payable to senior executives, and other matters of importance to the Company. Viva Wine Group Annual General Meeting is held in Stockholm.

Notices convening general meetings shall be given in the form of an announcement in Post- och Inrikes Tidningar and through publication of the notice on the

Company's website, www.vivagroup.se. Shareholders who have registered their intention to attend according to the instructions in the notice of the meeting are entitled to participate in the general meeting, in person or by proxy, to vote at the meeting for or against the proposals presented and to pose questions to the Board of Directors and the CEO.

NOMINATION COMMITTEE

The Nomination Committee is appointed based on principles decided by the Annual General Meeting. The General Meeting also resolves on the instructions that shall apply for the Nomination Committee. The main task of the Nomination Committee is to propose the election of the Chairman at the Annual General Meeting, the election of the Chairman and the other members of the Board, the remuneration of the Board divided among the Chairman, the other Board members and any remuneration for committee work, and the election and remuneration of the auditor. The Nomination Committee's proposals are presented in the official notice of the Annual General Meeting.

The Nomination Committee shall take into account the rules on independence applicable to the Board and its committees. In preparing proposals for members of the Board, the Nomination Committee shall pay particular attention to the issue of diversity and gender balance in the Board and committees.

Shareholders are given the opportunity to submit proposals to the Nomination Committee. The Nomination Committee annually assesses the composition of the Board, primarily in terms of skills, experience and future needs. The Nomination Committee shall meet as often as necessary to fulfil its duties, but at least once a year.

BOARD OF DIRECTORS

The Board of Directors is the highest administrative body of the company under the General Meeting. The Board shall manage the affairs of the company in the interests of the company and all its shareholders and shall safeguard and promote a good corporate culture. The Board of Directors is responsible for ensuring that the Group's organisation is appropriate and continuously evaluates the company's financial position, procedures and guidelines for management and investment of the company's funds. The Board also safeguards the Company's financial accounting, internal controls and the quality of its financial reporting through the internal control system described in more detail under the heading Internal control over financial reporting.

The Board of Directors is responsible for the strategic direction of Viva Wine Group and sets the Group's long-term financial plan, monitors ongoing operations, makes decisions on major investments and divestments, and reviews and approves the financial statements.

The Board of Directors appoints the Chief Executive, approves the instructions for the Chief Executive Officer and supervises their work. The Board conducts an annual

evaluation of the work of the CEO, at which time the Board sets the objectives for the CEO for the coming year. No management representative is present during this evaluation.

The rules of procedure of the Board are adopted annually at the statutory Board meeting. The rules of procedure include provisions on the role of the Chairman of the Board, instructions on the division of work between the Board and the Chief Executive Officer and instructions for financial reporting to the Board of Directors. The Board shall also conduct an annual evaluation of its own work.

The Chairman of the Board is responsible for organising and directing the work of the Board and for ensuring that the Board fulfils its obligations. The responsibilities of the Chairman also include conveying the views of the shareholders to the Board.

According to the Articles of Association, the Board of Directors of Viva Wine Group shall consist of at least three and at most ten members elected by the General Meeting. The CEO is the rapporteur at the Board meetings and the company's CFO is the Secretary of the Board. The CEO and the CFO, in the role of Secretary to the Board, are not members of the Board but they attend Board meetings, except for matters where a conflict of interest may arise, or where it is otherwise inappropriate.

Viva Wine Group's Board of Directors has two ordinary committees: the Audit Committee and the Remuneration Committee. The work of the committees is reported to the Board on an ongoing basis. The Committees are to be seen as working committees of the Board and do not assume the responsibilities of the Board as a whole.

AUDIT COMMITTEE

The work of the Audit Committee is mainly of a preparatory and advisory nature, where the Committee, in its work and in dialogue with the auditor and Group management, provides the Board with information about the business. The work of the Audit Committee aims to ensure that the company's executive management establishes and maintains effective procedures for internal governance, risk management and control. These should be designed to provide reasonable assurance in terms of reporting (financial reporting and operational risk) and compliance (laws, regulations and internal rules) and to ensure the effectiveness and efficiency of administrative processes. The Audit Committee also discusses other significant issues related to the company's financial reporting and reports its findings to the Board. The Committee proposes measures to be adopted by the Board of Directors if necessary.

The Audit Committee is appointed annually by the Board. The company's CFO is the rapporteur and the Group Accounting Manager is the secretary.

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for preparing and evaluating matters relating to the remuneration and other terms and conditions of

employment of the Chief Executive Officer and other members of the Executive Committee, including the remuneration structure, pension plans, incentive schemes and other terms and conditions of employment. The Committee shall also monitor and evaluate ongoing and, during the year, completed variable remuneration programmes for senior executives and monitor and evaluate the application of the guidelines for remuneration of senior executives and the remuneration structures and levels in the company. The Remuneration Committee is appointed annually by the Board.

CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is appointed by the Board of Directors. The CEO manages the activities within the framework established by the Board. The duties of the Chief Executive Officer include ensuring that the Board of Directors is provided with such factual, comprehensive and relevant information prior to Board meetings as is necessary to enable the Board to take well-informed decisions. The Chief Executive Officer is also the rapporteur of the Board and makes reasoned proposals for decisions. The Chief Executive Officer provides monthly updates to the Board of Directors with the information necessary to monitor the position, liquidity and development of the Company and the Group, and keeps the Chairman of the Board of Directors regularly informed of the Company's and the Group's activities.

GROUP MANAGEMENT

In addition to the CEO, the Company's Executive Management consists of the CFO, the COO of Nordics (appointed 2022) and the Director of Sustainability, Communications and Investor Relations, as well as the CEO of Viva eCOM (appointed 2022), the CEO of Wineteam Global and the Business Development Manager of Giertz Wine Import.

The Group Executive Committee meets regularly and deals with issues such as corporate governance, reporting and strategy. Furthermore, the Executive Committee shall prepare matters requiring a decision by the Board of Directors in accordance with the Board's rules of procedure and assist the CEO in implementing decisions of the Board of Directors. In addition to the collective responsibility for the management of the company, each member of the Executive Committee has an individual responsibility for their respective part of the company. At the beginning of each financial year, the Executive Committee evaluates its work, focusing on the quality of decisions, agenda, meeting structure, execution and overall performance of the Executive Committee.

AUDITORS

The external auditors are appointed by the General Meeting for a term of office of between one and four years. According to the Articles of Association, the Annual General Meeting shall elect an auditor or an audit firm to audit the company annual report and the Board and Company CEO administration.

The external auditors' mandate includes the audit of the management of the Board of Directors and the Chief Executive Officer and the annual report and accounts of the Company. They report regularly to the Audit Committee of the Board and report their findings in connection with the annual accounts.

APPLICATION OF THE CODE AND OTHER REGULATIONS

As a listed company on the Nasdaq First North Premier Growth Market, the Company has chosen to apply the Code on a voluntary basis. The Company has not deviated from the Code or stock exchange rules.

INTERNAL CONTROL

The Board of Directors and the CEO are responsible for organising internal control for the Viva Wine Group. The Management Team monitors the financial performance of the Group and each company ensures effective control of its own operations. The Viva Wine Group CFO manages the financial reporting processes, which are evaluated by the Audit Committee. The Board of Directors monitors the financial situation of the Group.

Viva Wine Group has a set of internal regulations which, together with the external regulations, form the framework for its operations. The key regulations include the Articles of Association, the Rules of Procedure of the Board of Directors and the instructions for the respective committees, as well as the instructions to the CEO, including financial reporting instructions and policies. The Company has the following policies:

Risk policy

The Risk Policy describes Viva Wine Group's approach to identifying and managing risks to and within the business.

Financial policy

The Financial Policy sets Viva Wine Group's financial risk level and defines the objectives and guidelines for the Group's financial management. The policy defines the responsibilities and the reporting and internal control procedures for financial management.

HR policy (Gender Equality and Equal Treatment Policy), only for Sweden

The HR Policy sets out the overall framework with respect to employees in the Group. It states that in order to meet the needs and expectations of its customers, the Group needs employees with diverse backgrounds and with a wide range of skills and experience.

Sustainability Policy

The Sustainability Policy describes Viva Wine Group's overall vision and guidelines for economic, environmental and social sustainability, focusing on sustainable farming, sustainable production, sustainable transport and packaging, sustainable communities and sustainable consumption.

Insider policy

The Insider Trading Policy sets out the principles for trading in Viva Wine Group's shares and how the company will handle inside information.

Communication Policy

The Communication Policy describes the principles of Viva Wine Group's internal and external communication in order to contribute to consistent, clear and long-term effective communication between the Company's management, employees and its external stakeholders.

Business Ethics and Anti-Corruption Policy

The Business Ethics Policy states that the Company's culture should be based on responsibility, trust and a high standard of professional conduct.

Internal Audit

According to the Code, the Board of Directors must annually consider whether the Company should have an internal audit function. The Board has considered that an internal audit function is not necessary at present and that the monitoring and evaluation of internal control is carried out by the Board as a whole.

CORPORATE GOVERNANCE AT VIVA WINE GROUP 2021

2021 Annual General Meeting

In 2021, the Annual General Meeting was held on 15 June. The 2021 Annual General Meeting resolved as follows:

- Dividend of SEK 6.20 per share for the 2020 financial year.
- Election of Anders Moberg (Chairman), Helen Fasth Gillstedt, Mikael Aru, Anne Thorstvedt Sjöberg, Emil Sallnäs, Björn Wittmark and John Wistedt as members of the Board of Directors of Viva Wine Group. At the board meeting on 3 November, the main owners Emil Sallnäs and Björn Wittmark left the board as part of the preparations for the IPO.
- Adoption of the income statement and balance sheet for 2020 and discharge from liability of the members of the Board of Directors and the Chief Executive Officer.

2021 Extraordinary General Meetings

In 2021, a number of Extraordinary General Meetings were held as part of the preparations for listing.

The Extraordinary General Meeting on 15 April changed the composition of the Board,

The Extraordinary General Meeting on 20 September amended the Articles of Association and changed the category of the Company.

The Extraordinary General Meeting on 25 November adopted new Articles of Association and resolved on a share split.

The Extraordinary General Meeting on 30 November resolved to issue shares.

The Extraordinary General Meeting on 5 December resolved to carry out a share split and a further issuance of shares.

Empowerment

The Extraordinary General Meeting 20 September 2021 gave an authorization to the Board of Directors to until the 2022 Annual General Meeting decide on the issue of shares, convertibles and / or warrants with right to convert to or subscribe for shares, with or without deviation from shareholders' preferential rights, within the limits of the Articles of Association, to be paid contact, by in-kind and / or by set-off.

Board of Directors

Composition

According to the Articles of Association, the Company's Board of Directors shall consist of a minimum of three and a maximum of ten members. At the end of 2021, Viva Wine Group's Board of Directors consisted of five members: Anders Moberg (Chair), Helen Fasth Gillstedt, Mikael Aru, Anne Thorstvedt Sjöberg and John Wistedt. Further information on the individual Board members can be found on pages 90-91 of the 2021 Annual Report.

Independence of the Board of Directors

According to the Nomination Committee, four out of five members of the Board of Directors are to be considered independent in relation to the Company's major shareholders, as well as to the Company and its management.

Meetings

The Board convenes for six ordinary meetings a year and one statutory meeting. In addition to the ordinary meetings, the Board of Directors shall be convened for additional meetings at the request of any member of the Board or of the Chief Executive Officer. The auditors attend the Board meeting at which the annual accounts are presented in order to report on the findings of the audit.

Remuneration to the Board of Directors

Remuneration to the Board of Directors for the period from the 2021 Annual General Meeting up to and including the 2022 Annual General Meeting has been paid in accordance with the resolution of the 2021 Annual General Meeting. No Board fees were paid to Board members employed by Viva Wine Group.

For more information on the remuneration of the Board of Directors in 2021, see Note 7 in the Company's 2021 Annual Report.

Work of the Board in 2021

Between 1 January 2021 and 31 December 2021, the Board held eight Board meetings and two statutory Board meetings. At all regular Board meetings, the Board received an overall presentation from the CEO and discussed the performance of the Company and its associated companies, as well as other projects and issues. All meetings during the year followed an approved agenda. Before each meeting, the draft agenda, including any documentation for each item on the agenda, was sent to the Board.

Audit Committee

Members in 2021 were: Helen Fasth Gillstedt (Chair) and Mikael Aru. The Chair of the Committee kept the Board informed of the Committee's work and decisions throughout the year. The number of meetings in 2021 was four. The Company's auditor and CFO attended all meetings of the Audit Committee in 2020.

Remuneration Committee

Members in 2021 were Anders Moberg and Anne Thorstvedt Sjöberg. The Chief Executive Officer of the Company serves as rapporteur on certain issues, but is not a member of the Committee and is not present when the Committee prepares decisions related to remuneration of the Chief Executive Officer.

The Chair of the Committee has kept the Board informed of the Committee's work and decisions throughout the year. The Committee shall meet as often as necessary and at least twice a year.

Group Management

Viva Wine Group's Group Management in 2021 consisted of Emil Sallnäs, President and CEO, Linn Gäfvert, CFO, Mikael Sundström, Director Sustainability, Communications and Investor Relations, John Wistedt, CEO Winetech Global AB (subsidiary of Viva Wine Group) and Björn Wittmark, Director Business Development Giertz Vinimport (subsidiary of Viva Wine Group). Further information on the Company's Chief Executive Officer and other members of the Executive Committee's shareholdings in Viva Wine Group can be found on page 90-91 in the 2021 Annual Report. Emil Sallnäs has no significant shareholdings or participations in companies with which Viva Wine Group has significant business relations.

Remuneration of the Board of Directors

For information on the guidelines adopted by the Annual General Meeting, see Note 7 in the 2021 Annual Report. For information on remuneration and other benefits to the Executive Committee, see Note 7 in the 2021 Annual Report.

Audit and auditors

The 2021 General Meeting appointed EY AB as the company's auditor for the period from 2021 until and including the 2022 AGM. In 2021, in addition to auditing, EY AB also provided consulting services to the Group for tax and audit-related services.

Andreas Nyberg is the auditor in charge. For information on the remuneration of Viva Wine Group's auditors in 2021, see Note 6 Fees and reimbursement of expenses to auditors, in the 2021 Annual Report.