

## **Nomination Committee instruction valid from AGM 2016 until further notice**

The following principles for the appointment of Nomination Committee and the Nomination Committee's mission, were adopted at the 2016 Annual General Meeting to apply until further notice, valid until a new decision is concluded by a General Meeting.

Ratos's Chairman is commissioned to consult with the company's largest shareholders and in cooperation with them appoint a Nomination Committee ahead of the next year's Annual General Meeting.

The Nomination Committee shall consist of a minimum of five members and Ratos's Chairman. The members of the Nomination Committee shall be elected by, in terms of voting rights, the largest shareholders, or group of shareholders as grouped by the Euroclear system (such group to be considered as one shareholder), based on shareholder statistics from Euroclear Sweden AB at 31 August the year before the Annual General Meeting.

If a shareholder waives the entitlement to appoint a representative, the shareholder who is the next largest owner in terms of voting rights shall appoint a representative. The majority of the members of the Nomination Committee shall be independent from the company and company management. The Nomination Committee's mandate period extends until a new Nomination Committee has been appointed. If an already appointed member resigns from the Nomination Committee, the appointing shareholder shall be entitled to appoint a replacement. If a major shareholder whom an appointed member represents significantly reduces its shareholding in the company, the Nomination Committee may offer another shareholder to appoint a replacement. The duties of the Nomination Committee include:

- to evaluate the composition and work of the Board,
- to prepare a proposal to the Annual General Meeting regarding election of the Board and the Chairman of the Board,
- to prepare a proposal, in cooperation with the company's Audit Committee, to the Annual General Meeting regarding election of auditor,
- to prepare a proposal to the Annual General Meeting regarding fees to the Board, divided between the Chairman and other Board members as well as possible remuneration for committee work, and auditor,
- to prepare a proposal to the Annual General Meeting regarding a Chairman for the Meeting, and
- to prepare, if applicable, a proposal on principles for appointment of the next Nomination Committee.

The composition of the Nomination Committee shall be announced no later than six months prior to the Annual General Meeting. The Nomination Committee is entitled to receive reasonable remuneration from the company for expenditure incurred with regard to evaluation and recruitment. Members of the Nomination Committee do not receive any remuneration from the company.