

*The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

## **Instruction and charter for the Nomination Committee in Polygiene AB**

The Nomination Committee of Polygiene AB (the “**Company**”) proposes that a Nomination Committee shall be appointed before coming election and remuneration.

### **1. Composition of the Nomination Committee etc.**

- 1.1 The Nomination Committee shall comprise four members, one representative for each of the three largest shareholders on the last banking day in September who wish to appoint a member and the Chairman of the board. The three largest shareholders in these instructions are the ownership grouped registered shareholders or in another way known shareholders as per the last banking day in September.
- 1.2 As soon as possible after the details of the largest shareholders on the final banking day in September are known, the Chairman of the board shall contact the three largest shareholders to find out whether they wish to appoint members of the Nomination Committee. If one or more of the three largest shareholders declines to appoint a member of the Nomination Committee, the Chairman of the board shall offer other major shareholders the opportunity to appoint a member of the Nomination Committee. If such an offer is made, it should be made to the largest shareholders in order (i.e. first to the fourth largest shareholder, then the fifth largest shareholder, and so on). This procedure shall continue until the Nomination Committee comprises four members including the Chairman of the board.
- 1.3 At its first meeting, the Nomination Committee shall appoint a Chairman among its members.
- 1.4 Information regarding the appointed Nomination Committee shall include the names of the three appointed members, together with the names of the shareholders who have appointed the members, and the information shall be announced no later than six months before the proposed annual shareholders’ meeting.
- 1.5 The Nomination Committee’s term shall run until such time as a new Nomination Committee has been elected.
- 1.6 If there is a change in ownership among the largest shareholders and a shareholder not previously entitled to appoint a member of the Nomination Committee thereby becomes a larger shareholder than one or more of the shareholders who have already appointed a Nomination Committee member, (“a new major owner”), the Nomination Committee shall, if the new major owner makes a request to appoint a member of the Nomination Committee, decide that the Nomination Committee member who represents the smallest shareholding after the shift should be dismissed and replaced by the member appointed by the new major owner. Should a new major owner wish to appoint a member of the Nomination Committee, the new major owner should notify the Chairman of the Nomination Committee. The notification should contain the

name of the person the new major owner appoints as a member of the Nomination Committee. Notwithstanding what has been stated in the foregoing, unless special reasons exists, no changes of the composition of the Nomination Committee shall be made if only marginal changes in voting power has occurred or if the change occurs later than two months before the annual shareholders' meeting.

- 1.7 A shareholder who has appointed a member of the Nomination Committee is entitled to dismiss said member and appoint a new one. Should such a replacement occur, the shareholder shall without delay notify the Chairman of the Nomination Committee (or, if it is the Chairman of the Nomination Committee who is to be replaced, to the Chairman of the board). The notification should contain the name of the dismissed person and the name of the person who will replace it as a member of the Nomination Committee.
- 1.8 If a member who represents a shareholder on the Nomination Committee should leave its assignment prematurely, the Nomination Committee shall without delay request that the shareholder who appointed the member appoint a new member. If no new member is appointed by the shareholder, the Nomination Committee shall offer other major shareholders the opportunity to appoint a member of the Nomination Committee. Such an offer shall be made to the largest shareholders in order (i.e. first to the largest shareholder who has not already appointed a member of the Nomination Committee or who has previously foregone that right, and then to the next largest shareholder who has not already appointed a member of the Nomination Committee or who has previously foregone that right, and so on). This procedure shall continue until the Nomination Committee is complete. A member who leaves its assignment prematurely shall notify the Chairman of the Nomination Committee of this in advance (or, if it is the Chairman of the Nomination Committee who is to be replaced, to the Chairman of the board).

## 2. Tasks

- 2.1 The Nomination Committee shall submit proposals regarding:
- (a) the Chairman at the annual shareholders' meeting;
  - (b) the number of board members elected by the shareholders' meeting;
  - (c) Chairman and other members of the board elected by the shareholders' meeting;
  - (d) fees and other remuneration for each of the members of the board elected by the shareholders' meeting and for members of board committees (where applicable);
  - (e) the number of auditors;
  - (f) the auditors;
  - (g) the fee for auditors;
  - (h) election of Nomination Committee, or alternatively a decision on principles for appointing a Nomination Committee, as well as instructions for the Nomination Committee; and

- (i) remuneration to the members of the Nomination Committee (if applicable).
- 2.2 When preparing its proposal regarding auditors, the Nomination Committee shall take into account the requirements on auditors in the Swedish Companies Act.
- 2.3 The Nomination Committee shall, when informing the Company of its proposals, provide the Company with a motivating statement regarding its board proposal. The statement shall also include a short description of how the work of the Committee has been managed.
- 2.4 At least one member of the Nomination Committee must be present at the annual shareholders' meeting. At a shareholders' meeting where board members or auditors are to be elected, the Nomination Committee shall provide a report on how its work has been carried out and present and justify its proposals.

### **3. Meetings**

- 3.1 The Nomination Committee shall meet as often as necessary for the Nomination Committee to be able to fulfill its duties. The Chairman of the board shall issue the notice for the Nomination Committee to attend its first meeting. Notices to attend other meetings shall be issued by the Chairman of the Nomination Committee. Should a member request that a meeting of the Nomination Committee be called, that request shall be complied with.
- 3.2 The Nomination Committee shall be quorate provided more than half the members are present. However, decisions on issues may not be made unless all the members have been given the opportunity to discuss those issues.
- 3.3 When electing a Chairman for the Nomination Committee, the Chairman shall be the member who receives most votes. If the number of votes is equal, the election shall be settled by drawing lots.
- 3.4 A decision by the Nomination Committee refers to the opinion voted for by more than half of the members, or if the number of votes is equal, the opinion voted for by the Chairman of the Nomination Committee.
- 3.5 At the Nomination Committee's meetings, minutes shall be kept, and shall be signed and confirmed by the Chairman of the Nomination Committee and the member appointed by the Nomination Committee. The minutes shall be kept and archived in accordance with standard practice for board minutes.

### **4. Fees and reimbursement**

- 4.1 A fee may be payable to the members of the Nomination Committee should the annual shareholders' meeting so resolve.
- 4.2 Members of the Nomination Committee are entitled to reimbursement from the Company for demonstrable reasonable costs for completion of committee business, such as costs for recruitment services for instance.

4.3 On request by the Nomination Committee, the Company shall provide the Nomination Committee with human resources such as a secretary function in order to facilitate the Nomination Committee's work. The Nomination Committee shall also have the right to, as far as necessary in connection with the future election of a member of the board, obtain data from external consultants on knowledge, experience and profile in reference to suitable candidates, and with the right for the Nomination Committee to charge the Company with reasonable costs for the production of such data.

## 5. Period of validity

These principles for the Nomination Committee's appointment and instructions for the Nomination Committee shall be valid until further notice until a resolution on amendment is passed by a shareholders' meeting.

---

Malmö in April 2019

Polygiene AB

The Nomination Committee