



# Principles for the composition of the Nomination Committee and instructions to the Nomination Committee

**Studsvik**

# Principles for the composition of the Nomination Committee and instructions to the Nomination Committee

## Composition of the Nomination Committee

The Nomination Committee shall consist of representatives of the three (3) largest shareholders in terms of voting rights as of the last banking day in August each year and the Chair of the Board of Directors of the Company. The Nomination Committee shall meet the independence requirements set out in the Swedish Code of Corporate Governance. This includes that the majority of the members shall be independent in relation to the Company and the company management, that at least one member shall be independent in relation to the Company's largest shareholder in terms of votes, that the CEO or other person in the company management may not be included and that the board members may not constitute a majority. The Chair of the Nomination Committee shall be independent in relation to the Company and the company management and the Chair of the Board of Directors should not be the Chair of the Nomination Committee. In the event that any of the three (3) largest shareholders waives its right to appoint a representative, the fourth largest shareholder shall be offered to appoint a representative and so on until the Nomination Committee consists of three members.

A member of the Nomination Committee shall resign if the shareholder who appointed this member is no longer one of the four largest shareholders, after which a new shareholder in order of size shall be offered the opportunity to appoint a member. However, in the absence of special reasons, no changes shall be made to the composition of the Nomination Committee if only minor changes in the number of votes have taken place or the change occurs later than three months before the Annual General Meeting. Changes in the composition of the Nomination Committee shall be published on the Company's website without delay.

The Chair of the Board of Directors of the Company is responsible for contacting the largest shareholders and managing the formation of the Nomination Committee in accordance with the procedure described below. The Chair of the Board of Directors of the Company is also responsible for convening the Nomination Committee, once all members have been appointed, for their first meeting. The Nomination Committee shall appoint the Chair of the Nomination Committee. The Company shall provide information on its website in good time, but no later than six (6) months prior to the Annual General Meeting, about the members of the

Nomination Committee and, if a member has been appointed by a certain owner, state the name of the owner. The website shall also state how shareholders can submit proposals to the Nomination Committee, including the relevant contact channel and the last day to be considered in the Nomination Committee's work prior to the Annual General Meeting. Information under this section shall be updated without delay in the event of changes.

The largest shareholders, who have the right to appoint a representative to the Nomination Committee, shall receive a written request from the Chair of the Board of Directors of the Company requesting them to appoint a representative to the Nomination Committee, and they shall respond as to whether or not they wish to appoint a representative to the Nomination Committee no later than seven (7) calendar days from the date on which the request was sent to the shareholder. In the event of special circumstances, such as holiday periods, reporting periods or other circumstances beyond the shareholder's control, the Chair of the Board of Directors may, upon written request, allow a reasonable extension of the response time, but normally not longer than an additional seven (7) calendar days. If no response is received within the specified time, or if the response is conditional, the shareholder shall be deemed to have waived their right to appoint a member at this stage, and the Chair of the Board shall then contact the next shareholder in order of size to offer the position. If it can be done without delaying or hindering the work of the Nomination Committee, the Chair of the Nomination Committee may, after consultation with the Chair of the Board, accept that a shareholder who has previously declined may submit a proposal for a member at a later date. Such entry shall not affect decisions already made or the effectiveness of the Nomination Committee.

Inquiries and responses in accordance with the above shall be made in writing (e-mail shall be deemed to be in writing), archived and the Board of Directors of the Company shall receive a copy of the documents through the Chair of the Board. If an enquiry is sent by ordinary mail, the registered address of the shareholder in the shareholder register maintained by Euroclear Sweden AB shall be used.

The term of office of the Nomination Committee runs until a new Nomination Committee has taken office. The Company is responsible for costs in connection with the work of the Nomination Committee. The members of the Nomination Committee are not entitled to any remuneration from the Company.

If a member of the Nomination Committee voluntarily resigns from the assignment before his/her work is completed, the shareholder who appointed the resigning member shall appoint a successor, provided that the shareholder is still one of the four largest shareholders in terms of voting rights represented on the Nomination Committee. This shall be done in accordance with the procedures regarding feedback and deadlines, etc., as stipulated above, as well as other reasonable procedures that the Chair of the Nomination Committee may decide.

## Duties of the Nomination Committee

The Nomination Committee shall carry out its assignment in accordance with these instructions and applicable rules. The assignment includes that the Nomination Committee shall prepare proposals on the following issues before each Annual General Meeting. The Nomination Committee's proposals shall be presented in the notice of the Annual General Meeting and on the Company's website. In connection with the notice, the Nomination Committee shall submit a reasoned statement in accordance with the Swedish Code of Corporate Governance. At least one member of the Nomination Committee shall attend the Annual General Meeting and present and specifically justify the Nomination Committee's proposals.

- a. Proposal for the Chair of the Annual General Meeting
- b. Proposal regarding the number of members of the Board of Directors, auditors and, where applicable, deputy auditors
- c. Proposal for Board of Directors
- d. Proposal for Chair of the Board of Directors
- e. Proposal for fees for the members of the Board of Directors and the Chair of the Board of Directors respectively
- f. Proposal for remuneration for committee work
- g. Proposal for auditors
- h. Proposal for fees for the Company's auditors
- i. Proposal for principles for the composition of the Nomination Committee and instructions to the Nomination Committee

The Nomination Committee's proposal for auditor shall contain the Audit Committee's recommendation. If the Nomination Committee's proposal deviates from the recommendation, the reasons for the deviation shall be stated. If the Company has been obliged to carry out a selection procedure of an auditor in accordance with applicable rules, the proposed auditor shall have been included in this procedure. The Nomination Committee shall, in connection with the notice and on the Company's website, briefly describe the main features of the selection procedure, including the main selection criteria.

In addition to what is stated above, the Swedish Code of Corporate Governance shall be applicable to the Nomination Committee and its work.



