

To the Board of Directors of Scandi Standard AB (publ)

## **The Nomination Committee's proposals to the Annual General Meeting 2015**

The Nomination Committee of Scandi Standard hereby presents its proposals and information regarding the Board of Directors.

### **Chairman of the Annual General Meeting**

1. The Nomination Committee proposes that Advokat Sven Unger be elected Chairman of the Annual General Meeting of shareholders 2015.

### **Number of Board members of the Board of Directors to be elected by the Annual General Meeting**

2. According to the articles of association, the Board shall consist of no less than three and no more than eight Board members, without deputies. The Nomination Committee proposes that the number of Board members elected by the Annual General Meeting of shareholders remain seven.

### **Fees payable to members of the Board of Directors elected by the Annual General Meeting and to members of the Committees of the Board elected by the Annual General Meeting**

It is important that Board fees are maintained at an appropriate level to make it possible to recruit the best possible international competence to the Board of Directors of Scandi Standard and to make it possible to keep such competence. The Nomination Committee has, using independently prepared benchmarking, compared the Board fees in Scandi Standard with Board fees in other mid-market comparable companies on OMX Stockholm. The Nomination Committee has concluded that compared with the Board fees in companies of equal size and complexity, the proposed fees are in line.

3. Consequently, the Nomination Committee proposes that total fees to the board members, for the period until the next Annual General Meeting, shall amount to SEK 2,200,000. The fee to the Chairman of the Board shall be increased from SEK 440,000 to SEK 550,000 and the individual fee payable to the other six non-employed Board members elected by the Annual General Meeting shall remain SEK 275,000.
4. The Nomination Committee proposes that total fees to Committees of the Board, for the period until the next Annual General Meeting, shall be increased to SEK 400,000. This comprises an individual annual fee of SEK 200,000 for the Chairman of the Audit Committee, SEK 50,000 for each of the two other members of the Audit Committee, SEK 50,000 for the Chairman of the Remuneration Committee and SEK 25,000 for each of the two other members of the Remuneration Committee. The Nomination Committee considers that the fees for Committee work are reasonable and the increase of the fee to the Chairman of the Audit Committee is motivated by the extra support required in the setting up and implementation of financial internal controls structures.

The proposal of the Nomination Committee implies all in all an increase of the fees of approximately 8.8 per cent compared to the total fees to the Board members for Board and Committee work resolved by the Annual General Meeting 2014.

## **Election of the Chairman of the Board of Directors and other Board members**

5. The Nomination Committee proposes that the following persons be elected Board members:

### **Chairman of the Board:**

Re-election: Per Harkjaer

### **Other Board members:**

Re-election: Kate Briant, Ulf Gundemark, Michael Parker, Karsten Slotte and Heléne Vibbleus.

New election: Asbjörn Reinkind

In the composition of the Board of Directors, the Nomination Committee considers, among other things, necessary experience and competence but also the value of diversity, gender balance and renewal and assesses the appropriateness of the number of members of the Board.

The Nomination Committee takes into account the competence and experience of each individual member along with the individual member's contribution to the Board work as a whole in its appraisal of qualifications and performance of the individual Board members. The Nomination Committee considers it important that Board members can devote the necessary time and care required to fulfill their tasks as Board members in Scandi Standard, and has therefore also familiarized itself with the proposed Board members' engagements outside of Scandi Standard and the time they require.

The Nomination Committee considers that the current Board and Board work is well functioning and that the Board fulfils high expectations in terms of composition and that the Board as well as the individual Board members fulfil high expectations in terms of expertise. All Board members contribute meritoriously with their respective expertise. The Nomination Committee has noted that Board members in Scandi Standard have high Board meeting attendance and that they are well prepared at the meetings. Based on thorough discussion and evaluation, it is the opinion of the Nomination Committee, that the proposed Board members have sufficient time to fulfil their tasks as Board members in Scandi Standard.

### **Information regarding proposed Board members**

Information regarding the proposed Board members is presented in [Exhibit 1](#).

### **Independence of Board members**

In terms of applicable Swedish independence requirements, the Nomination Committee has made the following assessments.

- a. The Nomination Committee considers that all of the Board members are independent of the Company and its senior management.
- b. From among the Board members reported in a. above, the Nomination Committee considers that at least the following are independent of the Company's major shareholders:
  - Per Harkjaer
  - Mike Parker
  - Karsten Slotte
  - Helene Vibbleus
  - Asbjörn Reinkind

### **Number of auditors**

6. According to the articles of association, the company shall have no less than one and no more than two auditors with no more than two deputies. As auditor and, when applicable deputy auditor, shall an authorized public accountant or a registered public accounting firm be elected. The Nomination Committee proposes that the company shall have one auditor without deputy auditor.

### **Fees payable to the auditor**

7. The Nomination Committee proposes that the auditor fees be paid against approved account.

### **Election of auditor**

8. The Nomination Committee proposes that PricewaterhouseCoopers AB be elected as auditor for the period as of the end of the Annual General Meeting 2015 until the end of the Annual General Meeting 2016. It was noted that PricewaterhouseCoopers AB had appointed Bo Lagerström as responsible auditor.

**Stockholm in March 2015**

**The Nomination Committee**