

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

## **The Nomination Committee's proposal to the Annual General Meeting 2017, including explanations**

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

### **1. Description of the Nomination Committee's work ahead of the Annual General Meeting 2017**

The composition of the Nomination Committee was made public by Scandi Standard AB (publ) ("Scandi Standard") on 13 September, 2016. The Nomination Committee consists of the following members:

- Per Harkjaer (Chairman of Scandi Standard's Board of Directors)
- Hans Hedström (Carnegie Fonder), Chairman of the Nomination Committee
- Gustav Lindner (Investment AB Öresund)
- Knut Pousette (Kvalitena AB)
- Ulf Zenk (Lantmännen Kycklinginvest AB)

The Nomination Committee started its work by reviewing the tasks incumbent on it under the Swedish Corporate Governance Code and the Instruction for the Nomination Committee adopted at the Annual General Meeting 2016. A time plan was set for the Nomination Committee's work going forward and the Chairman of the Board of Directors presented his views on the company's position and strategy. The Committee reviewed the results of the external evaluation of the Board work and procedures, including the performance of the Chairman of the Board and the CEO. On this basis, the Nomination Committee has assessed what competence and experience is required of Scandi Standard's Board members and evaluated the need for increased diversity on the board in terms of age, gender, cultural/geographic background and ownership representation and has talked with candidates for nomination as Board members. The Nomination Committee also had contacts with the Chairman of the Audit Committee to familiarize itself with the assessments made by the company and the Audit Committee of the quality and efficiency of external auditor work. The Audit Committee also provided its recommendations on external auditor and auditor fees. The Nomination Committee also has been in contact with the external auditor regarding the cooperation with the company and the audit committee. As of 10 March, 2017, the Nomination Committee has held five meetings.

### **2. The Nomination Committee's proposals and explanations**

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

The Nomination Committee proposes that Advokat Sven Unger be elected Chairman of the Annual General Meeting of shareholders 2017.

**Item 10 a. Number of board members of the board of directors to be elected by the Annual General Meeting**

According to the articles of association, the board shall consist of no less than three and no more than eight board members, without deputies. To better reflect the ownership structure of the company, the Nomination Committee proposes that the number of board members elected by the Annual General Meeting of Shareholders shall be increased to nine as opposed to the current eight without deputies and that § 6 of the Articles of Association be amended accordingly, Exhibit 1.

**Item 10 b. 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 Nasdaq 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.

Consequently, the Nomination Committee proposes that total fees to the board members, for the period until the next Annual General Meeting, shall be increased to SEK 2,750,000. The fee to the chairman of the board shall remain SEK 550,000 and the individual fee payable to the other eight non-employed board members elected by the Annual General Meeting shall remain SEK 275,000.

The Nomination Committee proposes that total fees to committees of the board, for the period until the next Annual General Meeting, shall remain SEK 330,000. This comprises an individual annual fee of SEK 130,000 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.

**Item 10 c. Election of board members and chairman of the board of directors**

The Nomination Committee proposes that the following persons be elected board members.

**Board members:**

Re-election of Ulf Gundemark, Samir Kamal, Michael Parker, Harald Pousette, Asbjörn Reinkind, Karsten Slotte and Heléne Vibbleus.

New election of Øystein Engebretsen

**Chairman of the board:**

Re-election of Per Harkjaer.

## **Öystein Engebretsen**

**Född:** 1980.

**Utbildning:** BI Norwegian School of Management (Sandvika/Oslo), Master of Science in Business, Major in Finance.

**Styrelseledamot:** Projektengagemang Sweden AB.

**Innehav i Scandi Standard:** 3 000.

**Huvudsaklig arbetslivserfarenhet:** Investment AB Öresund, Investment manager, Styrelseledamot Investment AB Öresund, Projektansvarig Viking Sverige AB och HQ Bank, Corporate Finance.

In the composition of the board of directors, the Nomination Committee considers, among others, necessary experience and competence, the value of diversity, age, gender balance, reflection of the ownership structure of the company 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 fulfil 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 discussions and assessments, the Nomination Committee considers that the proposed Board well balances the desire to reflect the ownership structure of the company while taking continuity into account. Moreover, the Nomination Committee considers that the proposed board members have sufficient skills and time to fulfil their tasks as board members of Scandi Standard.

## **Information regarding proposed board members**

Information regarding the proposed board members is presented in Exhibit 2 of the Nomination Committee proposal, which can be found on Scandi Standard's website.

## **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 Scandi Standard 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 Scandi Standard's major shareholders:
  - Per Harkjaer
  - Mike Parker
  - Samir Kamal
  - Asbjörn Reinkind
  - Karsten Slotte
  - Helene Vibbleus

**Item 10 d. Number of auditors**

According to the articles of association, Scandi Standard 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 Scandi Standard shall have one auditor without deputy auditor.

**Item 10 e. Fees payable to the auditor**

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

**Item 10 f. Election of auditor**

The Nomination Committee proposes that PricewaterhouseCoopers AB be re-elected as auditor for the period as of the end of the Annual General Meeting 2016 until the end of the Annual General Meeting 2018.

---

**Stockholm in March 2017**

**The Nomination Committee**

## **APPENDIX**

### **Proposal for Board of Directors**

*Scandi Standard AB, (2017) Corporate Identity Number 556921-0627*

#### **Öystein Engebretsen**

Born: 1980

*Education:* BI Norwegian School of Management (Sandvika/Oslo), Master of Science in Business, Major in Finance.

*Board member:* Projektengagemang Sweden AB.

*Holdings in Scandi Standard:* 3,000.

*Principal work experience:* Investment AB Öresund, Investment manager, Board member Investment AB Öresund, Project Supervisor Viking Sverige AB and HQ Bank, Corporate Finance.

#### **Per Harkjaer**

*Chairman and Member of the Remuneration Committee*

*Elected 2014*

Born 1957.

*Education:* Bachelor of Arts, International Marketing, Copenhagen Business School, (Denmark).

*Chairman of the Board:* Make-A-Wish Foundation.

*Board member:* Partner in Pet Foods.

*Holdings in Scandi Standard:* 68,496 shares.

*Principal work experience:* Group CEO, United Coffee, Findus Group and Toms Gruppen A/S.

#### **Ulf Gundemark**

*Board member and Member of the Audit and Remuneration Committees.*

*Elected 2013*

Born 1951.

*Education:* Master of Science (Electrical Engineering), Chalmers University of Technology (Sweden).

*Chairman of the Board:* Ripasso Energy AB and Nordic Waterproofing Group.

*Board member:* AQ Group AB, Constructor Group AS, Lantmännen, Papyrus Holding AB, Solar AS and Gumaco AB (also owner).

*Holdings in Scandi Standard:* 31,779 shares.

*Principal work experience:* CEO of Elektroskandia/Hagemeyer Nordics, General Manager, IBM, various positions at ASEA/ABB. Chairman in Lindab International, Bridge to China AB and Lönne International AS.

**Samir Kamal**

*Board member and Member of the Remuneration Committee  
Elected 2016*

Born 1965.

*Education:* Bachelor of Science (Electrical and Electronic Engineer) Imperial College, University of London (UK). Master of Science (Business and Economics), Stockholm School of Economics (Sweden).

*Board member:* Granngården AB (since 2008), TitanX Engine Cooling AB (since 2012) including Stiftelsen Industrifonden, Save-By-Solar Sweden AB and NCC Housing (since 2015).

*Holding in Scandi Standard:* None.

*Principal work experience:* Dagens Industri and Finanstidningen, journalist. SEB - Enskilda Securities and Enskilda Strategy, analyst. D. Carnegie AB - Investment Banking and Corporate Finance, analyst and project manager. Industri Kapital (IK), partner and head of Swedish Investment Team. EQT AB - EQT Opportunity and EQT Equity, partner.

**Michael Parker**

*Board member  
Elected 2014*

Born 1953.

*Education:* Bachelor of Science Honours (Business Administration), University of Bath (UK). Booker Senior Management Certificate from INSEAD.

*Board member:* Brookes Parker, Lodestone (Oxford) Ltd and Prospect Publishing Ltd.

*Holdings in Scandi Standard:* 16,000 shares.

*Principal work experience:* Deputy CEO, Young's Bluecrest Seafood (Findus Group). Board member, Marine Harvest ASA,

**Harald Pousette**

*Board member and Member of the Audit Committee  
Elected 2016*

Born 1965.

*Education:* Bachelor of Arts (Economics), University of Uppsala (Sweden).

*Chairman of the Board:* Bil- och Traktorservice i Stigtomta AB (since 2014), BOX Bygg AB (since 2012) and Svenska Schakt AB (since 2011).

*Board Member:* Stig Svenssons Motorverkstad AB (since 2015).

*Holdings in Scandi Standard:* None.

*Principal work experience:* Gota Bank, Foreign Exchange and Fixed Income Trade. Nordiska Fondkommission, Sales Trader and Portfolio manager. Dresdner Kleinwort Wasserstein (Sweden), vice president. The Collins Group (Sweden), managing director. Kvalitena AB, Chief Financial Officer.

*Huvudsaklig arbetslivserfarenhet:* Gota Bank, valuta- och räntehandel. Nordiska Fondkommission, aktieförvaltning. Dresdner Kleinwort Wasserstein (Sweden). Vice President, The Collins Group (Sweden), verkställande direktör. Kvalitena AB, finansdirektör.

**Asbjörn Reinkind**

*Board member*

*Elected 2014*

Born 1960.

*Education:* Bachelor of Science (Economics and Administration), Norwegian School of Economics, Bergen (Norway) and Advanced Management Program, INSEAD.

*Chairman of the board:* Grilstad AS and Ecopole AS. Vice chairman of the board: Grieg Seafood ASA and Biomar Group. Chairman or board member of several companies in the food and aquaculture (primarily salmon) industry.

*Board member:* Midt Norsk Havbruk AS and Fana Sparebank.

*Holdings in Scandi Standard:* None.

*Principal work experience:* Advisor to two private equity companies. CEO, Rieber & Son ASA, and Toro and Denja.

**Karsten Slotte**

*Board member*

*Elected 2014*

Born 1953.

*Education:* Bachelor of Science (Economics), Hanken School of Economics, Helsinki (Finland).

*Chairman of the board:* Onninen Oy.

*Board member:* Fiskars Oyj Abp, Onvest Oy, Ratos AB, Royal Unibrew A/S, Finnish-Swedish Chamber of Commerce.

*Holdings in Scandi Standard:* 13,698 shares.

*Principal work experience:* President and CEO, Fazer Group, various leading position at Cloetta/Fazer. Board member, Oriola-KD Corporation.

**Heléne Vibbleus**

*Board member and Chairman of the Audit Committee*

*Elected 2014*

Born 1958.

*Education:* Bachelor of Science (Business Administration, Economics and Statistics), University of Linköping (Sweden).

*Board member:* Marine Harvest ASA, Nordic Growth Market NGM AB, Swedbank Sjuhärad AB, Trelleborg AB and Tyréns AB.

*Holdings in Scandi Standard:* 6,250 shares.

*Principal work experience:* Vice President International Audit, Autoliv Inc., Board member in Orio AB, Renewable Energy Corporation ASA and Tradedoubler AB. Board member and deputy chairman in Sida. Group Vice President, CAE, Elekta AB. Senior Vice President, Group Controller, AB Electrolux. Authorized Public Accountant, partner and board member in PwC.

**Auditor**

PricewaterhouseCoopers AB, with Bo Lagerström, born 1966, as chief auditor.

*Holdings in Scandi Standard: 0 shares.*