

# **RULES OF PROCEDURES FOR THE NOMINATION COMMITTEE**

## **1. OVERALL RESPONSIBILITIES AND OBJECTIVES**

The Nomination Committee (the "Committee") is appointed in accordance with routines resolved upon by the Annual General Meeting in Infranet Company 1 AB (the "Company"). The Company and its subsidiaries are hereinafter referred to as the "Group". The main objective and responsibility of the Committee is to present proposals for the nomination of chairman and members of the Board of Directors.

## **2. APPOINTMENT OF THE COMMITTEE**

It is proposed that the Committee shall consist of four members. The Chairman of the Board of Directors shall, when such ownership information is available, contact a representative for each of the largest four shareholders, each of whom shall have a right to appoint one member of the Committee. The Chairman of the Board of Directors shall be co-opted on the Committee. With the exception for the Annual General Meeting in 2015, the members of the Committee shall be announced no later than six months before the Annual General Meeting. As for the Annual General Meeting in 2015, the members of the Committee shall be announced as soon as possible after 31 December 2014 but no later than three months before the Annual General Meeting for 2015.

The largest shareholders refer to shareholders registered with Euroclear Sweden AB and ownership grouped as per the last banking day in August the year before the Annual General Meeting. This, however, does not apply for the Annual General Meeting in 2015 where the largest shareholders instead refer to shareholders registered with Euroclear Sweden AB and ownership grouped as per 31 December 2014. In the assessment of the four largest shareholders a group of shareholders shall be regarded as one owner provided that they (i) have been grouped together in the Euroclear Sweden system or (ii) have made public and notified the Company in writing that they have agreed have a long term unified conduct regarding the management of the company through coordinating the use of their voting rights.

If any of the four largest shareholders refrain from appointing an owner representative, or if an owner representative resigns or relinquishes the position before the assignment is complete, the Chairman of the Board of Directors shall encourage the next owner in size until the sixth largest shareholder (i.e. the sixth largest owner) to within a period of fourteen days from the encouragement appoint an owner representative. If, despite such encouragement, only three shareholder representatives have been appointed as of 31 January the year before the Annual General Meeting, the Committee shall be able to constitute itself with three ordinary members.

In the event of a significant change of ownership among the largest shareholders after 31 December the year before the Annual General Meeting but which occurs earlier than eight weeks before the Annual General Meeting, and if a shareholder, who after this change has become one of the four largest shareholders (or the third largest if the Committee has made such a decision as above mentioned), the Committee shall contact and offer the shareholder to be a member of the Committee either by deciding that the shareholder shall replace the smallest shareholder after the change, or by expanding the Committee with one more member. When deciding in accordance with the preceding sentence, the new member shall participate and the

member appointed by the smallest owner shall not participate. Changes of the composition of the Committee shall be made public as soon as such changes have taken place.

The Committee shall, in connection with their assignment, accomplish their duties in accordance with the Swedish Code of Corporate Governance and the Company shall, upon the request of the Committee, provide the Committee with personnel resources, such as secretarial services, in order to facilitate for the Committee's work. In case of need, the Company shall also assist the Committee with reasonable costs for external consultancy services that the Committee assesses as necessary in order for the Committee to be able to complete its assignment.

### **3. DUTIES**

The Committee shall:

- Represent the owners of the Company in questions within the scope of the assignments of the Committee.
- Evaluate to what extent the Board of Directors satisfies requirements based on the Group's business, future development and independence criteria, i.a. by reviewing the results from the Board of Directors' evaluation.
- Establish requirement profiles for members of the Board of Directors.
- Evaluate the appropriate number of members for the Board of Directors.
- Present proposals for the remuneration and other compensation for the board of directors.
- When necessary, follow a systematic process to find new candidates.
- Communicate with the Audit Committee when, if applicable, considering proposals for auditor(s) and their remuneration.
- Publish proposals in the notice for the Annual General Meeting and on the Company's website.
- Attend, present and motivate its proposals to the Annual General Meeting.
- Describe its working procedure on the Company's website.
- Further, in performing its duties, the Committee shall maintain an effective working relationship with the Board of Directors. To perform his or her role effectively, it is important that each member of the Committee develops and maintains his or her knowledge and understanding of the Committee's responsibilities and of the Group's business and operations.
- The Committee can, if necessary, in connection with future election of new member of the Board of Directors, obtain material from an external consultant regarding knowledge, experience and profile for suitable candidates, with a right for the Committee to charge the Company with reasonable cost for such consultancy, provided such cost is accounted for at the next Annual General Meeting.

## **4. ORGANIZATION**

### **4.1 Members**

- I. The Annual General Meeting shall decide upon such routines by which the members of the Committee are nominated.
- II. The chairman of the Committee shall, if the members of the Committee unanimously do not agree otherwise, be the member that represents the shareholder controlling the largest number of votes. In case of equal votes in the Committee, the Chairman shall have the casting vote. The chairman of the committee must not be the chairman of the board of directors of the company or a member of the board of directors of the company.
- III. The Committee shall consist of such number of members as decided upon according to above mentioned and that the Swedish Code of Corporate Governance provides.
- IV. The majority of the members of the Committee are to be independent of the Company and its executive directors.
- V. The majority of the members of the Committee shall not be members of the Board of Directors. The CEO and other members of senior management of the Company may not be members of the Committee.
- VI. The Secretary of the Board of Directors shall also be the secretary of the Committee.

### **4.2 Meetings**

- I. The Committee shall meet as often as necessary in order to fulfill its duties and responsibilities. The planning of meetings shall take into consideration the timing of the Annual General Meeting.
- II. Meetings are to be convened by the Chairman of the Committee, but can also be convened by any other members of the Committee.
- III. The person convening a meeting shall circulate an agenda which shall be drafted together with the Chairman of the Committee one week before the Committee meeting. Supporting documentation shall be circulated at the same time if possible.
- IV. Minutes of the meetings shall be kept by the Secretary of the Committee and be securely filed.
- V. The Secretary of the Committee shall circulate the minutes of the meeting to the members of the Committee within two weeks after a Committee meeting.

## **5. REPORTING RESPONSIBILITIES ETC**

### **5.1 Reporting responsibilities**

The Committee shall regularly update and report to the owner(s) who appointed the Committee.

## **5.2 Review of the Committee's rules of procedure**

The Committee shall annually review the Committee's rules of procedure and instructions.