

## **The Nomination Committee of Net Insight AB (publ)'s proposal for decision, motivated opinion and presentation of its work for the annual general meeting 2017**

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### **Members of the Nomination Committee for the annual general meeting 2017**

Lars Bergkvist, Lannebo Fonder (Chairman)

Jan Barchan, Briban Invest

Christian Brunlid, Handelsbanken Fonder

Ramsay Brufer, Alecta

Lars Berg, Chairman in Net Insight AB

The Nomination Committee has, pursuant to the instruction adopted by the annual general meeting, been instructed to procure proposals for decisions on Net Insight's annual general meeting 2017 regarding the following decisions:

- election of chairman of the Board of Directors and other Board members;
- fees for the Board of Directors allocated between the chairman and the other Board members and any potential remuneration for committee work;
- election of and fees for auditor and deputy auditor (as applicable);
- election of chairman at the meeting; and
- principles for appointment of members of the Nomination Committee.

### **The Nomination Committee's proposals for decision**

#### *Election of chairman of the board of directors and other board members*

The Nomination Committee proposes that the Board of Directors shall consist of seven board members and one deputy.

The Nomination Committee proposes re-election of Board members Lars Berg (chairman since 2001), Gunilla Fransson (Board member since 2008), Anders Harrysson (Board member since 2010), Crister Fritzon (Board member since 2013), Cecilia Beck-Friis (Board member since 2013), Jan Barchan (Board member since 2015) and Charlotta Falvin (Board member since 2016). It is further proposed that Stina Barchan is elected as personal deputy for Jan Barchan.

The proposal for Board of Directors of Net Insight fulfills the provisions in the Corporate Governance Code with regards to independence. All Board members, other than Jan Barchan, are considered independent in relation to the company's major shareholders. All Board members are considered independent in relation to the company and the management. The proposal to elect a deputy is a deviation from the Corporate Governance Code.

The Nomination Committee also propose re-election of Lars Berg as Chairman of the Board of Directors.

The Nomination Committee has agreed to propose election of Stina Barchan as deputy Board member. Stina Barchan is daughter to the Board member Jan Barchan and holds a PhD in Philosophy from University College London. Stina lives in London and is proposed to be part of the Board as a personal deputy. This is uncommon and a deviation from the Corporate Governance Code. The motivation for the proposal from the Nomination Committee is linked to reasons of continuity for the principal owner Jan Barchan.

The Nomination Committee has thoroughly discussed the demands, in terms of competence, experience and background, of the Board of Directors. The Nomination Committee has also discussed the size and composition of the Board of Directors based on the expectations that can be placed on the Board of Directors of Net Insight. The Nomination Committee has also taken into account the ongoing need of renewal and need for diversity in respect of experience, international and national background and gender, and continuity in the core competence as well as contributing with new competence. As basis for its work, the Nomination Committee has received a report from the Chairman of the Board of Directors and the CEO in respect of the company's business, targets and strategies and received an external Board evaluation.

The assessment of the Board's work shows that the Board is well functioning and with great dynamics within the group. The Chairman is a driven leader of the Board's work and creates an open and constructive working environment at the meetings. The Nomination Committee's assessment is that Net Insight has a well-functioning Board of Directors.

#### *Fees for the Chairman, other Board members and the deputy*

The Nomination Committee proposes that fees to the Board of Directors shall amount to SEK 2,070,000 to be allocated with SEK 575,000 to the Chairman of the Board and SEK 230,000 to each other member of the Board of Directors who is not employees in the company and SEK 115,000 to any deputy member who are not employee in the company. For work relating to committees, each member appointed by the Board of Directors shall receive SEK 10,000 per meeting.

#### *Election of and fees for the auditor and deputy auditor*

The Nomination Committee proposes new election of the auditor Deloitte AB, with Therese Kjellberg as auditor in charge, for the period until the next annual general meeting.

According to the Corporate Governance Code, the proposal from the Nomination Committee regarding auditor shall include the Board's recommendation. The Board of Net Insight has recommended that Deloitte AB, with Therese Kjellberg as auditor in charge, is elected as auditor at the annual general meeting. The Nomination Committee's proposal of auditor is thus in accordance with the recommendation from the auditing committee/the Board.

Further, the Nomination Committee proposes that no deputy auditor is elected. Fees is proposed to be on approved account.

#### *Election of Chairman at the meeting*

The Nomination Committee proposes that the Chairman of the Board of Directors, Lars Berg, is to chair the annual general meeting.

#### *Election of members of the Nomination Committee*

The Nomination Committee's proposal for appointment of the Nomination Committee is attached as appendix 1.

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THE NOMINATION COMMITTEE  
Net Insight AB

## **The Nomination Committee's proposal to the annual general meeting 2017 for appointment of the Nomination Committee, etc.**

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It is proposed that the following shall apply until a general meeting resolves otherwise:

The Chairman of the Board shall each year convene the four largest shareholders in the company based on Euroclear Sweden AB's list of shareholders (grouped) on the last day in August and on other reliable information provided by the company at that time. These shareholders shall then each appoint a representative to be a member of Nomination Committee together with the Chairman of the Board until a new Nomination Committee has been appointed. The nomination committee elects a Chairman.

If one of the four largest shareholders waives their right to appoint a member, the next largest shareholder, based on the number of votes, shall be entitled to appoint a member. If a member of the Committee resigns before the committee's work is finished, the same shareholder who appointed the resigning member is entitled to appoint a new member if deemed necessary. If this shareholder is no longer one of the four largest owners in the company, a new member shall be appointed by the new shareholder within this group.

The Nomination Committee shall be announced through a press release as soon as the committee is appointed. If ownership is then substantially changed the composition of the Committee changed accordingly and the change shall be announced by way of a press release.

The Nomination Committee shall prepare the following proposals to submit to the Annual General Meeting for resolution:

- proposal of the Chairman of the Annual General Meeting;
- proposal of the number of Board members to be appointed by the Meeting, proposal of the Board members and proposal of Chairman of the Board (and deputy Chairman when applicable);
- proposal of the Board fee for the Chairman of the Board (and deputy Chairman when applicable) and other Board members that is not employees of the company and proposal of remuneration for committee work;
- proposal for election of auditor or registered accounting firm and proposals for remuneration of the auditor or registered accounting firm (as applicable).

The Nomination Committee shall in connection with its duties meet the requirements according to the Swedish Companies Act and the Swedish Code of Corporate Governance for Nominating Committees.

The Nomination Committee shall have the right to charge the company with costs for recruitment consultants that may be required for the committee to fulfil its mission. No remuneration is paid to the committee members.

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