

*English translation for information purposes only. If there are differences between the English translation and the Swedish original, the Swedish text will take precedence.*

## **THE NOMINATION COMMITTEE'S PROPOSAL FOR RESOLUTION ON INSTRUCTIONS FOR THE NOMINATION COMMITTEE**

The nomination committee proposes that the following instructions shall apply as instructions for the nomination committee in Magnolia Bostad AB until new instructions are adopted.

Before the next AGM the nomination committee will be composed of representatives of the three shareholders holding the highest percentage of voting rights as shown in the share register kept by Euroclear Sweden<sup>1</sup> on 30 September each year. The member representing the shareholder holding the highest percentage of voting rights will be appointed chair of the nomination committee. The chair of the board should attend the nomination committee's meetings, though not as member of the nomination committee. If, more than three months before the AGM, any shareholder that has appointed a member of the nomination committee is no longer one of the three shareholders holding the highest percentage of voting rights, the member appointed by that shareholders must stand down, and any shareholder that has then become one of the three shareholders holding the highest percentage of voting rights will then be entitled to appoint a member. If a member leaves the nomination committee before its work is completed, and the nomination committee finds it desirable that a replacement be appointed, that replacement will represent the same shareholder or, if the shareholder is no longer one of the three shareholders holding the highest percentage of voting rights, the shareholder holding the next highest percentage of voting rights. Changes in membership of the nomination committee must be made public immediately.

The identity of nomination committee members before each AGM must be made public no later than six months before the AGM. No remuneration is payable to members of the nomination committee. The company will pay necessary overheads incurred by the nomination committee in its work. The nomination committee's term of office runs until the identity of the next nomination committee members has been made public.

The nomination committee will draw up proposals on the following matters to be decided at the AGM:

- (a) Proposed chair of the AGM;
- (b) Proposed number of directors;
- (c) Proposed directors and chair of the board;

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<sup>1</sup> The shareholder data to be used must be sorted according to percentage of voting rights per shareholder, and include the largest shareholders registered as such in Sweden, i.e. shareholders having an account at Euroclear Sweden AB in their own name or shareholders with a custody account with a custodian that has notified Euroclear Sweden AB of the shareholder's identity.

- (d) Proposed fees for directors elected at the AGM who are not employed by the company, divided between the chair and other directors. Remuneration for committee work, per member;
- (e) Proposed auditor(s) and auditor's fee; and
- (f) Where considered necessary, proposed amendments to these instructions for the nomination committee.

In performing other aspects of its work the nomination committee must perform the duties incumbent on it under the Swedish Code of Corporate Governance (including accompanying instructions).

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Stockholm in March 2019  
**Magnolia Bostad AB (publ)**  
*The nomination committee*