



## **Proposals and Reasoning by the Nomination Committee for the 2017 Annual General Meeting of Bactiguard Holding AB (publ)**

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### **1. The Nomination Committee and its work**

Based on principles adopted by the 2016 Annual General Meeting, for the 2017 Annual General Meeting the Nomination Committee consists of:

- Jan Lombach (Chairman of the Nomination Committee), appointed by KK Invest AB (a company controlled by Christian Kinch)
- Thomas von Koch, appointed by Bactiguard B.V. (a company controlled by Thomas von Koch)
- Christian Brunlid, appointed by Handelsbanken Fonder AB
- Stanley Brodén (Chairman of the Board of Directors)

The Nomination Committee has conducted its work in accordance with the Swedish Code of Corporate Governance and the instructions for the Nomination Committee of Bactiguard Holding AB (publ) (the “**Company**”) adopted at the Annual General Meeting held on 19 May 2016.

The Nomination Committee is charged with submitting proposals to the 2017 Annual General Meeting regarding the election of a chairman and other members of the Board of Directors as well as the election of an auditor. The Nomination Committee is also charged with submitting proposals for a chairman for the shareholder meeting and proposals for fees to be paid to the members of the Board of Directors, members of board committees, and the auditor. In addition, the Nomination Committee must take a position regarding any change in the currently applicable instructions for the Company’s Nomination Committee.

According to the Company's articles of association, the Board of Directors shall consist of not less than (3) and not more than (7) members. The Board of Directors consisted during the year of four (4) members elected at the Annual General Meeting.

The Company shall have a registered auditing company as its auditor.

During the Nomination Committee’s work, the members of the Board of Directors Stanley Brodén (Chairman of the Board), Mia Arnhult and Christian Kinch have given notice that they are available for reelection. Peter Hentschel has informed that he is not available for reelection.

The Nomination Committee met on three occasions. The work of the Nomination Committee has included an evaluation of the members of the Board of Directors, inter alia, based on the Board of Director's own evaluation that has been presented to the committee by the Chairman of the Board. It was apparent from the evaluation that the work conducted by the Board of Directors is well functioning properly and that the members of the Board of Directors overall has had a satisfactory composition with respect to the experience and expertise of the directors relative the business conducted by the Company, also considering the medical and clinical expertise that was added by electing Marie Wickman-Chantereau as member of the Board of Directors at the annual general meeting 2016. The Nomination Committee has been able to identify a candidate with solid experience from board assignments and strategic work that would be a suitable substitute for Peter Hentschel who has declined reelection.

## **2. Proposals by the Nomination Committee**

The Nomination Committee submits the following proposals to the 2017 Annual General Meeting.

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

The Nomination Committee proposes that *Advokat* Urban Båvestam be appointed as chairman of the Annual General Meeting.

### **2.2 Fees for the Board of Directors and auditor**

The Nomination Committee proposes that the fee paid to non-employee members of the Board of Directors elected by the shareholder meeting be: SEK 500,000 to the chairman of the Board of Directors and SEK 200,000 to each other director. For work as Chairman of the Audit Committee and Remuneration Committee, respectively, the Nomination Committee proposes that annual fees of SEK 100,000 are paid to each chairman. No separate fees are proposed for the other committee members. Provided that such is cost neutral to the Company, the fee may be invoiced through a company wholly owned by the director. It is noted that the proposed fees are unaltered compared to last year.

With respect to the auditor's fee, no changes are proposed and the auditor's fee shall be payable in accordance with approved invoices.

The Nomination Committee has reviewed the fees for companies of a similar size and focus and is able to conclude that the proposed fees are on market terms.

### **2.3 Election of directors and chairman of the Board of Directors**

It is proposed that the number of directors shall remain unchanged, i.e. five. No alternate directors shall be appointed.

The Nomination Committee proposes the reelection of Stanley Brodén, Mia Arnhult, Marie Wickman-Chantereau and Christian Kinch, as well as the reelection of Stanley Brodén as the chairman, and the new election of Svante Östblom.

Svante Östblom was born in 1960 and holds a degree of Master of Science in Business and Economics from Uppsala University. He has vast experience from board work, including domestic as well as foreign assignments.

All the proposed directors have agreed to serve on the Company's Board of Directors.

It is the opinion of the Nomination Committee that the proposed directors' profiles continue to be well-suited for the expansion phase the company is in. The Nomination Committee has also given particular consideration to the Company's continued international expansion. Christian Kinch is also the Company's CEO and possesses extensive experience from the industry in which the Company operates and he is therefore believed to be of particular importance to the Company. Mia Arnhult possesses extensive experience from board work in other companies and her broad expertise is a contribution to the Company's Board of Directors. Stanley Brodén has extensive experience from executive as well as board assignments and possess good knowledge of the industry, both from a national as well as international perspective. Marie Wickman-Chantereau possesses solid medical and clinical competence and serves as senior manager in the private industry. Svante Östblom contributes – in addition to solid board competence, national as well as international – with strategical competence. Svante has been strategic advisor to several Sweden's largest corporations, whereof some within the MedTech industry. Currently, Svante Östblom serves as member of the Board of Directors for companies in the investment portfolio of the private equity companies EQT and Valedo.

It is also the opinion of the Nomination Committee that the proposed Board of Directors has the appropriate composition; a multifaceted board with broad expertise, experience, and background. Considering that two of five directors of the proposed Board of Directors are female, the Nomination Committee has not had reason to specifically discuss the gender aspect. It is continuously an important task for future Nomination Committee's to actively strive for equal gender composition in conjunction with future elections of new members.

The Nomination Committee has also assessed each member's ability to devote sufficient time and commitment to the board work as well as the independence of the directors. Christian Kinch, as a major shareholder and CEO, is not to be regarded as independent in relation to the Company, the corporate management or the major shareholders of the Company. The other members are independent in relation to the Company, corporate management, and the major shareholders of the Company. It is the opinion of the Nomination Committee that its proposals for the directors thus fulfill the requirement of independence imposed by the Swedish Corporate Governance Code.

## **2.4 Election of auditor**

In accordance with the recommendation of the Audit Committee, the Nomination Committee proposes the reelection of the registered auditing company Deloitte, who has informed that it intends to elect the authorized public accountant Kent Åkerlund as the auditor in charge.

## **2.5 Instructions for the Nomination Committee until the 2018 Annual General Meeting**

The instructions for the Nomination Committee applicable for the 2017 Annual General Meeting are proposed to remain unchanged also for the 2018 Annual General Meeting.

## **Information regarding the directors**

Information regarding the proposed directors of Bactiguards is available on the Company's website at:

<http://www.bactiguard.se/en/for-investors/corporate-governance/general-meetings/annual-general-meeting-2017>

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Stockholm, April 2017

The Nomination Committee for Bactiguard Holding AB (publ)