

INSTRUCTION FOR THE NOMINATION COMMITTEE OF CLIMEON AB (PUBL)

1. The company should have a nomination committee consisting of four members. The members should be composed of one representative from each of the four largest shareholders in the company with regard to the number of votes held and who wish to appoint such a representative. If a shareholder does not wish to appoint a representative, the next largest shareholder will be asked. Unless the members of the nomination committee agree otherwise, the Chairman of the nomination committee shall be the member that represents the largest shareholder with regard to the number of votes held. The mandate period for the nomination committee shall be for the period until a new nomination committee has been appointed. The chairman of the board can be co-opted to the nomination committee by decision of the nomination committee.
2. The nomination committee shall be set up through the Chairman of the Board contacting the four largest shareholders in September, based on available shareholder statistics from Euroclear Sweden AB as at the last banking day of August and such other reliable shareholder information which has been provided to the company at such time. When determining who are the four largest shareholders with regard to the number of votes held, a group of shareholders shall be considered one owner if they (i) have been organised as a group in the Euroclear-system or (ii) have made public and notified the company that they have entered into a written agreement with the purpose of, through the co-ordinated exercising of voting rights, taking a common long-term view on the management of the company. The names of the representatives and the names of the shareholders they each represent shall be announced as soon as they have been appointed.
3. If, during the mandate period of the nomination committee, one or more of the shareholders having appointed a representative to the nomination committee, no longer is among the four largest shareholders with regard to the number of votes held, the representatives appointed by these shareholders shall resign, and the shareholder or shareholders who then are among the four largest shareholders with regard to the number of votes held, may appoint their representatives. Unless there are special circumstances, no changes shall be made in the composition of the nomination committee if there are only marginal changes in the number of votes held or if the change occurs later than three months before the Annual General Meeting. A shareholder that has become one of the four largest shareholders on account of a more significant change in the number of votes held later than three months before the Annual General Meeting shall, however, be entitled to appoint a representative who shall be invited to participate in the committee's work as a co-opted member. A shareholder who has appointed a representative as member of the nomination committee has the right to dismiss such member and appoint a new representative as member of the committee. Changes in the composition of the nomination committee shall be announced as soon as they have occurred.
4. The nomination committee shall prepare the below proposals to be submitted to the Annual General Meeting for resolution: a) Proposal regarding Chairman of the General Meeting, b) Proposal regarding the Board of Directors, c) Proposal regarding Chairman of the Board of Directors, d) Proposal regarding Directors' fees and other compensation for each of the Directors as well as remuneration for committee work, e) Proposals regarding auditor's fees and election of auditor, and f) to the extent deemed necessary, proposal regarding amendments of this instruction for the nomination committee.
5. The nomination committee shall, when performing its duties, fulfil the tasks that otherwise rest upon the nomination committee under the Swedish Code on Corporate Governance including, i.e., to provide the company with certain information in order to enable the company to fulfil its information obligation under the Code. The company shall upon request from the nomination committee, provide personnel resources such as a secretarial function for the nomination committee to facilitate the work of the committee. No compensation will be paid to the representatives of the nomination committee for their work, except for the representatives' direct expenses in connection with their fulfilment of their assignment. If needed, the company shall also be able to pay reasonable external costs that the nomination committee deems necessary for the committee to be able to fulfil its assignment.