

N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

The nomination committee of Pandox Aktiebolag (publ)'s proposals for the annual shareholders' meeting 2018 and motivated opinion regarding the nomination committee's proposals

The nomination committee of Pandox Aktiebolag (publ), which was appointed in accordance with the principles established by the annual shareholders' meeting on 29 March 2017 in order to perform the tasks set out in the Swedish Code of Corporate Governance, consists of Anders Ryssdal (representing Eiendomsspar Sverige AB), Christian Ringnes (chairman of the board of directors), Jakob Iqbal (representing Helene Sundt AB and Christian Sundt AB jointly), Lars-Åke Bokenberger (representing AMF – Försäkring och Fonder) and Marianne Flink (representing Swedbank Robur fonder). The nomination committee has appointed Anders Ryssdal as the nomination committee's chairman.

The nomination committee's proposals

The nomination committee makes the following proposals:

- Christian Ringnes is proposed to chair the annual shareholders' meeting.
- The number of members of the board of directors shall be seven (eight), with no deputy members, and the number of auditors is proposed to be one registered public accounting firm.
- The following members of the board of directors are proposed for election:
 - o Christian Ringnes, chairman (re-election)
 - o Leiv Askvig (re-election)
 - o Ann-Sofi Danielsson (re-election)
 - o Bengt Kjell (re-election)
 - o Helene Sundt (re-election)
 - o Jeanette Dyhre Kvisvik (re-election)
 - o Jon Rasmus Aurdal (election)

Jon Rasmus Aurdal is a Norwegian citizen born in 1982. Since February 2018, Jon Rasmus Aurdal is CFO of Eiendomsspar AS and Victoria Eiendom AS and holds positions within the boards and managements of several of Eiendomsspar AS's and Victoria Eiendom AS's subsidiaries. He is also a board member of Lillunn AS. Jon Rasmus Aurdal's prior experience includes services as CFO/Finance director of NAF-gårdene (2017), Finance manager of Hoegh Eiendom (2014-2017), Manager of PWC, Deals (2010-2014) and corporate trainee at PWC (2008-2010). Jon Rasmus Aurdal has a Master of Science from the Norwegian Handelshøyskole (2008) and is since 2013 a state authorized public accountant.

Olaf Gauslá and Mats Wäppling have declined re-election.

- The following fees to the board of directors are proposed (fees for 2017 in brackets):
 - o A fee to the chairman of the board of directors of SEK 750,000 (600,000).
 - o As applicable, a fee to the deputy chairman of the board of directors of SEK 550,000 (new).
 - o A fee of SEK 400,000 (400,000) to each of the other board members elected by the shareholders' meeting.

- A fee of SEK 50,000 (50,000) to each of the two members, the chairman included, of the remuneration committee.
- A fee to the chairman of the audit committee of SEK 130,000 (130,000) and a fee of SEK 70,000 (70,000) to each of the other two members of the audit committee.

The proposed board fees, including fees for work in committees, thereby amount to a maximum of SEK 3,670,000 (3,770,000). The level of the fees is motivated by the complexity of Pandox' business and the high level of activity of the board. The nomination committee has been informed that the board of directors intends to appoint a deputy chairman of the board of directors and the nomination committee has therefore proposed that a special fee is paid for such board work in accordance with the above, in the event that a deputy chairman of the board of directors is appointed.

- The accounting firm PwC is proposed for re-election as auditor for the time until the end of the annual shareholders' meeting 2019, in accordance with the audit committee's recommendation. Should PwC be elected as auditor, PwC has announced that Patrik Adolfson will be appointed auditor in charge. Furthermore, it is proposed that the fees to the auditors shall be paid in accordance with approved invoice.
- It is proposed that the nomination committee for the annual shareholders' meeting 2019 is appointed in accordance with the following:

Ahead of annual shareholders' meeting 2019, the nomination committee shall be composed of representatives of the four largest shareholders, in terms of votes, listed in the shareholders' register maintained by Euroclear Sweden as of 31 July 2018 together with the chairman of the board of directors, who will also convene the first meeting of the nomination committee. If a shareholder, who is entitled to appoint a representative to the nomination committee, abstains from appointing a representative, the right to appoint a representative shall pass to the largest shareholder who was previously not entitled to appoint a representative to the nomination committee. The member of the nomination committee representing the largest shareholder shall be appointed chairman of the nomination committee.

If earlier than two months prior to the annual shareholders' meeting 2019, one or more of the shareholders having appointed representatives to the nomination committee no longer are among the four largest shareholders, representatives appointed by these shareholders shall offer to resign and the shareholders who then are among the four largest shareholders may appoint their representatives. Unless there are special reasons, no changes shall occur in the nomination committee's composition in the event of a marginal change in voting power or if the change occurs later than two months before the annual shareholders' meeting.

Should a member resign from the nomination committee before its work is completed and the nomination committee considers it necessary to replace him or her, such substitute member is to represent the same shareholder or, if the shareholder is no longer one of the largest shareholders, the largest shareholder in turn.

Changes to the composition of the nomination committee must be announced immediately. The composition of the nomination committee shall be announced no later than six months before the annual shareholders' meeting.

Remuneration shall not be paid to the members of the nomination committee. The company is, however, to pay any necessary expenses that the nomination committee may incur in its work.

The term of office for the nomination committee ends when the composition of the following nomination committee has been announced.

The work of the nomination committee

The members of the nomination committee have established that there are no conflicts of interest in respect of the work in the nomination committee. The nomination committee has held three meetings, for which minutes have been kept, ahead of the annual shareholders' meeting 2018. In addition, there has been continuous contact between the members.

The nomination committee has reviewed all matters that the nomination committee is to review according to the Swedish Code of Corporate Governance, including (a) the board of directors' competence and ability in relation to Pandox' operations and development, (b) the size of the board of directors, (c) the composition of the board of directors with respect to the board members' experience, gender and background, (d) the fees to the members of the board of directors, (e) proposals for election of auditor and auditor fees, as well as (f) how the nomination committee for the annual shareholders' meeting 2019 shall be appointed. In relation to the composition of the board of directors according to item c) above, the provisions of rule 4.1 of the Swedish Corporate Governance Code have been applied as diversity policy and with regard to the objectives of such policy, which has led to the nomination committee's proposal to the annual shareholders' meeting in respect of the election of the board of directors.

Motivated statement

Following interviews conducted by the nomination committee and the board of directors' evaluation, the nomination committee has a good and positive perception of the board of directors' work. During 2017, an independent evaluation of the board of directors has been undertaken with in-depth interviews with all board members as well as a complete analysis of the abilities of the board of directors. The conclusions are that the board of directors functions well and is composed of individuals with qualifications that meet the strategic and operational requirements imposed on the company. The nomination committee shares this view. The nomination committee is of the opinion that the board members complement each other well as regards qualifications and experience and that the work of the board of directors is conducted efficiently and professionally. The board of directors was supplemented in 2017 with an additional member (from seven to eight members) in order to strengthen the competence within the digital area. Ahead of the annual shareholders' meeting 2018 it is proposed that the board of directors should consist of seven members again. It is proposed that two resigning members (Olaf Gauslá and Mats Wäppling) are replaced by one new member (Jon Rasmus Aurdal) with a similar qualifications profile. Moreover, the nomination committee has been informed that the board of directors intends to appoint Bengt Kjell as deputy chairman of the board of directors, which according to the nomination committee, ensures continuity in the board of directors' ongoing work and good communication in decision-making processes which often are driven at a high pace. The nomination committee has assessed that the board members have the time and availability required to perform their duties. Moreover, diversity and gender equality perspectives have been discussed as it is the opinion of the nomination committee that they are of importance in the board composition. The objective is that the board of directors shall be composed of members of different age, gender, geographical origin and with a varied academic and professional background. Provided that the annual shareholders' meeting resolves in accordance with the nomination committee's proposal, three out of seven board members will be female.

The nomination committee has assessed whether the proposed board members are to be considered independent of the large shareholders and/or the company's management. The nomination committee has determined that four of the proposed board members are to be considered dependent in relation to the company's large shareholders; Christian Ringnes, Jon Rasmus Aurdal, Helene Sundt and Leiv Askvig. The nomination committee has determined that three of the proposed board members are to be considered independent in relation to the company's large shareholders; Ann-Sofi Danielsson, Bengt Kjell and Jeanette Dyhre Kvisvik. The nomination committee has determined that all proposed board members are to be considered independent in relation to the company's management. The proposal therefore fulfils existing requirements regarding board members' independence in relation to the company, the company's management and large shareholders.

Detailed information regarding the proposed board members and auditors are available on the company's website, www.pandox.se.

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Pandox Aktiebolag (publ)

The nomination committee