

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 2017 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 3 May 2016 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), Jacob 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 eight (seven), with no deputy members.
- 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 Olaf Gauslå (re-election)
 - o Helene Sundt (re-election)
 - o Mats Wäppling (re-election)
 - o Jeanette Dyhre Kvisvik (election)
- Jeanette Dyhre Kvisvik is a Norwegian citizen born in 1972. Since 2014, Jeanette Dyhre Kvisvik has been the CEO and co-founder of the social media fashion platform Villoid. Jeanette Dyhre Kvisviks prior experience includes such services as television presenter and journalist at TV2 Norway (1996-2002), lawyer at BA-HR Advokatbyrå (2002-2004), management consultant at McKinsey (2004-2006), director at Burson-Marsteller (2006-2008), CEO and founder of Liquid Barcodes AS (2008-2012) and CEO of Telenor Mobile Media (2012-2015). In 2016 Jeanette was appointed as one of the fifty "Most Inspiring Women in Tech in the Nordic Region" by Business Insider. Jeanette Dyhre Kvisvik has a master's degree in jurisprudence from University of Bergen (2000).

- The following fees to the board of directors are proposed (fees for 2016 in brackets):
 - o A fee to the chairman of the board of directors of SEK 600,000 (600,000) and a fee of SEK 400,000 (400,000) to each of the other board members elected by the shareholders' meeting.
 - o A fee of SEK 50,000 (50,000) to each of the two members, the chairman included, of the remuneration committee.
 - o 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 SEK 3,770,000 (3,370,000), an increase of SEK 400,000 compared to the previous year. The increase is explained by an increase of members of the board of directors to eight (seven). The level of the fees is motivated by the complexity of Pandox' business and the high level of activity of the board. Board fees may be invoiced through a company in a way that is cost neutral for Pandox.

- On behalf of the board of directors and the audit committee, Pandox conducted an audit procurement based on a tender procedure. The participants in the tender procedure consisted of KPMG, PwC, EY and Deloitte. Other accounting firms were given the opportunity to participate through an advert on Pandox website. The audit committee's preference concerning the participants is shared by the nomination committee and therefore the committee proposes to elect the accounting firm PwC as auditor for the time until the end of the annual shareholders' meeting 2018. It is noted that the authorised public accountant Patrik Adolfson will be auditor in charge. The nomination committee proposes that the annual shareholders' meeting resolves that auditor fees, as was the case for the previous year, shall be paid in accordance with approved invoice.
- It is proposed that the nomination committee for the annual shareholders' meeting 2018 is appointed in accordance with the following:

Ahead of annual shareholders' meeting 2018, the nomination committee shall be composed of representatives of the four largest shareholders listed in the shareholders' register maintained by Euroclear Sweden as of 31 July 2017 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 2018, 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. In addition, there has been continuous contact between the members. The nomination committee has also assisted in the recruitment of the new board member Jeanette Dyhre Kvisvik, who is proposed for election at the annual shareholders' meeting 2017.

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 2018 shall be appointed.

Motivated statement

Following interviews conducted by the nomination committee and the board of directors' evaluation, the nomination committee has a positive impression of the board of directors' work. 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 nomination committee has assessed that the members of the board of directors have the time and availability required to perform their duties. The size of the board and its composition as regards, for example, experience of the industry and the members' qualifications have been discussed with the conclusion that increased expertise in the digital domain is desirable. 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. In the light of this objective the nomination committee, through systematic work with the assistance of an external recruitment firm, sought an additional female board member qualified within digitalization and digital business models. That work resulted in the proposal to elect Jeanette Dyhre Kvisvik as a member of the board of directors at the annual shareholders' meeting in 2017 and that the members of the board of directors thereby are increased to eight. The nomination committee is of the opinion that the proposed board has adequate competence and ability, and that the new proposed board member will add an additional dimension to the board of directors.

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, Olaf Gauslá, Helene Sundt and Leiv Askvig. The nomination committee has determined that four of the proposed board members are to be considered independent in relation to the company's large shareholders; Ann-Sofi Danielsson, Bengt Kjell, Mats Wäppling 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.

Stockholm, February 2017

Pandox Aktiebolag (publ)

The nomination committee