

## **Instruction for the Election Committee in Lagercrantz Group AB (publ) and principles for how members of the Election Committee shall be appointed**

The Election Committee proposes that the principles set out below for the Election Committee's assignment and for how the Election Committee shall be appointed shall apply until the Annual General Meeting (AGM) decides to change these principles. The Election Committee shall consider if there is a reason to propose a change of the principles to the AGM.

The Election Committee shall consist of five members appointed by the largest shareholders in terms of votes (that wish to participate) and the Chairman of the Board of Directors who is also the convenor of the Election Committee's first meeting. The Election Committee is appointed based on the ownership at year-end (owners grouped as of 31 December). The Election Committee chooses a chairman from amongst its members.

The composition of the Election Committee shall be announced not later than six months before the AGM. The Election Committee's term of office shall extend until a new Election Committee has been appointed. The Parent Company bears the costs associated with the performance of the Election Committee's assignment. The members of the Election Committee do not receive any compensation from the company.

If one or more of the shareholders that have appointed members of the Election Committee during the term of office of the Election Committee are no longer among the five largest shareholders in terms of votes, the members appointed by these shareholders shall make their seats available if so requested by the shareholder or shareholders that have joined the five largest shareholders in terms of votes, which then have the right to appoint members. Unless special reasons exist, no changes in the composition of the Election Committee shall occur if only marginal changes in voting power have taken place or if the change occurs later than three months before the AGM. Shareholders who have joined the five largest owners due to a more significant change in voting power later than three months before the AGM, however, shall have the right to appoint a member who shall be co-opted to the Election Committee. Changes in the composition of the Election Committee shall be announced as soon as they are made.

The Election Committee's assignment includes evaluating the Board's composition and work and to make proposals to the AGM regarding:

- chairman of the AGM
- number and Board members elected by the AGM
- chairman of the Board of Directors
- fees to Board members who are not employed in the company
- election of auditors and audit fees
- change of principles for appointment of members to the Election Committee and the Election Committee's assignment.

The Election Committee's proposals shall be presented in the convening notice to the AGM where the election of the Board or auditors shall occur and on the company's website. In connection with the convening notice, a reasoned statement shall be provided on the website regarding the Board's composition including an account of the Election's Committee's work.