

# **Principles for the Nomination Committee's appointment and instructions for the Nomination Committee in Peab AB (publ)**

## **1. Composition of the Nomination Committee**

- 1.1 The Nomination Committee will consist of four members - a representative for each of the three largest shareholders per the final banking day in August that want to appoint a member of the Nomination Committee as well as the Chairman of the Board. The three largest shareholders are defined in this instruction as those by Euroclear Sweden AB registered and ownership-grouped as the three largest shareholders per the final banking day in August.
- 1.2 The Chairman of the Board will, as soon as possible after the information on the largest shareholders per the final banking day in August is made known, contact the three largest shareholders to find out if they want to appoint a member of the Nomination Committee. If one or more of the three largest shareholders decline to appoint a member of the Nomination Committee the Chairman of the Board will offer other major shareholders the opportunity to appoint a member of the Nomination Committee. If such an offer is made it must be given according to the order of the largest shareholders (i.e. first to the fourth largest shareholder, then to the fifth largest shareholder and so on.) This process will be continued until the Nomination Committee consists of four members including the Chairman of the Board.
- 1.3 The information in Euroclear Sweden AB's register per the final banking day in August concerning ownership relations/ownership groupings is the basis for determining which shareholders have the right to appoint a member of the Nomination Committee.<sup>[1]</sup>
- 1.4 At its first meeting the Nomination Committee will choose its chairman amongst themselves. Neither the Chairman of the Board or any other Board member may be chairman of the Nomination Committee.
- 1.5 The mandate period for the Nomination Committee runs until a new Nomination Committee is appointed.
- 1.6 If there is a change in ownership among the largest shareholders and a shareholder not previously eligible to appoint a member of the Nomination Committee becomes a larger shareholder than one or more of the others that have appointed a member of the Nomination Committee ("new major owner") the Nomination Committee will, if the new major owner notifies their wish to appoint a member to the Nomination Committee, make the decision to dismiss the member of the Nomination Committee who represents, after the change, the smallest shareholder and replace them by the member appointed by the new major owner. The notification must contain the name of the person whom the new major owner appoints as a member of the Nomination Committee.

- 1.7 A shareholder that has appointed a member of the Nomination Committee has the right to dismiss the member and appoint another. If such a replacement occurs the shareholder must without delay notify the chairman of the Nomination Committee (or, if chairman of the Nomination Committee is going to be replaced, the Chairman of the Board). The notification must contain the name of the dismissed member and of the person who will replace that member of the Nomination Committee.
- 1.8 In the event that one of the members representing a shareholder in the Nomination Committee quits their post prematurely the Nomination Committee must without delay request that the shareholder appoint a new member. If the shareholder does not appoint a new member the Nomination Committee will offer other major shareholders the opportunity to appoint a member to the Nomination Committee. This offer is given according to the order of the largest shareholders (i.e. first to the largest shareholder that has not already appointed a member to the Nomination Committee or previously declined this right, then to the next largest shareholder that has not already appointed a member to the Nomination Committee or previously declined this right and so on.) This process will continue until the Nomination Committee is complete. A member that quits their post prematurely must notify the chairman of the Nomination Committee (or, if it is the chairman of the Nomination Committee, the Chairman of the Board).
- 1.9 The composition of the Nomination Committee must meet the standards set by the Swedish Corporate Governance Code ("the Code"). If the largest shareholders with the right to appoint members to the Nomination Committee want to appoint persons with the result that the composition of the Nomination Committee does not meet the standards set by the Code a larger shareholder, in appointing members based on the regulations in item 1.2 above, has precedence for first choice over a smaller shareholder. In appointing members based on the regulations in items 1.6 - 1.8 above, the shareholder appointing a new member must take the existing composition of the Nomination Committee into consideration.

<sup>[1]</sup> The ownership statistics to be used are sorted according to voting power (ownership-grouped) and contain the 25 largest owner-registered shareholders in Sweden, i.e. shareholders registered with Euroclear Sweden AB in their own name or shareholders with a deposit account with a manager that has provided the shareholder's identity to Euroclear Sweden AB.