

Reasoned statement regarding the nomination committee's work in Instalco AB (publ) and the proposal made to the annual general meeting 2021

Background

The nomination committee consists of the chairman of the nomination committee Niklas Larsson (representing Swedbank Robur Fonder), Jan Hummel (representing Paradigm Capital), Krister Hansen (representing Per Sjöstrand) and Olof Ehrlén (chairman of the board of directors).

The nomination committee has held three meetings and has, furthermore, had discussions through e-mail and by telephone. The nomination committee has discussed and evaluated the work made by the board of directors and evaluated the level of the remuneration paid to the board of directors.

The nomination committee's proposal

The nomination committee's proposal in its entirety is enclosed to this statement.

Reasoned statement

The nomination committee has as a basis for its assessment, held interviews with members of the board of directors and the chairman of the board of directors has presented how the board of directors' work has been conducted. The size and composition of the board of directors, as regards, for example, the sector experience, competence and experience regarding sustainability have been discussed.

Against this background, the nomination committee has gained a positive impression of the work conducted by the board of directors during 2020. Furthermore, the nomination committee considers that board members supplements each other well as regards competence and experiences. As regards the composition of the board of directors, the nomination committee has applied the diversity policy, and the goals set out therein, set out in section 4.1 of the Swedish Corporate Governance Code. The nomination committee deems that the diversity perspective is material when determining the composition of the board of directors, and the diversity of the board has therefore been discussed. The nomination committee's proposal means that 43 per cent of the board members are women. The nomination committee will continue its long-term work to highlight the equality and diversity perspective for the composition of the board. The nomination committee has discussed the succession of the managing director and the chairman of the board and found it important to ensure continuity and an orderly transition. Therefore, the nomination committee proposes that the managing director takes over as chairman of the board of directors when a new managing director of the company takes office.

Considering applicable Swedish rules on independence of board members, the nomination committee has made the following assessments with respect to the proposed board members' independence in relation to Instalco and its senior management as well as Instalco's major shareholders:

- The nomination committee considers all of the proposed members of the board of directors, with the exception of Per Sjöstrand, to be independent in relation to Instalco and its senior management.
- The nomination committee considers all of the proposed members of the board of directors to be independent in relation to Instalco's major shareholders.

When preparing the nomination committee's proposal regarding election of the auditor and resolution on fees to the auditor, the nomination committee has held discussions with the chairman of the audit committee in order to understand the board of directors' and the audit committee's assessment of the quality and efficiency regarding the work of the auditor. The nomination committee's proposal regarding election of auditor and resolution on fees to the auditor is in accordance with the audit committee's recommendation.

In the light of the evaluation that has been conducted, the nomination committee has arrived at its proposal. The nomination committee considers the proposed board, consisting of seven strong members, to have sufficient competence and ability.

A presentation of the persons proposed by the nomination committee is available at www.instalco.se

Stockholm in March 2021
Instalco AB (publ)
The Nomination Committee