

For the 2020 Annual General Meeting (AGM)

Nomination Committee

The 2019 AGM of NCC AB appointed a Nomination Committee with the following owner representatives: Viveca Ax:son Johnson (Nordstjernan), Anders Oscarsson (Equity Manager, AMF/AMF Fonder) and Simon Blecher (Fund Manager, Carnegie Fonder), with Viveca Ax:son Johnson as Chair. Tomas Billing, Chairman of the NCC Board of Directors, is a co-opted member of the Nomination Committee but has no voting right. No fee is paid to the Nomination Committee. The owners that are represented on the Nomination Committee hold approximately 32 percent of the shares and 55 percent of the voting rights (as per January 31, 2020).

Pursuant to the instructions adopted by the AGM, the Nomination Committee's mission has been to draft proposals on the following matters for presentation to NCC's 2020 AGM:

- election of Chairman of the Board and other members of the company's Board of Directors.
- director fees divided among the Chairman and other Board Members, as well as any remuneration for work on committees,
- election of and fees for auditors and deputy auditors (where appropriate),
- election as Chairman of the AGM,
- election of members of the company's Nomination Committee for a term in office starting from the close of the AGM until the end of the following AGM.

In addition, the Nomination Committee was to decide on any amendment to the instructions for the NCC Nomination Committee as adopted by the 2010 AGM.

The Nomination Committee has held four minuted meetings, between which the members have been in regular contact. The Nomination Committee has received from the Chairman of the Board an account of how the Board has performed its work.

The point of departure adopted by the Nomination Committee has been that the Board should be characterized by versatility and breadth in terms of competencies, experience and background. The overall evaluation of the Board's work shows that the Board functions well with good group dynamics. The Chairman of the Board directs the work with great commitment and creates an open and constructive atmosphere at the meetings.

The Nomination Committee has discussed the size and composition of the Board of Directors in view of the company's situation and strategic challenges. In general, the Nomination Committee considers that the level of expertise on the Board is good. The Nomination Committee's intention has been to retain the versatility and breadth of the Board of Directors; the Committee has also taken into account the desirability of having a member with documented real estate expertise.

The proposed Board of Directors has a well-balanced composition of members in terms of competencies and experience, as well as breadth in respect of various qualifications that, when viewed as a whole, complement each other. The Nomination Committee's proposal concerning

Board membership entails that women account for 43 percent of AGM-elected Members of the Board.

In its work, the Nomination Committee has considered the stipulations of Item 4.1 of the Swedish Code of Corporate Governance.

Nomination Committee's proposal to the 2020 AGM

The Nomination Committee proposes that the Board of Directors, insofar as it is elected by the AGM, comprise seven members with no deputies; i.e. a reduction of one. The Nomination Committee proposes reelection of current Board members: Geir Magne Aarstad (member since 2017), Alf Göransson (member since 2019), Viveca Ax:son Johnson (member since 2014), Mats Jönsson (member since 2017), Angela Langemar Olsson (member since 2018) and Birgit Nørgaard (member since 2017) and proposes that Simon de Château be elected new Board member. Tomas Billing (member since 1999, Chairman since 2001) and Ulla Litzén (member since 2008) have declined reelection.

Simon de Château is chairman of Alma Property Partners. He is Board member of Atrium Ljungberg, Willhem AB and Akka Egendom. Previous experience includes positions as President and CEO of Sveafastigheter between 2003 and 2013 and CFO of Leimdörfer Real Estate Investment Bank between 1998 and 2003.

The Nomination Committee proposes the election of Alf Göransson as Chairman.

Alf Göransson, Mats Jönsson, Geir Magne Aarstad, Birgit Nørgaard and Simon de Château are deemed independent in relation to the company, company management and major shareholders in the company. Viveca Ax:son Johnson and Angela Langemar Olsson are deemed dependent in relation to Nordstjernan, NCC's principal owner, but independent in relation to the company and company management.

Director fees for the Chairman and other Board Members

The Nomination Committee proposes that director fees be paid in a total amount of SEK 4,620,000 i.e. an increase of SEK 20,000 (the reason why the increase is not larger is that the size of the Board has been reduced by one member), whereby SEK 1,500,000 will be paid to the Chairman of the Board, i.e. an increase of SEK 400,000, and SEK 520,000 will be paid to each other AGM-elected member; i.e. an increase of SEK 20,000.

The Nomination Committee also proposes that a specific fee be paid to those Board members appointed by the Board as members of the Board of Directors' Audit Committee, whereby the Chair will receive SEK 175,000 and other Committee members will receive SEK 125,000; i.e. unchanged fees.

The Nomination Committee also proposes that a specific fee be paid to those Board members appointed by the Board as members of the Board of Directors' Project Committee, whereby the Chair will receive SEK 125,000 and other Committee members will receive SEK 100,000; i.e. unchanged fees.

Election of and fees for auditors and deputy auditors

The Nomination Committee proposes reelection of PwC AB, with Ann-Christine Hägglund as Auditor-in-Charge, for the period up to the close of the next AGM. It is proposed that the auditors be remunerated in return for approved invoices.

Nomination Committee's proposal concerning Chairman of the 2020 AGM

The Nomination Committee proposes that Chairman of the Board Tomas Billing be appointed Chairman of the 2020 AGM.

Election of members of the Nomination Committee

The Nomination Committee proposes that the AGM elect Viveca Ax:son Johnson (Chairman of the Board of Nordstjernan), Anders Oscarsson (Equity Manager, AMF/AMF Fonder), Simon Blecher (Fund Manager, Carnegie Fonder) and Mats Gustafsson (Portfolio Manager and Head of Governance, Lannebo Fonder), with Viveca Ax:son Johnson as Chair. The owners that are proposed to be represented on the Nomination Committee hold approximately 38 percent of the shares and 58 percent of the voting rights (as per January 31, 2020).

Instructions for the Nomination Committee

An amendment is proposed to the instructions for the NCC Nomination Committee as adopted by the 2010 AGM.

**INSTRUCTIONS FOR THE NOMINATION COMMITTEE OF NCC AB
("THE COMPANY")**

1. Nomination Committee members

The Nomination Committee shall comprise at least three (3) and not more than four (4) members nominated by major shareholders of the Company. The members are to be elected by the AGM for the period up to the close of the next AGM. The chair of the Nomination Committee shall similarly be elected by the AGM.

The majority of the members shall be independent in relation to the Company and its Executive Team (ET). The CEO is not to be a member of the Nomination Committee, nor is any other member of the ET. At least one of the members shall be independent in relation to the largest shareholder in terms of voting rights in the Company or any group of shareholders that cooperates in respect of governance of the Company.

Members of the Board may be members of the Nomination Committee but must not constitute a majority of the Nomination Committee's members. The Chairman or any other member of the Board may not be the Nomination Committee's Chairman. If more than one Board member is a member of the Nomination Committee, not more than one of them may be dependent in relation to the Company's major shareholders.

2. Changes in the Nomination Committee

Changes in the composition of the Nomination Committee may be permissible in the following cases:

- (i) A member dies or wishes to step down prematurely or a shareholder wishes to change his/her nominated member, whereby a request must be sent to the Chair of the Nomination Committee (or if the request pertains to the Chair, to another member of the Nomination Committee) and reception of the request shall entail that it has been executed.
- (ii) A shareholder who has him/herself nominated a member of the Nomination Committee sells his/her entire holding in the Company, whereby such a nominated member may be considered to have automatically stepped down from the Nomination Committee, or if there is some other significant change of ownership in the Company, whereby the Nomination Committee is entitled to independently decide to dismiss and/or appoint additional members in order for the composition of the Nomination Committee to reflect ownership conditions in the Company.
- (iii) The Nomination Committee may offer vacant positions in the Nomination Committee to shareholders or members nominated by shareholders in order for the composition of the Nomination Committee to reflect ownership conditions in the Company.
- (iv) Should changes occur in the composition of the Nomination Committee, the Nomination Committee must consider the stipulations of Item 1 above. Changes in the Nomination Committee must be disclosed by the Company as soon as possible.

3. Nomination Committee's mission

The Chair of the Nomination Committee is the convener of the Nomination Committee's first meeting. The Nomination Committee shall formulate proposals on the following and submit them to the Chairman of the Board well in advance of the Board having to issue the official notice of the AGM.

- (i) election of Chairman of the Board and other members of the Company's Board,
- (ii) director fees divided among the Chairman and other Board Members, as well as any remuneration for work on committees,
- (iii) election of and fees for the Auditor,
- (iv) election of Chairman of the AGM,
- (v) election of members of the Company's Nomination Committee for a term starting from the close of the AGM until the end of the following AGM (taking into account what is stated in Item 1 above), and
- (vi) resolutions to amend these instructions.

The Nomination Committee's proposals are to be presented in the official notice convening the AGM. In connection with issuance of the official notice, the Nomination Committee must ensure that the Committee's proposals, reasoned opinion and information on how the Committee has conducted its work are published on the Company's website. When conducting its mission, the Nomination Committee shall otherwise fulfill the duties that the Nomination Committee is obliged to fulfill pursuant to the Swedish Code of Corporate Governance.

4. Quorum

The Nomination Committee is quorate if at least two (2) members are present. A decision of the Nomination Committee is valid if it is supported by more than half of the members present. In the event of a tied vote, the Chair shall have the casting vote.

5. Attendance at the AGM

At least one member of the Nomination Committee should always attend the AGM and report at the AGM the reasons underlying the Nomination Committee's proposals.

6. Fee

No fees are to be paid to Nomination Committee members. The Nomination Committee shall be entitled to charge the Company for such costs as for recruitment of consultants or for other costs necessary for the Nomination Committee to be able to fulfill its mission.

7. Amendments of these instructions

These instructions for the Nomination Committee are applicable until the AGM resolves that they be amended.

NOMINATION COMMITTEE