



Proposals and Reasoning by the Nomination Committee for the 2015 Annual General Meeting of Bactiguard Holding AB (publ)

1. The Nomination Committee and its work

Based on principles adopted by the 2014 annual general meeting, prior to the 2015 annual general meeting the Nomination Committee consists of:

- Christian Kinch (Chairman of the Board of Directors), appointed by KK Invest AB
- Michael Wigge (Chairman of the Nomination Committee), appointed by Bactiguard B.V.
- Frank Larsson, appointed by Handelsbanken Fonder AB

The Nomination Committee has conducted its work in accordance with the Swedish Code of Corporate Governance and the instructions for the Nomination Committee of Bactiguard Holding AB (publ) (the “**Company**”) adopted at the Annual General Meeting held on 24 April 2014.

The Nomination Committee is charged with submitting proposals to the 2015 Annual General Meeting regarding the election of a chairman and other members of the Board of Directors as well as the election of an auditor. The Nomination Committee is also charged with submitting proposals for a chairman for the shareholder meeting and proposals for fees to be paid to the members of the Board of Directors, members of board committees, and the auditor. In addition, the Nomination Committee must take a position regarding any change in the currently applicable instructions for the Company’s Nomination Committee.

According to the Company's articles of association, the Board of Directors shall consist of not less than (3) and not more than (7) members. The Board of Directors consisted during the year of four (4) members elected at the Annual General Meeting.

The Company shall have a registered auditing company as its auditor.

During the course of the Nomination Committee’s work, Ulf Mattson and Thomas von Koch gave notice that they will not be seeking reelection. The other members of the Board of Directors, i.e. Christian Kinch and Mia Arnhult have given notice that they are available for reelection.

The Nomination Committee met on three occasions. The work of the Nomination Committee has included an evaluation of the members of the Board of Directors. It was apparent from the answers that the work conducted by the Board of Directors is functioning properly and that

the members of the Board of Directors believe that, taking into consideration the business conducted by the Company, the board has had a satisfactory composition with respect to the experience and expertise of the directors. The continued expansion phase which the Company is currently in requires that the expertise contributed by Mattson and von Koch be replaced in an appropriate manner. Taking into consideration the above-stated, the Nomination Committee's work has focused on finding appropriate replacements for Ulf Mattson and Thomas von Koch. The candidates who have been identified in this context are Peter Hentschel and Stanley Brodén.

2. Proposals by the Nomination Committee

The Nomination Committee submits the following proposals to the 2015 Annual General Meeting.

2.1 Chairman of the Annual General Meeting

The Nomination Committee proposes that *Advokat* Wilhelm Lüning be appointed as chairman of the Annual General Meeting.

2.2 Fees for the Board of Directors and auditor

The Nomination Committee proposes that the fee paid to non-employee members of the Board of Directors elected by the shareholder meeting be: SEK 300,000 to the chairman of the Board of Directors and SEK 150,000 to each other director. Provided that such is cost neutral to the Company, the fee may be invoiced through a company wholly owned by the director. It is the proposed that no compensation be paid for committee work.

Christian Kinch previously received a directors fee as the working chairman based on the fact that he worked the equivalent of full-time. The Nomination Committee has been informed by the Board of Directors that the Company intends to enter into a separate consultancy agreement with Christian Kinch and that compensation for the performance of the consultancy work will be paid according to invoice following approval by the Board of Directors, and therefore the fee proposal by the nomination committee for the chairman is significantly lower than proposed previously.

With respect to the auditor's fee, no changes are proposed and the auditor's fee shall be payable in accordance with approved invoices.

The Nomination Committee has reviewed the fees for companies of a similar size and focus and is able to conclude that the proposed fees are on market terms.

2.3 Election of directors and chairman of the Board of Directors

It is proposed that the number of directors remain unchanged. No alternate directors shall be appointed.

The Nomination Committee proposes the reelection of Mia Arnhult and Christian Kinch, as well as the reelection of the chairman and the new election of Peter Hentschel and Stanley Brodén.

Peter Hentschel was born in 1949 and, until 2006, served in the management group of Mölnlycke Health Care AB in order to thereafter engage in director work and services as an independent industrial advisor.

Stanley Brodén was born in 1951 and, until 2014, was the group CEO of Aleris Holding AB, the leading provider of healthcare and care services in the Nordic region.

All of the proposed directors have agreed to serve on the Company's Board of Directors.

It is the opinion of the Nomination Committee that the proposed directors' profiles continue to be well-suited for the expansion phase the company is in. The Nomination Committee has also given particular consideration to the Company's continued international expansion. Christian Kinch is the Company's former CEO and possesses extensive experience from the industry in which the Company operates and he is therefore believed to be of particular importance to the Company. Mia Arnhult possesses extensive experience from board work in other companies and her broad expertise is a contribution to the Company's Board of Directors. Peter Hentschel and Stanley Brodén have extensive experience from boards of directors and also possess good knowledge of the industry, both from a national as well as international perspective. Their expertise from previous positions will be instrumental to the company considering the fact that the market is highly regulated, and becoming ever more so.

It is also the opinion of the Nomination Committee that the proposed Board of Directors has the appropriate composition; a multifaceted board with broad expertise, experience, and background. The Nomination Committee has specifically discussed the gender breakdown of the proposed board and notes that one of the four members is a woman. In accordance with the goals of the corporate governance code, the Nomination Committee will actively endeavor to bring about a more equal gender breakdown in conjunction with future elections of new members.

The Nomination Committee has also assessed each member's ability to devote sufficient time and commitment to the board work as well as the independence of the directors. Christian Kinch is not to be regarded as independent. The other members are independent in relation to the Company, corporate management, and the major shareholders of the Company. It is the opinion of the Nomination Committee that its proposals for the directors thus fulfill the requirement of independence imposed by the Swedish Corporate Governance Code.

2.4 Election of auditor

The Nomination Committee proposes the reelection of the registered auditing company Deloitte with the authorized public accountant Kent Åkerlund as the auditor in charge.

2.5 Instructions for the Nomination Committee until the 2016 Annual General Meeting

In order to provide the Nomination Committee with greater flexibility with respect to the appointment of a chairman and taking into consideration the fact that the chairman of the Board of Directors is also the Company's largest shareholder, we propose that the instructions for the Nomination Committee be amended such that the Nomination Committee shall consist of four members, one of whom shall be the chairman of the Board of Directors and three of whom shall be appointed by the three largest shareholders in terms of voting capital according to Euroclear's print out of the share register on 31 August. The amendment entails that the

chairman of the Board of Directors may not simultaneously serve as chairman and a shareholder-appointed member of the Nomination Committee.

Information regarding the directors

Information regarding the proposed directors of Bactiguards is available on the Company's website at, [www.bactiguard.se / Investor Relations / Årsstämma 2015.]

Stockholm, April 2015

The Nomination Committee for Bactiguard Holding AB (publ)