

Nelly Group AB (publ)

Instruction for the Nomination Committee

(adopted at the Nelly Group's Annual General Meeting on 12 May 2021)

The Nomination Committee proposes that the work of preparing proposals to the Annual General Meetings regarding the Board and auditor, in the case that an auditor should be elected, and their remuneration, Chairman of the Annual General Meeting and the instruction for the Nomination Committee shall be performed by a Nomination Committee.

This procedure shall apply until a resolution regarding a change of the procedure for appointing the Nomination Committee is resolved by the general meeting.

The Nomination Committee will be formed in consultation with the (of Euroclear Sweden AB registered, and sorted into groups of owners) largest shareholders of the company as of the last business day the month the Annual General Meeting is held.

The Committee shall consist of at least three members appointed by the largest shareholders of the company who have wished to appoint a member. The largest shareholder shall convene the Committee, and – within 10 trading days after that information about the largest shareholders as of the last business day that the Annual General Meeting was held has become known – contact the three largest shareholders to find out if they wish to appoint members to the Nomination Committee. If someone of the three largest shareholders, in terms of voting power, does not exercise the right to appoint a member, the convenor shall, in the order of up to and including the tenth largest shareholder, ask the next shareholder (i.e. firstly the fourth largest shareholder, and so on), to within one week appoint a member. In case only two shareholders wish to appoint a member to the Nomination Committee, after the tenth largest shareholder has been contacted, these two shareholders may also jointly appoint the third member of the Nomination Committee. A Committee member appointed according to such procedure cannot be a Board member or executive of the company.

The members of the Committee will appoint the Committee's Chairman at their first (constituent) meeting. The Chairman of the Board shall be invited to the Committee's meetings as deemed appropriate by the Committee.

The Nomination Committee is appointed for a term of office commencing at the time of its formation and ending when a new Committee is formed. If a member resigns during the Committee term, the Committee may choose to appoint a new member. The shareholder that appointed the resigning member shall in such case be asked to appoint a new member, provided that the shareholder still is one of the largest shareholders in the company. If that shareholder declines to appoint a member, the Committee may choose to ask the next largest shareholder who has not appointed a Committee member to participate.

In the event of changes to the ownership structure of the company, the Committee may choose to amend its composition in order to ensure that the Committee appropriately reflects the ownership of the company. However, unless there are special circumstances, the composition of the Nomination Committee may remain unchanged following changes in the ownership structure of the company that are either minor or occur less than three months prior to the Annual General Meeting.

The Nomination Committee shall have the right to upon request receive personnel resources such as secretarial services from the company, and to charge the company with costs for recruitment consultants and related travel if deemed necessary