

## **Item 14 – Resolution on adoption of Nominating Committee and instructions for the Nominating Committee**

It is proposed that the Annual General Meeting resolves on adoption of a Nominating Committee and on an instruction for the Nominating Committee as set out below.

### **INSTRUCTIONS FOR THE NOMINATING COMMITTEE**

The following principles for the Nominating Committee's appointment and work in Arcane Crypto AB, Reg. No. 556668-3933 (the "**company**"), shall apply until the general meeting resolves otherwise.

#### **1. THE APPOINTMENT OF THE NOMINATING COMMITTEE**

The Nominating Committee shall consist of a minimum of three members, who shall be appointed as follows.

Prior to the Annual General Meeting, the Chairman of the Board of Directors shall contact the company's three largest shareholders in terms of voting rights, based on the list of registered shareholders kept by Euroclear Sweden AB as of the last banking day in August, who will be given the opportunity to appoint one representative each to comprise the Nominating Committee.

If any of the three largest shareholders in terms of voting rights refrain from its right to appoint a representative, the right to appoint a representative passes to the next largest shareholder in terms of voting rights, that has not yet been given the right to appoint a member of the Nominating Committee.

Unless the members of the Nominating Committee resolve otherwise, the member representing the largest shareholder in terms of voting rights shall be elected Chairman of the Nominating Committee. The Chairman of the Board of Directors shall be invited to the Nominating Committee's meetings when the Nominating Committee finds it appropriate. Neither the Chief Executive Officer nor other members of the senior management are to be members of the Nominating Committee. Directors of the Board of Directors may be members of the Nominating Committee, but may not constitute a majority of its members.

The names of the members of the Nominating Committee and the shareholders they have been appointed by is to be published as soon as the Nominating Committee has been appointed, however, no later than six months prior to the next Annual General Meeting. The Nominating Committee is appointed for the period until a new Nominating Committee has been appointed.

If there is a change in the company's ownership structure after the last banking day in August, but before the Nominating Committee's complete proposals for resolutions are published, and if shareholders who after this change have become one of the three largest shareholders in the company request to enter into the Nominating Committee to the Nominating Committee's Chairman, this shareholder shall have the right to appoint an additional member of the Nominating Committee after the Nominating Committee's approval.

Shareholders who have appointed a member of the Nominating Committee have the right to replace such member with another to instead constitute a member of the Nominating Committee. If a member appointed by shareholders resigns from the Nominating Committee during the term of office or such a member is prevented from fulfilling his or her duties, the Nominating Committee shall urge the shareholder who has appointed the member to appoint a new member within a reasonable time. If the shareholder does not exercise the right to appoint a new member, the right to appoint such a member passes to the next largest shareholder in

terms of voting rights, who has not already appointed or who has abstained from appointing a member of the Nominating Committee. Changes in the composition of the Nominating Committee shall be announced as soon as such have taken place.

## **2. THE NOMINATING COMMITTEE'S ASSIGNMENT**

The Nominating Committee shall perform its assignment in accordance with these instructions and applicable rules and regulations. The assignment includes to evaluate the composition and work of the Board of Directors and to prepare proposals in the following issues to be submitted to the Annual General Meeting for resolution:

- proposal for number of Directors of the Board of Directors and auditors,
- proposal for Chairman of the general meeting,
- proposal for Board of Directors and Chairman of the Board of Directors,
- proposal for remuneration for Directors with allocation between the Chairman and other Directors of the Board of Directors and, when applicable, remuneration for committee work,
- proposal for auditor,
- proposal for auditor's fee, and
- to the extent deemed necessary, proposal for amendments in the current instructions for the Nominating Committee.

At other general meeting than the Annual General Meeting, the Nominating Committee's proposals shall contain the election or the elections that are to take place at the general meeting.

The Nominating Committee's proposals is to be presented to the company through its Chairman of the Board of Directors in due time prior to the notice of the Annual General Meeting.

## **3. MEETINGS**

The Nominating Committee shall convene as often as necessary in order for the Nominating Committee to fulfil its duties, however, not less than once each year. Notice of a meeting is issued by the Chairman of the Nominating Committee. If a member requests that the Nominating Committee be convened for a meeting, the request shall be complied with.

The Nominating Committee has a quorum if more than half of the entire number of members are present. The Nominating Committee's resolutions is the opinion for which more than half of the members present vote. In the event of an equal number of votes, the Chairman has the casting vote.

## **4. REMUNERATION**

No remuneration is paid to members of the Nominating Committee. However, the Nominating Committee is entitled to charge the Company with reasonable costs for the execution of the assignment.

## **5. THE NOMINATING COMMITTEE'S PRESENCE AT GENERAL MEETING**

Representatives of the Nominating Committee should always attend the Annual General Meeting.

**6. CHANGES TO THESE INSTRUCTIONS**

The Nominating Committee shall continuously evaluate these instructions and its work and submit to the Annual General Meeting proposals for such amendments to these instructions as the Nominating Committee has deemed appropriate.