

## **1. Modern Times Group MTG AB Nomination Committee's explanatory statement regarding the proposal for election of the Board at the 2016 Annual General Meeting**

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### **MTG Nomination Committee**

In accordance with the procedure of the Nomination Committee adopted by the 2015 Annual General Meeting, David Chance, Chairman of the Board of Directors, convened a Nomination Committee in September 2015 to prepare the proposals for MTG's 2016 Annual General Meeting.

The Nomination Committee is comprised of David Chance as Chairman of the Board of MTG, Lorenzo Grabau appointed by Investment AB Kinnevik, Erik Durhan appointed by Nordea Funds and Mikael Hanell appointed by Catella. The members of the Nomination Committee appointed Lorenzo Grabau as Chairman of the Nomination Committee at their first meeting.

### **The Nomination Committee's proposal for election of the Board**

The Nomination Committee proposes:

- That the Board shall consist of six members.
- The re-election of current members of the Board Joakim Andersson, David Chance, Simon Duffy and Bart Swanson. Michelle Guthrie and Alexander Izosimov have declined re-election.
- The election of new Board members Donata Hopfen and John Lagerling.
- The re-election of David Chance as Chairman of the Board.

The Nomination Committee's proposal is thus that the following persons are elected to the Board of MTG for a term of office until the end of the next Annual General Meeting:

- David Chance, Chairman of the Board
- Joakim Andersson
- Simon Duffy
- Donata Hopfen
- John Lagerling
- Bart Swanson

### **The Nomination Committee's work**

The Nomination Committee has held four meetings, with additional candidate interviews and Committee discussions between meetings. The Nomination Committee's work has primarily focused on the continued development of the overall Board composition with the aim to strengthen the mix of experiences and competencies present at Board level in order to increasingly match the challenges and opportunities faced by MTG.

In its assessment of the degree to which the current Board meets the requirements placed on it, the Nomination Committee reviewed the current Board members' ability to devote the necessary time and commitment required, as well as the balance and diversity of contributions of experiences from different areas of the broader media and digital entertainment industry. The Committee also had the benefit of a formal evaluation of the Board and its individual members.

### **The Nomination Committee's motivated statement regarding its proposals**

Having been informed by Michelle Guthrie and Alexander Izosimov of their intention not to seek re-election, the Nomination Committee resolved to propose the re-election of the remaining Board members. The Nomination Committee further identified and managed to attract two individuals who will contribute with relevant experiences and skill-sets to the proposed Board – Donata Hopfen and John Lagerling.

Donata Hopfen is the Publishing Director and Head of the Management Board of BILD Group since May 2014, Europe's largest newspaper and Germany's largest digital news portal. Donata was previously the Managing Director of BILD's digital activities. After joining Axel Springer in 2003, Donata held various positions, including being responsible for business development and product

management at BILD.T-Online and as head of business development in Axel Springer's electronic media department. Donata is also a member of the Advisory Board of Transfermarkt GmbH. Donata is a German national and holds diplomas in European business administration from the Universities of Madrid and Reutlingen.

John Lagerling is Vice President Business Development, Mobile and Product Partnerships at Facebook since 2014, where he heads global business development, mobile partnerships and other new partner dependent initiatives. Prior to joining Facebook, John spent seven years at Google holding various leadership positions, including Director, Android Global Partnerships. John is a Swedish national and holds an MSc in Marketing and International Business from the Stockholm School of Economics.

The Nomination Committee is of the opinion that the proposed new Board members will add relevant and complementary digital experiences to the MTG Board, as well as a valuable perspective on how to best structure partnerships in the changing media and broadcasting landscape. Donata and John will complement the existing Board's expertise across a number of areas, drawing from their many years of experience from working within the intersection of digital and traditional media.

In its work, the Nomination Committee gives particular consideration to the importance of an increased diversity on the Board, including gender, age and nationality, as well as depth of experiences, professional backgrounds and business disciplines. The Committee believes the composition of the proposed Board is adequately diverse in respect of its set of experiences and solid mix of relevant skill-sets matching the priorities of MTG. However, the Committee will increasingly pursue greater gender diversity as part of its efforts to find the most competent Board members.

Finally, it is noted that the Nomination Committee has evaluated each Board member's independence in the work of preparing its proposals for the 2016 Annual General Meeting, and found that the proposed Board is in compliance with relevant requirements for independence.

#### **Information about the proposed members of the Board**

Information about the proposed members of the Board, including the Nomination Committee's assessment of each member's independence, may be found on MTG's website at [www.mtg.com](http://www.mtg.com).

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April 2016

THE NOMINATION COMMITTEE  
MODERN TIMES GROUP MTG AB (PUBL)