

## **1. Modern Times Group MTG AB Nomination Committee's motivated opinion regarding the proposal for election of the Board at the 2017 Annual General Meeting.**

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### **MTG Nomination Committee**

In accordance with the procedure of the Nomination Committee adopted by the 2016 Annual General Meeting, David Chance, Chairman of the Board of Directors, convened a Nomination Committee. The Nomination Committee is comprised of David Chance as Chairman of the Board of MTG, Cristina Stenbeck, appointed by Kinnevik AB, Erik Durhan, appointed by Nordea Funds, and Yvonne Sörberg, appointed by Handelsbanken Funds. The members of the Nomination Committee appointed Cristina Stenbeck 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 all current members of the Board, with the exception of Bart Swanson who has decided not to seek re-election.
- The election of Natalie Tydeman as new member of the Board.
- 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
- Natalie Tydeman

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

The Nomination Committee has held three 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 as the company continues to take important steps to shape its business for the future and to adapt its traditional broadcast businesses to new media consumption trends.

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 opinion regarding its proposals**

Having been informed by Bart Swanson of his intention not to seek re-election, the Nomination Committee resolved to propose the re-election of the remaining Board members. Further, the Committee identified and managed to attract Natalie Tydeman, who has an established and unique track record from both traditional pay-TV broadcasting and new media and technology-enabled investing, including online gaming. In addition to her sector expertise, Natalie will contribute to the Board work with her experience from dealing with key matters such as capital allocation, corporate venture capital investing, and adjusting corporate strategies to a rapidly developing media and technology landscape.

Natalie Tydeman is a private equity investor and a Trustee of Nesta, a charitable foundation focused on increasing the innovation capacity of the United Kingdom, where she chairs the Venture Investment

Committee and Nesta Investment Management. Between 2007 and 2016, Natalie was at GMT Communications Partners, one of Europe's leading private equity specialists in the media and communications sectors, where she became Partner in 2010 and later promoted to Senior Partner in 2014. Natalie started her career as a strategy consultant at Braxton Associates, and later helped launch Excite in Europe, built Discovery Communications' European internet operations, was Managing Director of Fox Kids Europe's Online & Interactive division, and led Fremantle Media's business diversification and corporate venturing activities as Senior Vice President. Natalie is British national and a graduate of the University of Oxford and Harvard Business School.

The Nomination Committee is of the opinion that the proposed Board will continue to support MTG's ongoing capitalization of changes in consumer behavior to enable the company to become a global leader in key digital video entertainment verticals, as well as to provide valuable perspectives on how to best structure partnerships in the changing media and broadcasting landscape.

In its work, the Nomination Committee applies rule 4.1 of the Swedish Corporate Governance Code as its diversity policy. Accordingly, the 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, as a part of its efforts to find the most competent Board members the Committee will increasingly pursue greater gender balance.

Finally, it is noted that the Nomination Committee has evaluated each Board member's independence in the work of preparing its proposals for the 2017 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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THE NOMINATION COMMITTEE  
MODERN TIMES GROUP MTG AB (PUBL)