

## **Nomination Committee of Hemtex AB**

### **Report on how the Nomination Committee conducted its work ahead of the 2008 Annual General Meeting**

In accordance with a mandate obtained from the 2007 Annual General Meeting, the Chairman of the Board asked representatives of the three largest shareholders in terms of voting rights to join him in forming the Nomination Committee ahead of the 2008 Annual General Meeting. In a press release dated February 8, 2008, the company disclosed the composition of the Nomination Committee and the shareholders represented by the members. As a result of a change in the ownership structure in early March, the composition of the Nomination Committee changed, as disclosed to the market on March 13, 2008. At the same time, the information was made available on the company's website, where information on how shareholders could submit proposals to the Nomination Committee was also provided.

The Nomination Committee held its first meeting on April 25, 2008, at which the Committee's continued work was also planned. In this context, the Chairman of the Board reported his evaluation of Hemtex's Board of Directors and Board Members.

The Nomination Committee has discussed and agreed on the fundamental requirements that must be met by the Board Members, including the requirement to have independent members. In this context, the question of a more uniform gender distribution was highlighted. One Board Member retired from the Board of Directors during the year, while another declined re-election. Against this background and the fact that the Board of Directors was renewed with several new members at the preceding General Meeting, the Nomination Committee found it reasonable to now propose the election of one new Board member, whereby the Board of Directors would comprise six members. With respect to director fees, the Nomination Committee took into account such factors as the development of director fees in other comparable companies.

Since the 2008 Annual General Meeting will have to elect a company auditor for the forthcoming four-year period, the Nomination Committee familiarized itself with the evaluation made by the company of various alternative auditors and formulated its nomination proposal.

The Nomination Committee held a total of five meetings. All decisions made by the Nomination Committee were unanimous.

The Nomination Committee's proposals concerning chairman of the Meeting, Board members, Chairman of the Board, director fees and auditor, as well as the procedure for the Nomination Committee ahead of the 2009 Annual General Meeting were disclosed in the form of the notice of the 2008 Annual General Meeting on August 6, 2008. The Nomination Committee's proposal concerning the election of auditors will be available on the company's website as of August 19, 2008.

Borås, August 2008  
The Nominating Committee