

## **Reasoned statement concerning the Nomination Committee's motions to the Board of Directors ahead of the 2020 Annual General Meeting of Beijer Alma AB**

At the Annual General Meeting of Beijer Alma AB on March 28, 2019, a Nomination Committee was appointed to prepare motions for submission to the 2020 Annual General Meeting.

The composition of the Nomination Committee was as follows:

- |                      |                                  |
|----------------------|----------------------------------|
| • Henrik Didner      | Didner & Gerge Fonder            |
| • Hans Ek            | SEB Investment Management AB     |
| • Vegard Söraunet    | Odin Fonder                      |
| • Anders G. Carlberg | Representing the principal owner |
| • Johan Wall         | Chairman of the Board            |

Johan Wall was appointed Chairman of the Nomination Committee. According to a decision by the Annual General Meeting, the member representing the largest shareholder is to be appointed Chairman of the Nomination Committee.

### *Deviations from the Code*

Beijer Alma deviates from rule 2.4 of the Code, which stipulates that the Chairman of the Board may not be the Chairman of the Nomination Committee.

In accordance with the nomination procedure for the Nomination Committee, which has been approved by the Annual General Meeting, the Nomination Committee is to comprise one representative for each of the four largest shareholders and the Chairman of the Board. Accordingly, the company's Chairman of the Board is part of the Nomination Committee in this capacity but is also closely connected with the company's principal shareholder. The nomination procedure for the Nomination Committee also states that the individual representing the principal shareholder is to be the Chairman of the Nomination Committee. Given the two possible candidates representing the principal shareholder, the Annual General Meeting resolved to appoint Chairman of the Board Johan Wall as Chairman of the Nomination Committee.

At year-end 2019, the members of the Nomination Committee jointly represented approximately 47.5 percent of the shares and approximately 64.5 percent of the votes in the company.

### *Nomination Committee motion regarding election of directors*

The Nomination Committee unanimously proposes the following:

- That the Board of Directors comprise eight directors.
- That Johnny Alvarsson, Carina Andersson, Hans Landin, Caroline af Ugglas, Anders Ullberg, Johan Wall and Cecilia Wikström be re-elected.
- That Oskar Hellström be elected as a new director, and
- That Johan Wall be re-elected as Chairman of the Board.

Detailed information about the proposed directors is available from Beijer Alma's website [www.beijeralma.se](http://www.beijeralma.se).

*Reasoned statement including report on the work of the Nomination Committee*

The Nomination Committee was tasked with preparing motions for the 2020 Annual General Meeting of Beijer Alma concerning:

- Meeting Chairman,
- Directors,
- Chairman of the Board,
- Auditors,
- Fees to the Board, the Board's committees and auditors, and
- Where considered necessary, amendments to the current instructions to the Nomination Committee.

Ahead of the 2020 Annual General Meeting, the Nomination Committee held four meetings during which minutes were taken.

At the first meeting of the Nomination Committee, the CEO presented an overview of the company's operations and his opinion on the work of the Board. The Chairman of the Board also presented his views on the work of the Board and the participation of the company's directors, and informed the Nomination Committee about the Board evaluation that had been carried out. The Board has devoted particular focus to the company's operations, goals and strategies as well as the work of the company's committees.

As part of its work, the Nomination Committee assessed the directors' ability to devote sufficient time and commitment to their assignment as a director of the company. Overall, the Board was portrayed as proactive, involved and dedicated. The rate of attendance at Board and committee meetings was high.

The Nomination Committee also discussed various requirements that may be or already are imposed on the Board of Directors and its members in a rapidly changing world, both in terms of globalization and digitization and with respect to increased competition.

The Nomination Committee has applied Rule 4.1 of the Swedish Corporate Governance Code as its diversity policy in the preparation of its motion concerning directors. The Nomination Committee has also focused on gradually adding younger directors to the Board.

The company's shareholders have had the opportunity to present proposals to the Nomination Committee. The Nomination Committee did not receive any proposals from the shareholders.

In light of the above, the Nomination Committee proposes that Johnny Alvarsson, Carina Andersson, Hans Landin, Caroline af Ugglas, Anders Ullberg, Johan Wall and Cecilia Wikström be re-elected to the Board, and that Oskar Hellström be elected as a new director.

Oskar Hellström is CFO and Deputy CEO of Gränges. After initially working as a management consultant for Booz Allen Hamilton, Oskar Hellström has held senior positions in Sweden and abroad with Sapa and Gränges. Born in 1979, Oskar holds a double degree from the Institute of Technology at Linköping University and Stockholm University.

With his experience of the international manufacturing industry, acquisitions and operational control, Oskar Hellström will make a valuable contribution to the work of Beijer Alma's Board. Oskar

Hellström is independent in relation to the company, management and the company's major shareholders.

The Nomination Committee's motion to elect Oskar Hellström as a new director reflects the ambition to add younger directors to the Board. The motion entails that 38 percent of the company's directors would be women.

The Nomination Committee believes that the proposed directors jointly possess the expertise and experience to support the future development of Beijer Alma's operations.

Over the next few years, the work of the Nomination Committee will continue to focus on ensuring that the Board possesses relevant expertise and experience concerning the development of the industry from a global perspective as well as on gradually adding younger directors to the Board.

According to the assessment of the Nomination Committee, the proposed directors also meet the requirements of the Swedish Corporate Governance Code with respect to independence in relation to the company, management and the company's major shareholders.

The Nomination Committee discussed the level of fees to be paid to the directors for their work on the Board and its committees. The Nomination Committee is of the opinion that the fees are competitive and proposes that the fees to the Board and committees remain unchanged.

The Nomination Committee is in favor of the directors building up personal shareholdings in Beijer Alma over time.

PwC has acted as Beijer Alma's auditing firm for over 20 years, and in accordance with current regulations, is therefore only permitted to do so for another year. Chief Auditor Leonard Daun has held this role for seven years, and must therefore be replaced at the 2020 Annual General Meeting. The Audit Committee have thus deemed it suitable to replace the auditor at the Annual General Meeting, and have thus completed a procurement. The Audit Committee has recommended KPMG as the new auditor for Beijer Alma. KPMG has announced its intention to appoint Helena Arvidsson Älgne as Chief Auditor. The Nomination Committee proposes that the Annual General Meeting appoint an auditor in accordance with the proposal of the Audit Committee.

It is proposed that the auditors' fees be paid in accordance with approved invoices. The motions of the Nomination Committee and Audit Committee correspond with one another.

As part of its work, the Nomination Committee has also reviewed the current instructions to the Nomination Committee, which were adopted at the 2019 Annual General Meeting, and decided not to propose any changes.

February 2020

The Nomination Committee of Beijer Alma AB