

The Election Committee of B&B TOOLS AB's (publ) motions for resolution, statement of explanation and account of its work ahead of the Annual General Meeting to be held on 21 August 2014

Background

In accordance with a resolution passed by the 2013 Annual General Meeting of B&B TOOLS, an Election Committee comprising representatives of the five largest shareholders/groups of shareholders based on the number of votes was announced on 12 February 2014. The Election Committee comprises Chairman of the Board Anders Börjesson, Björn Franzon (representative of Swedbank Robur funds), Tom Hedelius, Conny Karlsson (representative of CapMan Public Market Investment), and Per Trygg (representative of SEB Funds). Anders Börjesson was appointed by the Election Committee to serve as Chairman of the Election Committee. The members of the Election Committee represent approximately 50 percent of the total number of votes in B&B TOOLS AB.

In accordance with the principles adopted by the Annual General Meeting, the Election Committee has been tasked with formulating proposals on the following matters to be presented at B&B TOOLS' Annual General Meeting:

- Election of a Chairman for the 2014 Annual General Meeting,
- Election of Directors for the Company's Board and the Chairman of the Board,
- Fees to Directors, the Vice Chairman and the Chairman,
- Election of a registered accounting firm and fees to auditors, and
- Any changes to the principles for the composition of the Election Committee and the Election Committee's tasks.

The Election Committee has held two minuted meetings and maintained regular contact between the meetings. To assess the demands that will be placed on the Board of Directors as a result of the position, strategic challenges and future focus of the Company, the Election Committee has discussed the size and composition of the Board, including how this relates to industry experience, gender balance and competence, as well as how the work of the Board has been performed. The Election Committee's basis for its work includes the Board's evaluation of its work during the year.

The Election committee's motions for resolution

Chairman of the Annual General Meeting 2014

The Election Committee proposes that Chairman of the Board Anders Börjesson is appointed Chairman of the 2014 Annual General Meeting.

Election of Directors for the Company's Board and the Chairman

The Election Committee proposes the following:

- Six regular Directors
- Re-election of the current Directors: Roger Bergqvist, Anders Börjesson, Charlotte Hansson, Tom Hedelius and Joakim Rubin.
Election of new Director Gunilla Spongh.
Current Director Per Axelsson resigns as Director after 13 years on the Board.
- Re-election of Anders Börjesson as Chairman.

The motion regarding the composition of the Board of Directors of B&B TOOLS AB complies with the requirements of the Swedish Corporate Governance Code with regard to independent Directors. All Directors except Anders Börjesson and Tom Hedelius are deemed independent in relation to the Company's major shareholders. All Directors are deemed independent in relation to the Company and executive management.

With consideration of B&B TOOLS' operations, development phase, strategy and other conditions, the Election Committee deems that the proposed Board of Director has the suitable composition, hallmarked by diversity and breadth regarding the Directors' expertise, experience and background.

More detailed information about the proposed Directors is available on B&B TOOLS' website.

Fees to Directors, the Vice Chairman and the Chairman

The Election Committee proposes unchanged Directors' fee for each Director compared with the preceding year as follows:

- Fee for Directors elected by the General Meeting: SEK 250,000 per Director.
- Fee for Vice Chairman of the Board: SEK 380,000
- Fee for Chairman of the Board: SEK 500,000

No separate fee is proposed for work on the Company's Audit or Remuneration Committee.

Election of a registered accounting firm and fees to auditors

The Election Committee proposes the re-election of the registered accounting firm KPMG AB for the period until the end of the next Annual General Meeting.

It is proposed that fees be paid according to approved invoice.

Principles for the composition of the Election Committee and the Election Committee's tasks

No changes are proposed to the principles on the appointment of and tasks for the Election Committee that were adopted by the 2012 Annual General Meeting.

Stockholm, July 2014

The Election Committee of B&B TOOLS AB