

## **Proposal by the Election Committee of Bergman & Beving AB (publ) for resolution, reasoned statement and account of its work ahead of the Annual General Meeting on 26 August 2019**

### **Background**

On 8 February 2019, in accordance with the resolution passed by Bergman & Beving AB's 2018 Annual General Meeting, an Election Committee was announced with representatives for the four largest shareholders/shareholder groups in terms of voting rights. The Election Committee comprises Board Chairman Johan Sjö, Anders Börjesson, Tom Hedelius, Caroline Sjösten (appointed by Swedbank Robur Fonder), and Per Trygg (appointed by SEB Fonder). Anders Börjesson was appointed by the Election Committee as Chairman of the Election Committee. The Election Committee members represent approximately 45 percent of the total number of voting rights in Bergman & Beving AB.

The Election Committee, in accordance with the principles established by the Annual General Meeting, was mandated to draw up proposals on the following issues to be presented at Bergman & Beving AB's Annual General Meeting:

- election of Chairman to preside over the 2019 Annual General Meeting,
- election of the Company's Board of Directors and Chairman of the Board,
- fees to directors, Vice Chairman and Chairman of the Board,
- election of auditor and fees to auditors, and
- any changes in principles for the appointment of the Election Committee and the Election Committee's duties.

The Election Committee held four meetings during which minutes were taken and maintained regular communications. As a basis for its work, the Election Committee has, among other documents, read the assessment by the Board of Directors of work carried out during the year. To assess the demands facing the Board of Directors as a result of the Company's situation, strategic challenges and future direction, the Election Committee discussed the Board's size and composition, in terms of industry experience and expertise and how the Board's work has been conducted.

### **Proposal by the Election Committee for resolution**

#### **Chairman to preside over the 2019 Annual General Meeting**

The Election Committee proposes Director of the Board Anders Börjesson to be elected Chairman of the 2019 Annual General Meeting.

#### **Election of the Company's Board of Directors and Chairman of the Board,**

The Election Committee proposes the following:

- Six regular directors.
- Re-election of the current directors Henrik Hedelius, Malin Nordesjö and Louise Undén. New election of Fredrik Börjesson, Alexander Wennergren Helm and Jörgen Wigh.
- New election of Jörgen Wigh as Chairman of the Board.

Taking into consideration Bergman & Beving's operations, stage of development, strategy and position, the Election Committee considers the composition of the proposed Board of Directors to be

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appropriate and characterised by diverse and broad expertise, experience and backgrounds. With respect to gender distribution, the proposed composition of the Board includes two women and four men. Accordingly, the proportion of women on the Board would be 33 percent, which is unchanged from the 2018 Annual General Meeting. The Election Committee considers diversity to be an important issue and urges all future Election Committees to continue working proactively to further increase the proportion of women on the Board.

The proposed composition of the Board of Bergman & Beving AB meets the requirement of the Swedish Corporate Governance Code (the “Code”) with respect to independent directors. With the exception of Fredrik Börjesson, Malin Nordesjö and Henrik Hedelius, all of the directors are considered independent in relation to the Company’s major shareholders. All of the directors are considered independent in relation to the Company and management.

Further information about the current directors is available on Bergman & Beving’s website.

### **Fees to directors and Chairman of the Board**

The Election Committee proposes the fee per director compared with the preceding year as below:

- Fee for directors elected by the Annual General Meeting: SEK 275,000/director (preceding year SEK 275,000)
- Fee for Chairman of the Board: SEK 600,000 (preceding year SEK 600,000)

The following additional fees will be paid for committee work:

Compensation Committee – SEK 50,000 (preceding year SEK 50,000) to each committee director (2 members).

Audit Committee – SEK 50,000 (preceding year SEK 50,000) to the Chairman.

Provided that the necessary tax prerequisites for invoicing exist and that doing so would not entail a cost for Bergman & Beving AB, directors shall be offered the opportunity to invoice their directors’ fees through a Swedish wholly owned company or private business. If a director invoices his/her directors’ fee through a wholly owned company or private business, the fee is to be increased by an amount corresponding to the social security contributions and value added tax stipulated by law.

### **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 in return for approved invoices.

### **Principles for the appointment of the Election Committee and the Election Committee’s duties**

No change is proposed by the principles set out at the Annual General Meeting 2018 for how the Election Committee is to be appointed and its assignments.

## **Deviation from the rules of the Code regarding the composition of the Election Committee**

The election of the Chairman of the Election Committee deviates from the rules of the Code, which state that the Chairman of the Election Committee should not be a director of the Company. The reason for this deviation is that the other members of the Election Committee feel it is important that the Chairman of the Election Committee has a good understanding of the work and composition of the present Board of Directors and can clearly identify any need for complementary skills.

Stockholm, July 2019

Election Committee of Bergman & Beving AB

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