

The Nomination Committee's reasoned statement concerning proposal for Board of Directors

Concerning the Board of Director's size and composition, the Nomination Committee has made the following assessment.

The Nomination Committee has received a report from the Chairman of the Board on the Board's work and has interviewed Board members and the company's CEO to gain an understanding of the company's performance. It is the opinion of the Nomination Committee that the Board of Director's appointed at the 2018 Annual General Meeting has functioned well, but has been informed that Adam Samuelsson and Gunnar Tindberg have declined re-election. The Nomination Committee has therefore engaged in deep discussions regarding the experiences required and the demands that should be imposed on the Board, in view of, among other things, the strategic development, management and control and found that the Board members proposed for re-election and the two candidates proposed for new election can be expected to assure the Board a broad expertise and experience in relevant areas. As diversity policy, the Nomination Committee has applied Section 4.1 in the Swedish Corporate Governance Code.

Anna Liljedahl (born 1974), business administration in Lund (180 credits), is proposed as a new member of the Board. Anna is CEO at Finnvedens Lastvagnar AB and has previous experience as Global Product Manager at HemoCue AB and Product Manager at Astellas Pharma GmbH. Anna is Chairman of the Board in Finnvedens Bil AB and Board member in Liljedahl Group AB, Liljedahl Group Fastighets AB, Motorbranschens Arbetsgivareförbund and Motorbranschens Riksförbund, board Heavy Vehicles.

Johan Sjö (born 1967), degree of Master of Science in Business and Economics, is proposed as a new member of the Board. Johan's most recent position was as President & CEO of Addtech AB (publ) and before then senior management at Bergman & Beving AB (publ) and Alfred Berg. Johan is Chairman of the Board in OptiGroup AB, Bergman & Beving AB (publ) and Addlife AB (publ) and Board member in Addtech AB (publ). Johan was Board member in Bufab 2013-2017.

The Nomination Committee's proposal means that the number of members is unchanged and that the percentage of women increases to 43 per cent. As regards gender balance in the Board, the Nomination Committee notes that 43 per cent female representation is well in line with the level of ambition pronounced by the Swedish Corporate Governance Board, but falls below the Nomination Committees long-term goal concerning gender balance.

The Nomination Committee's assessment is that the Board of Directors proposed for election at the Annual General Meeting is appropriately composed and well-suited for its task. Furthermore, the Nomination Committee believes that all Board members are independent of the company and major shareholders, with the exception of Bengt Liljedahl and Anna Liljedahl, who is dependent in relation to major shareholders.