

The Nomination Committee's proposal in respect of the Annual General Meeting 2019 in Bufab AB (publ)

In accordance with the principles for appointing the Nomination Committee adopted by the Annual General Meeting 2018, the Chairman of the Board of Directors contacted the four largest shareholders of the company as per August 31, 2018, who accepted to take part of the Nomination Committee's work and appointed members who, together with the Chairman of the Board of Directors, will constitute the Nomination Committee ahead of the Annual General Meeting 2019.

The Nomination Committee consists of Fredrik Liljedahl (Liljedahl Group), Adam Gerge (Didner & Gerge Fonder), Johan Ståhl (Lannebo Fonder), Niklas Johansson (Handelsbanken Fonder) and Sven-Olof Kulldorff (Chairman of the Board of Directors), who is co-opted to the Nomination Committee and thus has no voting rights. Johan Ståhl is the Chairman of the Nomination Committee. The Nomination Committee represent approximately 51 per cent of the votes and capital in the Company. The Nomination Committee presents the following proposals to the Annual General Meeting 2019:

Election of Chairman of the meeting

The Chairman of the Board, Sven-Olof Kulldorff, is proposed as Chairman of the Annual General Meeting.

Determination of the number of Board members to be elected

The Nomination Committee's proposal is that the number of Board members should comprise of a total of seven Board members to be elected by the general meeting, and no deputies.

Determination of the number of auditors and deputies

The Nomination Committee's proposal is that a registered public accounting firm will be appointed as external auditor and that no deputies should be appointed.

Determination of remuneration to the Board members and the auditor

The Nomination Committee proposes the following remuneration:

- SEK 500,000 (430,000) to the Chairman of the Board and SEK 250,000 (215,000) to each of the other Board members elected by the Annual General Meeting and not employed by the Company.
- For work within the Audit Committee, SEK 50,000 (35,000) to each member. No fees are payable for other committee work.

The Nomination Committee's proposal results in total fees to the Board of Directors of SEK 2,150,000 (1,825,000) including the fees to three members of the Audit Committee. If the Board of Directors decide to change the number of members in the Audit Committee, the total fees to the Board of Directors will change.

The Nomination Committee proposes that fees to the auditor is paid according to approved invoice.

Election of members and Chairman of the Board

The Nomination Committee's proposal is new election of Anna Liljedahl and Johan Sjö as Board members and re-election of the Board members Hans Björstrand, Johanna Hagelberg, Sven-Olof Kulldorff, Bengt Liljedahl and Eva Nilsagård. Adam Samuelsson and Gunnar Tindberg have declined re-election.

Sven-Olof Kulldorff is proposed as Chairman of the Board.

All of the proposed Board members are presented on the company's website.

The Nomination Committee has submitted a separate reasoned statement concerning its proposal for the Board of Directors.

Election of auditor

The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, re-election of Öhrlings PricewaterhouseCoopers AB as the Company's auditor up until the end of the

Annual General Meeting 2020. Öhrlings PricewaterhouseCoopers AB has informed that, provided that the Annual General Meeting resolves in accordance with the Nomination Committee's proposal, authorized public accountant Fredrik Göransson will remain as auditor in charge.

Proposal regarding revised principles for the appointment of the Nomination Committee and its assignment

The Nomination Committee proposes that the following principles for appointment of Nomination Committee and for the Nomination Committee's assignment, which substantially correspond to the current principles, are resolved by the Annual General Meeting 2019.

1. The company shall have a Nomination Committee consisting of one person appointed by each of the four largest owner-registered shareholders (with regard to the number of votes held) in the share register maintained by Euroclear Sweden AB as per 31 August of the year before the Annual General Meeting¹, who upon inquiry has expressed a wish to participate in the Nomination Committee's Work. The Chairman of the Board shall convene the Nomination Committee to its first meeting and shall also be co-opted to the Nomination Committee. The names of the four members of the Nomination Committee and the names of the shareholders who have appointed the respective member shall be announced at the company's website at the latest six months before the Annual General Meeting. The term of office for the Nomination Committee shall be for the period until a new Nomination Committee has been appointed. Unless the members of the Nomination Committee agree otherwise, the Chairman of the Nomination Committee shall be the member appointed by the largest shareholder with regard to the number of votes held.
2. If, during the term of office of the Nomination Committee, a shareholder who have appointed a member of the Nomination Committee is no longer among the four largest shareholders with regard to the number of votes held (who upon inquiry has expressed a wish to participate in the nomination committee work), the member appointed by such shareholder shall resign and the shareholder who have become one of the four largest shareholders with regard to the number of votes held shall be offered to appoint a member of the Nomination Committee. If there are only marginal changes in the number of votes held or if the change occurs later than three months before the Annual General Meeting, no changes shall be made in the composition of the Nomination Committee unless there are special circumstances. A shareholder who has appointed a member of the Nomination Committee has the right to dismiss such member and appoint a new person as member of the Committee. Changes in the composition of the Nomination Committee shall be announced at the company's website as soon as they have occurred.
3. The Nomination Committee shall prepare the below proposals to be submitted to the Annual General Meeting for resolution:
 - a) proposal regarding Chairman of the Annual General Meeting,
 - b) proposal regarding number of Board members,
 - c) proposal regarding Chairman and other members of the Board of Directors,
 - d) proposal regarding remuneration to the Board members elected by the Annual General Meeting and not employed by the company, divided between the Chairman of the Board and other members of the Board, and remuneration for committee work, divided between each Committee member,
 - e) proposal regarding auditor,
 - f) proposal regarding auditor's fees, and

¹ If there are nominee registered shareholdings, such shareholdings shall only be considered if the nominee has reported the identity of the underlying shareholder to Euroclear Sweden or if the company – without taking any measures on its own – receives other information that evidences the identity of the underlying shareholder.

- g) to the extent deemed necessary, proposals for amendments to this instruction for the Nomination Committee.
- 4. The Nomination Committee, when performing its duties, shall fulfil the tasks that rest upon the Nomination Committee under the Swedish Corporate Governance Code, including i.a. to provide the company with certain information in order to enable the company to fulfil its disclosure obligation under the Swedish Corporate Governance Code. The company shall, upon request from the Nomination Committee, provide personnel resources such as secretary function for the Nomination Committee to facilitate the work of the Committee. The members of the Nomination Committee shall receive no compensation from the company for their work. If needed, the company shall also pay necessary expenses for the work of the Nomination Committee and reasonable costs for external consultants that the Nomination Committee deems necessary in order for the Committee to be able to fulfil its assignment.