

The Nomination Committee's proposals to the 2019 Annual General Meeting and reasoned statement with respect to the proposed composition of the Board of Directors of Nederman Holding AB (publ)

Instructions for the Nomination Committee

At the 2017 Annual General Meeting, it was resolved on instructions for the Nomination Committee of Nederman Holding AB (publ) ("**Nederman**") to apply until further notice. According to these instructions, the Chairman of the Board shall contact the three largest shareholders of the Company in terms of votes based on ownership-grouped data in Euroclear Sweden's register as per the last banking day in August each year. Each of these owners is entitled to appoint one representative who, together with the chairman, will make up the Nomination Committee until a new Nomination Committee is appointed.

In accordance with the above instructions for the Nomination Committee's work, Anders Mörck (Investment AB Latour, Chairman), Claes Murander (Lannebo Fonder), Henrik Forsberg Schoultz (Ernström & Co.) and Fredrik Ahlin (IF Skadeförsäkring AB) have been appointed to the Nomination Committee for the 2019 Annual General Meeting. Jan Svensson, Chairman of Nederman's Board, is a co-opted member to the Nomination Committee.

In addition to e-mail and telephone contact, the Nomination Committee held two meetings. At the meeting, the Nomination Committee addressed issues that fall under the Nomination Committee's responsibility according to the Swedish Code of Corporate Governance (the "**Code**").

The Nomination Committee's proposal for the election of the Chairman of the Annual General Meeting

The Nomination Committee proposes that Jan Svensson is elected as Chairman of the Annual General Meeting.

The Nomination Committee's proposal for the number of Board members, election of Board members and Chairman of the Board and election of the auditor

It is proposed that the number of Board members shall be unchanged six and that there shall be no deputy members. In addition to these six members, the Board will also include employee representatives who are not elected by the Annual General Meeting.

The Nomination Committee proposes that Johan Hjertonsson, Ylva op den Velde Hammargren, Johan Menckel, Gunilla Fransson, and Sven Kristensson are re-elected as members of the Board. Furthermore, the Committee proposes election of Sam Strömerstén as a new member of the board. Jan Svensson has declined re-election. The Nomination Committee also proposes that Johan Hjertonsson be elected as Chairman of the Board.

Sam Strömerstén, born 1955, is the CEO of the global packaging company Sidel, one of three industrial groups within Tetra Laval. He has a M.Sc. in Mechanical Engineering from Lund's University 1980. Sam has a well-documented experience of senior positions within the Tetra Laval Group. During his career, Sam has since 1999 had leading positions in strategy and organizational development, efficiency programs and acquisitions, as well as responsibility for system deals with high technology and service content. Sam holds no shares in Nederman.

Information concerning all members proposed for re-election is available on the Company's website.

In accordance with the recommendation by the Audit Committee, the Nomination Committee proposes re-election of the registered accounting firm Ernst & Young AB for the period until the end of the 2020 AGM. Ernst & Young AB has notified that the current authorised public accountant Staffan Landén will be the auditor in charge if the AGM elects Ernst & Young AB as auditor.

The Nomination Committee's proposal of the remuneration for the Chairman of the Board, other Board members and the auditor

The Nomination Committee proposes an increase of the remuneration for the Board as follows. The remuneration will be increased to SEK 540,000 (500,000) for the Chairman of the Board, and SEK 260,000 (250,000) for each of the other Board members with the exception of the CEO. The proposal means that the total remuneration paid to the Board of Directors will be SEK 1,580,000 (1,500,000). The figures in brackets refer to the previous level. The Nomination Committee has carried out an analysis of the Board fees compared with similar companies based on a number of different factors of size and complexity. In the view of the Nomination Committee, the outcome of this analysis justifies an increase in the remuneration in question.

The Nomination Committee further proposes that work in the Audit Committee shall be remunerated by unchanged SEK 75,000 to the Chairman and SEK 50,000 to member of the Audit Committee.

It is proposed that the auditor be paid according to his invoices approved by the Company.

The Nomination Committee's proposals for new instruction for the Nomination Committee

Appointment of the Nomination Committee: The Nomination Committee proposes essentially the same instruction for the Nomination Committee, with the adjustment that the Nomination Committee shall consist of the four (previously three) largest shareholders in the Company in terms of votes and that the Chairman of the Board shall be co-opted to the Nomination Committee. Otherwise, the instruction for the Nomination Committee shall be as follows. The Chairman of the Board shall contact the four largest shareholders in the Company in terms of votes based on ownership-grouped data in Euroclear Sweden's register as per the last banking day in August each year. Each of these owners is entitled to appoint one representative to the Nomination Committee until a new Nomination Committee is appointed. None of these four officials should be a member of the Board. The Chairman shall be co-opted to the Nomination Committee. If any of the four largest shareholders waive their right to appoint a representative to the Nomination Committee, then the right will pass on to the next largest shareholder. If a member leaves the Nomination Committee before its work is completed, if the Committee so decides, a replacement shall be appointed by the same shareholder who appointed the departing member or, if this shareholder is no longer one of the four largest shareholders in terms of votes, by the shareholder who now belongs to this group. If the ownership structure of the Company changes before the Nomination Committee has completed its work, the Nomination Committee shall be entitled to change its composition in the manner it deems appropriate.

The Nomination Committee shall prepare the following to the Annual General Meeting:

- proposal for the Chairman of the Annual General Meeting,
- proposal for number of Board members,
- proposals for Board members and Chairman of the Board,

- proposal for fees and other remuneration to each of the Board members and, where appropriate, compensation for committee work,
- proposal for auditors,
- proposal for remuneration to the auditor,
- proposal for changes to the instruction for the Nomination Committee, if necessary.

This instruction shall apply indefinitely until the General Meeting resolves otherwise.

The Nomination Committee's reasoned statement with respect to the proposed composition of the Board of Directors

The Nomination Committee has studied the written evaluation of the work carried out by the Board of Directors and in addition received a report of the work from the Chairman. This evaluation showed that the current Board members represent a broad range of competency with both significant industrial and financial expertise as well as expertise in international conditions and markets. The Board members' commitment have been substantial and the attendance rate high. The Nomination Committee has been able to establish that the Board work has functioned well.

In preparing its proposal for composition of the Board, the Nomination Committee has paid particular attention to the requirements that the Company's strategic development, international operations and management and control place on the Board's expertise and composition. The Nomination Committee has also taken into account the Board's need for diversity and breadth in terms of expertise, experience and background as well as the Board's ongoing need for renewal.

In the long-term, the Nomination Committee seeks to achieve as even distribution between women and men on the Board as possible and has as its diversity policy applied rule 4.1 of the Code when preparing its proposal for the election of Board members. The Nomination Committee intends to work to ensure that the Company complies with the ambitions set by the Swedish Corporate Governance Board (*Sw: Kollegiet för svensk bolagsstyrning*) which means that at the latest by the Annual General Meeting 2020 the Board of Directors of the Company shall consist of at least 40 percent women. The Nomination Committee's proposal means that 40 percent of the Company's Board members are women, when not counting the CEO who is employed by the Company.

The Nomination Committee believes that the proposed Board with respect to the Company's operations, phase of development and other circumstances, has an appropriate composition to meet the needs that the Company's business operations will require.

In an assessment of the proposed Board members' independence, the Nomination Committee has found that the proposed composition of the Board of Nederman Holding AB (publ) meets the independence requirements set out in the Swedish Code of Corporate Governance. Of the proposed board members Sven Kristensson, CEO of Nederman Holding AB cannot be considered to be independent in relation to the Company. Johan Hjertonsson, elected CEO and board member of Investment AB Latour, cannot be considered to be independent in relation to major shareholders of the Company. The other proposed directors are considered to be independent in relation to Nederman Holding AB (publ), the corporate management and major shareholders.