

N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

The Nomination Committee's proposals for Balco's Annual General Meeting 2021

The Nomination Committee of Balco Group AB (Balco), comprising Carl-Mikael Lindholm, appointed by the Family Hamrin (chairman of the Nomination Committee), Marianne Flink, appointed by Swedbank Robur Fonder, Lennart Björkman, appointed by Skandrenting AB, Claes Murander, appointed by Lannebo Fonder, and Tomas Johansson, chairman of the Board of Directors of Balco, submits the following proposals to the Annual General Meeting of Balco on 25 May 2021.

Chairman of the Annual General Meeting

The Nomination Committee proposes Tomas Johansson, Chairman of Balco's Board of Directors, as Chairman of the Annual General Meeting.

Number of Board members and auditors

It is proposed that the number of Board members elected by a General Meeting shall be six without deputies.

It is proposed that the Company shall have one auditor without a deputy.

Auditor

In accordance with the Audit Committee's recommendation, it is proposed that the authorised accounting firm Öhrlings PricewaterhouseCoopers ("PwC") is re-elected as the company's auditor for the period until the end of the Annual General Meeting 2022. PwC has notified that, if the Annual General Meeting approves the Nomination Committee's proposal, the authorised auditor Martin Odqvist will continue as auditor in charge.

Directors' fees

The Nomination Committee proposes below changes to the current fees to the Board of Directors and committees. The proposal entails the following fees (current fees within brackets):

- Chairman of the Board: SEK 500,000 (500,000)
- Other members of the Board: SEK 200,000 (190,000)
- Chairman of the Audit Committee: remains at SEK 70,000 (70,000)
- Other members of the Audit Committee: remains at SEK 40,000 (40,000)
- Chairman of the Remuneration Committee: remains at SEK 40,000 (40,000)
- Other members of the Remuneration Committee: remains at SEK 25,000 (25,000)

The proposal entails a total Board remuneration amounting to SEK 1,750,000 (1,690,000).

Auditors' fees

Auditors' fees to be paid according to approved invoice.

Election of chairman and other Board members

The Nomination Committee proposes re-election of Mikael Andersson, Ingalill Berglund, Carl-Mikael Lindholm, Johannes Nyberg and Vibecke Hverven as Board

members as well as election of Thomas Widstrand as new Board member for the period until the end of the next Annual General Meeting.

Ingalill Berglund is proposed to be elected as Chairman of the Board of Directors. The Chairman of the Board of Directors Tomas Johansson has declined re-election.

Instruction for the Nomination Committee

The Nomination Committee has considered whether to propose any amendments to its instruction. The Nomination Committee has concluded that it is not necessary to propose any such amendments. Therefore, the instruction that was adopted at the Extraordinary General Meeting on 11 September 2017, shall apply for the time being.

The Nomination Committee's explanatory statement

The Nomination Committee's explanatory statement regarding the proposal for members of the Board of Directors and information about the proposed Board members can be found in a separate document, which is available on the company's website www.balcogroup.se.