

The Nomination Committee's proposals to Balco's Annual General Meeting 2020

The Nomination Committee of Balco Group AB (Balco), comprising Carl-Mikael Lindholm, appointed by Family Hamrin (chairman of the Nomination Committee), Lennart Björkman, appointed by Skandrenting AB, Claes Murander, appointed by Lannebo Fonder, Gabriel Urwitz, appointed by Segulah, and Tomas Johansson, chairman of the Board of Directors of Balco, submits the following proposals to the Annual General Meeting of Balco on 17 June 2020.

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 the Annual 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 AB (PwC) is re-elected as the Company's auditor for the period until the end of the Annual General Meeting 2021. PwC has notified that, if the Annual General Meeting approves the Nomination Committee's proposal, the authorized auditor Martin Odqvist will continue as auditor in charge.

Directors' fees

The Nomination Committee does not propose any 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 190,000 (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 1,690,000 (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, for the period until the end of the next Annual General Meeting, re-election of Mikael Andersson, Ingalill Berglund, Tomas Johansson, Carl-Mikael Lindholm and Johannes Nyberg as Board members as well as election of Vibecke Hverven as new Board member.

Tomas Johansson is proposed to be re-elected as Chairman of the Board of Directors. The Board member Åsa Söderström Winberg 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 separate documents, which are available on the Company's website www.balcogroup.se.

Stockholm, 10 February 2020

Nomination Committee, Balco Group AB

Carl-Mikael Lindholm
(Chairman)

Lennart Björkman

Claes Murander

Gabriel Urwitz

Tomas Johansson
(Chairman of Balco Group AB)