

## **NOMINATION COMMITTEE'S REPORT, RECOMMENDATIONS AND REASONED STATEMENT AHEAD OF PROJEKTENGAGEMANG'S 2019 ANNUAL GENERAL MEETING**

The Nomination Committee of Projektengagemang Sweden AB (publ) ("Projektengagemang" or "the Company") submits the following proposal and reasoned statement ahead of the the 2019 Annual General Meeting (AGM).

### **The Nomination Committee and its work**

The Nomination Committee of Projektengagemang shall, according to a resolution by the 2018 AGM, consist of representatives of the three largest shareholders based on owner statistics from Euroclear Sweden AB as per of the 30 June each year, and the Chairman of the Board. The Chairman of the Nomination Committee shall, unless the committee's members agree otherwise, be the member who represents the largest shareholder in terms of votes.

In accordance with the above guidelines, major shareholders in Projektengagemang have appointed a nomination committee for the AGM 2019. The Nomination Committee, which was published on November 14, 2018, includes:

- Pontus Mattsson, (Projektengagemang Holding AB), Chairman of the Nomination Committee
- Annika Andersson, (Swedbank Robur fonder)
- Tim Floderus, (Investment AB Öresund)
- Gunnar Grönkvist, (Chairman of the Board of Projektengagemang)

Behind the Nominating Committee's members stand shareholders who together hold approximately 67 % of all shares and votes in the Company.

The Nomination Committee has held three meetings ahead of the 2019 AGM which were documented by minutes and has had regular contact in between.

The Nomination Committee has, as the basis for its proposals, had information about Projektengagemang's activities and strategic position provided by the Company's CEO and group CEO Per Hedebäck, vice president and CFO Peter Sandberg, and the chairman of the board of director Gunnar Grönkvist. An evaluation of the Board's work has been carried out, the Nomination Committee has carefully taken note of the results. The Nomination Committee has based on the evaluation assessed to what extent the current Board of Directors meets the requirements in terms of the Company's future direction and development. Among other things, the size and composition of the Board, for example industry experience, competence and diversity, have been discussed. The Nomination Committee considers that gender balance is important, and that it is important that future Nomination Committees continue to work actively on the issue.

The Nomination Committee has discussed the level of board fees and remuneration for work in the audit and compensation committees and found it justified to propose unchanged fees.

The Nomination Committee's instructions were resolved by the AGM 2018 to apply until further notice until another decision has been made by the AGM. The Nomination Committee has not found any reason to propose any changes to the instruction.

Shareholders have been informed that proposals can be submitted to the Nomination Committee. The proposals received has been dealt with by the Nomination Committee.

All decisions by the Nomination Committee have been unanimous.

### **The Nomination Committee's proposals**

The Nomination Committee submits the following proposals to Projektengagemang's 2019 AGM.

### **AGM chair**

The Nomination Committee proposes that the chairman of the board of directors Gunnar Grönkvist be elected as AGM chair.

### **Number of directors and auditors**

The Nomination Committee proposes that the Board of Directors shall have six directors (a decrease with one director), and that the Company shall have a chartered accounting firm as its auditor and no deputies (unchanged).

### **Directors' and auditor's fees**

The Nomination Committee proposes that the following fees be paid to the Company's directors: SEK 350 000 to the Chairman of the Board (unchanged) and SEK 175 000 to each of the directors elected by the Nomination Committee (unchanged), in addition to board fees, SEK 80,000 for chairman of the audit committee and SEK 40,000 for each of the other members of the audit committee (unchanged) and SEK 40,000 for chairman of the compensation committee and SEK 20,000 for each of the other members of the compensation committee (unchanged). Auditor's fees according to approved invoice.

### **Election of directors and the Chairman of the Board**

The Nomination Committee proposes:

- re-election of Lars-Erik Blom, Britta Dalunde, Øystein Engebretsen, Per Göransson, Carina Malmgren-Heander and Per-Arne Gustavsson as directors, and
- election of Per-Arne Gustavsson Chairman of the Board.

Gunnar Grönkvist has declined re-election.

### **Election of auditor**

The Nomination Committee proposes, in accordance with the recommendation from the Audit Committee, re-election of the accounting firm PricewaterhouseCoopers AB as auditor for the period until the end of the 2020 AGM. PricewaterhouseCoopers has notified the Company that Camilla Samuelsson will be appointed as chief auditor if the AGM resolves in favor of the proposal.

### **Nomination Committee's reasoned statement regarding its proposals for election of directors**

The Nomination Committee has been informed that all current members, except Gunnar Grönkvist, are available for re-election. It is the Nomination Committee's opinion that the proposed Board of Directors has an appropriate composition and meets the requirements that Projektengagemang's current position and future developments require. In the composition of the Board of Directors, the Nomination Committee takes into account, among other things, the experience and competence needed in the Board of Directors and its committees and also the value of diversity in terms of age and gender and the need for renewal. The Nomination Committee also assesses the appropriateness of the size of the Board of Directors and the candidates' ability to allocate the required time for the assignment. The Nomination Committee primarily seeks potential Board of Directors for the coming mandate period, but also consider future needs for competence.

The Nomination Committee has discussed the requirements in rule 4.1 of the Swedish Corporate Governance Code, which has been used as a diversity policy, and believes that the board of directors, taking into account the Company's prevailing situation, gets a composition that is in line with this and has sought both diversity and to achieve a gender balance. According to the proposal, it is re-election of six directors. Gunnar Grönkvist has declined re-election.

All in all, the Nomination Committee considers that the proposed Directors with their respective experiences will add valuable expertise and experience to the Board of Directors. The elected board represents both continuity and development and the work of the Board of Directors is driven by the goal of utilizing both perspectives.

In assessing the independence of the proposed Board of Directors, the Nomination Committee has found that its proposal for the Board of Directors of the Company meets the requirements for independence set out in the Swedish Corporate Governance Code. Of the proposed Board of Directors, all, except Per Göransson and Per-Arne Gustavsson, shall be regarded as independent in relation to the Company and the management. The composition of the Board of Directors is further deemed to fulfil the requirement that at least two of the Board of Directors who are independent in relation to the Company and the executive management are also independent in relation to the Company's major shareholders, due to that Lars-Erik Blom, Britta Dalunde and Carina Malmgren Heander is deemed to be independent in relation to the Company and the management and in relation to major shareholders. Øystein Engebretsen is deemed to be independent in relation to the Company and the management but not in relation to major shareholders. Per Göransson and Per-Arne Gustavsson are deemed to be independent in relation to the Company and the management and dependent in relation to the major shareholders.

All proposed board members are presented on the Company's website, [www.projektengagemang.se](http://www.projektengagemang.se)

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Stockholm, April 2019  
*The Nomination Committee of Projektengagemang Sweden AB (publ)*

*This is a translation of the Swedish original wording. In case of discrepancies, the Swedish version shall prevail.*