

PRESENTATION OF THE NOMINATION COMMITTEE'S WORK, AS WELL AS PROPOSALS AND MOTIVATED STATEMENT PRIOR TO BONAVA'S ANNUAL GENERAL MEETING ON 10 APRIL 2019

Background

The annual general meeting appoints a nomination committee, which has the task of presenting proposals to the annual general meeting regarding the election of members of board and chairman of the board, as well as the remuneration to these, chairman of the annual general meeting as well as proposal for auditors and remuneration to these. The annual general meeting 2018 resolved on the following nomination committee for the annual general meeting 2019: Tomas Billing, chairman of the nomination committee, Nordstjernan AB, Tomas Risbecker, AMF – Försäkring och Fonder, Mats Gustafsson, Lannebo Fonder, as well as the chairman of the board, Carl Engström, as an adjunct member.

Presentation of the nomination committee's work

The nomination committee has had two recorded meetings prior to the annual general meeting 2019 as well as additional contacts between meetings by telephone and e-mail. The nomination committee has received a report from the chairman of the board on the board's work during the year and has furthermore taken part of the self-evaluation conducted by the board. Further, the nomination committee has discussed the board's work and the composition of the board directly with the members of the board. The nomination committee has noted that the board is well functioning and that it in terms of gender balance and diversity in general has such a satisfying composition that the requirements set forth by the company's diversity policy are to be deemed satisfied. Thereafter, the nomination committee has evaluated the company's needs and an appropriate composition of the board in relation to the background and competence of the current board members, and has in this regard come to the conclusion that the current board is satisfactory in this aspect as well. Furthermore, the nomination committee has evaluated the board's fees and discussed remuneration for work in the board's committees. All decisions by the nomination committee have been unanimous.

Motivated statement

In its work, the nomination committee has applied section 4.1 in the Swedish Corporate Governance Code as its diversity policy. Bonava's diversity policy stipulates, in accordance with mentioned rule, that the company's board shall, with regard to the company's operations, phase of development and other circumstances, have an appropriate composition characterised by versatility and breadth of qualifications, experience and background of the members of the board elected by the general meeting, as well as that gender balance shall be strived for.

The nomination committee considers, in agreement with the company's diversity policy, that the proposed board's composition is suitable in order to meet the demands that the company's operations impose in terms of governance, strategic development and control.

In this regard, the nomination committee has primarily considered that the members as a group shall have the relevant knowledge within the company's different strategic key areas and represent the company's different geographical markets, and has specifically strived for a continued even gender balance among the members of the board. The proposed board will continue to comprise 57 % men and 43 % women.

All proposed members are considered to be independent in relation to the company and its executive management. Furthermore, all members with the exception of Carl Engström and Viveca Ax:son Johnson are independent in relation to the company's major shareholders. The proposed composition of the board thereby satisfies the requirements set forth by the Swedish Corporate Governance Code in terms of independence.

The nomination committee's proposal for resolutions

1. Proposal to chairman of the annual general meeting

The nomination committee proposes Carl Engström as chairman of the meeting.

2. Proposal to the number of members of the board elected by the general meeting

The nomination committee proposes that the number of board members elected by the annual general meeting shall be seven (7) ordinary members and no deputy members.

3. Proposal to chairman and other members of the board elected by the general meeting

For the period until the close of the next annual general meeting, the nomination committee proposes re-election of Viceca Ax:son Johnson (member since 2015), Carl Engström (member since 2015), Åsa Hedenberg (member since 2015), Samir Kamal (member since 2015), Mikael Norman (member since 2017), Frank Roseen (member since 2018), and Anna Wallenberg (member since 2015).

The nomination committee proposes election of Mikael Norman as chairman of the board.

The proposal satisfies the requirements set forth by the Swedish Corporate Governance Code in terms of independence.

For further information on all proposed members of the board, please refer to the company's website, bonava.com.

4. Proposal for remuneration payable to the board members, divided between the chairman and other members, and any remuneration for committee work

The nomination committee proposes that the board fees, excluding fees for committee work, for the period until the next annual general meeting, in total shall amount to SEK 2,500,000, of which SEK 700,000 shall be paid to the chairman of the board and SEK 300,000 to each other member of the board elected by the general meeting, while remuneration for committee work shall proceed as accounted for below.

The chairman of the board SEK 700,000 (increase from SEK 630,000)

Member of the board SEK 300,000 (increase from SEK 285,000)

Chairman of the audit committee SEK 150,000 (unchanged)

Member of the audit committee SEK 75,000 (unchanged)

The nomination committee's proposal regarding ordinary board fees represent a total increase of ordinary fees with SEK 160,000 as a result of the fee to the chairman of the board increasing with SEK 70,000 and the fee to each other member elected by the general meeting increasing with SEK 15,000. The nomination committee considers, even after the proposed increase, that the board fees are lower than in comparable listed companies.

The nomination committee proposes, in addition to ordinary board fees, remuneration to the members of the audit committee of SEK 150,000 to the chairman and SEK 75,000 to each other member. The nomination committee's proposal is in this regard unchanged from the previous year.

5. Proposal to election of auditor

The nomination committee proposes that the number of auditors shall be one (1) audit firm with no deputy auditor.

As auditor, re-election of the audit firm PwC, i.e. PricewaterhouseCoopers AB, is proposed. PwC has announced that Patrik Adolfson will be appointed as the auditor in charge if the annual general meeting elects PwC. The auditor proposal is in accordance with the audit committee's recommendation.

6. Proposal for remuneration to auditors

It is proposed that auditor fees shall be paid according to approved invoice.

7. Proposal to any amendments to the current instruction for the nomination committee

The nomination committee has evaluated the current instructions for its work and proposes that the annual general meeting does not resolve on amendments to the current instruction for the nomination committee's composition and work in Bonava.

Stockholm in February 2019
the Nomination Committee of Bonava AB (publ)