

Presentation of the nomination committee's work, as well as proposals and motivated statement prior to Bonava's annual general meeting on 31 March 2020

Please observe: On 30 March 2020 Bonava announced through a press release that the Nomination Committee had decided to change its previous proposal concerning remuneration to the board, and so this presentation has been updated to reflect the amended proposal.

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 the board and chairman of the board as well as remuneration to these, election of chairman of the annual general meeting, election of auditors and remuneration to these as well as resolutions on potential changes in the instruction for the nomination committee. The annual general meeting 2019 in Bonava AB resolved on the following nomination committee for the annual general meeting 2020: Angela Langemar Olsson, chairman of the nomination committee, Nordstjernan AB, Tomas Risbecker, AMF – Försäkring och Fonder, Caroline Forsberg, SEB, as well as the chairman of the board Mikael Norman, as an adjunct member.

Presentation of the nomination committee's work prior to the annual general meeting

The nomination committee has had six recorded meetings prior to the annual general meeting 2020 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 board should be complemented with a member with competence and experience from construction and property development as well as a member with competence within management accounting and project monitoring. On this basis, person specifications for potential new members have been prepared and the nomination committee has interviewed and evaluated candidates. 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 that the current board is well-functioning, but that it is desirable to strengthen the board's competence within construction and property development as well as management accounting and project monitoring.

Therefore, the nomination committee proposes election of Mats Jönsson and Angela Langemar Olsson as new members.

Mats Jönsson, born 1957. M.Sc. in engineering from KTH. Chairman of the board of the Tengbom Group and of Lekolar, and a board member of NCC, Assemblin and Coor Service Management. Mats has solid experience in construction and property development as well as service management. He has served in roles such as President and CEO of Coor Service Management (2004-2013), Business Unit Director at Skanska Services (2000-2004) and as Division Head at Skanska Sverige (1998-2000). Mats does not currently own any shares in the company.

Angela Langemar Olsson, born 1970. M.Sc. in Economics and Business from the Stockholm School of Economics. Senior Investment Manager at Nordstjernan. Angela has a great deal of experience in management accounting and project monitoring, including roles such as Group CFO at Nordstjernan (2000-2015), Group Business Controller at Hufvudstaden (1997-2000) and Assistant Business Controller at Swedish Match (1996-1997). Furthermore, Angela is board member of NCC and chairman of the board of Sunparadise AG. Angela does not currently own any shares in the company.

Carl Engström and Anna Wallenberg has declined re-election. The nomination committee proposes re-election of the other board members, and the board of directors proposed by the nomination committee will thus continue to consist of seven ordinary members. All members proposed are presented in more detail on the company's website bonava.com.

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. In addition, the nomination committee considers it important that the board members can devote the time and care required to fulfil their duties as board members of the company and the nomination committee has therefore looked into the proposed board members' assignments outside the company and the time required for such assignments.

All proposed members are considered to be independent in relation to the company and its executive management. Furthermore, all members with the exception of Viveca Ax:son Johnson and Angela Langemar Olsson 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.

With regard to the uncertainty caused by the Covid-19 outbreak, the nomination committee has resolved to change its original proposal to the AGM meaning that the board fees should not be increased but, according to the revised proposal, should remain unchanged as regards the chairman of the board, ordinary board members and the members of the board's committees.

In the preparation of the nomination committee's proposal for election of auditor and resolution on auditor fees, the nomination committee has been in contact with the chairman of the audit committee for the purpose of becoming aware of the board's and audit committee's evaluation of the quality and effectiveness of the auditor's work. The audit committee has also provided the nomination committee with its recommendations regarding auditor and auditor fees. The nomination committee's proposal regarding election of auditor and resolution on auditor fees corresponds with the audit committee's recommendation.

The nomination committee's proposal for resolutions

1. Proposal to chairman of the annual general meeting

The nomination committee proposes Mikael Norman 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 at 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 end of next annual general meeting, the nomination committee proposes re-election of Viveca Ax:son Johnson (member since 2015), Åsa Hedenberg (member since 2015), Samir Kamal (member since 2015), Mikael Norman (member since 2017) and Frank Roseen (member since 2018).

The nomination committee proposes new election of Mats Jönsson and Angela Langemar Olsson as board members

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

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 (unchanged), of which SEK 700,000 (unchanged) shall be paid to the chairman of the board and SEK 300,000 (unchanged) shall be paid to each other member of the board elected by

the general meeting, while remuneration for committee work shall proceed as accounted for below.

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

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

All of the nomination committee's proposals is in this regard are 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 auditor in charge if the annual general meeting elects PwC.

6. Proposal for remuneration to auditors

It is proposed that the 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 instructions for the nomination committee's composition and work and proposes that the annual general meeting resolves that the following instruction shall replace the current instruction and be valid until the general meeting decides otherwise.

Instruction for the Nomination

Committee of Bonava AB (publ)

The nomination committee proposes that the following instruction regarding the nomination committee's composition and work in Bonava shall replace the current instruction and be valid until the general meeting decides otherwise:

1. THE DUTIES OF THE NOMINATION COMMITTEE

The nomination committee shall perform its assignment in accordance with this instruction and applicable rules. Prior to every annual general meeting, the nomination committee shall as part of its assignment prepare and present proposals regarding:

- chairman of the annual general meeting,
- number of board members and auditors elected by the meeting,
- chairman of the board and other board members to be elected by the meeting,
- remuneration to the board, divided between the chairman of the board and the other members of the board as well as remuneration for committee work; if

- any,
- election of audit firms or auditors
- remuneration to auditors, and
- changes to the instruction for the nomination committee, if any.

The nomination committee shall motivate the board proposal in accordance with the requirement under the Swedish Corporate Governance Code, that versatility, diversity and gender balance should be sought for within the board. The nomination committee shall account for the diversity policy it has applied.

At a general meeting other than the annual general meeting, if relevant, the nomination committee's proposal shall concern the election of board members or auditors to take place at that meeting.

The nomination committee's proposal shall, at least six weeks before the annual general meeting, be presented to the company through the chairman of the board and shall be formulated in accordance with the requirements in the Swedish Companies Act and the Swedish Corporate Governance Code.

2. MEMBERS

The nomination committee shall consist of at least three, or at the most four, members appointed by the annual general meeting and nominated by the company's major shareholders. The members shall be appointed for the period until the end of next annual general meeting. The chairman of the nomination committee shall also be appointed by the annual general meeting. The chairman of the board shall be an adjunct member of the nomination committee, however, without voting rights.

Changes in the composition of the nomination committee may occur in the following cases.

- A member dies or wishes to resign before the end of the mandate period or if a shareholder wishes to replace its nominated member, whereby a request must be sent to the chairman of the nomination committee (or if the request regards the chairman, to another member of the nomination committee) and the receipt shall mean that the request has been executed.
- A shareholder who has a nominated a member of the nomination committee disposes its entire holdings in the company, whereby such nominated member shall be deemed to have resigned from the nomination committee automatically, or if there is a significant change in the ownership of the company, whereby the nomination committee is entitled to independently decide to dismiss and / or appoint additional members for the purpose of reflecting the ownership of the company in the nomination committee's composition.
- There are vacancies in the nomination committee and the nomination committee decides to offer those seats to shareholders or members nominated by shareholders for the purpose of reflecting the ownership of the company in the nomination committee's composition.

In the mentioned cases of changes in the nomination committee, new potential members are also appointed for the period until the end of the next annual general meeting.

Changes in the nomination committee shall be published by the company as soon as possible.

3. MEETINGS

The nomination committee shall meet as often as required for the nomination committee to fulfil its duties, however, at least once a year. Notice to meetings shall be issued by the chairman of the nomination committee. If a member requests a meeting, the request must be complied with.

The nomination committee is quorate if at least two members are present. Resolutions by the nomination committee shall be adopted by simple majority of the members present. In the event of a tied vote, the chairman shall have the casting vote.

4. REMUNERATION

The members of the nomination committee shall not be paid any remuneration from the company. However, the company shall defray all reasonable costs required for the work of the nomination committee.

5. THE NOMINATION COMMITTEE'S ATTENDANCE AT GENERAL MEETINGS

At least one member of the nomination committee shall always attend the annual general meeting.

6. AMENDMENTS TO THESE INSTRUCTIONS

The nomination committee shall continuously evaluate these instructions and its work and to the annual general meeting present proposals for amendments to these instructions, which the nomination committee has considered to be appropriate.

Stockholm, March 2020

Nomination Committee of Bonava AB (publ)