

AQ GROUP AB (PUBL.)

THE NOMINATION COMMITTEE'S PROPOSAL AND MOTIVATED STATEMENT FOR ELECTION OF THE BOARD

1. Background

In accordance with the resolution of the 2018 AGM, Per-Olof Andersson, Claes Mellgren, and Björn Henriksson, with Björn representing Nordea Fonder, and Vegard Sjøraunet, representing ODIN Fonder were appointed members of the Nomination Committee for the 2019 AGM. Vegard Sjøraunet was appointed Chairman of the Nomination Committee.

In accordance with the resolution of the AGM, the Nomination Committee shall evaluate the composition and work as well as draft proposals for the 2019 AGM regarding:

- election of Chairman of the AGM
- election of the Board and Chairman of the Board
- selection of auditors
- remuneration to the Board and any committees and auditors
- composition of the Nomination Committee before the 2020 AGM.

The Nomination Committee has evaluated the work of the Board and the Chairman has described how the Board has carried out its work. The Nomination Committee has also supplemented the Board evaluation with interviews with board members.

The Nomination Committee has, for the 2019 AGM, had 3 minuted meetings at which all members have participated. In addition, the committee has maintained contact via phone and email.

2. The Nomination Committee's proposal

Election of Chairman of the AGM

The Nomination Committee proposes the election of Patrik Nolåker as Chairman of the AGM.

Number of board members and deputies

The Nomination Committee proposes that the number of Board members, without deputies, elected by the AGM shall amount to seven.

Board and auditor's remuneration

The Nomination Committee has compared the level of the board and committee fees with those of other comparable companies. Based on this, the Nomination Committee proposes increases in the Chairman's and Board members' remuneration on the Board, as well as the remuneration to the Chairman of the Audit Committee. With the increase, the Nomination Committee considers that AQ Group can continue to attract competent members to the Board.

All in all, the Nomination Committee's proposal means that the total remuneration to the board will amount to SEK 1,870,000 (1,550,000)

The Nomination Committee proposes remuneration to the Chairman in the amount of SEK 450,000 (400,000) and remuneration to each of the elected board members in the amount of SEK 200,000 (160,000).

The Board has appointed an audit committee. The Nomination Committee proposes that remuneration of SEK 100,000 (70,000) be paid to the Chairman of the audit committee and that remuneration in the amount of SEK 40,000 (40,000) be paid to each of the audit committee's members. The Board has appointed a remuneration committee. The Nomination Committee proposes that remuneration of SEK 50,000 (50,000) be paid to the Chairman of the remuneration committee and that remuneration in the amount of SEK 30,000 (30,000) be paid to each of the remuneration committee's members.

The Nomination Committee proposes that remuneration to the auditors be paid according to approved invoice.

Election of the Board of Directors

The Nomination Committee proposes the re-election of board members Gunilla Spongh, Lars Wrebo, Ulf Gundemark, Per-Olof Andersson, Annika Johansson-Rosengren and Claes Mellgren.

Election of Chairman of the Board

The Nomination Committee proposes Patrik Nolåker as Chairman of the Board of AQ Group.

Selection of auditors

KPMG, with responsible authorised auditor Helena Arvidsson Älgne, is selected as auditor until the AGM in 2021.

Proposal regarding the Nomination Committee

The Nomination Committee shall consist of the four largest shareholders. The term of the Nomination Committee is proposed to apply until a new Nomination Committee has been constituted. In connection with the end of the third quarter, the Board's Chairman contacts the four largest shareholders in the company and calls on them to immediately appoint its representative to the Nomination Committee. If a shareholder abstains from their right to appoint a member, the right to appoint a member moves to the next largest shareholder. The Nomination Committee appoints its chairman. The Nomination Committee shall be publicly announced no later than six months before the 2020 AGM.

There is no remuneration to the members of the Nomination Committee, but any expenses will be borne by the company.

The Nomination Committee's responsibilities shall include evaluating the Board's composition and work and to submit proposals to the AGM regarding;

- election of the Board and Chairman of the Board
- election of Chairman of the 2020 AGM
- selection of auditors
- remuneration to the Board, committees and auditors
- establishing the Nomination Committee before the 2021 AGM

3. Motivated statement regarding the Nomination Committee's proposal for the Board

The Nomination Committee has considered the work of the Board, the board members and the composition of the Board, as well as the Chairman's report. The Nomination Committee has found that the Board performs its work well.

The Nomination Committee has, as diversity policy, applied Code rule 4.1, stating that the Board shall have a, with respect to the company's operations, phase of development, and other circumstances, appropriate composition, characterised by diversity and breadth in terms of the elected members' qualifications, experience, and background, and to strive for gender balance.

The Nomination Committee considers it essential that the company in the future works actively to promote diversity of both the Board and the company in general.

The Nomination Committee has come to the conclusion that the proposed Board meets the applicable requirements of independence set forth in the Code. The Nomination Committee has hereby considered that Per-Olof Andersson and Claes Mellgren are major shareholders in AQ Group and that other proposed members and Chairman are deemed as independent in relation to both the company and Group Management as well as to major shareholders.

Västerås, Sweden, February 2019
The Nomination Committee of AQ Group AB (publ.)