

**Minutes taken at the Annual General Meeting with the shareholders in  
AB Fagerhult, 556110-6203, May 13, 2019 in Habo**

Present Shareholders: According to List Appendix 1

**§ 1 Opening of the Meeting**

The meeting was opened by Jan Svensson.

**§ 2 Election of Chairman of the Meeting**

Jan Svensson was appointed chairman of the negotiations as chairman. Secretary at the meeting was Thomas Jansson.

**§ 3 Preparation and approval of voting list**

List in Annex 1 of the present shareholders was approved as voting list.

**§ 4 Approval of agenda**

The AGM approved the agenda.

**§ 5 Election of members of the board**

Along with the chairman adjusting today's minutes, Jan-Olof Pettersson and Therese Olofsgård were appointed.

**§ 6 Question whether the meeting has been duly convened**

The meeting was found to be in proper order convened.

**§ 7 Presentation of the annual report and audit report, as well as the consolidated accounts and the group audit report**

The annual report and the auditor's report and the consolidated accounts and the group audit report for the fiscal year 2018 were presented.

**§ 8 CEO's speech**

Bodil Sonesson gave a speech and an audience was given the opportunity to ask questions.

**§ 9 Resolution on the determination of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet**

When the chief auditor of the company, Peter Nyllinge, did not have the opportunity to attend, authorized public accountant Martin Odqvist commented on this year's audit and audit report. The Annual General Meeting then approved the profit and loss accounts and balance sheets for the Parent Company and the Group for the fiscal year 2018, which have been included in the annual report.

**§ 10 Decisions on dispositions regarding the company's profit according to the established balance sheet**

In accordance with the proposal of the Board of Directors and the Managing Director, the Meeting resolved that SEK 469.1 million of the funds available to the AGM would be distributed to shareholders SEK 2.00 per share, totaling SEK 251.5 million, and that the remaining available funds of SEK 217.6 million transferred on new account. The record date was set on May 15, 2019.

#### **§ 11 Resolution on discharge from liability for the Board members and the President**

The Annual General Meeting granted discharge to the Board members and the CEO for the management of the company's affairs for 2018.

#### **§ 12 Determination of the number of Board members and deputy members**

Johan Ståhl, representative of Lannebo Fonder, presented the Nomination Committee's work. The Meeting resolved that the Board would consist of six (6) ordinary members without deputies.

#### **§ 13 Determination of fees to the Board and the auditors**

The AGM resolved to pay fees to the Board members appointed by the Meeting for the period until the next Annual General Meeting was held, totaling SEK 2,500,000. SEK 750,000 is paid to the chairman and SEK 350,000 each to other members who are not employed by the company.

Board fees are not paid to employees employed by the Group. Fees to the Chairman of the Audit Committee were set at SEK 100,000 and for the other members of the Audit Committee the fee was set at SEK 75,000.

The Meeting resolved that remuneration to auditors should be paid according to approved invoice.

#### **§ 14 Election of Chairman of the Board and other Board members**

To regular board members for the time until the next Annual General Meeting was held, everyone was re-elected by Eric Douglas, Morten Falkenberg, Cecilia Fasth and Jan Svensson, while Annica Bresky and Teresa Enander were elected. Jan Svensson was elected Chairman of the Board.

#### **§ 15 Election of auditor**

PwC was elected as auditors for the period until the next AGM was held. PwC has announced that authorized public accountant Peter Nyllinge is the auditor in charge.

#### **§ 16 Authorization for the Board to decide on the acquisition of own shares until the next Annual General Meeting**

The Board of Directors was authorized to decide, until the next Annual General Meeting, on the acquisition of own shares. The authorization is intended, if appropriate, to enable the acquisition of operations through payment with the company's shares, to be able to continuously adapt Fagerhult's capital structure and cover any long-term incentive programs for the company's employees. Acquisitions must be made on NASDAQ OMX Stockholm at a price within the price interval registered at any given time, meaning the interval between the highest bid price and the lowest selling price. Acquisitions may be made of a maximum of so many shares that their own holding does not exceed 10% of the total number of own shares. Acquisitions may be made on one or more occasions.

#### **§ 17 Authorization for the Board to decide on transfer of own shares until the next Annual General Meeting**

The Board of Directors was authorized to dispose of the company's own shares held in conjunction with acquisitions of companies or operations until the next Annual General Meeting, other than on

NASDAQ OMX Stockholm. The authorization may be exercised on one or more occasions and covers all of the company's own shares held by the company at the time of the Board's decision. The authorization includes the right to decide on deviation from the shareholders' pre-emption rights and with or without provisions on non-payment or set-off rights. Divestments may be made at a price in money or value of the received property that corresponds to the market price at the time of the sale on the Fagerhult shares that are transferred with the deviation that the Board finds appropriate.

#### **§ 18 Determination of principles for the appointment of the nomination committee**

The AGM resolved on a nomination committee consisting of one representative for each of the four largest shareholders or the owner groups as of August 31, 2019 and the chairman of the board. The Chairman of the Board shall be co-opted to the Nomination Committee and without voting rights. The Nomination Committee shall be formed after the Chairman of the Board has identified the four largest shareholders in the company in terms of voting rights, which together with the Chairman of the Board shall constitute the Nomination Committee. If one of the four largest shareholders waives their right to appoint a representative, the right passes to the shareholder who after the relevant shareholder has the largest shareholding per said date. The names of the four members and the names of the shareholders they represent shall be published no later than in connection with the company's report for the third quarter, which shall also be made public which persons can be contacted in nomination committee matters. The Nomination Committee's term of office extends until the appointment of a new Nomination Committee.

#### **§ 19 Determination of principles for remuneration to senior executives**

The Board's proposal for guidelines for remuneration to senior executives according to Appendix 2 was established.

#### **§ 20 Decisions on performance share programs for senior executives**

Jan Svensson, chairman of the board, informed about the outcome of the 2016 share savings plan and the audience was given the opportunity to ask questions.

In the 2016 share savings plan, 28 people participated and a total of 25,059 shares (so-called savings shares) were invested. The total number of shares that will be allocated at the end of the plan is 93,164 shares. The plan provided the opportunity for allocation of performance shares. Performance shares are allocated if a financial target for earnings per share is met. The target was an average earnings per share for 2016 and 2017 of SEK 3.00-3.67. The outcome was SEK 3.83, which resulted in an allocation of 100%. The total cost of this share savings plan was SEK 8.2 million incl. costs for allocated shares and social security contributions.

The Meeting resolved to introduce a performance share program to senior executives in accordance with the Board's proposal according to paragraph 20.a of the notice. The program runs for three years and comprises approximately 40 senior executives in the Group, who are offered to participate in the program by investing an amount corresponding to at least 25 per cent and a maximum of 100 per cent of the participant's monthly salary for March 2019 before tax.

The Board of Directors undertook to inform shareholders in future about target levels and outcome of the program at future AGMs.

The Meeting resolved in accordance with paragraph 20.b. in the notice secure the delivery of Fagerhult shares under Performance Share Program 2019 by transferring shares of Fagerhult's own

holdings to the participants. The meeting resolved on the transfer of own shares on the following terms:

(i) A maximum of 720,000 Fagerhult shares may be transferred to the participants in the Performance Share Program 2019 (or by the higher number that may result from recalculation because Fagerhult carries out a bonus issue, merger or division of shares, new share issue or similar measures, according to what is customary practice for the corresponding incentive program).

(ii) Transfer of shares shall take place without payment at the time and according to the conditions the participants in Performance Share Program 2019 are entitled to receive allotment of shares.

#### **§ 21 Other matters**

The chairman thanked the management and all employees for their efforts during the fiscal year 2018. No other issues were addressed.

#### **§ 22 Closing of the Meeting**

The meeting was closed.

After the meeting, Fredrik Palmstierna thanked for his meritorious efforts in AB Fagerhult's board for 27 years.

At the protocol

Thomas Jansson

adjusted

Jan Svensson

Jan-Olof Pettersson

Therese Olofsgård