

Beijer Ref AB Election Committee's explanatory statement regarding the proposal for election of the Board of Directors at the Annual General Meeting 2021

In accordance with the resolution at the Annual General Meeting 2020 and in connection with the changes in ownership in spring 2021, the following members were appointed to the Election Committee for the Annual General Meeting 2021: Tommi Saukkoriipi Chairman (SEB Fonder), Albert Gustafsson (EQT), Patricia Hedelius (AMF), Joen Magnusson (own and related holding, member of Beijer Ref's Board of Directors) and Bernt Ingman (Chairman Beijer Ref's Board of Directors). In connection with Beijer Ref's Extraordinary General Meeting in March 2021, Bernt Ingman resigned as Chairman of Beijer Ref and was at the same time replaced by Kate Swann as Chairperson of the Company and representative on the Election Committee.

The Election Committee's proposal to the Annual Meeting of shareholders

- Beijer Ref's General Counsel Katarina Olsson is proposed as Chairman of the Annual General Meeting.
- The number of members of the Board is proposed to be seven.
- It is proposed the re-election of Kate Swann, Per Bertland, Albert Gustafsson, Joen Magnusson and Frida Norrbom Sams as Board Members.
- It is proposed that Kerstin Lindvall and William Striebe are elected as new Board Members.
- It is proposed re-election of Kate Swann as Chairperson of the Board of Directors.
- Remuneration shall be paid as follows:
 - SEK 775,000 to the Chairman (2020: 720,000)
 - SEK 375,000 to Board Members (2020: 350,000)
 - SEK 100,000 to the Chairman of the Audit Committee (2020: 75,000)
 - SEK 75,000 to Members of the Audit Committee (2020: 50,000)
- The Election Committee has been informed that the Company's Board of Directors intends to establish a remuneration committee. To members of the Remuneration Committee, fees are proposed with:
 - SEK 75,000 to chairman of the Remuneration Committee
 - SEK 50,000 to member of the Remuneration Committee
- It is noted that Board fees are not paid to Per Bertland, as long as Per Bertland receives salary as an employee of the company.
- The Election Committee further proposes, the election of the registered accounting firm Deloitte AB, with authorized public accountant Richard Peters as auditor in charge.
- The Election Committee proposes that the Auditors' fee shall be paid on the basis of approved invoice.

The Election Committee's justified statement over its proposal for Board of Directors

In the election work for this year's AGM, the Election Committee has made an assessment of the composition and size of the current Board as well as Beijer Ref operations, its phase of development and conditions in general. Furthermore, the Election Committee has discussed the Board of Directors' diversity and composition relating to industry experience, competence, gender distribution, and international experience. As a basis for its decision, the Election Committee has taken note of the Chairman's statement of the board's work, studied the results of the external board evaluation and interviewed the Board members.

Board members Monica Gimre (who resigned at the Extra Ordinary General meeting 3 March 2021) and Petter Jessen Jürgensen have declined re-election. To replace them, the Election Committee has considered it desirable to supplement the Board with members with extensive experience of international sustainability work, broad industry experience in HVAC (Heating, Ventilation and Air conditioning) and experience in sales and leadership.

Kerstin Lindvall was born in 1971. She is Chief Corporate Responsibility Officer at ICA Gruppen with overall responsibility for the Group's international sustainability work. She is also a member of ICA Gruppen's management team, where her management experience in addition to sustainability and retail also includes operational and strategic planning. Kerstin Lindvall is a member of the Swedish Chemicals Agency's Transparency Council. Kerstin Lindvall holds a master's degree from the Swedish University of Agricultural Sciences, Uppsala. Kerstin Lindvall is independent in relation to the company, the company's management as well as major shareholders.

William Striebe was born in 1950. He is an independent consultant at WFS Consulting advising on business and M&A related issues. He previously served as Vice President, Joint Ventures, Vice President, Global Business Development, UTC Climate, Controls & Security and has over 30 years of experience from the UTC/Carrier business. He is a Board member of Carrier Midea India PVT. LTD and has experience from both public and private boards. William Striebe holds a Doctor of Laws degree from University of Connecticut Law School and a BA in history from Fairfield University. He is independent in relation to the company, the company's management as well as major shareholders. He has previously served on Beijer Ref's Board of Directors during the years 2009 –2021 and thus have a solid knowledge of both the company and the industry.

Information about the proposed board members is available on Beijer Ref's website, www.beijerref.com/general-meeting.

The Election Committee has noted that the Board of Directors has a high attendance at board meetings and the board evaluation shows that the board members are well prepared for the meetings. Three out of seven of the proposed board members to be elected at the shareholders' meeting are women.

Prior to the 2021 Annual General Meeting, the Election Committee has held five meetings. After its evaluation, the Election Committee has found that the board work is working well. The Election Committee considers that the composition and size of the proposed Board of Directors is appropriate to meet Beijer Ref's needs. Furthermore, the Election Committee considers that the proposed Board members will be able to devote the necessary time necessary to perform their duties as Members of the Board of Directors of Beijer Ref.

The Election Committee has applied rule 4.1 of the Swedish Corporate Governance Code as diversity policy in its election work. The Election Committee considers that a breadth and versatility as regards age, nationality, educational background, gender, experience, competences and the term of office is represented among the proposed Directors of the Board. The Election Committee believes that diversity is vital and that it is important that coming Election Committees continue to work actively to achieve a gender balance in the Board.

The Election Committee has also discussed the level of board fees and has compared these with fees in equivalent companies. The corresponding comparison has been made for the Audit Committee and the Remuneration Committee. It is further noted that there was no increase in fees between 2019 and 2020. Against this background, a moderate increase in fees are proposed for 2021.

It is noted that the Election Committee has found that the proposed Board is considered to be in compliance with relevant requirements for independence.

The Election Committee has reviewed the current instructions for the Election Committee, which were resolved by the Annual General Meeting 2014, and has decided that no changes will be proposed.