

## Beijer Ref AB - The Election Committee's proposals to the Annual General Meeting 2023 and reasoned statement

In accordance with instructions established by the Annual General Meeting, the following members were appointed to the Election Committee for the Annual General Meeting 2023: Juho Frilander, Chairperson (EQT), Joen Magnusson (own and related holding, member of Beijer Ref's Board of Directors), Erik Ståhl Hallengren (SEB Investment Management), Patricia Hedelius (AMF Pension), and Kate Swann (Chairperson Beijer Ref's Board of Directors).

The Election Committee's proposal to the Annual Meeting:

- The lawyer Madeleine Rydberger is proposed as Chairperson of the Annual General Meeting.
- The number of members of the Board is proposed to be eight.
- It is proposed re-election of Kate Swann, Joen Magnusson, Albert Gustafsson, Frida Norrbom Sams, Kerstin Lindvall, Per Bertland, William Striebe and Nathalie Delbreuve as Board Members.
- It is proposed re-election of Kate Swann as Chairperson of the Board of Directors.
- Remuneration shall be paid as follows:
  - SEK 840,000 to the Chairperson of the Board of Directors (2022: 815,000)
  - SEK 410,000 to Board Members (2022: 395,000)
  - SEK 200,000 to the Chairperson of the Audit Committee (2022: 125,000)
  - SEK 125,000 to Members of the Audit Committee (2022: 100,000)
  - SEK 100,000 to Chairperson of the Remuneration Committee (2022: 79,000)
  - SEK 53,000 to member of the Remuneration Committee (2022: 53,000)
- The Election Committee further proposes, in accordance with the recommendation from the company's Audit Committee, re-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 reasoned 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 in relation to 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 Chairperson's statement of the board's work, studied the results of the external board evaluation and interviewed members of the Board as well as members of the Company's management team. Prior to the 2023 Annual General Meeting, the Election Committee has held six meetings.

After its evaluation, the Election Committee has found that the Board of Beijer Ref is working very well. The Board of Directors has a high attendance at board meetings and Board Members are well prepared for the meetings. The board evaluation further shows high degree of trust and respect within the board, translating to an open and constructive working environment.

The Election Committee considers the composition and size of the proposed Board of Directors as appropriate for Beijer Ref. The appointment of Nathalie Delbreuve as Board member in the Extraordinary General Meeting on 10 November 2022 has closed the previously identified competence gap within audit and finance as well as improved the international profile as well as diversity of the Board. A minor competence gap within digital has been identified, which the Election Committee will continue to monitor. Four out of eight of the proposed Board Members are women and the Board Members represent four different nationalities. Furthermore, the Election Committee considers that the proposed Board Members will be able to devote the necessary time 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 Election Committee continue to work actively to achieve a gender balance in the Board.

Information about the proposed board members is available on Beijer Ref's website.

The Election Committee has also discussed and evaluated the level of board fees together with an external advisor. The corresponding comparison has been made for the Audit Committee and the Remuneration Committee. The Election Committee is committed to a policy of ensuring the competitiveness of the Company's board compensation versus comparable companies. The analysis of board compensation in comparable companies indicated that Beijer Ref's board fees were among the lowest of the Nordic peer group in 2022, despite Beijer Ref being the second largest company of the peer group. Raising the fees to the peer group median level is expected to require a meaningful increase, however due to the current macroeconomic conditions the Election Committee has agreed to a more modest increase for the 2023 term, with the intention of reconsider a larger, more structural increase next year.

The Election Committee sees the need for a larger future increase in board fees primarily as a way of ensuring the Company's ability to attract and retain high quality board talent, should any need for board composition changes arise, particularly considering the increased scale, complexity and international footprint of Beijer Ref as a result of the strong growth in recent years as well as the acquisition of Heritage Distribution Holdings in the US.

To continue to align the incentives of Beijer Ref's Board of Directors with its shareholders, the Election Committee encourages shareholding in the Company by its Board Members. The Election Committee considers a shareholding equal or greater in value to one years' board fees, built-up over time, as appropriate for Members of the Board.

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.