

ÅF Pöyry AB (publ) – The Nomination Committee’s work and proposals to the Annual General Meeting 2020

1 The Nomination Committee and its work

The Nomination Committee consists of Anders Narvinger, Chairman of the Board, Magnus Olofsson (chairman of the Nomination Committee), appointed by the ÅForsk Foundation, Johan Strandberg, appointed by SEB Funds, Lilian Fossum Biner, appointed by Handelsbanken Funds, Monica Åsmyr, appointed by Swedbank Robur Funds, and Henrik Ehrnrooth, appointed by Corbis S.A.

As a basis for its work, the Nomination Committee has interviewed the board members and has conducted an evaluation of the Board of Director’s work. The members of the Nomination Committee have informed themselves of the company’s business and strategic challenges in meeting with the company’s CEO. Furthermore, the Nomination Committee has met with the chairman of the Audit Committee who presented the committee’s work and considerations made regarding the auditing of the company. The Nomination Committee has held a total of three (3) recorded meetings.

2 Proposals of the Nomination Committee

As mandated by the Annual General Meeting and in accordance with the principles of the Swedish Corporate Governance Code, the Nomination Committee submits the following proposals to the Annual General Meeting 2020 in ÅF Pöyry AB (publ).

Chairman of the meeting

The Nomination Committee proposes that the Chairman of the Board, Anders Narvinger, chairs the Annual General Meeting 2020.

Board of Directors

The Nomination Committee proposes that the Board of Directors of the company shall consist of nine (9) members elected by the Annual General Meeting with no deputies.

It is proposed to re-elect the current members of the Board: Anders Narvinger, Jonas Abrahamsson, Gunilla Berg, Henrik Ehrnrooth, Salla Pöyry, Joakim Rubin, Kristina Schauman, Anders Snell and Ulf Södergren.

Chairman of the Board

The Nomination Committee proposes that Anders Narvinger is re-elected as Chairman of the Board.

The Nomination Committees’ statement

When preparing the proposal for the composition of the Board of Directors, the Nomination Committee has in accordance with section 4.1 in the Swedish Corporate Governance Code aimed to attain diversity, range of qualifications and gender balance in the Board of Directors.

The Nomination Committee has evaluated which challenges the Board may encounter and, with these taken into consideration, assessed which requirements should be met

regarding the Board's competence, experience and diversity. The Board members' ability to fully participate in the Board's work has also been a factor.

As basis for its work, the Nomination Committee has inter alia made an evaluation of the Board of Directors and its work and considered the information received from the CEO about the company's operations, objectives and strategies. The Nomination Committee has found that the work of the Board is well functioning. The Board is active on the strategy and sustainability issues and participates in the analysis and preparations. The Board deems that it exercises a satisfactory control of the profitability and financial position of the company.

The proposal for the composition of the Board is based on considerations about which qualifications will best serve the company's current and future business. Knowledge of the industry and board experience from listed companies are of particular importance. It is also important to have complementary competences and experiences among the Board members.

With the Nomination Committee's proposal, the Board of Directors still consists of three women and six men. The Nomination Committee believes it is important for future nomination committees to continue emphasising even gender distribution, with the objective of further increasing the percentage of women on the company board in the future, in accordance with the Swedish Corporate Governance Code, of which section 4.1 serves as ÅF Pöyry AB's diversity policy for the Board of Directors.

It is the conclusion of the Nomination Committee that the proposed composition of the Board contains the competence and experience desirable for handling present and future challenges of the company.

The Board members' dependence

Anders Snell holds a position of dependence in relation to the largest shareholder of the company, in terms of voting rights, the ÅForsk Foundation, but does not have a position of dependence in relation to the company or its executive management.

None of the other Directors proposed has a position of dependence in relation to the company, its executive management or any of its major shareholders.

The Nomination Committee considers that the proposed composition of the Board fulfils the requirement of the Swedish Code of Corporate Governance that more than half of the Board members shall be independent of the company and its executive management, and that at least two of these members shall be independent in relation to the company's major shareholders.

Board Remunerations

The Nomination Committee proposes that remuneration to the Board, including its committees, up until the next Annual General Meeting, shall total SEK 5 130 000.

For the work of the board, a fee of SEK 1 050 000 is proposed to the Chairman of the Board (an increase of SEK 50 000) and SEK 425 000 to each of the eight other board members elected by the AGM (an increase of SEK 25 000 each). This brings the total fees paid for board work to SEK 4 450 000, which means an increase in the fees for board work by SEK 250 000 in comparison with the fees decided by the Annual General Meeting 2019. The reason for the increase is that the growth of the company brings an increase in the workload of the directors and that competitive remunerations are deemed important.

For the members of the Audit Committee, a fee of SEK 200 000 is proposed to the Chairman of the Audit Committee (an increase of SEK 25 000) and SEK 90 000 to each of the other two members of the committee (an increase of SEK 15 000 each). For the members of the Remuneration Committee, a fee of SEK 50 000 is proposed to the Chairman of the Remuneration Committee and to each of the other two members of the committee (unchanged). Furthermore, for work in the recently constituted Project Committee, it is proposed that a fee of SEK 50 000 shall be paid to the chair and to each of the other two members of the committee. This brings the total of fees paid out for committee work to SEK 680 000, which means an increase in fees for committee work by SEK 205 000 in comparison with the fees decided by the Annual General Meeting 2019.

Auditor

The Board's Audit Committee carried out a procurement for the auditing of the company ahead of the Annual General Meeting 2017 and KPMG was subsequently chosen as the company's auditor. The Audit Committee has recommended to re-elect KPMG for 2020. The Nomination Committee therefore proposes that the Annual General Meeting 2020 appoints the accounting company KPMG AB to act as the auditor of the company until the end of the Annual General Meeting 2021.

Remuneration to the Auditors

It is proposed that remuneration to the auditors shall be paid in accordance with approved invoices.

Stockholm, March 2020
Nomination Committee ÅF Pöyry AB (publ)

This English version is a translation of the Swedish original. In the event of any conflict between the versions, the Swedish version shall prevail.