

The Nomination Committee Proposals to the Annual General Meeting 2020

The Nomination Committee's reasoned proposals to the annual general meeting 2020

The Nomination Committee, as of September 2019, composed of Ulf Hedlundh, appointed by Svolder AB and chairman of the Nomination Committee, Magnus Strömer, appointed by Länsförsäkringar Fonder, Viktor Henriksson, appointed by Carnegie Fonder, Joachim Spetz, appointed by Swedbank Robur and Ulf Gundemark, chairman of the board of Nordic Waterproofing Holding A/S, presents the following proposals;

- that Ulf Gundemark is appointed chairman of the annual general meeting,
- that the board of directors shall be comprised of seven (7) board members,
- that a remuneration of SEK 2,150,00 shall be distributed to the members of the board of directors and allocated as follows, SEK 500,000 to the chairman of the board and SEK 275,000 to each of the board members. The proposal causes an increase of SEK 275,000 for the total remuneration to the board of directors and is caused by the increase of the board of directors by one (1) additional member. Adjusted for the increase of one (1) additional member, the fee for 2020 shall be unchanged compared to 2019 for the various roles,
- that remuneration to the members of the Remuneration Committee shall be paid as follows, SEK 50,000 to the chairman and SEK 25,000 to the remaining member and that remuneration to the members of the Audit Committee shall be paid as follows, SEK 100,000 to the chairman and SEK 50,000 to each of the remaining members. These remunerations are unchanged compared to the previous fiscal year,
- that remuneration to Deloitte Statsautoriseret Revisionspartnerselskab for performed audit work shall be paid on, by the board of directors, reviewed and approved accounts,
- to elect Deloitte Statsautoriseret Revisionspartnerselskab as auditor, in accordance with the Audit Committee's recommendation, until the close of the next annual general meeting,
- that the following members of the board of directors shall be re-elected, Steffen Baungaard, Allan Lindhard Jørgensen, Riitta Palomäki, Mats O. Paulsson and Kristina Willgård for the business year 2020. Furthermore, the Nomination Committee proposes that Leena Arimo and Hannu Saastamoinen be elected to the board of directors. Ulf Gundemark has declined re-election. The Nomination Committee therefore propose that Mats O. Paulsson be elected as chairman of the board of directors.

The work of the Nomination Committee and reasoned opinion regarding the Nomination Committee's proposal for the board of directors and auditor

At the annual general meeting of 2019 for Nordic WaterProofing A/S (hereinafter "NWP") it was decided to implement a process regarding how to appoint the members of the Nomination Committee, whose main task is to issue proposals to be adopted at the annual general meeting, in accordance with the requirements of the Swedish Corporate Governance Code. Subject to the ownership structure of NWP as of 31 August 2019 a Nomination Committee shall be formed and consisting of members appointed by the largest shareholders of the company, who have wished to participate, together with the chairman of the board of directors. During a telephone meeting on 19 September 2019 a Nomination Committee consisting of representatives of major shareholders was formed. The appointed representatives were Ulf Hedlundh (Svolder AB), Joachim Spetz

(Swedbank Robur), Viktor Henriksson (Carnegie Fonder) and Magnus Strömer (Länsförsäkringar Fonder) together with Ulf Gundemark, chairman of the board of directors. The Canadian shareholder Mawer Investment Group chose not to participate in this year's Nomination Committee. Ulf Hedlundh was chosen as the chairman for the Nomination Committee. Ulf Hedlundh's appointment as the chairman of the Nomination Committee was made public on the same day.

The Nomination Committee is tasked with issuing proposals for the election of the chairman of the board of directors and other members of the board of directors, as well as the chairman for the annual general meeting 2020. Furthermore, the Nomination Committee shall issue proposals for remuneration for the members of the board of directors and for additional remuneration for the members participating in Committees' as well as the remuneration to the auditor. The Nomination Committee is also tasked to issue a proposal for the election of an auditor, subject to the recommendation by the board of directors and the Audit Committee.

The Nomination Committee has reviewed the work conducted by the board of directors and, prior to the annual general meeting, held four meetings and several discussions. The conclusions of the Nomination Committee's work has been summarised and recorded in the Nomination Committee's minutes. In order to assess the extent to which the current board of directors meets the requirements placed on the board of directors due to the company's situation and future orientation the board's size and composition, in terms of competence, experience, gender distribution and background, has been discussed. The Nomination Committee has conducted interviews with all members of the board of directors in order to evaluate, determine and verify the essential parts of the board of directors work. Furthermore, the Nomination Committee has been provided with the board of directors own evaluation of their conducted work.

A central aspect of the Nomination Committee's work is to identify board members and potential board members with relevant experience from primarily Nordic enterprises. Senior positions such as CEO, CFO, COO, CIO and CTO are particularly meritorious. With regard to NWP's business activities within the Nordic countries, and gradually also in the immediate area outside of the Nordic countries, the Nomination Committee deems it valuable that there is experience and background from several Nordic countries and that the members of the board of directors consist of several nationalities. In addition, the Nomination Committee considers it to be important that the company adheres to the Swedish Corporate Governance Code's recommendations of equality for the board of directors. The presented proposal meets such requirements.

NWP:s articles of association stipulate that the board of directors shall comprise of at least four (4) members and at the most eight (8) members. It is the assessment of the Nomination Committee that the board of directors for NWP is most efficient with a number between these external boundaries. Furthermore, it is the Nomination Committee's assessment that current board members are well suited for their assignment, both individually and jointly. The chairman of the board of directors, Ulf Gundemark, is not available for re-election, which has led the Nomination Committee to enlist the help of a professional recruitment agency for the election of one (1) or two (2) new members. Consequently, the Nomination Committee has concluded in an overall assessment that the number of board members should be increased from six (6) to seven (7) board members.

Leena Arimo and Hannu Saastamoinen are proposed to be elected as new board members. Neither Arimo nor Saastamoinen currently owns shares in NWP. Furthermore, the Nomination Committee proposes that the annual general meeting elects Mats O. Paulsson as chairman of the board of directors. Paulsson has been a member of the board of directors since 2017.

In assessing the independence of the proposed board members in relation to the company and major shareholders, the Nomination Committee has concluded that all the proposed board members are independent

with regard to both the company and towards major shareholders. The requirements of independent board members stipulated in the Swedish Corporate Governance Code are thus met.

Additionally, the Nomination Committee has decided to propose a remuneration of SEK 500,000 to the chairman of the board and remuneration of SEK 275,000 to each of the board members. This proposal means that the remuneration to each board member and to the chairman of the board remains unchanged compared to remuneration for 2019. Remuneration for the members of the Audit Committee is proposed to remain at SEK 100,000 for the chairman of the Audit Committee and at SEK 50,000 for each of the remaining members (two [2] members) and remuneration for members of the Remuneration Committee is proposed to remain at SEK 50,000 for the chairman of the Remuneration Committee and at SEK 25,000 to the remaining member. Consequently, the proposed remunerations amount to a total of SEK 2,425,000 to be compared with previous years remunerations of SEK 2,150,000. The proposed increase is due to the Nomination Committee's proposal to increase the board of directors by one (1) more member. The Nomination Committee is of the opinion that the proposed remuneration to the board of directors is in the upper quartile of comparable Swedish listed companies. However, the Nomination Committee has taken into consideration that the selection of professional board members is made from several Nordic countries, where the remuneration for a board member is generally higher, together with the fact that the remuneration for the board of directors has remained unchanged since the company was listed on the stock exchange.

Additionally, the Nomination Committee proposes that remuneration to the company auditor shall be paid in accordance with the reviewed invoice.

At the 2019 annual general meeting, the auditing firm Deloitte registered in Denmark was elected NWP:s auditors for a term of one (1) year. Prior to the election of the auditor, the Nomination Committee has obtained various comments on the current auditor's work, but also generally with regard to the quality of the entire auditing team, especially from the NWP board's Audit Committee. The overall assessment is that the audit has been intensified and professionalized. It is, in the view of the Nomination Committee, desirable that there is continuity in the ongoing audit as well as geographical proximity to the auditors leading the assignment. The Nomination Committee's proposal has been preceded by a corresponding proposal from NWP:s board of directors and the board's Audit Committee. With regard to previous years procurement of audit services, there is no obligation or requirement according to EU audit legislation, for auditors' rotation for this annual general meeting.

The Nomination Committee's opinion is that the board of directors proposed by the Nomination Committee has a suitable composition, characterized by versatility and breadth with regard to the members' competence, experience, gender and background (with the application of the diversity policy in accordance with rule 4.1 of the Swedish Corporate Governance Code). Furthermore, it is the Nomination Committee's assessment that the proposed registered accounting firm has the desired experience, expertise and integrity to perform an audit in accordance with generally accepted auditing standards for the benefit of all the company's shareholders.

Presentation of the re-nominated and nominated candidates:

Allan Lindhard Jørgensen, born: 1965.

Education: Bachelor of Commerce, Accounting, Copenhagen Business School, Denmark.

Other assignments: CEO of Dovista A/S, chairman of the board of directors of Velfac A/S, Rational Vinduer A/S, and Svenska Fönster AB, member of the boards of directors of OH Industri A/S and Pankas A/S.

Previous assignments: member of the board of directors of Huscompagniet A/S, CEO of Kemp & Lauritzen A/S, COO of NCC AB, CEO of Eurodan-huse A/S, chief accountant with Eurodan-huse A/S, auditor with PricewaterhouseCoopers A/S.

Independent in relation to major shareholders: Yes

Independent in relation to the Company: Yes

Current share ownership in Nordic Waterproofing (own and closely related): 0

Mats O. Paulsson, born: 1958.

Education: Master of Science in Engineering from Lund University of Technology, Sweden.

Other assignments: Chairman of the board of directors of Caverion Oy, Nordisk Bergteknik AB and Svevia AB.

Member of the board of directors of BE Group AB and Bösarps Grus och Torrbruk AB.

Previous assignments: CEO of Bravida AB, CEO of Strabag Scandinavia AB and CEO of Peab Industri AB. Member of the board of directors of Acando AB, Elda Acquisition AB, Paroc Oy, Ramirent Plc, BTH Bygg AB, KEWAB, AKEAB, Mark & Energibyggnarna AB and Win Group AB.

Independent in relation to major shareholders: Yes

Independent in relation to the Company: Yes

Current share ownership in Nordic Waterproofing (own and closely related): 15,000

Riitta Palomäki, born: 1957.

Education: Master of Science (Economics) from Turku School of Economics and Business Administration.

Other current assignments: Member of the board of directors, chairman of the Audit Committee and member of the Nomination and Remuneration Committee at OP Financial Group.

Previous assignments: Member of the board of directors, chairman of the audit committee and member of the remuneration committee at HKScan Oyj, Executive Vice President and CFO of Uponor Oyj, member of the board of directors and chairman of the audit committee at Componenta Oyj, CFO of Kuusakoski Group and various managerial positions in Konecranes and ABB Finland.

Independent in relation to major shareholders: Yes

Independent in relation to the Company: Yes

Current share ownership in Nordic Waterproofing (own and closely related): 3,000

Kristina Willgård, born: 1965.

Education: Master of Science in Economics, Lund University, Sweden.

Other assignments: CEO of AddLife AB, chairman of the board of AddLife Development AB, member of the board of Mediplast AB, Biolin Scientific AB, Biomedica Medizinprodukte GmbH, Addnode Group AB, and assignments as board member in and shareholder in Willgård AB.

Previous assignments: Member of the board of directors of Serneke Group AB. CFO of Addtech AB, Finance Director at Ericsson AB, CFO of Netwise AB, CFO at Acando AB and auditor at Arthur Andersen, among other managerial positions.

Independent in relation to major shareholders: Yes

Independent in relation the company and its management: Yes

Current share ownership in Nordic Waterproofing (own and closely related): 0

Steffen Baungaard, born: 1967.

Education: Copenhagen Business School (HD A) B.Com, as well as a Bachelor of Engineering from the Engineering College of Copenhagen and various courses from IMD and Harvard Business School, USA.

Other assignments: Member of the board of directors and chairman of Brøndum A/S, member of the board of directors and vice chairman of Arkil Holding A/S, member of the board of directors Carl Ras A/S, M.B. Packaging A/S, Frederikshøj Ejendomme A/S and Huscompagniet A/S (Chairman of the operative committee).

Previous assignments: Group CEO of Huscompagniet 2008-2019 as well as CEO/Senior Executive Vice President of NCC Denmark 1998-2008.

Independent in relation to major shareholders: Yes

Independent in relation to the Company: Yes

Current share ownership in Nordic Waterproofing (own and closely related): 0

Leena Arimo, born: 1963.

Education: Master's degree from Helsinki University of Technology, Finland.

Other assignments: CFO of the Finnish subsidiary of the listed Swedish group Bravida, which provides installation and service of systems in properties and facilities.

Previous assignments: Senior Vice President, Finance, at Lemminkäinen, Managing Director at Lemcon Network.

Independent in relation to major shareholders: Yes

Independent in relation to the Company: Yes

Current share ownership in Nordic Waterproofing (own and closely related): 0

Hannu Saastamoinen, born: 1960.

Education: Master's degree from Helsinki School of Business, Finland.

Other assignments: CEO of the indoor climate group Swegon, a wholly owned subsidiary of the listed Swedish investment company Investment AB Latour. External board positions in VEHO Group, Rototec Oy, MTC Flextek Oy.

Previous assignments: Senior positions in, among others, Munters, Huurre Group, TAC Svenska, Carrier Refrigeration and Electrolux.

Independent in relation to major shareholders: Yes

Independent in relation to the Company: Yes

Current share ownership in Nordic Waterproofing (own and closely related): 0

For further information, please contact:

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Nordic Waterproofing in brief

Nordic Waterproofing is one of the leading providers in the waterproofing market in northern Europe. The Company provides high-quality products and solutions for waterproofing in Sweden, Finland, Denmark, Norway, Belgium, the Netherlands, Poland, the United Kingdom and Germany. Nordic Waterproofing also provides installation services through wholly-owned subsidiaries in Finland and through part-owned franchise companies in Denmark. The Company markets its products and solutions under more than ten brands, all with an extensive heritage, most of which are among the most established and well-recognized brands in waterproofing in their respective markets, such as Matakki, Trebolit, Phoenix Tag Materialer, Kerabit, Nortett, SealEco, Distri Pond, SPT-Painting, Taasinge Elementer, RVT and Veg Tech. Nordic Waterproofing is listed in the Mid Cap segment on Nasdaq Stockholm with the stock ticker NWG.

For more information about Nordic Waterproofing, visit www.nordicwaterproofing.com