Minutes Taken at the Annual General Meeting of the Shareholders of AB Fagerhult, 556110-6203, 21 April 2016 in Habo

Shareholders present: According to the index in Appendix 1

Article 1 **Opening of the meeting**

The meeting was opened by Jan Svensson.

Article 2 **Election of chairman for the meeting**

Jan Svensson was appointed as chairman to head the proceedings. The secretary for the meeting was Thomas Jansson.

Article 3 **Preparation and approval of the voting list**

The index in Appendix 1 of the attending shareholders was approved as the voting list.

Article 4 **Approval of the agenda**

The meeting approved the agenda.

Article 5 **Election of scrutiniser**

Birgitta Delefelt and Björn Karlsson were appointed to check the minutes along with the chairman.

Article 6 **Question as to whether the meeting has been duly convened**

The meeting was determined to have been duly convened.

Article 7 **Submission of the annual report and the auditor’s report, as well as the consolidated statements and group auditor’s report**

The annual report and the auditor’s report, as well as the consolidated statements and group auditor’s report for the financial year of 2015 were submitted.

Article 8 **Managing director's speech**

Johan Hjertonsson, the company's managing director, held a speech and the audience was given an opportunity to ask questions.

Article 9 **Decision on the adoption of the income statement and balance sheet, as well as the consolidated income statement and balance sheet**

The company's auditor commented on the year's audit and auditor's report. The meeting then adopted the income statement and balance sheet within the annual report for the parent company and the group regarding the 2015 financial year.

Article 10 **Resolution on allocations regarding the company's profits according to the adopted balance sheet**

In accordance with the board's and the managing director's recommendation, the meeting decided that of the funds available to the meeting amounting to MSEK 317.8, the shareholders would receive dividends of SEK 3.50 per share, totalling MSEK 132.5, and the remaining disposable funds of MSEK 185.3 would be carried forward. 25 April 2016 was established as the record date.

Article 11 **Decision on the discharge of liability for the board and managing director**

The meeting granted the board members and the managing director discharge from liability for the administration of the company's matters for the year 2015.

Article 12 **Establishment of the number of board directors and deputy board members**

Göran Espelund presented the work of the nominating committee. The meeting decided that the board shall consist of seven (7) regular members without any deputies.

Article 13 **Determination of remuneration to the board and auditors**

The meeting determined that fees to the board members appointed by the meeting for the period until the next general meeting of shareholders has been held shall amount to a total of SEK 1,875,000. The chairman is paid SEK 500,000, the vice-chairman SEK 375,000 and the rest of the board members elected at the AGM receive SEK 250,000 each.

Board member fees are not paid to employed staff within the group. No fee is paid for committee work.

The meeting determined that fees to auditors shall be paid according to invoice.

Article 14 **Election of chairman and other board members**

For the period until the next Annual General Meeting is held, the following regular board members have been re-elected:

Eric Douglas
Cecilia Fasth
Catherina Fored
Johan Hjertonsson
Björn Karlsson
Fredrik Palmstierna
Jan Svensson

Jan Svensson was elected chairman of the board.

Article 15 **Election of auditor**

PwC was elected as auditor for the period until the next annual general meeting is held. PwC has announced that authorised public accountant Peter Nyllinge is the head auditor in charge.

Article 16 **Authorisation for the board to decide upon acquisitions of own shares until the next Annual General Meeting**

The board is authorised until the next Annual General Meeting to decide upon acquisitions of own shares. The authorisation aims, if such is found to be appropriate, to enable the acquisition of the operation through payment with the company's shares, continually to be able to adapt Fagerhult's capital structure and to cover any long-term incentive programmes for the company's employees. Acquisition shall take place on the NASDAQ OMX Stockholm exchange at a price within the registered rate interval at the given time, which is considered to be the interval between the highest purchase rate and the lowest selling rate. A maximum acquisition may be made of as many shares so that our own holdings do not exceed 10% of the total number of shares. Acquisitions may be made on one or more occasions.

Article 17 **Authorisation for the board to decide upon transfer of own shares until the next Annual General Meeting**

The board is authorised until the next Annual General Meeting to dispose of shares held by the company in connection with the acquisitions of companies or enterprises by means other than on NASDAQ OMX Stockholm. The authorisation may be used on one or more occasions and it covers all of its own shares that the company holds at the time of the board's decision. The authorisation includes the right to decide upon deviations from the shareholders' right of first refusal, with or without provisions concerning contributions or set-off rights.

Article 18 **Adoption of principles for the appointment of the nominating committee**

The Annual General Meeting decided upon a nominating committee consisting of a representative for each of the three largest shareholders (in terms of votes) or owner groups as of 30 September 2016, and the chairman of the board. The nominating committee shall be formed after the chairman of the board has identified the three largest shareholders (in terms of votes) in the company, who along with the chairman of the board shall form the nominating committee. If any of the three largest shareholders waives his right to appoint a representative, the right transfers to the shareholder who after the shareholder in question has the largest shareholding as of the said date. The names of the three board members and the names of the shareholders they represent shall be made public no later than in connection with the company's report for the third quarter, upon which the name of those persons who may be contacted with questions concerning the nominating committee. The nominating committee's mandate period extends until a new nominating committee is appointed.

Article 19 **Adoption of principles for remuneration to senior executives**

The board's suggested guidelines for remuneration to senior executives according to Appendix 2 were adopted.

Article 20 **Decision on performance-share programme for senior executive**

Jan Svensson, chairman of the board, provided information on the outcome of the 2013 and 2014 share savings plans and the attendees were given the opportunity to ask questions.

In the 2013 share savings plan, 16 people took part and invested in a total of 22,659 shares (savings shares). The total number of shares that will be distributed at the end of the plan is 81,114 shares. The plan provided an opportunity for an allotment of matching shares and performance shares. One matching share is allotted per savings share if the conditions in the plan are met. Performance shares are allotted if a financial target regarding profits per share is met. The goal was for an average profit per share in 2013 and 2014 of SEK 4.53 - SEK 5.03. The outcome was SEK 5.87, which entails a full allotment. The total cost for this share savings plan was SEK 8.4 million, including the costs for the allotted shares and social insurance fees.

In the share savings plan for 2014, a goal was set for performance shares with regard to an average profit per share for the years 2014 and 2015. The lower limit was SEK 5.00 per share, and the limit for maximum outcome was SEK 5.67 per share. The outcome was SEK 7.26 per share, which means that the target level for a maximum outcome of performance shares was reached. The board intends to return with a full report at the next Annual General Meeting.

The meeting decided to implement a performance share programme for the senior executives in accordance with the board's suggestion in Section 20.a in the summons to the meeting. The programme runs for three years and involves approximately 30 senior executives in the group, who are invited to take part in the programme by investing an amount up to a maximum equivalent to one month's salary.

The board took it upon itself that at future AGMs, it would inform shareholders afterwards about target levels and outcomes of the programme.

The meeting decided unanimously to ensure delivery of Fagerhult shares during the performance share programme of 2016, in accordance with Section 20.b of the summons, by transferring shares of Fagerhult's own holdings to the participants. The meeting decided upon a transfer of its own shares on the following conditions:

(i) A transfer may be made of a maximum of 240,000 Fagerhult shares and be transferred to those participating in the performance share programme for 2016 (or the higher value pursuant to a recalculation due to Fagerhult implementing a bonus issue, a consolidation of shares or a share split, new issue or similar measure, according to the customary practice for the equivalent incentive programme).

(ii) The transfer of shares shall be done without payment at the moment and according to the conditions to which those participating in the performance share programme 2016 are entitled to obtain an allotment of shares.

Article 21 **Other items**

No other items were addressed.

Article 22 **Adjournment of the meeting**

Meeting adjourned.

Keeper of the minutes

Thomas Jansson

Adjusted

Jan Svensson

Birgitta Delefelt Björn Karlsson