

Proposals by the Nomination Committee in respect of the Annual General Meeting 2017 in GARO Aktiebolag

1. Resolutions and the composition of the Nomination Committee

At the Annual General Meeting in GARO Aktiebolag (“GARO”) held on 10 February 2016, instructions for the establishing of a Nomination Committee were adopted to apply until further notice. The Nomination Committee shall be composed of members, representing the three largest shareholders in terms of voting rights registered in the shareholders’ register maintained by Euroclear Sweden as of 30 September each year, together with the Chairman of the Board.

The Nomination Committee in respect of the 2017 annual general meeting has comprised:

- Lars Kongstad, Mannheimer Swartling Advokatbyrå, appointed by Lars Svensson
- Ulf Hedlundh, appointed by Svolder AB
- Mikael Jönsson, appointed by Vätterledens Invest AB
- Anders Pålsson, in his capacity of Chairman of the Board of GARO

Lars Kongstad was elected Chairman of the Nomination Committee.

The Nomination Committee shall submit proposals regarding the election of chairman of the General Meeting, members of the Board of Directors, Chairman of the Board, auditor, fees for the members of the Board including division between the Chairman and the other Board members, as well as fees for committee work, fees to the Company’s auditor and changes of the instructions to the Nomination Committee.

2. Proposals by the Nomination Committee in respect of the AGM

The Nomination Committee makes the following proposals in respect of the 2017 AGM:

Chairman of the AGM: The Chairman of the Board, Anders Pålsson, shall be elected chairman of the AGM.

Board of Directors: The number of Board Members shall be six, without deputies. Re-election shall be made of the Board Members Anders Pålsson (Chairman), Sofia Axelsson, Rickard Blomqvist, Per Holmstedt, Stefan Jonsson and Lars Svensson. Re-election shall be made of Anders Pålsson as the Chairman of the Board.

Board and Committee fees: Directors’ fees shall be paid by SEK 850,000 (previously SEK 750,000) of which unchanged SEK 350,000 to the Chairman of the Board and SEK 125,000 (previously SEK 100,000) to each of the other Board Members elected by the AGM who are not employed by the group.

The Nomination Committee has compared the board fees of GARO to board fees in other comparable companies and found that the proposed fees are on market terms and reasonable given the expected work effort and responsibility of the Board.

Auditor: The number of auditors shall be one without deputies. In accordance with the Board’s and management’s proposal, Ernst & Young AB is proposed as the company’s auditor for a period of one year until the end of the annual general meeting 2018. Ernst & Young AB has notified that the authorised public accountant Joakim Falck will be appointed principally

responsible auditor, if Ernst & Young AB is elected as auditor by the AGM. The auditor's fee is proposed to be paid according to approved invoice.

Instructions to the nomination committee: The Nomination Committee proposes substantially unchanged instructions, with exception for that the Nomination shall be composed of members, representing the three largest shareholders in terms of voting rights registered in the shareholders' register maintained by Euroclear Sweden as of 31 August (previously 30 September) the year before the AGM¹, and that the Chairman of the Nomination Committee shall be the spokesperson of the Nomination Committee, in accordance with following.

The Nomination Committee shall be composed of members, representing the three largest shareholders in terms of voting rights registered in the shareholders' register maintained by Euroclear Sweden as of 31 August each year, together with the Chairman of the Board. The Chairman of the Board shall also call the Nomination Committee to its first meeting. The member that represents the largest shareholder in terms of voting rights shall be chosen as Chairman of the Nomination Committee. The Chairman of the Nomination Committee shall be the spokesperson of the Nomination Committee. In the event one or more shareholders who appointed members of the Nomination Committee, in the period less than two month of the General Meeting, no longer are among the three largest shareholders in terms of voting rights, the members appointed by such shareholders shall resign and the shareholder or shareholders who has become one of the three largest shareholders shall be entitled to appoint their representatives. If a member resigns from the Nomination Committee before the work is completed and the Nomination Committee finds it suitable, a substitute shall be appointed. Such a substitute shall be appointed from the same shareholder or, if that shareholder no longer is among the largest shareholders in terms of voting rights, from the shareholder who has become the largest shareholder next in line. A change in the composition of the Nomination Committee shall immediately be publicly announced.

The composition of the Nomination Committee shall be publicly announced six months prior to each Annual General Meeting. No remuneration fee shall be paid out to members of the Nomination Committee. Potential necessary expenses for the work of the Nomination Committee shall be paid by the Company. The term of office for the Nomination Committee runs until the next composition of the Nomination Committee has been announced. The Nomination Committee shall prepare proposals regarding the election of chairman of the General Meeting, members of the Board of Directors, Chairman of the Board, auditor, fees for the members of the Board including division between the Chairman and the other Board members, as well as fees for committee work, fees to the Company's auditor and changes of the instructions to the Nomination Committee.

This instruction shall apply until further notice.

3. Report on how the Nomination Committee has performed its tasks

All members of the Nomination Committee have carefully considered and concluded that there is no conflict of interest to accept the assignment as member of the Nomination Committee of GARO.

¹ The shareholding statistics to be used shall be sorted by voting power (grouped by owners), and include the 25 largest directly registered shareholders in Sweden, i.e. shareholders with an account with Euroclear Sweden AB in their own name or shareholders holding a custody account with a nominee that have reported the identity of the shareholder to Euroclear Sweden AB.

Three meetings have been held by the Nomination Committee. In addition, the Nomination Committee has had contact via telephone and email. The Nomination Committee has received a presentation from the Chairman of the Board concerning the results of the evaluation of the Board of Directors, and has thereto conducted interviews with all members of the Board of Directors.

The Nomination Committee has further taken note of the Board of Directors' and the management's recommendation regarding election of auditor. The Board of Directors and the management have in their recommendation stated three options for election of auditor. The Board of Directors and the management primarily recommends Ernst & Young AB for a one-year term of office until the end of the 2018 AGM. The recommendation is based on the presentation and the tender submitted by Ernst & Young AB which has defined a balanced scope of the audit based on the group's size and operations, a local presence compared to other tenders submitted as well as the tendering of a fee which is competitive in relation to the work. The Nomination Committee has discussed the recommendation and performed research of its own, after which the Nomination Committee has decided to follow the recommendation and proposed Ernst & Young AB as auditor for the period until the next annual general meeting.

The Nomination Committee has considered all tasks stated in the Swedish Corporate Governance Code under the responsibility of the Nomination Committee. The Nomination Committee has discussed and considered, inter alia, (i) to what extent the current Board of Directors fulfills the requirements that will be imposed on the Board of Directors as a result of GARO's business and development phase, (ii) the size of the Board of Directors, (iii) the different areas of competence that are and should be represented on the Board of Directors, (iv) the composition of the Board of Directors with respect to experience, gender and background, (v) remuneration to the members of the Board of Directors and (vi) questions relating to election of auditor and the auditor's fee. The Nomination Committee has applied rule 4.1 in the Swedish Corporate Governance Code as diversity policy, entailing that the Board Of Directors shall, taking into account the company's business, phase of development and other relevant circumstances, have a suitable composition characterised by diversity and breadth of qualifications, experience and background among the Board members elected by the general meeting, as well as that an equal gender distribution shall be sought.

Finally, the Nomination Committee has, in order for the company to fulfill its information obligation to the shareholders, informed the company on how the Nomination Committee has performed its tasks and on the proposals that the Nomination Committee presents.

4. Motivated statement by the Nomination Committee on the proposed Board of Directors

The Nomination Committee is of the opinion that the existing Board of Directors of GARO is a well-functioning body and that the Board members individually and as a group possesses a wide range of competence and experience that is relevant for GARO's business. 2016 has been a year characterised by changes in GARO mainly due to the listing of the company at Nasdaq Stockholm.

The Nomination Committee has assessed the number of Board members and found that Board's current composition of six members is suitable considering, inter alia, the company's current challenges, operations and geographical market range. Furthermore, the evaluation and the interviews conducted has strengthen the opinion that number of Board members is an effective and well-functioning number.

The Nomination Committee considers that the members of the Board of Directors of GARO are competent and have extensive experience regarding electrical installations, temporary power

and EV charging in a broad sense, sustainability matters, capital market matters and financing matters, wholesale stages, customer service and changed customer behaviors, trend analysis, insight in transformation trends at business partners, communication and marketing and regarding board work in general. The Board members have demonstrated a high level of commitment and the attendance rate at Board meetings has been high. The way in which the presidency has been managed is deemed to ensure an open and constructive dialogue within the Board as well as a very good climate of cooperation between the Board of Directors and the CEO. Therefore, the Nomination Committee considers that the current Board members together constitute a Board which has the diversity and breadth of competence, experience and background required with respect to GARO's business, development phase and other circumstances.

The question of equal gender distribution on the Board should be given specific attention in relation to election of Board members. The proposed Board members comprise one woman and five men (equivalent to approximately 17 and 83 per cent, respectively). The Nomination Committee's opinion is that the current gender distribution is not satisfactory. However, the Nomination Committee considers continuity in the Board's work to be of vital importance and, considering the above background, the Nomination Committee proposes that all current members of the Board of Directors are re-elected.

Further information about the proposed Board members can be found on www.garo.se.

In addition, the Nomination Committee has assessed the independence of the Board members. The Nomination Committee believes that its proposal regarding the composition of the Board in GARO fulfils the requirements of independence as stipulated in the Swedish Corporate Governance Code. In order to be able to evaluate the proposed members of the Board of Directors' independence in relation to GARO and its executive management, as well as to the larger shareholders in GARO, the Nomination Committee has obtained information on the proposed members of the Board of Directors. The Nomination Committee deems that all proposed Board members – except for Stefan Jonsson and Lars Svensson – are to be regarded as independent in relation to GARO and the executive management. Three of the Board members are also to be regarded as independent in relation to major shareholders in GARO.

March 2017

The Nomination Committee of GARO Aktiebolag