

Report on the Nomination Committee's work

Background

The AGM on February 24, 2011 of FinnvedenBulten AB (publ) ("FinnvedenBulten") decided that a Nomination Committee should be set up in order to complete the tasks set out in the Swedish Code of Corporate Governance and to submit proposals for the Nomination Committee, or alternatively a decision on principles for appointing a Nomination Committee, instructions for the Nomination Committee and remuneration for the members of the Nomination Committee. New principles for appointing the Nomination Committee and the instructions for the Nomination Committee were adopted at the Annual General Meeting 2012 and were revised at the Annual General Meeting 2013.

Nomination Committee composition

The Nomination Committee ahead of the Annual General Meeting 2014 was established by the Chairman of the Board contacting the three largest shareholders on the last business day in September 2013 and offering them the opportunity to appoint one member each to the Nomination Committee.

Nordic Capital Fond V appointed Ulf Rosberg for NC Advisory AB, Volito AB appointed Karl-Axel Granlund and Investment AB Öresund appointed Fredrik Grevelius as their member. The Chairman of the Board, Roger Holtback, has also been a member of the Nomination Committee. The Nomination Committee members were announced on the website on October 24, 2013. The Nomination Committee members represented together about 57 percent of the votes in FinnvedenBulten AB according to ownership structure as of September 30, 2013. No change in the composition of the committee has subsequently taken place.

At the first meeting of the Nomination Committee, Ulf Rosberg was appointed chairman of the committee.

Report on the Nomination Committee's work ahead of the 2014 AGM

The Nomination Committee has held four minuted meetings. Its members have also held regular contact and held additional meetings by telephone which has not been minuted.

Shareholders have had opportunity to make suggestions and comments on the committee's work up to and including 21 February 2014.

The Nomination Committee has handled all the issues they should under the Swedish Code of Corporate Governance. The Nomination Committee has, for example, discussed and considered

- a) to what extent the current Board fulfils the requirements that will be placed on the Board as a result of the Company's operation and stage of development;
- b) the size of the Board;
- c) what competence areas are and should be represented on the Board;
- d) the composition of the Board regarding gender, experience and background; and
- e) fees for Board members.

The Nomination Committee has taken note of the Board's evaluation of its work, which was reported in a satisfactory manner and with good results. The Nomination Committee has also inquired and found that the current Board of Directors are available for re-election.

To prepare a further generation shift of the Board and to broaden the Board's competence base, the Nomination Committee has decided to recommend that the Board should be extended by one member. The Nomination Committee has conducted a recruitment process with the aim of finding a candidate to complement the expertise and experience of the current Board of Directors. Several suitable candidates have been evaluated. Thereafter, the Nomination Committee has decided to propose the re-election of the current Board of Directors Roger Holtback, Hans Gustavsson, Arne Karlsson, Adam Samuelsson, Johan Lundsgård and Hans Peter Havdal and that Ann-Sofie Danielsson be newly elected. Roger Holtback is proposed as Chairman of the Board.

In order to assess whether the proposed Board of Directors can be considered independent in relation to the Company and the corporate management, as well as major shareholders in FinnvedenBulten, the Nomination Committee has acquired information about the proposed Board of Directors. The Nomination Committee has deemed that Johan Lundsgård is the only Board member that can be considered dependent in relation to the Company's major shareholders but independent to the Company and the corporate management. Other proposed members are considered independent of the company, company management and major shareholders.

The proposed fee for the Board of Directors is a fixed fee of SEK 2,850,000, of which SEK 700,000 to the Chairman of the Board and SEK 350,000 to each of the other Board of Directors elected by the AGM who are not employed within the Company or its subsidiaries with an addition of SEK 50,000 to the Chairman of the Audit Committee. No remuneration shall be paid to the other members of the audit committee or to the members of the remuneration committee.

The proposal means that the total remuneration, with an unchanged number of board members, would fall from SEK 2,530,000 to SEK 2,500,000. With an additional member of the Board, the proposed total fees will be SEK 2,850,000 per year. The Nomination Committee has proposed a simplification of the structure of the remuneration in relation to previous years.

Moreover, the Nomination Committee has drawn up proposals for appointing a Nomination Committee ahead of the 2014 AGM, as well as instructions for such a Nomination Committee. Proposed principles for appointing a new Nomination Committee and instructions for the Nomination Committee are the same as those that have been applied in the past year. The Nomination Committee proposes that no remuneration be paid to the members of the Nomination Committee.

On behalf of the Nominating Committee a smaller working group of the Audit Committee has conducted a full quotation process for audit services for the years 2014-2016. In the procurement process undertaken, quotes from four accounting firms have been compared. The Nomination Committee was satisfied with the procurement process and has on the basis of the same chosen to recommend the Annual General Meeting to re-elect the auditing firm PwC as auditor for the coming term.

Finally, with the aim of ensuring that FinnvedenBulten can fulfil its information obligations to shareholders, the Nomination Committee has informed FinnvedenBulten about how the Nomination Committee's work has been carried out and about the proposals the Nomination Committee has decided to submit.

March 2014

The Nomination Committee of FinnvedenBulten AB (publ)