

## **The Nomination Committee's reasoned statement on its proposal for members of the Board of Directors**

The Nomination Committee of Bulten AB (publ) motivates its proposal of Board of Directors as follows.

The Nomination Committee has in the assessment of appropriate size and appropriate composition of the Board considered the competence and experience of individual members and especially valued how the members complement each other and that the board jointly possesses the requisite width in both background and competence. The Nomination Committee has especially considered the demands that will be placed on the Board considering the Company's operations, development and other conditions and also taken into account the value of both continuity and renewal among the Board members. Even independent issues have been considered as the pursuit of gender balance and continued previously started change of generations.

The committee has considered the results of the evaluation of the current Board of Directors and its work done and based on the information the Nomination Committee deems that the Board is functioning well and as a whole possesses broad competence and experience relevant to the Group.

The Nomination Committee has been informed that the Chairman of the Board Roger Holtback and board members Arne Karlsson and Adam Samuelsson declines re-election at the forthcoming Annual General Meeting on April 29 2015. Other board members have declared themselves available for re-election to the board and they possess, according to the nomination committee, extensive competence and experience why the Nomination Committee has proposed re-election of these directors.

The Nomination Committee has conducted a recruitment process to find candidates who can complement the remaining members' competence and experience. The Nomination Committee has recognized the need for a better gender balance and continuation of previous generation change among the Board members, which also have been important parameters Nomination Committee's evaluation. At the evaluation, broad experience in the global automotive and manufacturing industry have been valued. Based on the competency profiles that the committee had as a starting point in the recruitment process, both male and female candidates have been considered and evaluated, with the goal of finding candidates who are best suited and possess adequate experience.

The Nomination Committee propose that Ulf Liljedahl is elected new board member and appointed new Chairman of the Board. Ulf Liljedahl is President and CEO of Volito AB since March 1, 2015. He was previously Head of Group Finance, IT and investor relations for Husqvarna Group and has held the position as Vice President of Cardo Group and a number of positions in finance at Alfa Laval.

Furthermore, the Nomination Committee proposes that Gustav Lindner is elected new board member. Gustav Lindner is President of Investment AB Öresund since October 2014 and has previously held various positions at Swedbank among others.

The Nomination Committee also proposes that Peter Karlsten is elected new board member. Peter Karlsten is as of January 1 2015 Senior Advisor at AB Volvo and has previously held various positions in primarily ABB and AB Volvo.

In light of the above, the Nomination Committee proposes re-election of Hans Gustavsson, Johan Lundsgård, Hans Peter Havdal and Ann-Sofie Danielsson and new-election of Ulf Liljedahl, Gustav Lindner and Peter Karlsten. As Chairman of the Board, Ulf Liljedahl is proposed.

The proposed Board of Directors is assessed to have the versatility and diversity of competence, experience and background that is required and is suitable with respect to the company's operations, development stage, and other conditions. The Nomination Committee's is aware of that the proposed Board does not improve the gender balance but has determined that the proposed size and composition, with rest taken into account, is the most suitable. The Nomination Committee's aim is to continue efforts to seek a better gender balance.

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March 2015

Nomination Committee for Bulten AB (publ)