

ÅF AB – The work of the Nomination Committee and the committee's proposals to the 2011 Annual General Meeting

The Nomination Committee and the work it performs

In accordance with the principles agreed by the 2010 Annual General Meeting, the Nomination Committee consists of the Chairman of the Board, Ulf Dinkelspiel, together with Staffan Westlin, appointed by Ångpanneföreningen's Foundation for Research & Development and serving as Chair of the Nomination Committee, Åsa Nisell, appointed by Swedbank Robur, and Peter Rudman, appointed by Nordeas Fonder. Early in 2011 the committee was extended to include Conny Karlsson, appointed by CapMan Public Market Fund.

The current Nomination Committee has held eight minuted meetings. As the basis for its work the Nomination Committee has used *inter alia* the result of the assessment made with regard to the work of the Board. Members of the committee have also held one-to-one meetings with board members to discuss board work.

Proposals of the Nomination Committee

As assigned by the general meeting of shareholders and in accordance with the principles laid down in the Swedish Code of Corporate Governance, the Nomination Committee submits herewith the following proposals to the 2011 Annual General Meeting of shareholders in ÅF AB.

Election of a chairman for the meeting

The Nomination Committee proposes the Chairman of the Board, Ulf Dinkelspiel, to chair the 2011 Annual General Meeting.

Board of Directors

The Nomination Committee proposes that the Board of Directors of the company shall consist of eight members elected by the Annual General Meeting with no deputies. It is proposed that following directors of the company be re-elected: Ulf Dinkelspiel, Patrik Enblad, Eva-Lotta Kraft, Björn O Nilsson, Helena Skåntorp, Anders Snell and Lena Treschow Torell. Jon Risfelt has stood down from re-election. It is proposed that Anders Narvinger be elected to serve as a new director of the company.

Anders Narvinger was born in 1948. He holds a degree in Engineering from the Faculty of Engineering at Lund University and an Economics degree from Uppsala University.

Anders Narvinger has previously been President and CEO of ABB Sweden. His current appointments include the chairmanships of TeliaSonera AB, Alfa Laval AB, Trelleborg AB and Coor Service Management, the Swedish Association of Exchange-Listed Companies and the Swedish Association for Generally Accepted Principles in the Securities Market. He is a director of PernodRicard SA and JM AB.

Anders Narvinger is a member of the Royal Swedish Academy of Engineering Sciences and is Vice Chairman of the Swedish National Committee of the International Chamber of Commerce, ICC.

Anders Narvinger holds no shares in ÅF.

None of the individuals proposed for election to the Board of Directors has a position of dependence with regard to the company. Björn O Nilsson and Anders Snell do, according to the Nomination Committee's interpretation of the rules in the Swedish Code of Corporate Governance, have a position of dependence with regard to the largest shareholder in the company, Ångpanneföreningen's Foundation for Research & Development. None of the other directors proposed has a position of dependence with regard to any of the company's major shareholders.

Chairman of the Board

The Nomination Committee proposes that Ulf Dinkelspiel be re-elected.

The Nomination Committee's motivation

The Nomination Committee has discussed the challenges facing the Board of Directors with regard to the current situation for ÅF and what the future holds. For this reason, special attention has been paid to the need for directors with the requisite competence, experience of the consulting industry and international experience. The Nomination Committee has emphasised the importance of a broad competence profile among the members of the board.

In its deliberations prior to submitting the proposal above, the Nomination Committee has taken into account the result of the evaluation that has been conducted into the work of the board, and also the current and planned activities and objectives of the company.

Anders Narvinger will bring to the board extensive industrial and international experience.

The proposed composition of the board represents considerable breadth in terms of both competence and experience and is well suited to meet the demands and challenges that face ÅF both now and in the future.

Remuneration to the Board

The Nomination Committee proposes that remuneration to the board up until the time of the next Annual General Meeting shall total SEK 2,150,000, of which SEK 450,000 is to be allocated to the Chairman of the Board of Directors and SEK 200,000 to each of the seven other directors. This is an increase in these remunerations from SEK 400,000 and SEK 175,000 respectively. In this connection it may be noted that this is the first increase since 2008. The Nomination Committee considers these increases to be reasonable based on the size and complexity of the company and with regard to the level of remuneration in comparable companies.

It is proposed that the fees paid to members of the Audit Committee shall rise to SEK 90,000 for the Chairman and SEK 45,000 for the other members. For the members of the Remuneration Committee, it is proposed that the fees paid remain unchanged at SEK 50,000 for the Chairman and SEK 35,000 for the other members. This brings the total fees paid out for committee work to SEK 300,000.

Auditor

Since 2008 the accounting firm of Ernst & Young, represented by Lars Träff as auditor in charge, has served as the company's auditors. The mandate expires at the end of the 2011 Annual General Meeting. The Nomination Committee proposes that the Annual General Meeting elects the accounting firm of Ernst & Young, represented by Lars Träff as auditor in charge, to serve as the company's auditors up until the end of the 2012 Annual General Meeting.

Remuneration to the auditors

The Nomination Committee proposes that remuneration to the auditors shall be paid in accordance with approved invoices.

Nomination Committee

The Nomination Committee that has been appointed to submit proposals to the 2011 Annual General Meeting of ÅF AB proposes that the principles governing who is to be appointed to serve on the Nomination Committee shall remain the same as those approved by the 2010 Annual General Meeting and be as follows:

The Nomination Committee shall consist of representatives of a minimum of three and a maximum of five of the largest shareholders by voting entitlement, in addition to the Chairman of the Board. The Chairman of the Board will contact the largest shareholders by voting entitlement to invite them to participate in the Nomination Committee. The entitlement shall be based on Euroclear Sweden AB's list of shareholders (by groups of

owners) on the last banking day in August, and on other reliable information provided to the company on the last banking day in August.

The names of the members of the Nomination Committee and the names of the shareholders they represent are to be published at the latest six months before the Annual General Meeting. If any of the largest shareholders by voting entitlement waives the invitation to appoint a representative to the Nomination Committee, the next largest shareholder by number of votes shall be given the opportunity to appoint a representative. The person appointed by the largest shareholder by voting entitlement shall be appointed Chairman of the Nomination Committee, unless the Nomination Committee decides otherwise. The Nomination Committee exercises its mandate until the appointment of a new Nomination Committee.

If a significant change takes place in the ownership structure after the Nomination Committee has been constituted and more than two months before the Annual General Meeting, the composition of the Nomination Committee shall be altered to accord with the principles specified above, if a major new owner expresses a wish to participate either by replacing the committee member who has been appointed by the smallest shareholder by voting entitlement, or by expanding the Nomination Committee to include one additional member. Shareholders who acquire sufficient shares to qualify as one of the three largest shareholders by voting entitlement within the two months immediately preceding the Annual General Meeting shall have the right to a co-opted representative on the Nomination Committee, if they so wish.

Shareholders who have appointed a member of the Nomination Committee have the right to relieve this member of his/her duties and to appoint a new member in the Nomination Committee in his/her place.

The Nomination Committee shall submit proposals to the Annual General Meeting on:

- the election of a Chairman for the Annual General Meeting,
- the election of a Chairman of the Board and other members of the Board of Directors of the company,
- the allocation of Directors' fees between the Chairman of the Board and other Directors, and any remuneration for committee work,
- election and remuneration of Auditors and Deputy Auditors (where appropriate), and
- resolutions on the principles for the appointment of the Nomination Committee.

The Nomination Committee shall have the right to charge the company for expenses such as those incurred in conjunction with the use of recruitment consultants, whose assistance may

be required to enable the Nomination Committee to execute its duties properly. No fees are payable to members of the Nomination Committee.

Stockholm, March 2011
Nomination Committee of ÅF AB (publ)