

## **The Nomination Committee's work and motivated statement for the Annual General Meeting 2018**

### **Composition and assignment**

At the Annual General Meeting 2017 Jan Andersson (Swedbank Robur fonder), Lars-Erik Forsgårdh, Ola Peter Gjessing (Norges Bank Investment Management), Anders Oscarsson (AMF) and Anders Ullberg (Chairman of the Board of Directors) were elected as members of Boliden's Nomination Committee. In order to better reflect the ownership structure, the Nomination Committee has, in line with its mandate, offered a position in the Nomination Committee to a representative of SEB Fonder, as a result of which Hans Ek (SEB Investment Management) joined the committee. At the first meeting of the Nomination Committee, Jan Andersson was appointed Chairman of the committee.

The assignments of the Nomination Committee include preparation of proposals in respect of:

- Chairman at the Annual General Meeting
- number of Board members
- Board members and Chairman of the Board
- fees to the Board of Directors, allocated between the Chairman and other Board members
- auditors
- fees for committee work
- fees to the company's auditor
- appointment of Nomination Committee members

### **Work**

The Nomination Committee has held two meetings and has had further contacts in order to prepare the proposals for the Annual General Meeting 2018. The outcome of the evaluation of the Board members has in accordance with previous practice also been shared with the Nomination Committee and the Nomination Committee has met with two of the current Board members.

### **Proposal for Board of Directors**

The evaluation of the Board of Directors and its work together with the discussions the Nomination Committee has had with the Board members confirm that the Board is functioning very well and that the members deem themselves to have adequate competence and experience for their task. Due to the fact that Lennart Evrell leaves his position as CEO by mid-2018 the Nomination Committee discussed whether or not the new CEO should be a member of the Board of Directors. From a corporate governance perspective, the Nomination Committee deems that there will be a clearer separation of roles if the CEO is not part of the Board of Directors. The practical difference is minor – the CEO participates as presenter at Board meetings, regardless of whether the CEO is a Board member or not. Hence, the Nomination Committee proposes to the Annual General Meeting 2018 that Boliden's CEO shall not be a member of the Board of Directors.

The Nomination Committee has also considered the number of members best suited

to contribute to an effective and well-functioning Board work. Since the Annual General Meeting 2009 the Board of Directors has consisted of eight members elected by the Annual General Meeting, of which seven have not been employed by the company. Since the Nomination Committee proposes that the new CEO shall not be a member of the Board of Directors, the Nomination Committee deems that seven member not employed by the company is the appropriate size going forward, to allow for efficient Board work together with the members elected by the unions.

Based on the company's current position and challenges in a mid-term perspective the Nomination Committee is of the opinion that the remaining members possess the required competences and experiences for continued assignment, as concerns inter alia the industry and adequate industrial, financial and strategic knowledge. A renewal of the Board of Directors has occurred successively during the last couple of years.

Therefore, the Nomination Committee proposes re-election of the Board members Marie Berglund, Tom Erixon, Michael G:son Löw, Elisabeth Nilsson, Pia Rudengren, Pekka Vauramo and Anders Ullberg, who is also proposed as Chairman of the Board of Directors.

The Committee has during its work discussed the recommendations of diversity and gender balance in the Board of Directors as part of the Swedish Code of Corporate Governance. The Nomination Committee has chosen to apply rule 4.1 of the Swedish Code of Corporate Governance as diversity policy.

This entails that the Board of Directors is to have a composition appropriate to the company's operations, phase of development and other relevant circumstances. The Board members elected by the General Meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. The company is to strive for gender balance on the Board. The proposed Board of Directors consists of three women and four men, which corresponds to a female representation of 43%. The Nomination Committee therefore considers that a desirable gender balance has been achieved and that the Board of Directors also in other respects has an appropriate and adequate composition.

### **Independence of proposed members**

The Nomination Committee has considered the independence of the proposed members and has found that all members are independent of the company and its management and of larger shareholders.

### **Remuneration**

The Nomination Committee has compared the Board fees of Boliden to other publicly traded companies of comparable size and complexity. The Board fees are generally in line with comparable companies. The Nomination Committee therefore proposes that the fee to the Chairman of the Board of Directors is increased to SEK 1,650,000 (previously 1,575,000) and the fee to Board members who are not employed by the company is increased to SEK 550,000 (previously 525,000). The fee to the members of the Audit Committee is proposed to remain unchanged and amount to SEK 190,000 to the Chairman and SEK 90,000 to each member. Also the fee to the members of the Remuneration

Committee is proposed to remain unchanged and amount to SEK 50,000 to the Chairman as well as to each member.

### **Auditors**

The accounting firm Deloitte has been Boliden's auditors since the Annual General Meeting 2015 with Jan Berntsson as auditor in charge.

The Nomination Committee, as well as the Audit Committee, found no reason to propose any changes, and proposes re-election of the accounting firm Deloitte as auditor. Fees shall continue to be paid according to approved invoice.

### **Proposals from shareholders**

The shareholders have on the company's website been informed of the possibility to submit proposals to the Nomination Committee. No proposals have been submitted.

Stockholm, March 2018  
The Nomination Committee of  
**Boliden AB (publ)**