

## **The Nomination Committee's work and motivated statement for the Annual General Meeting 2015**

### **Composition and assignment**

At the Annual General Meeting of Shareholders 2014 Hans Ek (SEB Investment Management AB ), Lars-Erik Forsgårdh, Frank Larsson (Handelsbanken fonder), Anders Oscarsson (AMF) and Anders Ullberg (Chairman of the Board of Directors) were elected as members of Boliden's Nomination Committee.

Based on the changes in the ownership of the company after the Annual General Meeting the Nomination Committee resolved in accordance with its instructions to invite two new members, Anders Algotsson (AFA Försäkring) and Jan Andersson (Swedbank Robur fonder), to join the Committee. At the first meeting Jan Andersson was appointed as the Chairman of the Nomination Committee.

The assignment of the Nomination Committee included 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
- fees for committee work
- fees to the company's auditor
- appointment of Nomination Committee members

### **Work**

The Nomination Committee has held three meetings and has had further contacts in order to prepare the proposals for the Annual General Meeting 2015. 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 and with the company's CEO and President.

### **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. Board Member Leif Rönnbäck informed however the Nomination Committee that after ten years of service on the Board he is not available for re-election.

The Nomination Committee has 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 consists of eight members elected by the Annual General Meeting. Considering that the President and CEO is also a Board member this

continues to be deemed to be an appropriate size for Boliden 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 sufficient industrial, financial and strategic knowledge. A renewal of the Board of Directors has occurred successively during the last couple of years.

The Nomination Committee resolved to search for a candidate with industrial experience to replace Leif Rönnbäck. After having identified a number of potential candidates – male as well as female the Nomination Committee resolved to propose that Elisabeth Nilsson is elected as new Board Member. Elisabeth Nilsson is County Governor of Östergötland. She has a B.Sc. in Mine Engineering and is a former Managing Director of the Swedish Steel Producers' Association. Elisabeth Nilsson has also worked for the SSAB Group as Head of Metallurgy in Oxelösund and as Managing Director of SSAB Merox. She is a Member of the Board of Directors of Outokumpu and a delegate to the Annual General Meeting of Skandia Mutual Life Insurance Company. Furthermore, the Nomination Committee resolved to propose the re-election of Board members Marie Berglund, Staffan Bohman, Tom Erixon, Lennart Evrell, Ulla Litzén, Michael G:son Löw and Anders Ullberg. Anders Ullberg is 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. Excluding the company's CEO and President, the proposed Board of Directors consists of three women and four men, which corresponds to a female representation of 43 per cent.

### **Independence of proposed members**

The Nomination Committee has considered the independence of the proposed members and has found that all members with the exception of CEO and President Lennart Evrell are independent of the company and its management and that all proposed members are independent of larger shareholders.

### **Remuneration**

The comparison between Boliden and other publicly traded companies of comparable size and complexity undertaken by the Nomination Committee shows that the Board fees are to some extent lower and that the proportion between the fees of the chairman of the Board compared to the other Board Members ought to be slightly higher. In accordance herewith an increase of the fees is proposed that the fee to the Chairman of the Board of Directors is increased to 1 300 000 (1 200 000) SEK and the fee to Board members not employed by the company is increased to 480 000 (460 000) SEK. The fee to the Audit Committee members is proposed to remain unchanged with 150 000 SEK to the Chairman and 75 000 SEK to each member. Fees to the members of the Remuneration Committee are also proposed to remain unchanged and amount to 50 000 SEK to each member.

**Accountants**

The Audit Committee initiated in 2014 an assignment for the procurement of auditors. The Chairman of the Audit Committee, Ulla Litzén, presented the Audit Committee's recommendation at one of the Nomination Committee meetings. A change of auditors was proposed, from the auditing firm EY, who has been auditors since 2009 to the auditing firm Deloitte with Jan Bertsson as principal auditor.

The Nominating Committee resolved to follow the Audit Committee's proposal and to propose Deloitte as new auditor.

**Proposals from shareholders**

The shareholders have on the company's website been informed of the possibility to submit proposals to the Nomination Committee until 18 March 2015. No proposals have been submitted.

Stockholm, March 2015  
The Nomination Committee of  
**Boliden AB (publ)**