

## **The Nomination Committee's work and motivated statement for the Annual General Meeting 2016**

### **Composition and assignment**

At the Annual General Meeting of Shareholders 2015 Jan Andersson (Swedbank Robur fonder), Ulrika Danielsson (Andra AP-fonden), Lars-Erik Forsgårdh, Elisabet Jamal Bergström (Handelsbanken Fonder) and Anders Ullberg (Chairman of the Board of Directors) were elected as members of Boliden's Nomination Committee. At the first meeting Jan Andersson was appointed as the Chairman of the Nomination Committee.

The Nomination Committee has been given the opportunity by the Annual General Meeting to invite two additional shareholder representatives. The Nomination Committee has decided not to exercise this mandate, since it would only slightly increase the establishment in the ownership group.

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
- auditors
- 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 2016. 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 four 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 Staffan Bohman informed the Nomination Committee that after nine 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, which of seven are not employed by the company. The Nomination

Committee has deemed this 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 mine engineering experience and established experience from the Finnish industry to replace Staffan Bohman. After having identified a number of potential candidates the Nomination Committee resolved to propose that Pekka Vauramo is elected as new Board Member. Pekka Vauramo is President and CEO of Finnair and a Member of the Board of Directors of Ilmarinen. He has a M.Sc. in Mine Engineering and has before he joined Finnair had different management positions in Sandvik Mining and Cargotec.

Furthermore, the Nomination Committee resolved to propose the re-election of Board members Marie Berglund, Lennart Evrell, Tom Erixon, Ulla Litzén, Michael G:son Löw, Elisabeth Nilsson 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. 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 percent. The Nomination Committee therefore believes that a gender balance is reached.

### **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. Lennart Evrell is to be considered independent of larger shareholders but not in relation to the company.

### **Remuneration**

The Nomination Committee has compared the Board fees between Boliden and other publicly traded companies of comparable size and complexity. 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. The audit committee fees have remained unchanged since the committee was formed in 2006, although the work of the Audit Committee has gradually become more demanding.

In accordance herewith it is proposed that the fee to the Chairman of the Board of Directors is increased to 1 400 000 (1 300 000) SEK and the fee to Board members not employed by the company is increased to 500 000 (480 000) SEK. The fee to the Audit Committee members is proposed to increase to 190 000 (150 000) SEK to the Chairman and 90 000 (75 000) SEK to each member. Fees to the members of the Remuneration

Committee are proposed to remain unchanged and amount to 50 000 SEK to each member.

**Accountants**

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

The Nominating Committee found no reason to propose any changes, and propose re-election of 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 until 11 March 2016. No proposals have been submitted.

Stockholm, March 2016  
The Nomination Committee of  
**Boliden AB (publ)**