

### **Report on how the Nomination Committee has conducted its work**

At the Annual General Meeting of AB SKF held in the spring 2006 it was resolved that the company shall have a Nomination Committee formed by one representative of each of the four major shareholders with regard to the number of votes held as well as the Chairman of the Board. In a press release dated 16 October 2006 it was announced that a Nomination Committee had been appointed consisting of Claes Dahlbäck representing Knut och Alice Wallenberg Foundation, Marianne Nilsson representing Swedbank Robur, Bengt-Åke Fagerman representing Skandia Liv and Tomas Nicolin representing Alecta as well as the Chairman of the Board, Anders Scharp.

Claes Dahlbäck was elected Chairman of the Nomination Committee. The Nomination Committee has held four minuted meetings.

The task of the Nomination Committee has been to furnish the Annual General Meeting 2007 with proposals regarding Chairman of the Annual General Meeting, Board of Directors and Chairman of the Board of Directors, fee for the Board of Directors, fee for the auditors and a proposal for a Nomination Committee facing the Annual General Meeting of 2008.

As regards the election of the Board of Directors, the Nomination Committee has, based on the evaluation of the work of the Board made by AB SKF's Board of Directors, assessed how the current Board meets the requirements that will face the Board of Directors and which competences that should be included in the Board.

The Nomination Committee proposes re-election of the Board members Anders Scharp, Vito H Baumgartner, Ulla Litzén, Clas Åke Hedström, Tom Johnstone, Winnie Kin Wah Fok, Leif Östling and Eckhard Cordes and that Hans-Olov Olsson and Lena Treschow Torell should be elected as new Board members. The proposed new Board Members will, according to the Nomination Committee's assessment, contribute with competence within the area of research and development and at the same time further improve the general industrial competence. The Nomination Committee is of the opinion that the composition of the Board according to the current proposal will provide the Board with the required competence and experience.

The Nomination Committee has had adequate contacts with the proposed members of the Board of Directors.

The Nomination Committee's proposals for the Board of Directors and the Chairman of the Board were published in a press release dated February 20, 2007. The Nomination Committee's proposal for the Chairman of the Annual General Meeting, fees for the Board of Directors, fees for the auditors and Nomination Committee facing the Annual General Meeting of 2008 were published through the notice of the Annual General Meeting 2007.