

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

At the Annual General Meeting of AB SKF held in the spring 2007 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 11 October 2007 it was announced that a Nomination Committee had been appointed consisting of Claes Dahlbäck representing Knut and 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. The Knut and Alice Wallenberg Foundation has later transferred the shareholding in AB SKF to Foundation Asset Management Sweden AB. The representatives of the Nomination Committee have not changed as a result of the share transfer.

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 2008 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 auditor and a proposal for a Nomination Committee facing the Annual General Meeting of 2009.

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 Vito H Baumgartner, Ulla Litzén, Clas Åke Hedström, Tom Johnstone, Winnie Kin Wah Fok, Leif Östling, Hans-Olov Olsson and Lena Treschow Torell and that Peter Grafoner and Lars Wedenborn should be elected as new Board members. Anders Scharp and Eckhard Cordes have declined re-election. The proposed new Board Members will, according to the Nomination Committee's assessment, contribute with 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 25, 2008. The Nomination Committee's proposal for the Chairman of the Annual General Meeting,

fees for the Board of Directors, fees for the auditor and Nomination Committee facing the Annual General Meeting of 2009 were published through the notice of the Annual General Meeting 2008.