

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

At the Annual General Meeting of AB SKF held in the spring 2005 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 13 October 2005 it was announced that a Nomination Committee had been appointed consisting of Claes Dahlbäck representing Knut och Alice Wallenberg Foundation, Marianne Nilsson representing Robur, Tomas Nicolin representing Alecta and Bengt-Åke Fagerman representing Skandia Liv as well as the Chairman of the Board, Anders Scharp.

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

The task of the Nomination Committee has been to furnish the Annual General Meeting 2006 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 2007.

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 need to be included in the Board. The Nomination Committee has thereafter been in contact with the proposed members of the Board of Directors.

The Nomination Committee's proposals for Chairman of the Annual General Meeting, Board of Directors and Chairman of the Board of Directors, fees for the Board of Directors, fees for the auditors and Nomination Committee facing the Annual General Meeting of 2007 were published through the notice of the Annual General Meeting 2006.