

ÅF AB – The work of the Nomination Committee and the committee's proposals to the 2014 Annual General Meeting

1 The Nomination Committee and the work it performs

In accordance with the principles agreed by the 2013 Annual General Meeting, the Nomination Committee consists of the Chairman of the Board, Ulf Dinkelspiel, together with Staffan Westlin, appointed by Ångpanneföreningen's Foundation for Research & Development and serving as Chair of the Nomination Committee, Anders Algotsson, appointed by AFA Försäkring, Annika Andersson, appointed by Swedbank Robur investment funds, Jan Särllvik, appointed by Nordea investment funds, and Karl Åberg, appointed by CapMan Public Market Fund.

The current Nomination Committee has held four minuted meetings. As the basis for its work the Nomination Committee has used inter alia the result of the assessment made with regard to the work of the Board. Members of the committee have also held one-to-one meetings with board members to discuss board work. The Nomination Committee has also discussed the company's strategic challenges with the CEO.

2 Proposals of the Nomination Committee

As assigned by the general meeting of shareholders and in accordance with the principles laid down in the Swedish Code of Corporate Governance, the Nomination Committee submits herewith the following proposals to the 2014 Annual General Meeting of shareholders in ÅF AB.

2.1 Election of someone to chair the meeting

The Nomination Committee proposes that the Chairman of the Board, Ulf Dinkelspiel, chairs the 2014 Annual General Meeting.

2.2 Board of Directors

The Nomination Committee proposes that the Board of Directors of the company shall consist of eight (8) members elected by the Annual General Meeting with no deputies.

It is proposed that following members of the Board be re-elected: Marika Fredriksson, Anders Narvinger, Björn O. Nilsson, Maud Olofsson, Joakim Rubin, Kristina Schauman and Anders Snell.

It is proposed that Staffan Jufors be elected as a new member of the Board. Staffan Jufors is born 1951. He has a master of science in economics from the School of Business, Economics and Law in Gothenburg and has had long career in the Volvo Group, where he has held positions as CEO of Volvo Trucks and Volvo Penta as well as Chairman of the Board of Volvo Buses. Staffan Jufors is presently a member of the boards of Haldex AB (publ) and Nordens Ark. Staffan holds no shares in ÅF.

Ulf Dinkelspiel and Lena Treschow Torell have declined re-election.

2.3 Chairman of the Board

The Nomination Committee proposes that Anders Narvinger be elected as a new Chairman of the Board, superseding Ulf Dinkelspiel.

2.4 The Nomination Committee's motivation

The Nomination Committee has discussed the challenges facing the Board of Directors with regard to the current situation for ÅF and what the future holds. For this reason, particular consideration has been given to the need for directors with the relevant competence, experience of the consulting

industry and international experience. The Nomination Committee considers it important that the Board as a whole possesses the requisite competence and experience with regard to the company's current and planned business operations and strategic direction. This was paid particular attention when deciding to propose Anders Narvinger as Chairman of the Board and Staffan Jufors as new member of the Board. An important goal for the Nomination Committee is also that the Board shall have an even gender balance.

In its deliberations prior to submitting the proposal above, the Nomination Committee has taken into account the result of the evaluation that has been conducted into the work of the Board, interviews with Board members, as well as what the committee has learned about the activities, objectives and strategies of the company. The evaluation shows that the work of the Board proceeds excellently and that the group is well composed. The Board takes an active part in forming the company's strategies, not only by deciding on already-finished proposals, but also by contributing to the analysis and groundwork. The Board considers itself to enact a reassuring control of the company's profitability and financial standing.

Ulf Dinkelspiel has, after a long time of chairing the Board, on an early stage informed the Nomination Committee that he declines re-election. The Nomination Committee has sought to find a successor with great experience of board work in publicly traded company, preferably with experience of being chairman of a board. The Nomination Committee has furthermore greatly valued industrial and international experience. Anders Narvinger thoroughly satisfies these criteria and as a member of the Board in the company since 2011, he is already fully acquainted with the company's business as well as the work of the Board.

With the acquisition of Epsilon at the end of 2012, ÅF has become a significant partner in the automobile industry. The Nomination Committee thus considers it important to add experience from this industry to the Board. With his long career in the Volvo Group, Staffan Jufors has considerable experience of this kind and can hence intensify and broaden the Board's competence in the field.

2.5 The board members' position of dependence

Björn O Nilsson and Anders Snell have positions of dependence with regard to the largest shareholder in the company in respect of voting entitlement, Ångpanneföreningen's Foundation for Research & Development, but do not have positions of dependence with regard to the company.

None of the other directors proposed has a position of dependence with regard to any of the company's major shareholders or with regard to the company.

Proposed composition of the board fulfils the rules in the Swedish Code of Corporate Governance that more than half of the board members shall be independent with regard to the company and that at least two of these members also shall be independent with regard to the largest shareholders in the company.

2.6 Remuneration to the Board

The Nomination Committee proposes that remuneration to the board (including fees for committee work) up until the time of the next Annual General Meeting shall total SEK 2,765,000.

Of this amount SEK 600,000 is to be allocated to the Chairman of the Board of Directors and SEK 260,000 to each of the eight other directors elected by the Annual General Meeting. This brings the total of fees paid out for the work of the Board of Directors to SEK 2,420,000.

It is proposed that the Chair of the Audit Committee shall receive SEK 90,000 in fees and each of the two other members shall receive SEK 45,000. It is proposed that the Chair of the Remuneration Committee shall receive SEK 75,000 in fees and each of the two other members shall receive SEK 45,000. This brings the total of fees paid out for committee work to SEK 345,000.

The proposed levels of remuneration compared to those resolved by the 2013 Annual General Meeting, means a raise by SEK 50,000 for the Chairman of the Board and by SEK 10,000 for each of the other members of the board. For the committees the remuneration remains unchanged.

2.7 Auditor

Since 2008 the accounting firm of Ernst & Young, represented by Lars Träff as senior auditor in charge, has served as the company's auditors. The mandate expires at the end of the 2014 Annual General Meeting. The Nomination Committee proposes that the Annual General Meeting re-appoints the accounting firm of Ernst & Young, but with Hamish Mabon as senior auditor in charge, to serve as the company's auditors up until the end of the 2015 Annual General Meeting.

2.8 Remuneration to the auditors

The Nomination Committee proposes that remuneration to the auditors shall be paid in accordance with approved invoices.

2.9 Nomination Committee

The Nomination Committee proposes that the Principles for the Nomination Committee shall remain unchanged compared with the principles resolved by the 2013 Annual General Meeting:

The Nomination Committee shall consist of representatives of a minimum of three and a maximum of five of the largest shareholders by voting entitlement, together with the Chairman of the Board. The Chairman of the Board will contact and ask the five largest shareholders by voting entitlement to invite them to participate in the Nomination Committee. The entitlement shall be based on Euroclear Sweden AB's list of shareholders (by groups of owners) on the last banking day in August, and on other reliable information provided to the company on the last banking day in August.

The names of the members of the Nomination Committee and the names of the shareholders they represent are to be published at the latest six months before the Annual General Meeting. If any of the five largest shareholders by voting entitlement waives the invitation to appoint a representative to the Nomination Committee, the next largest shareholder in terms of voting rights shall be given the opportunity to appoint a representative. It is however not required to ask more than seven of the largest shareholders by voting entitlement unless the Nomination Committee has fewer than three representatives. The person appointed by the largest shareholder by voting entitlement shall be appointed Chair of the Nomination Committee, unless the Nomination Committee decides otherwise. The Nomination Committee exercises its mandate until the appointment of a new Nomination Committee.

If a significant change takes place in the ownership structure after the Nomination Committee has been constituted and more than two months before the Annual General Meeting and in the event that a major new owner expresses a wish to participate in the work of the committee, the composition of the Nomination Committee shall be altered to accord with the principles specified above, either by replacing the committee member who has been appointed by the smallest shareholder by voting entitlement, or by expanding the Nomination Committee to include one additional member. Shareholders who acquire sufficient shares to qualify as one of the three largest shareholders by voting entitlement within the two months immediately preceding the Annual General Meeting shall have the right to a co-opted representative on the Nomination Committee, if they so wish.

Shareholders who have appointed a member of the Nomination Committee have the right to relieve this member of his/her duties and to appoint a new member in the Nomination Committee in his/her place.

The Nomination Committee shall submit proposals to the Annual General Meeting on:

- the election of someone to chair the Annual General Meeting,

- the election of a Chairman of the Board and other members of the Board of Directors of the company,
- the allocation of Directors' fees between the Chairman of the Board and other Directors, and any remuneration for committee work,
- election and remuneration of Auditors and Deputy Auditors (where appropriate), and
- resolution regarding the principles for the appointment of the Nomination Committee.

The Nomination Committee shall have the right to charge the company for expenses such as those incurred in conjunction with the use of recruitment consultants, whose assistance may be required to enable the Nomination Committee to execute its duties properly. No fees are payable to members of the Nomination Committee.

Stockholm, March 2014

Nomination Committee of ÅF AB (publ)

This English version is a translation of the Swedish original. The Swedish text is the binding version and shall prevail in the event of any discrepancies.