

## **THE NOMINATION COMMITTEE'S REASONED STATEMENT ON ITS PROPOSAL FOR MEMBERS OF THE BOARD OF AARHUSKARLSHAMN AB (PUBL)**

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The Nomination Committee proposes re-election of the Board Members Melker Schörling, Carl Bek-Nielsen, Martin Bek-Nielsen, John Goodwin, Mikael Ekdahl, Märit Beckeman, Ulrik Svensson and Anders Davidsson and new election of Arne Frank and Harald Sauthoff. Furthermore the Nomination Committee proposes re-election of Melker Schörling as Chairman of the Board and Carl Bek-Nielsen as Deputy Chairman of the Board.

Harald Sauthoff (born 1955) is currently Vice President Global Management Fatty Alcohol and Natural Raw Materials of Cognis GmbH. Harald Sauthoff has former experience from working in the Henkel Group. During the years 2004 – 2006 Harald Sauthoff was the President of FOSFA, an international Trade Association for vegetable oils and fats.

Arne Frank (born 1958), CEO and President of AarhusKarlshamn AB from 6 April 2010, is Master of Engineering in Industrial Economy with a degree from the Institute of Technology at Linköping University. Arne Frank was previously Chairman of the Board and interim CEO of Carl Zeiss Vision International GmbH. He has also been CEO and Chairman of the Board of TAC Holding AB and member of the Group Management of Schneider Electric, responsible for the division within the Schneider-Electric Group that TAC was part of after being acquired by Schneider Electric. Arne Frank is currently Chairman of the Board of Contex Holding AS and has been nominated for new election as board member of Alfa Laval AB (publ).

As basis for its proposal, the Nomination Committee has taken into account the outcome of the evaluation made regarding the Board and its work. The Nomination Committee has thoroughly discussed the requirements regarding qualifications, experience and background that can be imposed on the Board of AarhusKarlshamn AB considering *inter alia* the strategic development, management and control of the

Company. The Nomination Committee has also considered the issue of equal gender distribution within the Board in connection with the selection process.

The Nomination Committee considers continuity in the Board's work to be of vital importance to AarhusKarlshamn AB. In view hereof, the Nomination Committee has proposed re-election of eight of the present Board Members as well as re-election of the Chairman of the Board and the Deputy Chairman of the Board. The current Board Members Ebbe Simonsen and Jeker Hartwall has declined re-election.

With regard to the Company's operations, phase of development and other relevant circumstances, it is the opinion of the Nomination Committee that the proposed Board has an appropriate composition. When assessing the independence of the proposed Board Members, the Nomination Committee has found that the proposed composition of the Board of AarhusKarlshamn AB complies with the independence requirements as set forth in the Swedish Code of Corporate Governance.