

Nomination Committee's proposals for the 2016 Annual General Meeting

Background

Holmen's AGM has resolved to set up a Nomination Committee to submit the names of candidates for election to the Board, the fee to be paid to the Board and the election of auditors and the auditors' fee. Pursuant to the AGM's decision, the Nomination Committee shall consist of the Chairman of the Board and one representative of each of the three largest shareholders on 31 August each year.

The Nomination Committee for the period until the 2016 AGM consists of:

Fredrik Lundberg, Chairman of the Board
Mats Guldbrand, L E Lundbergföretagen AB
Alice Kempe, Kempe Foundations, and
Hans Hedström, Carnegie Fonder

Chairman of the Nomination Committee is Mats Guldbrand.

Nomination Committee's proposals

- The Nomination Committee proposes that Fredrik Lundberg be elected to chair the AGM.
- The Nomination Committee proposes that the number of members of the Board to be elected by the AGM should remain nine.
- The Nomination Committee proposes that a fee of SEK 3,060,000 be paid to the Board, of which SEK 680,000 (650,000) be paid to the Chairman, and SEK 340,000 (325,000) be paid to each of the members elected by the AGM who is not an employee of the company. The proposal represents an increase in total of SEK 135,000, or 4.6 per cent.
- The Nomination Committee proposes that Carl Bennet, Lars G Josefsson, Carl Kempe, Louise Lindh, Ulf Lundahl, Fredrik Lundberg, Henrik Sjölund and Henriette Zeuchner be re-elected to the Board and that Lars Josefsson be elected to the Board. Göran Lundin declined to stand for re-election.

Further information about the above nominees is available on the company's website.

- The Nomination Committee proposes that Fredrik Lundberg be elected Chairman of the Board.

- The Nomination Committee proposes that the authorised public accounting firm KPMG AB be re-elected for the period until the end of 2017 AGM. KPMG AB has announced its intention to appoint authorised public accountant Joakim Thilstedt as principal auditor. In addition, it is proposed that compensation should be paid against an approved invoice.
- The Nomination Committee proposes that no change be made in the structure of the Nomination Committee.

Report on the work of the Nomination Committee

The Nomination Committee held two minuted meetings. All members of the Nomination Committee participated in the meetings.

Chairman of the Board Fredrik Lundberg submitted a report on an evaluation of the work of the Board and the company's operations over the past year. It is the Nomination Committee's view that the Board's work is functioning well.

Regarding the issue of the composition of the Board, the Nomination Committee took into account experience, expertise and diversity. The Nomination Committee also took into account the ability of each member to devote the necessary time and commitment to their Board duties. The Nomination Committee also attached importance to the need for continuity in the work of the Board.

In order to obtain a wide choice of candidates meeting the relevant profile of requirements, the Nomination Committee worked in conjunction with a recruitment company.

In the recruitment of Lars Josefsson, the primary purpose was to find a person with in-depth expertise and extensive experience of managerial positions in various manufacturing companies.

Lars Josefsson was born in 1953 and has an M.Sc. in Engineering. He has extensive experience of managerial positions at a number of industrial companies, including Sandvik, and also served in various roles at ABB for 20 years. Lars Josefsson now works as an independent consultant and serves as deputy chairman at Vestas, chairman at Driconeq, Ouman and TimeZynk, and as a director at Metso.

In the opinion of the Nomination Committee, the proposed Board is well equipped to deal with whatever will be required of the Board as a consequence of the status and future orientation of the company.

According to the Nomination Committee, of the individuals being nominated for election to the Board, Carl Bennet, Lars Josefsson, Lars G Josefsson, Carl Kempe, Louise Lindh, Ulf Lundahl, Fredrik Lundberg and Henriette Zeuchner are independent of the company and its senior management, and Lars Josefsson, Lars G Josefsson, Ulf Lundahl, Henrik Sjölund and Henriette Zeuchner are independent of the company's major shareholders.