

Statement by the Nomination Committee relating to the proposal for Board of Directors in Indutrade AB (publ)

The Annual General Meeting held on 6 May 2013 resolved on an instruction, effective until further notice, for the Nomination Committee in Indutrade AB (publ), which entails that the Nomination Committee shall be composed of representatives of four of largest shareholders in terms of votes held as per the last trading day in August each year, together with the Chairman of the Board of Directors. The representative of the largest shareholder shall chair the Nomination Committee.

In accordance with this, a Nomination Committee was appointed on 4 October 2016 composed of Claes Boustedt, as Chairman of the Nomination Committee (L E Lundbergföretagen), Fredrik Lundberg (Chairman of Indutrade), Anders Oscarsson (AMF and AMF Funds), Henrik Didner (Didner & Gerge Funds) and Jonathan Schönbäck (Handelsbanken Funds).

The Nomination Committee has held two meetings, at which minutes were taken, prior to the Annual General Meeting 2017 and have been in continuous contact in addition to the meetings. The Chairman of the Board of Directors has informed the Nomination Committee about Indutrade's business and future direction, as well as the competencies and skills needed as a member of the Board of Directors in Indutrade. The Nomination Committee has also reviewed the assessment regarding the work of the Board of Directors in the process of preparing its proposal for new Board of Directors to be elected at the Annual General Meeting 2017.

The assessment shows that the Board of Directors's current members represent a broad range of competencies which includes solid industrial and financial knowledge as well as knowledge about international conditions and markets. The members have displayed great commitment and the rate of attendance has been high. Consequently, the Nomination Committee has found that the work of the Board of Directors has been well-functioning.

In the process of preparing its proposal for a new Board of Directors, the Nomination Committee has paid special attention to the requirements the Company's strategic development, international operations as well as governance and control place on the Board of Directors' qualifications and composition. Further, the Nomination Committee has applied rule 4.1 of the Swedish Code of Corporate Governance as diversity policy, which states that the Board shall have an appropriate composition in view of the Company's operations, phase of development and other relevant circumstances, display diversity and breadth in terms of qualifications, experience and background of the Board members elected by the General Meeting and that the Company shall strive for gender balance. The proposal for the Board of Directors has been prepared balancing this policy and the need for continuity within the work of the Board of Directors.

In view of the above, the Nomination Committee proposes re-election of Fredrik Lundberg, Bengt Kjell, Ulf Lundahl, Katarina Martinson, Krister Mellvé and Lars Petterson. Annica Bresky and Johnny Alvarsson are not available for re-election.

Susanna Campbell and Bo Annvik are proposed to be elected as new members of the Board of Directors.

Susanna Campbell (b. 1973), M.Sc. Business and Administration, currently serves on the board of Telia and is a former CEO of Ratos. Prior to that she worked for McKinsey & Company and Alfred Berg Fondkommission.

Bo Annvik (b. 1965) M.Sc. Business and Economics, is a former President and CEO of Haldex, and prior to that he served in a number of executive positions, both in Sweden and abroad, for Volvo Cars, SKF and Outokumpu.

Fredrik Lundberg is proposed to be re-elected as Chairman of the Board of Directors.

The proposal entails that the number of members of the Board of Directors remains unchanged during the upcoming term of office.

Stockholm, March 2017
the Nomination Committee of Indutrade AB (publ)