

## **Statement of explanation regarding the proposal by the Election Committee of B&B TOOLS AB for the Board of Directors at the Annual General Meeting on 25 August 2011**

### **Background**

In accordance with the resolution passed at the 2010 Annual General Meeting of B&B TOOLS, Company's Election Committee comprising representatives of the five largest shareholders/groups of shareholders based on the number of votes was announced on 16 February 2011. The Election Committee comprises Björn Franzon (representative of Swedbank Robur funds), Tomas Ramsälv (representative of Odin Funds), Per Trygg (representative of SEB Funds), Anders Börjesson and Chairman of the Board Tom Hedelius. Tom Hedelius was elected by the Election Committee to serve as Chairman of the Election Committee. The members of the Election Committee represent approximately 50 percent of the total number of votes in B&B TOOLS AB.

### **Election Committee's proposal for the Board of Directors**

The Election Committee's proposal includes the following:

- Six regular directors and no deputies.
- Re-election of directors Per Axelsson, Anders Börjesson, Tom Hedelius, Anita Pineus and Stefan Wigren. New election of Joakim Rubin.
- Re-election of Tom Hedelius as Chairman of the Board.

### **Statement of explanation**

To assess the demands that will be placed on the Board of Directors as a result of the position and future focus of the Company, the Election Committee has discussed the size and composition of the Board, including how this relates to industry experience and competence, and how the work of the Board has been carried out. The Election Committee based its work on various forms of documentation, including an evaluation of the Board and its work, as well as an account by the Chairman of the Board concerning the work of the Board. Taking this assessment into account, the Election Committee proposes the re-election of all directors. Joakim Rubin has been nominated as a new Board member.

Taking into consideration B&B TOOLS' operations, development stage and position, the Election Committee considers the composition of the proposed Board of Directors to be appropriate and characterised by diverse and broad competence, experience and backgrounds.

The proposal regarding the composition of the Board of Directors of B&B TOOLS AB complies with the requirements of the Swedish Code of Corporate Governance with regard to independent directors.

Detailed information about the proposed directors is available on B&B TOOLS' website.

Stockholm, July 2011

The Election Committee of B&B TOOLS AB