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## **THE NOMINATION COMMITTEE'S PROPOSALS AND REASONED OPINION BEFORE THE ANNUAL GENERAL MEETING 2017**

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In accordance with the resolution of the annual general meeting 2012, Göran Espelund, chair (Lannebo Fonder), Erik Durhan (Nordea), Marianne Nilsson (Swedbank Robur Fonder) and Johan Strandberg (SEB Fonder) were all appointed members of the Nomination Committee in October 2016, before the annual general meeting 2017. The Nomination Committee represents 36.18 percent of the shares and votes in the company.

No compensation has been paid to the Nomination Committee.

The proposals by the Nomination Committee to the annual general meeting 2017 and the reasoned opinion on the election of directors are as follows.

### **Election of chair of the annual general meeting**

The Nomination Committee proposes that the chair of the board, Stefan Charette, is to be elected chair of the general meeting.

### **Resolution on the number of directors and auditors and election of directors and auditor**

The number of directors is proposed to remain unchanged, which means that the general meeting shall elect seven directors, with no deputy directors.

The Nomination Committee proposes re-election of the directors Kenth Eriksson, Marianne Brismar, Martin Lundstedt, Susanna Schneeberger, Martin Sköld, Claes Magnus Åkesson and election of Anders Nielsen as new director. Stefan Charette has declined re-election. It is proposed that Kenth Eriksson be elected chair of the board.

Anders Nielsen was born in 1962 and has studied Industrial Economy at Linköping Institute of Technology.

Anders Nielsen has previously been, inter alia, Technical Director at Scania Latin America, Senior Vice President for Scania's chassis and cab production, Executive Vice President Production and Logistics Scania CV AB, and later CEO at MAN Truck & Bus AG. He was appointed to the board of Scania AB as Head of Production and Logistics in 2010.

Anders Nielsen is currently Chief Technology Officer of Volkswagen Truck & Bus, which is the holding company of the brands Scania, MAN and MAN Latin America, and is also responsible for R&D activities across the Volkswagen Truck & Bus Group. He was appointed to the board of Haldex AB in 2015.

More information about the proposed directors can be found on the company's website [www.concentricab.com](http://www.concentricab.com).

The Nomination Committee proposes that the company shall have one auditor with no deputy. The Nomination Committee proposes that the registered accounting firm KPMG AB shall be re-elected as the company's auditor until the end of the annual general meeting 2018. KPMG AB has informed the company that Anders Malmeby, authorised public accountant, will remain auditor-in-charge of the company. The Nomination Committee's proposal is in accordance with the Audit Committee's recommendation. The Nomination Committee and the Audit Committee have not been influenced by a

third party and no clause of a contract entered into with a third party has been imposed which restricts the choice of certain auditors or audit firms.

### **Resolution on fees to the directors and the auditor**

Fees to the directors for the period up to and including the annual general meeting 2018 is proposed to be paid as follows. The chair of the board will receive SEK 540,000 (previously SEK 525,000) and each of the other directors will receive SEK 255,000 (previously SEK 250,000). In addition the chair of the Compensation Committee will receive unchanged SEK 50,000 and the chair of the Audit Committee will receive unchanged SEK 75,000. The above proposal means that the total remuneration to the board (remuneration for committee work included) will increase from SEK 2,150,000 to SEK 2,195,000.

The Nomination Committee has conducted an analysis of director fees and associated remuneration for committee work compared to similar companies based on several measures of size and complexity. The outcome of this analysis supports the Nomination Committee's proposal to increase the remuneration of fees and compensations.

Fees to the auditor for services performed are proposed to be paid against by the company approved current account.

### **The Nomination Committee's reasoned opinion regarding the proposal on election of directors**

To support its proposal on election of directors, the Nomination Committee has conducted an evaluation of the work of the directors. The Nomination Committee has had six meetings and interviewed the chair of the board and several of the directors. The Nomination Committee has also had a number of contacts between meetings, and studied the evaluation that has been conducted within the board and the evaluation that has been done regarding the auditor's work. The requirements that can be imposed on the board in Concentric have been discussed thoroughly. Questions of independency have been highlighted and an additional focus has been on the issue of gender balance. During the preparation of its proposal on the composition of the board, the Nomination Committee has applied the requirement in Section 4.1 of the Swedish Corporate Governance Code regarding the strive for diversity, breadth and gender balance on the board.

The Nomination Committee has in its evaluation detected that the present board has a good and appropriate constitution characterised by diversity and breadth regarding the members' competence, experience and background, that their work is up to standard, and that the directors together have a good, industrial and financial competence as well as huge international experience. The Nomination Committee proposes election of Anders Nielsen as new director, which will add further relevant competence from the trucking industry, mainly in the fields of technology, R&D, production and logistics. The Nomination Committee considers that altogether, the proposed board holds appropriate qualifications and an appropriate constitution considering, amongst other things, the company's business, strategic development, management and control.

The Nomination Committee believes that the long-term endeavor should be for a more equal gender balance in the board. The Nomination Committee intends to act in order for the company to carry out with the ambitions that have been set out by The Swedish Corporate Governance Board, which means, amongst other things, that the board in the company, at the latest after the annual general meeting 2020, shall consist of at least 40 per cent woman. The sub target for smaller companies to reach at least 30 per cent at the annual general meeting 2017 is already achieved.

The proposed board meets the requirement on independence stipulated in the Swedish Code of Governance. All proposed directors are considered independent of the company and its management, as well as of the company's larger shareholders.

More information about the proposed directors can be found on the company's website [www.concentricab.com](http://www.concentricab.com).

*The Nomination Committee*