

Unofficial English translation for information purposes only. If there are differences between the English translation and the Swedish original, the Swedish text will take precedence.

THE NOMINATION COMMITTEE'S PROPOSALS AND REASONED OPINION BEFORE THE ANNUAL GENERAL MEETING 2019

In accordance with the resolution of the annual general meeting 2012, Göran Espelund, chair (Lannebo Fonder), Erik Durhan (Nordea Fonder), Marianne Nilsson (Swedbank Robur Fonder) and Johan Strandberg (SEB Fonder) were all appointed members of the Nomination Committee in September 2018, before the annual general meeting 2019. The Nomination Committee represents about 36.2 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 2019 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, Kenth Eriksson, be elected chair of the general meeting.

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

The Nomination Committee proposes that the Board be composed of eight directors elected at the AGM, with no alternates, for the period until the next AGM.

The Nomination Committee proposes re-election of Marianne Brismar, Kenth Eriksson, Martin Lundstedt, Anders Nielsen, Susanna Schneeberger, Martin Sköld, Claes Magnus Åkesson and election of Karin Gunnarsson as new director. It is proposed that Kenth Eriksson be re-elected Chairman of the Board.

Karin Gunnarsson was born in 1962. She holds a Degree of Master of Science in Business and Economics from the Stockholm School of Economics. Since 2008 she is working at HEXPOL and since 2012 she is the company's CFO and IR manager. Karin previously worked as SVP Group Controlling at Telelogic AB and as Group Financial Controller at Trelleborg AB. Karin is a member of the board of Beijer Electronics Group AB since 2018.

Karin has extensive experience from international operations in several listed industrial companies and has extensive expertise in acquisitions, tax, financing, controlling, investor relations, and accounting.

More information about the proposed directors can be found on the company's website www.concentricab.com.

The Nomination Committee proposes that the company have one auditor with no deputy. The Nomination Committee proposes that the registered accounting firm KPMG AB be re-elected as the company's auditor until the end of the annual general meeting 2020. KPMG AB has notified the company that Erik Gunnarsson, authorised public accountant, will be appointed auditor-in-charge of the company. The Nomination Committee's proposal corresponds to the Audit Committee's recommendation. Neither the Nomination Committee nor the Audit Committee have been influenced by a third party and no clause of a contract entered into with a third party has influenced or restricted the Audit Committee's choice of auditor.

Resolution on fees to the directors and the auditor

Fees to the directors for the period up to and including the annual general meeting 2020 is proposed to be paid as follows. The chair of the board will receive SEK 700,000 (previously SEK 560,000) and each of the other directors will receive SEK 325,000 (previously SEK 265,000). In addition, the chair of the Compensation Committee will receive SEK 100,000 (previously SEK 75,000) and director of the Compensation Committee will receive SEK 50,000 (previously SEK 30,000). Further, the Nomination Committee proposes that the chair of the Audit Committee will receive SEK 150,000 (previously SEK 100,000) and directors of said committee will receive SEK 75,000 (previously SEK 50,000). The above proposal means that the total remuneration to the board (remuneration for committee work included) will increase from SEK 2,455,000 to SEK 3,425,000.

The Nomination Committee has conducted an analysis of director fees and associated remuneration for committee work and compared them to similar companies based on several measures of size and complexity. The Nomination Committee has also considered that the scope of the work of the board and committees has been expanded. The complexity of the work has also increased. The outcome of the analysis together with the increased workload justifies, according to the Nomination Committee, an increase in said fees and remunerations.

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

The Nomination Committee's proposal for resolution on adoption of instruction for the Nomination Committee

The Nomination Committee proposes that the general meeting resolves to adopt instructions for the Nomination Committee in accordance with the following proposal.

The Nomination committee shall have five members, consisting of the chairman of the board and one member of each of the four largest shareholders by votes, based on the shareholdings as of 31 August each year. The chairman of the board shall as soon as possible after the end of August enable the four largest shareholders to form the Nomination Committee. The names of these four members and the names of the shareholders whom they are appointed by, shall be announced no later than six months before an annual general meeting. If any of the four largest shareholder declines to participate in the Nomination Committee, the next largest shareholder is entitled to appoint a member of the Nomination Committee.

The members' term of office shall end when a new Nomination Committee has been appointed. Provided that the members of the Nomination Committee do not agree otherwise, the member representing the largest shareholder by votes shall be appointed chairman of the Nomination Committee.

Should a shareholder that has appointed a member of the Nomination Committee, during the term of office of the Nomination Committee, no longer be one of the four largest shareholders by votes, and the shareholder that has become one of the four largest shareholders requests to become a member of the Nomination Committee, the member that has been appointed by the shareholder no longer being one of the four largest shareholders shall resign from its assignment and the shareholder that at such time has become one of the four largest shareholders shall appoint its member for the Nomination Committee. However, the composition of the Nomination Committee shall not be changed should the change in ownership only be marginal or should the change in ownership occur later than two months prior to an annual general meeting. A shareholder that has appointed a member of the Nomination Committee shall during the term of office be entitled to replace such member by a new member of the Nomination Committee.

The Nomination Committee is to propose candidates for the post of chairman and other members of the board, fees and other remuneration to each member of the board and propose chairman of the annual general meeting. The Nomination Committee is also to present proposals on the election and remuneration of the statutory auditor.

No remuneration is to be paid to the members of the Nomination Committee. However, if required, the company shall bear the costs considered necessary by the Nomination Committee in order to fulfil its assignment.

This instruction for the Nomination Committee is proposed to remain in force until further notice.

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. The requirements that can be imposed on the board of Concentric have been discussed thoroughly. Questions of independency have been highlighted and how to achieve a gender balance has been discussed. 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 found 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 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 as well as relevant aspects of sustainability for the Company.

The proposed board meets the requirement on independence stipulated in the Swedish Corporate Governance Code. 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.

Stockholm in February 2019
Concentric AB (publ)
The Nomination Committee