

Concentric - The nomination committee's proposals and their reasoned opinion in respect of the proposal regarding board of directors

In accordance with the resolution of the annual general meeting 2014 the following were, in September 2014, appointed members of the nomination committee preceding the next scheduled annual general meeting in March 2015: Göran Espelund, chair (Lannebo Fonder), Erik Durhan (Nordea Fonder), Marianne Nilsson (Swedbank Robur Fonder) and Johan Strandberg (SEB Fonder). The nomination committee represents approximately 36 percent of the shares and votes in the company. No compensation has been paid to the nomination committee.

The proposals by the nomination committee for resolutions to be passed at the annual general meeting and the reasoned opinion on the election of directors are as follows.

Election of chair of the annual general meeting

The nomination committee nominates Stefan Charette, the chair of the board, to act as chair of the annual general meeting.

Resolution on the number of directors, election of board, chairman of the board and auditor

The number of directors is proposed to be increased by one director to seven directors, with no deputy directors. The nomination committee proposes re-election of the directors Stefan Charette, Marianne Brismar, Kenth Eriksson, Martin Lundstedt, Martin Sköld and Claes Magnus Åkesson, and new-election of Susanna Schneeberger. Stefan Charette is proposed to be re-elected chair.

From March 2015 Susanna Schneeberger is Vice President & Managing Director of Terex Material Handling in Dusseldorf, an area of business within the American group Terex Corporation. Between January 2007 and March 2015 Susanna has been active within the Trelleborg group, acting as Director, Strategic Business Development (2007-2012) and as Vice president, Sales & Marketing (2012-2015).

The nomination committee has taken part of the chair's report and written evaluation of the work of the board, made interviews with the directors, the auditor of the company and met with the managing director to understand the development of the business. The nomination committee's conclusion, taking into account the evaluation of the board of Concentric and the committee's assessment, is that the board and its practice is well functioning.

The nomination committee has, as a basis, considered the business of the company, the development phase and other conditions, discussed the board's versatility, size and composition as regards e.g. experience of the business, competence, distribution in terms of gender and international experience. The nomination committee has previously concluded that the size of the board has encouraged an increased efficiency and active commitment. This conclusion is still valid; but, considering the growth strategy of the company an increase and reinforcement of the board is called for. Concentric continues to build its technical leadership and is planning to grow its global business organically and by selective acquisitions. Part of the challenges the company face is to continue to strengthen its presence in South America and Asia, the integration of completed and evaluation of new acquisitions, and matching of the company's products to be in line with the current technical development. The nomination committee has searched for a person with industrial experience whom can supplement the qualities of the existing directors. To achieve a more even distribution in terms of gender the nomination committee has focused on identifying women with relevant background and experience. Susanna Schneeberger's experience adheres well to all of these requirements. The proposal of the nomination committee means that 2 of 7 board members are women, equaling 29 %, an increase from 17 % in the previous year.

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

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

The nomination committee has proposed re-election of the registered public accounting firm KPMG AB as the company's auditor for the period until the end of the 2016 annual general meeting. KPMG AB has informed the company that the authorised public accountant Anders Malmeby will continue to be the auditor-in-charge of the company.

Resolution on the remuneration to be paid to the chairman of the board of directors, the directors, and to the auditor

Fees to the directors for the period up to and including the annual general meeting 2016 is proposed to be paid as follows. The chair will receive SEK 500,000 (previously SEK 450,000) and each of the other directors will receive SEK 240,000 (previously SEK 220,000). Additional consideration will be paid in the amount of SEK 50,000 (previously SEK 50,000) to the chair of the compensation committee and SEK 75,000 (previously SEK 75,000) to the chair of the audit committee. Taking into account the proposed increase of the board with one additional director and considering the proposal above the total remuneration to the Board will increase from SEK 1,675,000 to SEK 2,065,000.

The nomination committee has conducted an analysis of director fees and associated remuneration for committee work compared to similar companies with respect to the size and complexity of Concentric. 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 approved account (on an hourly basis).

Concentric AB (publ)

The Nomination Committee