

**The Nomination Committee's proposals to the Annual General Meeting 2018**

**The Nomination Committee prior to the Annual General Meeting of 2018 consisted of:**

- Henrik Hallin (representing Stena Sessan Investment AB), Chairman of the Nomination Committee;
- Bengt Stillström (representing himself);
- Carl-Johan Hagman, Chairman of the Board.

**The Nomination Committee's proposals**

On completion of its duties, the Nomination Committee has decided to recommend to the Annual General Meeting:

**that** Carl-Johan Hagman shall be appointed Chairman of the Annual General Meeting.

**that** the number of Board members shall be five without deputies.

**that** the number of auditors shall be one.

**that** remuneration to the Board members shall be SEK 400,000 to the Chairman and SEK 225,000 to each of the other Board members elected by the shareholders. No additional remuneration shall be paid for work in Board committees. The proposed Board remuneration accordingly amounts to SEK 1,300,000 (last year SEK 2,085,000).

**that** the auditor fee shall be paid according to invoice approved by the company.

**that** the following Board members shall be re-elected:

- Carl-Johan Hagman;
- Stefan Brocker;
- Mats Jansson;
- Helena Levander;
- Michael G:son Löw.

Dan Sten Olsson and Morten Christian Mo have declined re-election.

**and that** Carl-Johan Hagman shall be re-elected as Chairman of the Board. The Nomination Committee does not propose any Deputy Chairman of the Board.

**that**, in accordance with the Audit Committee's recommendation, KPMG shall be elected as auditor of the company for a term until the next Annual General Meeting. If the Annual General Meeting resolves to elect KPMG as auditor, KPMG has announced that the current authorised public accountant in the company, Jan Malm, will continue as the main responsible auditor at KPMG.

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**that** the Nomination Committee shall be established in accordance with the following procedure:

The nomination process for the election of Board members includes the appointment of a Nomination Committee consisting of three members. The members shall comprise one representative from each of the two largest shareholders (in terms of voting power), provided they desire representation on the committee, and the company's Chairman of the Board. The largest shareholder in terms of voting power appoints the Chairman of the Nomination Committee.

The largest shareholders will be contacted by the Chairman of the Board on the basis of the company's list of registered shareholders provided by Euroclear Sweden AB as on the last business day of August in the year prior to the meeting. After the shareholders have been contacted, they shall give notice as to whether they wish to serve on the committee or not within fourteen days. If no response is received from the shareholder, contact is made with the next largest shareholder. The names of the members of the Nomination Committee shall be announced on the website immediately after their appointment, but no later than six months before the Annual General Meeting of 2019.

If the structure of major shareholders changes during the nomination process the composition of the Nomination Committee may, if the Nomination Committee so decide, be changed to reflect this. The Nomination Committee may also increase its numbers by one person.

The term of office for the Nomination Committee lasts until a new committee is appointed.

The guidelines regarding nomination of Board members are that the individual in question must have knowledge and experience relevant to the company. The rules on the independence of Board members contained in the Swedish Corporate Governance Code shall be observed.

The Nomination Committee's tasks include submitting proposals to the Annual General Meeting concerning the following areas:

- Chairman of the meeting;
- Board members and deputy Board members;
- Chairman of the Board;
- Remuneration to the Board members and the Chairman, including proposals to remuneration for committee work;
- Auditor and deputy auditor and their fees;
- Proposals for procedures for appointing the Nomination Committee.

The Nomination Committee may charge the company for recruitment consultancy and other advisory services necessary to enable the committee to fulfil its duties. As far as other work is concerned, the Nomination Committee shall carry out the duties specified for Nomination Committees in the Swedish Corporate Governance Code.

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## **Report on the work of the Nomination Committee prior to the Annual General Meeting of 2018**

Prior to the Annual General Meeting of 2018, the Nomination Committee held two meetings and also had a number of email and telephone contacts. The Nomination Committee has considered the Board's evaluation and has received from the Chairman of the Board a report on the Board's work. The Nomination Committee has used this as basis for evaluating the composition of the Board.

The Nomination Committee has considered the matters under the Swedish Code of Corporate Governance that the Nomination Committee is responsible to deal with. This includes, among other things, discussions and considerations regarding (i) to what extent the current Board fulfils the requirements that will be imposed on the Board as a result of the company's business and development phase, (ii) the size of the Board, (iii) the different areas of competence that are and should be represented within the Board, (iv) the composition of the Board with respect to experience, gender and background, (v) remuneration to the Board members and (vi) the procedure for establishing a new Nomination Committee for the Annual General Meeting to be held in 2019. The Election Committee has applied rule 4.1 in the Swedish Corporate Governance Code as diversity policy when preparing the proposal regarding election of members of the Board of Directors. In order for the company to fulfil its information obligations to the shareholders, the Nomination Committee has informed the company on how the Nomination Committee has performed its work and on the proposals that the committee has resolved to present.

### **Motivated statement regarding the Nomination Committee's proposal for Board of Directors**

The Nomination Committee has concluded that the Board and its work are functioning well. Two current Board members have decline re-election. The Nomination Committee considers that the Board composition represents a broad range of competence, with extensive operational and financial expertise, including knowledge of international conditions and markets. The Nomination Committee has also made an assessment of each member's ability to devote sufficient time to their Board duties.

The Nomination Committee has taken into account the matter of diversity in the Board, where the most important component is that the company should have a greater proportion of women represented in the Board. The Nomination Committee works with a focus on diversity and with the aim of increasing the proportion of women in the Board.

The Nomination Committee has found that the proposed Board meets the requirements on independency set out in the Swedish Code of Corporate Governance.

Gothenburg in March, 2018

**Concordia Maritime AB (publ)**

*The Nomination Committee*