

**The Nomination Committee's proposal to the Annual General Meeting 2016**

**The Nomination Committee of Concordia Maritime AB (publ) prior to the Annual General Meeting on 26 April 2016.**

*The members of the Nomination Committee were appointed based on the company's ownership structure as per 1 September 2015. The composition of the Nomination Committee was published on 26 October 2015.*

**The Nomination Committee prior to the Annual General Meeting of 2016 consisted of**

- Martin Svalstedt (Stena Sessan Rederi AB), Chairman of the Nomination Committee
- Arne Lööv (Fjärde AP-fonden)
- 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** lawyer Stefan Brocker be appointed Chairman of the Annual General Meeting

**that** the number of Board members shall be seven without deputies

**that** the number of auditors be one together with one deputy auditor

**that** remuneration to the Board members remains unchanged at SEK 400,000 to each of the Chairman and the Deputy Chairman and SEK 225,000 to each of the other Board members elected by the shareholders. In addition to Board member remuneration, the remuneration for committee work shall be SEK 50,000 to each of the Chairman of the Remuneration Committee and the Audit and Finance Committee, respectively, and SEK 30,000 to each other member of the Remuneration Committee and the Audit and Finance Committee, respectively. The proposed Board remuneration, including remuneration for committee work, accordingly amounts to SEK 2,085,000 provided that each committee is composed of one Chairman and one other committee member

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

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

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

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- Morten Christian Mo
  - Dan Sten Olsson

**and that** Carl-Johan Hagman be re-elected as Chairman of the Board and that Stefan Broucker be re-elected as Deputy Chairman of the Board

**that** authorised public accountant Jan Malm of KPMG be re-elected as auditor of the company until the next Annual General Meeting and authorised public accountant Helena Ekberg of KPMG be re-elected as deputy auditor

**that** the Nomination Committee be appointed 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 2017.

If the structure of major shareholders changes during the nomination process, the composition of the Nomination Committee may 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 issued to the largest owners regarding their choice of representative state 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 and the Deputy Chairman of the Board
- Remuneration to the Board members, the Chairman and the Deputy Chairman, including proposals to remuneration for committee work

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- 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.

### **Report on the work of the Nomination Committee prior to the Annual General Meeting of 2016**

Prior to the Annual General Meeting of 2016, the Nomination Committee held three 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 also interviewed Board members. The Nomination Committee has used this as basis for evaluating the composition of the present Board.

The Nomination Committee has considered all 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 fulfill 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 2017. In order for the company to fulfill 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 very well. 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 Board's gender distribution and considers that the company should increase female representation on the Board over time. In view of the significant changes currently taking place in the company's markets, the Nomination Committee believes that a high degree of continuity in the Board's composition is desirable. The Nomination Committee notes that the Swedish Corporate Governance Board has recommended that Swedish public companies should endeavour to achieve a more even gender distribution by 2017. It is the Nomination Committee's assessment that it is important to strive for a more even gender distribution

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at future changes in the Board's composition. The Nomination Committee has accordingly initiated a process with the aim of increasing the number 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, 2016

**Concordia Maritime AB (publ)**

*The Nomination Committee*