

The Nomination Committee's statement explaining its proposal to the Board of Sectra AB, including a presentation of the work of the Nomination Committee ahead of the 2017 AGM

In accordance with the principles adopted by the 2016 Annual General Meeting (AGM), the Chairman of the Board contacted the largest shareholders in the autumn of 2016 to form a Nomination Committee tasked with preparing proposals ahead of the 2017 AGM. Before agreeing to the assignment, the members of the Nomination Committee assessed whether it would create a conflict of interest and notified the company that no conflict of interest existed.

The members of the Nomination Committee were announced in a press release on December 7, 2016 and comprised the following members:

- Carl-Erik Ridderstråle, Chairman of the Board (convener). Independent in relation to the company and its management.
- Torbjörn Kronander, Board member, President and CEO of Sectra AB and the company's largest shareholder.
- Jan-Olof Brüer, Board member of Sectra AB and the company's second-largest shareholder (Chairman).
- Jan Särllvik, representative of Nordea Fonder, which is the company's fourth-largest shareholder. Independent in relation to the company and its management.

Jan-Olof Brüer, who is the company's second-largest owner in terms of votes, was appointed Chairman of the Nomination Committee since Torbjörn Kronander, the company's largest owner in terms of votes, decided to abstain from chairmanship due to his role as President of Sectra AB. The members of the Nomination Committee jointly represent 43% of the votes in Sectra AB.

Work of the Nomination Committee ahead of the 2017 AGM

According to the nomination process, the Nomination Committee is to draft proposals for the following:

- Chairman of the AGM
- Board of Directors
- Chairman of the Board
- Board fees to the Chairman and other members of the Board of Directors, and remuneration for committee work
- Fees to the company's auditors
- Principles for appointing the next Nomination Committee

Board member Erika Söderberg Johnson has notified the Nomination Committee that she is declining reelection.

The Nomination Committee has held regular meetings and phone discussions since it was appointed in autumn 2016. In addition, individual meetings were held with new Board members proposed for election. The Nomination Committee meetings and discussions mainly pertained to the need to recruit new Board members, the assessment of prospective Board members, the work of the current Board, the number of Board members and Board fees. In accordance with the Swedish Corporate Governance Code, the Nomination Committee's assessment paid particular attention to the diversity and breadth of the Board's composition as well as the requirement of working toward an even gender balance.

As a basis for its work, the Nomination Committee has reviewed the Board's assessment of its work and the Chairman of the Board's presentation of the work of the Board, and held talks with the members of the Board. This review shows that the Board has been active and extremely dedicated, and that the members had a high attendance rate.

When preparing the Nomination Committee's proposal regarding Board fees, an analysis and comparison was conducted with similar companies in order to gain an understanding of what a reasonable fee would be. The Nomination Committee proposes that fees to the Chairman of the Board be raised to SEK 450,000 (previously

SEK 370,000) and that fees to Board members be raised to SEK 225,000 (previously SEK 185,000). The Nomination Committee also proposes that remuneration of committee work remain unchanged.

When discussing the proposal for the election of auditors and fees for audit work, the Nomination Committee was assisted by the Audit Committee. The Nomination Committee proposes that the 2017 AGM elect Grant Thornton as the public accounting firm for the company, with Authorized Public Accountant Mia Rutenius as Auditor in Charge, until the close of the 2018 AGM. The Nomination Committee also proposes auditors' fees be paid in accordance with approved invoices. The proposals follow the recommendation presented by the Board's Audit Committee to the Nomination Committee.

The Nomination Committee proposes that the principles for appointing the Nomination Committee as laid down at the 2016 AGM shall continue to apply.

Proposal to the Board of Directors

The Nomination Committee proposes:

- The Board of Directors should comprise eight Board members with no deputies.
- The reelection of:
 - Carl-Erik Ridderstråle
 - Anders Persson
 - Christer Nilsson
 - Jakob Svärdröm
 - Jan-Olof Brüer
 - Torbjörn Kronander
- The new election of:
 - Ulrika Hagdahl
 - Tomas Puusepp
- The reelection of Carl-Erik Ridderstråle as Chairman of the Board.

Presentation of the proposed Board members

A presentation of the individuals proposed by the Nomination Committee for reelection to the Board of Directors is available on www.sectra.com/board_of_directors and a presentation of the individuals proposed as new members is set out below.

- **Ulrika Hagdahl**
 Born: 1962
 Sectra holdings: 0
 Independence: Yes. Independent in relation to the company, management and the company's major shareholders.
 Education: Master of Science in Engineering Physics, Royal Institute of Technology in Stockholm.
 Professional experience: Founder of Orc Software AB, Head of Innovation at Orc Software AB 1987-1990, President and CEO of Orc Software AB 1990-2000.
 Other posts: Board member of HiQ International AB, Beijer Electronics AB, Image Systems AB and Starbreeze AB.
- **Tomas Puusepp**
 Born: 1955
 Sectra holdings: 0
 Independence: Yes. Independent in relation to the company, management and the company's major shareholders.
 Education: Electrical Engineer, studies in Physics at the Royal Institute of Technology in Stockholm and at the University of Stockholm and studies in Management (IEP) at IMD in Lausanne.
 Professional experience: Previously President and CEO of Elekta AB and held several leading positions at Elekta. Various positions at the Research Institute of Physics, Scanditronix and Ericsson.
 Other posts: Chairman of the Board of Global Medical Investments GMI AB and Board member of Elekta AB, the Swedish-American Chambers of Commerce in New York and Permobil AB.

Reasoned opinion concerning the proposal of Board members

The Nomination Committee is of the opinion that work on Sectra's Board has functioned effectively. In consideration of the areas of expertise where the Board needs strengthening, the Nomination Committee has looked for individuals with experience in the advanced software industry and the international medical device market. The Nomination Committee has therefore proposed the election of Ulrika Hagdahl, who will contribute expertise to the Board of Directors from the advanced software industry, bringing extensive experience as President and CEO of ORC Software. The Nomination Committee also identified one more individual, Tomas Puusepp, who will contribute valuable knowledge to the Board of Directors from the international medical device market, bringing extensive experience as President and CEO of Elekta. With these two new Board members, the Nomination Committee considers is of the opinion that the expertise and experience that are important for Sectra, and that the Nomination Committee believes are required to meet Sectra's future challenges and needs, will be properly represented on the Board of Directors. In addition to the election of the two proposed new members, the Nomination Committee does not believe there is a need to further renew or supplement the composition of the Board. The Nomination Committee therefore proposes the reelection of all current Board members who have not declined reelection.

The Nomination Committee has assessed each member's capacity to devote sufficient time and dedication to the Board assignment and assessed the extent to which the Board fulfils the requirements that will be imposed on it considering the company's operations, situation and future direction. In the opinion of the Nomination Committee, all the proposed members have at their disposal the dedication and time required to perform the assignment as a member of Sectra's Board of Directors.

During the course of its work, the Nomination Committee applied rule 4.1 of the Swedish Corporate Governance Code as its diversity policy. The Nomination Committee took into account the importance of greater diversity on the Board of Directors with regard to gender, expertise, age and nationality as well as business experience and background. The Nomination Committee is of the opinion that the diversity of the proposed composition of the Board of Directors is appropriate, since the experience and competence of its members match the Sectra Group's priorities. If the AGM resolves in accordance with the Nomination Committee's proposal, 12.5% of the AGM-elected members of Sectra's Board of Directors will be women.

The Nomination Committee is also of the opinion that the proposed composition of the Board fulfils the requirements of the Swedish Corporate Governance Code with regard to the number of independent members in relation to the company and its management, and major shareholders in the company. The Nomination Committee has found nothing that indicates cause to question the independence of the Board members designated as independent.

Linköping, August 2017

The Nomination Committee of Sectra AB (publ)