

The Nomination Committee's statement explaining its proposal for the Board of Sectra AB, including a presentation of the work of the Nomination Committee ahead of the 2019 AGM

In accordance with the principles adopted by the 2018 Annual General Meeting (AGM), the Chairman of the Board contacted the largest shareholders in the autumn of 2018 to form a Nomination Committee tasked with preparing proposals ahead of the 2019 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, 2018 and comprised the following members:

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

Carl-Erik Ridderstråle, representing 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 2019 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
- 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

The Nomination Committee has held regular meetings and phone discussions since it was appointed in the autumn of 2018. The Nomination Committee meetings and discussions mainly pertained to assessing the work of the current board, reviewing the balance of complementary expertise on the Board, the need to recruit new Board members and the assessment of prospective Board members and discussions of fees to the Board. 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 fees to the Board, an analysis and comparison was conducted with similar companies in order to gain an understanding of what would be reasonable fees. The Nomination Committee notes that the fees to the Board were increased at the 2017 AGM. For the third year in a row, the Nomination Committee proposes that fees to Board should be the same, which means that the Chairman of the Board receives SEK 450,000 and that fees to the other Board members receive SEK 225,000. As regards work on committees, the Nomination Committee proposes that the chairman of the Audit Committee receives

SEK 100,000 (previously SEK 80,000) and that other external members of the Audit Committee receive SEK 50,000 (previously SEK 40,000).

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 Grant Thornton be re-elected as the public accounting firm for the company, with Authorized Public Accountant Mia Rutenius as Auditor in Charge, until the close of the 2020 AGM. The Nomination Committee also proposes that 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 2018 AGM shall continue to apply.

Proposal for the Board of Directors

The Nomination Committee proposes:

- The Board of Directors should comprise 7 Board members with no deputies.
- The reelection of:
 - Jan-Olof Brüer
 - Anders Persson
 - Christer Nilsson
 - Tomas Puusepp
 - Birgitta Hagenfeldt
 - Torbjörn Kronander
- The new election of Jonas Yngvesson
- The re-election of Jan-Olof Brüer as Chairman of the Board.

Board member Ulrika Hagdahl has declined re-election.

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 investor.sectra.com/board-of-directors and a presentation of the individual proposed as new member is set out below.

Jonas Yngvesson

Born: 1965

Principal education: Master of Computer Science and Engineering and a Licentiate of Science in Information Theory.

Professional experience: Senior software engineer at Google in Zürich, previously Chief software architect at Sectra.

Other assignments: No other significant assignments.

Independence: Yes. Independent in relation to the company, management and the company's major shareholders.

Sectra holdings: 21,597 shares

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 IT area and cloud technology. The Nomination Committee therefore proposes the election of Jonas Yngvesson, Senior software engineer at Google and with a previous background as Chief software architect at Sectra, who will contribute expertise and valuable knowledge to the Board of Directors. With this proposal, the Nomination Committee believes that Sectra will strengthen its expertise and international broadening towards modern information technology. The Nomination Committee 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 proposed new member, the Nomination Committee does not believe there is a need to further renew or supplement the composition of the Board.

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 has taken 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, 14.3% 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 2019

The Nomination Committee of Sectra AB (publ)