

NOMINATION COMMITTEE'S PROPOSAL

The Nominations Committee of Semcon AB (publ), corporate registration number 556539-9549, was appointed in accordance with the procedure decided by the 2015 Annual General Meeting and comprises Olof Cato (JCE Group Aktiebolag) Chairman of the Nominations Committee, Evert Carlsson (Swedbank Robur Fonder), Katja Bergqvist (Handelsbanken Fonder), and Semcon's Chairman Kjell Nilsson, who together represent around 33.6 per cent of the votes associated with all the shares in the company.

The Nominations Committee submits the following proposals to the Annual General Meeting on 28 April 2016:

Election of Chairman of the Annual General Meeting

The Nominations Committee proposes Kjell Nilsson as Chairman of the Annual General Meeting.

Decision regarding the number of Board members and deputies

The Nominations Committee proposes that there be five ordinary Board members and no deputies.

Decision regarding the number of auditors and deputy auditors or registered public accounting firms

The Nominations Committee proposes that a registered public accounting firm be appointed as auditor of the company.

Determination of remuneration to the Board of Directors

The Nominations Committee proposes, similarly to last year, that a total fee of SEK 1,610,000 shall be paid to Board members elected by the meeting, of which SEK 550,000 to the Chairman and SEK 265,000 to each of the other members elected by the meeting. The Nominations Committee further proposes that no special fees be paid for work on Board committees.

Determination of remuneration to the auditors

The Nominations Committee proposes that the fee paid to auditors be made on open account, approved by the company.

Election of Board chairman, Board members and possible deputies

The Nominations Committee proposes the re-election of Marianne Brismar as Board member and that current Board member Tore Bertilsson be elected as Chairman. The Nominations Committee furthermore proposes that Karl Thedén, Jan Erik Karlsson and Jeanette Saveros be elected Board members.

Chairman Kjell Nilsson and Board members Gunvor Engström and Håkan Larsson have declined re-election.

Tore Bertilsson (born 1951), MBsc. Elected to the Board in 2015. Tore Bertilsson was formerly Executive Vice President and CFO of SKF. Other board assignments: Chairman of PRI Pensionsgaranti, Perstorp Holding AB and Aktiebolaget Ludvig Svensson. Member of the IKEA Group Board, Gunnebo AB, Stampen AB, JCE Group Aktiebolag, Ågrenska AB (svb) and SEB Trygg Liv. Shareholding in Semcon: 6,000 shares. Citizen of Sweden.

Marianne Brismar (born 1961), Chemist and Economist. Elected to the Board in 2008. Marianne Brismar was formerly CEO and owner of Atlet AB. Other board assignments: Member of Beijer Alma AB, Concentric AB, Axel Johnson International Aktiebolag, Lindab International AB, JOAB Recycling AB and Creades AB. Shareholding in Semcon: 5,000 shares. Citizen of Sweden.

Karl Thedéen (born 1963), MSc. Karl is Senior Vice President and Business Unit Manager at Infiera's metronet division and former CEO of Transmode AB (publ). Before then he held a number of senior positions at the Ericsson Group. Karl Thedéen was a Board of Latour Industries between 2012 - 2015 and HMS NetWorks AB (publ) in 2013 - 2015. Shareholding in Semcon: 0. Citizen of Sweden.

Jan Erik Karlsson (born 1949), Bachelor of Arts. Jan Erik Karlsson was previously CEO of Capgemini Sverige AB and held other senior positions at the Capgemini Group. Other Board assignments: Chairman of Feelgood Svenska AB, IC Quality AB, and BiTA Service Management AB. Member of Itera AS and Cybercom Group AB. Shareholding in Semcon: 0. Citizen of Sweden.

Jeanette Saveros (born 1974), Construction engineer. Jeanette Saveros was previously CEO of the Hifab Group AB. Other Board assignments: Member of Svenska Teknik&Designföretagen, Sweden Green Building Council, Svenska Markservice AB. Shareholding in Semcon: 0. Citizen of Sweden

In addition to the holdings stated above, none of the persons proposed, or their close associates, own shares or share-related instruments in the company.

The proposed Board members can be considered independent in relation to the company, the senior management team and major shareholders, except for Tore Bertilsson who is not considered independent in relation to the major shareholders in the company, since he is a Board member of a company that is a major shareholder in the company.

The Nominations Committee's justifications for these proposals to the Board are available on the company's website, www.semcon.com. The report also contains a brief account of how the Nominations Committee's work is carried out.

Election of auditors and deputy auditors or registered public accounting firms

The 2015 Annual General Meeting elected Deloitte AB as auditors of the company up to the time of the end of the 2016 Annual General Meeting. The Nominations Committee proposes

that the registered public accounting firm Deloitte AB be re-elected as the company's auditor for a period of one year.

Decision regarding the Nominations Committee

The Nominations Committee proposes that the company shall have a Nominations Committee that no remuneration be paid to the Nominations Committee although the company shall pay the costs of the Nominations Committee, and that there be a nominations process with the following content.

1. The Nominations Committee shall comprise three, or in some cases (see point 6 below), four additional members. In addition, the Chairman of the Board shall be a co-opted member in the Nominations Committee.
2. Based on the shareholder statistics received from Euroclear Sweden AB each year on 31 August, the Chairman of the Board shall without undue delay contact the three largest shareholders (based on number of votes) and ask each of them to appoint, within a reasonable period, one member of the Nominations Committee. If any of the three largest shareholders declines to appoint a member to the Committee, the other major shareholders will be asked to appoint a member to the Committee. If such an offer is made, it will go in turn to the largest shareholders (i.e., first to the fourth largest shareholder, then the fifth largest shareholder, etc.). The proceedings shall continue until the Nomination Committee consists of three members and the Chairman of the Board as a co-opted member. The Nominations Committee shall be constituted at the latest one month after it has been appointed, i.e. 30 September.
3. The member proposed by the shareholder holding the most votes shall act as chairman of the Nominations Committee.
4. Membership of the Nominations Committee applies until a new committee is appointed.
5. The names of the members of the Nominations Committee shall be announced as soon as the committee is appointed and six months before the next Annual General Meeting at the latest.
6. If there are changes in the shareholder structure after 31 August and earlier than two months before the Annual General Meeting, and if a shareholder consequently becomes one of the three largest shareholders and makes a request to the Nominations Committee's Chairman to be represented on the Nominations Committee, then this shareholder shall have the right to either appoint an additional committee member or, if the Nominations Committee so decides, to appoint a representative to replace the representative of the shareholder who has the least number of votes following the changes in ownership structure.
7. If a member of the Nominations Committee resigns during the mandate period or is unable to fulfil his or her obligations, then the Chairman of the Nominations Committee shall without delay ask the shareholder to appoint a new representative within a reasonable time. If the shareholder declines to replace a new representative,

the Chairman shall - provided that the number of shareholder appointed members of the Nomination Committee thus will be less than three – ask other larger shareholders to appoint a member to the Nominations Committee. If such an offer is given, it shall be offered to the largest shareholder in terms of voting rights (i.e. to the shareholder with the largest number of voting rights who has not already appointed or who has declined to appoint a member, then the next largest shareholder who has not already appointed or declined to appoint a member of the Nomination Committee, etc.). The proceedings shall continue until the Nomination Committee consists of three members and the Chairman of the Board as co-opted member.

8. The Nominations Committee shall perform the duties that from time to time arise in accordance with Swedish Code of Corporate Governance. The duties of the Nominations Committee include making proposals for (i) Chairman of the Annual General Meeting, (ii) Chairman of the Board and other Board members, (iii) fees and other remuneration for Board assignments for each Board member, (iv) fees for auditors (v) selection of auditors and (vi) fees for members of the Nominations Committee and proposals for the nomination process in general. The Nomination Committee will provide the company with the information required for the company to meet its information liability according to the Swedish Code of Corporate Governance.

Semcon AB's (publ) Nominations Committee, March 2016