

Proposal by the Board of Directors of Nobia AB (publ), reg. no. 556528-2752, regarding remuneration guidelines and other employment terms for the Group management

The Board of Directors of Nobia AB (publ) ("Nobia") proposes that the 2019 Annual General Meeting resolves on the following proposal regarding guidelines for determining remuneration and other employment terms for the President and other members of the Group management. The Group management, including the President, currently consists of 12 persons.

For detailed information on the total remuneration for the Group management, including fixed and variable remuneration, long-term incentive schemes, pensions and other benefits, please refer to note 4 of Nobia's annual report.

The Remuneration Committee

A Remuneration Committee is appointed among the members of the Board of Directors. The Committee's task is, inter alia, to prepare proposals to the Board of Directors relating to the remuneration for the President, as well as to consider proposals regarding remuneration for managers who report directly to the President.

Guidelines 2019

Based on, inter alia, the follow-up and evaluation performed by the Remuneration Committee, the Board of Directors considers the relevant proposal regarding remuneration guidelines and other employment terms for the Group management, which are materially consistent with the guidelines resolved on at the Annual General Meeting of previous years, to be a balanced trade-off between fixed cash salary, variable cash salary, long-term share-related remuneration, pensions and other benefits.

Nobia's policy is that the total remuneration shall correspond to market levels. An on-going evaluation of positions is conducted to ensure market levels in each country.

Members of the Group management receive both a fixed and a variable salary portion. The general principle is that the variable salary portion may amount to a maximum of 40 per cent of the fixed annual salary. The exception to this principle is the President, whose variable salary portion may amount to a maximum of 65 per cent of the fixed annual salary. Exceptions may also be made for other senior executives following a decision by the Board.

The variable salary portion is normally divided into a number of targets, for example the Group's results, results in the business unit for which the manager is responsible, and individual/qualitative targets. The variable salary portion is based on a vesting period of one (1) year. The targets for the President are determined by the Board. The targets for other senior executives are determined by the President following recommendations from the Remuneration Committee. The cost for the variable salary for the Group management may, at maximum outcome, assuming that all bonus targets are met, amount to approximately SEK 16.6 million (excluding social security costs). The calculation is based on the Group management's current composition.

Members of the Group management employed in Sweden are entitled to pensions under the ITP system or equivalent. The age of retirement is 65 years. In addition to the ITP plan, the management has a right to, after resolution by the Board, an expanded premium based pension right on salary portions exceeding 30 base amounts.

The Group management's employment agreements include remuneration and termination provisions. According to these agreements, an employment may normally be terminated by the employee with a notice period of six months and by the company with a notice period of twelve months.

With the purpose of increasing senior executives' engagement and ownership in the company as well as attracting, motivating and retaining key employees within the Group, Nobia has, following resolutions on each Annual General Meeting since 2005, executed long-term share-related incentive schemes. The Board of Directors has proposed a long-term performance share plan ahead of the 2019 Annual General Meeting as well. For information regarding the proposed performance share plan, including estimated total cost, please refer to the Board of Directors' separate proposal.

The Board of Directors shall have the right to deviate from the guidelines above, if they assess that there are particular reasons motivating it in a certain case.

Board of Directors in April 2019