

Nomination Committee of Nobia AB's (publ) proposals, explanatory statement and report on its work prior to the 2019 Annual General Meeting

Background

The Annual General Meeting of Nobia AB (publ) ("Nobia") appointed a Nomination Committee at the 2018 Annual General Meeting comprising the following owner representatives: Tomas Billing (Nordstjernan), Torbjörn Magnusson (If Skadeförsäkring), Mats Gustafsson (Lannebo Fonder) and Arne Lööv (Fourth Swedish National Pension Fund). The shareholders represented on the Nomination Committee hold about 47% of the shares and votes in Nobia.

In accordance with the instruction adopted by the Annual General Meeting, the task of the Nomination Committee has been to prepare proposals in the following matters to be presented to the 2019 Annual General Meeting of Nobia:

- the election of the Chairman and other members of the company's Board of Directors,
- the Directors' fees, divided between the Chairman and the other Board members, and any remuneration for Committee work,
- the election of and fees to auditors and deputy auditors (where applicable),
- the election of the Chairman of the Annual General Meeting, and
- the election of members of the Company's Nomination Committee for the period from the end of the Annual General Meeting until the conclusion of the following Annual General Meeting.

In addition, the Nomination Committee is to decide on whether to make any changes to the instruction for the Nomination Committee of Nobia adopted at the 2015 Annual General Meeting.

The Nomination Committee has held five meetings at which minutes were taken and maintained regular contact between meetings. The Nomination Committee has received a report from the newly elected Board Chairman on the manner in which the Board's work was conducted. Additionally, the Nomination Committee interviewed individual Board members. The Nomination Committee discussed the size and composition of the Board in light of the company's situation and strategic challenges.

The Nomination Committee's proposals for decisions

The election of the Chairman and other members of the company's Board of Directors

The Nomination Committee proposes that the members of the Board of Directors who are elected by the Annual General Meeting be comprised of seven individuals with no deputies, a reduction of two individuals.

The Nomination Committee proposes that the current Board members be re-elected: Hans Eckerström (Chairman since 2018), Morten Falkenberg (member since 2011), Nora Førisdal Larssen (member since 2011), Stefan Jacobsson (member since 2014), Jill Little (member since 2017) and George Adams (member since 2017). Furthermore, re-election of Hans Eckerström as Board Chairman is proposed.

Lilian Fossum Biner (member since 2012), Christina Ståhl (member since 2015) and Ricard Wennerklint (member since 2014), have declined re-election.

The Nomination Committee proposes that Marlene Forsell be elected a new Board member.

Marlene Forsell holds a Degree of Master of Science in Business and Economics from the Stockholm School of Economics. During 2013-2018, she was Chief Financial Officer & Senior Vice President of Swedish Match and prior to that she held several managerial positions in the same company. Ms. Forsell is on the board of Kambi Group and Lime Technologies.

The proposal for the composition of Nobia's Board of Directors fulfils the independence requirements of the Swedish Corporate Governance Code. All of the Board members, with the exception of Hans Eckerström and Nora Førisdal Larssen are considered to be independent in relation to the company's largest owners. All of the Board members, with the exception of the President Morten Falkenberg, are considered to be independent in relation to the company and company management.

Similar to previous years, the Nomination Committee has based its proposals on ensuring that the Board is characterised by diversity and breadth in terms of competence, experience and background. The overall evaluation of the Board's work has shown that the Board functions well with good group dynamics. The Board Chairman shows great dedication in his leadership of the Board's work and creates an open and constructive atmosphere at meetings. The Nomination Committee believes that Nobia has a well-functioning, but quite large, Board. The proposed Board has a well-balanced composition of individuals regarding competence, gender distribution, experience and breadth in terms of a variety of qualifications that all complement each other. According to the proposal, the number of women on the Board will amount to three of the seven members elected at the Annual General Meeting including the President.

The diversity policy that the Nomination Committee applied in preparing its proposal complies with Article 4.1 of the Swedish Corporate Governance Code.

Fees for the Board Chairman and other Board members

The Nomination Committee proposes that the Directors' fees amount to a total of SEK 3,250,000, with the Chairman receiving SEK 1,200,000 of this amount and each of the other Board members elected by the General Meeting receiving SEK 410,000, i.e. a 20% reduction of the total Directors' fees. All the fees per person remain unchanged. It is proposed that no Directors' fees be paid to Board members who receive a salary from the company. The Board of Directors has decided to establish an Audit Committee comprising Marlene Forsell (Chairman) and Nora Førisdal Larssen (member). It is proposed that the fee for the Chairman of the Audit Committee be SEK 150,000 and the fee for members of the Committee be SEK 125,000 per annum. It is proposed that the Board's Remuneration Committee continue its work and that no fees be paid to members of the Committee.

Election of, and fees to, auditors and deputy auditors

The Nomination Committee proposes that Deloitte AB, with Daniel de Paula as Auditor-in-Charge until further notice, be re-elected as the company's auditors for the period until the conclusion of the following Annual General Meeting.

In accordance with the Swedish Corporate Governance Code, the Nomination Committee's proposal to the Annual General Meeting regarding election of auditors is to include the recommendation of the Audit Committee.

Nobia's Audit Committee has recommended that Deloitte AB, with Daniel de Paula as Auditor-in-Charge until further notice, be elected auditor at the Annual General Meeting. Accordingly, the Nomination Committee's proposal on auditors is consistent with the recommendation of the Audit Committee. Furthermore, the Nomination Committee proposes that no deputy auditors be appointed. It is proposed that fees be paid in accordance with approved invoices.

The election of the Chairman of the Annual General Meeting

The Nomination Committee proposes that Board Chairman Hans Eckerström be appointed Chairman of the 2019 Annual General Meeting.

Election of members of the Nomination Committee

The Nomination Committee proposes that the Annual General Meeting elects Peter Hofvenstam representing Nordstjernan, Ricard Wennerklint representing IF Skadeförsäkring, Mats Gustafsson representing Lannebo Fonder and Arne Lööw representing the Fourth Swedish National Pension Fund as members of the Nomination Committee until the conclusion of the 2020 Annual General Meeting. The Nomination Committee proposes that Peter Hofvenstam be elected Chairman of the Nomination Committee. The owners proposed to be represented on the Nomination Committee hold approximately 47% of the shares and votes in Nobia.

Instruction for the Nomination Committee

No amendments are proposed to the instructions for the Nomination Committee as adopted at the 2015 Annual General Meeting.

NOMINATION COMMITTEE