

# **Nomination Committee of Nobia AB's (publ) proposals, explanatory statement and report on its work prior to the 2013 Annual General Meeting**

## **Background**

The Annual General Meeting of Nobia AB (publ) ("Nobia") resolved on the principles for the composition of the Nomination Committee at the 2011 Annual General Meeting. In accordance with these principles, a Nomination Committee was announced in October 2012 comprising the following owner-representatives: Tomas Billing (Nordstjernan), Björn Franzon (Swedbank Robur funds), Fredrik Palmstierna (Latour) and Ricard Wennerklint (If Skadeförsäkring). The owners represented on the Nomination Committee hold slightly more than 50 per cent of the shares and votes in Nobia.

The owner-representatives decided that Nobia Board Chairman, Johan Molin, should be a member of the company's Nomination Committee. Tomas Billing was appointed Chairman of the Nomination Committee.

In accordance with the principles adopted by the Annual General Meeting, the task of the Committee was to prepare proposals in the following matters to be presented to the 2013 Annual General Meeting of Nobia:

- the appointment of the Chairman and other members of the company's Board of Directors,
- the Directors' fees, divided between the Chairman and the other members, and any remuneration for committee work,
- principles for the composition of the Nomination Committee, and
- election of, and fees to, auditors and deputy auditors, and the Chairman of the 2013 Annual General Meeting.

The Nomination Committee held four meetings at which minutes were taken and the Committee members maintained regular contact between meetings. The Nomination Committee received a report from the Board Chairman on the manner in which the Board's work was conducted, and also studied the evaluations performed. Additionally, the Nomination Committee interviewed individual Board members. The 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 Board of Directors, whose members are elected by the Annual General Meeting, be comprised of six members with no deputies. Bodil Eriksson (Board member since 2003) announced in August 2012 that she would step down from the Board. Rolf Eriksen declined re-election after having served as a Board member for three years.

The Nomination Committee proposes that the following current Board members be re-elected: Morten Falkenberg (member since 2011), Lilian Fossum Biner (member since 2012), Johan Molin (member since 2010), Nora Förisdal Larssen (member since 2011), Thore Ohlsson (member since 2007) and Fredrik Palmstierna (member since 2006). The Nomination Committee proposes that Johan Molin be re-elected as Chairman of the Board.

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 Nora Förisdal Larssen, Johan Molin and Fredrik Palmstierna, 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. The Nomination Committee believes that the composition of the proposed Board of Directors is appropriate with respect to the company's operations, stage of development, strategy and other circumstances, and is characterised by diversity and breadth in terms of competencies, experience and background.

*Fees for the Board Chairman and other Board members*

The Nomination Committee proposes an adjustment to the Directors' fee per Board member. The reason is that the Nomination Committee believes that Board work has becoming increasingly comprehensive. The Nomination Committee proposes that the Directors' fee for Board members be increased from SEK 325,000 to SEK 335,000, and that the fee for the Chairman be increased from SEK 850,000 to SEK 900,000. The difference in fees between the Chairman and other Board members is in line with market practice and reflects the differences in responsibilities and level of work involved. It is proposed that no Directors' fees be paid to Board members who receive a salary from the company. It is proposed that the Board's Remuneration Committee continue its work and that no fees be paid to the Remuneration Committee. The Board of Directors has not established an audit committee. The reason for this is that the company's Board believes that such issues can best be addressed by the Board as a whole. This is in line with the resolution made at the 2004 Annual General Meeting.

*Election of, and fees to, auditors and deputy auditors*

The Nomination Committee proposes that KPMG AB, with Helene Willberg as Auditor in Charge, be re-elected as the company's auditors for the period until the conclusion of the following Annual General Meeting.

Furthermore, the Nomination Committee proposes that no deputy auditors be appointed.

It is proposed that fees be paid in accordance with approved invoices.

*Principles for the composition of the Nomination Committee*

No amendments are proposed to the principles for the composition of the Nomination Committee as adopted by the 2011 Annual General Meeting.

*Chairman of the 2013 Annual General Meeting*

The Nomination Committee proposes that Board Chairman Johan Molin be appointed Chairman of the 2013 Annual General Meeting.

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THE NOMINATION COMMITTEE