

Nomination Committee of Nobia AB's (publ) proposals, explanatory statement and report on its work prior to the 2011 Annual General Meeting

Background

The Annual General Meeting of Nobia AB (publ) ("Nobia") previously decided on the principles for the composition of the Nomination Committee. In accordance with these principles, a new Nomination Committee was announced in September 2010 comprising representatives of the company's four largest owners in terms of the number of votes and the Chairman of the Board. The following individuals were appointed members of the Committee: Lars Bergkvist (Lannebo funds), Tomas Billing (Nordstjernan), Åsa Nisell (Swedbank Robur funds) and Fredrik Palmstierna (Säki and If). The owner-representatives decided that Nobia Board Chairman, Hans Larsson, should be a member of the company's Nomination Committee. Fredrik Palmstierna was elected Chairman of the Nomination Committee.

The four owner-representatives account for approximately 47 per cent of the votes in Nobia as at 31 January 2011.

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 2011 Annual General Meeting of Nobia:

- the election of the Chairman and other members of the company's Board of Directors,
- the Board fees, divided between the Chairman and the other members, and any remuneration for committee work,
- election of, and fees to, auditors and deputy auditors
- decision on the principles regarding the composition of the Nomination Committee, and
- the Chairman of the 2011 Annual General Meeting,

The Nomination Committee held five 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 met 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 eight members with no deputies. Board Chairman Hans Larsson and Stefan Dahlbo declined re-election to the Board of Directors.

The Nomination Committee proposes that the following current Board members be re-elected: Rolf Eriksen (member since 2010), Bodil Eriksson (member since 2003), Johan Molin (member since 2010), Thore Ohlsson (member since 2007), Fredrik Palmstierna (member since 2006) and Lotta Stalin (member since 2007). It is proposed that Morten Falkenberg and Nora Förisdal Larssen be elected new members of the Board of Directors. The current Chairman Johan Molin is proposed as Chairman of the Board.

Morten Falkenberg was born in 1958 and is a graduate of the Copenhagen School of Economics and Business Administration. Falkenberg took office as President of Nobia in October 2010 and previously held senior positions at Electrolux, Carlsberg, TDC Mobile and the Coca-Cola Company. Falkenberg holds 36,700 shares, 35 000 employee share options and 500,000 call options in Nobia. Falkenberg is independent in relation to Nobia's largest shareholders and, in his capacity as President, dependent in relation to the company and company management.

Nora Förisdal Larssen was born in 1965, graduated with a M.Sc. in economics from the Norwegian School of Economics and Business Administration and holds an MBA from Duke University. Förisdal Larssen has worked as a Senior Investment Manager at Nordstjernen since 2008 and is also currently the Board Chairman of Etac AB and a Board member of KMT Group AB, Ekornes ASA, Filippa K AB and Q-Matic AB. Förisdal Larssen previously served as the Product Line Manager at Electrolux AB and was a partner at McKinsey & Co. Förisdal Larssen does not own any shares or other financial instruments in Nobia. It was announced on 18 January 2011 that Nordstjernen had acquired 10 per cent of the capital and votes in Nobia. Accordingly, Förisdal Larssen is dependent in relation to Nobia's largest owners but is independent in relation to the company and company management.

The proposal for the composition of Nobia's Board of Directors fulfils the independence requirements of the Swedish Code of Corporate Governance. 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 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

The Nomination Committee proposes fees for each Board member entailing that an unchanged amount of SEK 790,000 shall be paid to the Chairman and an unchanged amount of SEK 315,000 shall be paid to each Board Member who does not 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 decision 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 on current account.

Decision on the principles regarding the composition of the Nomination Committee

The Nomination Committee proposes changes to the current principles in accordance with the proposal in Appendix 1.

Chairman of the 2011 Annual General Meeting

The Nomination Committee proposes that Hans Larsson be appointed Chairman of the 2011 Annual General Meeting.

THE NOMINATION COMMITTEE

Principles for the composition of the Nomination Committee of Nobia (2011)

1. The Chairman of the Board shall annually convene the company's four largest shareholders, based on the owner-grouped shareholders directly registered with Euroclear Sweden AB on 31 August, not later than the end of the third quarter, each of whom shall appoint one member of the Nomination Committee. This person should not be a Board member. Should any of the four largest shareholders refrain from their right to appoint a member of the Nomination Committee, the next largest owner shall be presented with the opportunity to appoint a member. Should more than one shareholder refrain from his/her right to appoint a member of the Nomination Committee, no more than the next eight largest owners need be asked to appoint a member, unless required in order for the Nomination Committee to comprise at least three members. In addition, the Chairman of the Board can be appointed a member of the Nomination Committee. The President and other members of company management may not be Nomination Committee members.

2. The Chairman of the Board shall convene the first meeting of the Nomination Committee. An owner representative should be elected as the Chairman of the Nomination Committee. The Nomination Committee shall adopt written rules of procedure for its work. The mandate period of the Nomination Committee shall extend until such time as a new Nomination Committee is appointed.

3. The composition of the Nomination Committee shall be published not later than six months prior to the Annual General Meeting. Accordingly, all shareholders will be informed of the persons to contact for nomination issues.

4. Should a shareholder who appointed a Committee member no longer be entitled to appoint such a member since the relation between the size of the owners has changed by more than one percentage point, the appointed member shall leave his/her mandate and a new member shall be appointed in accordance with the above. However, new members, except for the Chairman of the Board, shall be appointed after the end of the calendar year in question only if a previously appointed member leaves his/her assignment, for whatever reason, and the Nomination Committee subsequently comprises fewer than three members, excluding the Chairman of the Board. Changes to the Nomination Committee shall be published immediately.

5. The Nomination Committee shall prepare and present the following proposals to the Annual General Meeting:

- the election of the Chairman and other members of the company's Board of Directors,
- the Board fees, divided between the Chairman and the other members, and any remuneration for Committee work,
- the election of and fees to auditors and deputy auditors (where applicable)
- resolution on the principles regarding the composition of the Nomination Committee (where applicable), and
- the Chairman of the Annual General Meeting.

6. No remuneration is paid to the members of the Nomination Committee. The Nomination Committee has the right to charge the company with costs associated with, for example, recruitment consultants or other expenses necessary for the Nomination Committee to complete its assignment.

The above-mentioned principles for the composition of the Nomination Committee, shall apply until the Annual General Meeting decides on any changes. It is the duty of the Nomination Committee, prior to the Annual General Meeting, to take a standpoint on whether the Committee finds it necessary to propose any changes to the principles in question and, where applicable, present a proposal to the Annual General Meeting in accordance with item 5 above.