*N.B. The English text is an unofficial translation*

## Account by the Board of Directors of Nobia AB (publ), reg no 556528-2752, regarding the remuneration committee’s evaluation of remuneration to senior management

The Board of Directors of Nobia has set up a remuneration committee (the ”**Remuneration Committee**”). Since the 2019 Annual General Meeting, the Remuneration Committee consists of Hans Eckerström (Chairman of the Committee) and Nora Førisdal Larssen.

During 2019, the Remuneration Committee has monitored and evaluated ongoing and terminated schemes for variable remuneration. Furthermore, the Remuneration Committee has monitored and evaluated the application of the remuneration guidelines and other terms of employment for the Group management resolved on by the Annual General Meeting, current remuneration structures and levels of remuneration as well as having generally considered the need for amendments. In accordance with item 10.3 of the Swedish Corporate Governance Code, the Board of Directors hereby leaves the following account of the result of the evaluation by the Remuneration Committee.

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 performance-related incentive schemes. The incentive schemes adopted during 2005-2011 were based on employee warrants. All incentive schemes based on employee warrants have expired.

At the Annual General Meetings 2012-2015, it was resolved to establish long-term incentive schemes based on so-called matching and performance shares instead of employee warrants. The schemes, which include approximately 100 persons among senior management and senior executives, are based on the participants having invested in Nobia shares that are subject to “lock-ups” in the scheme. Each Nobia share that the participants have invested in under the respective scheme has given the participants the right to, after a period of service of approximately three years and assuming that certain terms and conditions are fulfilled, gratuitously be allotted matching and performance shares in Nobia. The terms and conditions are partly related to the participant’s continued employment and ownership in the company and partly to the fulfillment of a financial performance target. The costs for the schemes have been accounted for prior to the respective Annual General Meeting and in Nobia’s annual report.

At the 2016-2018 Annual General Meetings, it was resolved to establish new long-term incentive schemes, which were aimed at the same target group and to a large extent corresponded to the incentive schemes from 2012-2015, but had a strengthened performance requirement for the allotment of shares to the participant, which was the reason why no matching shares were allotted. Therefore, no requirement for the participant to perform a share investment was set either. The participants are allotted performance-based share rights that are vested with rights to shares. After the vesting period, the participants will gratuitously be allotted shares in Nobia, assuming that certain terms and conditions are fulfilled. To be eligible for allotment of shares, the participant must have had continuous employment in the Nobia Group during the period of service. Participation in Performance Share Plan 2016-2018 entailed that the maximum short-term variable salary portion for the participant was adjusted downwards with ten percentage points (the President), five percentage points (the Group management) and three percentage points (other senior executives), respectively. Furthermore, allotment of shares requires that a financial target linked to accumulated earnings per share for Nobia during the 2016/2017, 2017/2018, 2018/2019 fiscal years has been reached. Allotment is measured linearly, meaning that 25 per cent of the share rights entitle shares if the fixed minimum level is reached. If the minimum level in the interval is not reached, the share rights will not entitle shares, and if the maximum level in the interval is reached, each share right will entitle one Nobia share.

At the 2019 Annual General Meeting, it was resolved to establish a new long-term incentive scheme aimed at the same target group and corresponding to the scheme of the previous year. The Performance Share Plan 2019 comprises approximately 100 employees consisting of senior managers and employees with senior positions within the Nobia Group. To participate in the plan, a personal investment in shares in Nobia is required. After a vesting period of three years, the participants will be allocated shares in Nobia free of charge, provided that certain conditions are fulfilled. In order to be entitled to allotment of shares, the participant must have had continuous employment in the Nobia Group during the vesting period and none of the invested shares shall have been transferred during the same period. In addition, allocation of shares requires that performance targets related to average operating profit (EBIT) and total shareholder return (TSR) for the Nobia share have been achieved. Should the performance target related to EBIT be achieved but the total shareholder return (TSR) of the Nobia share be negative, no allocation shall be made. If the established minimum levels for the performance targets are achieved, the share rights will entitle to 25 per cent allocation. If the minimum level in the range is not achieved, the share rights will not give entitlement to any allocation while each share right gives entitlement to one Nobia share if the maximum level in the range is achieved. Between the minimum level and the maximum level, allocation will be linear based on the values in between the two levels.

The evaluation of the Remuneration Committee has shown that there is reason to continue with a performance share plan. The Board of Directors has therefore suggested that the 2020 Annual General Meeting resolves to establish a new long-term incentive scheme, Share Performance Plan 2020, which follows the same structure as the share performance plan that was established by the 2019 Annual General Meeting.

Furthermore, the evaluation of the Remuneration Committee has established that the remuneration to senior executives during 2019 complies with the guidelines resolved on by the 2019 Annual General Meeting. In addition, the Remuneration Committee has deemed the guidelines to be appropriate and to have been applied correctly. Furthermore, the Remuneration Committee has also monitored and evaluated the application of the company's remuneration structures and levels of remuneration, which have been deemed to be in accordance with market terms and well-balanced.

---

The Board of Directors in April 2020