

Corporate Governance Report

For Nobina, good corporate governance provides the basis for creating a trusting relationship with shareholders, employees and key stakeholders in the Group's operating environment. Corporate governance is a central building block to ensure that Nobina is managed responsibly, sustainably and that this takes place in accordance with prevailing law, other regulations and provisions and good practice based on Nobina's operations. Corporate Governance Report describes the structure of Nobina's corporate governance and includes information about shareholders, the Annual General Meeting (AGM), the Nomination Committee, auditors, the Board of Directors and Committee work, Group management as well as compliance and internal control. A description is also provided of operational management and administration, as well as the manner in which the Board of Directors ensures the quality of the financial statements and its cooperation with the company's independent auditors.

Corporate governance at Nobina

Corporate governance focuses on how to govern, manage and control operations with the aim of creating value for the company's shareholders and other stakeholders. It aims to create the preconditions for active, responsible corporate bodies, to clarify the allocation of roles and responsibilities and to ensure accurate reporting and information. Corporate governance at Nobina is based on both external and internal regulations.

Since 1 July, 2008, all companies whose shares are listed on Nasdaq Stockholm or NGM Equity are required to apply the Swedish Corporate Governance Code (the Code), regardless of their market capitalisation. Nobina is subject to the rules of the Code and has followed them since becoming listed on 18 June 2015. The Code is based on the principle of comply or explain and is available on the website for the Swedish Corporate Governance Board: www.corporategovernanceboard.se. Nobina has no deviations from the Code to report.

Articles of Association

The Articles of Association contain no separate provisions pertaining to the appointment or removal of Board members or the amendment of the Articles of Association. The Articles of Association are available in their entirety on Nobina's website; www.nobina.com.

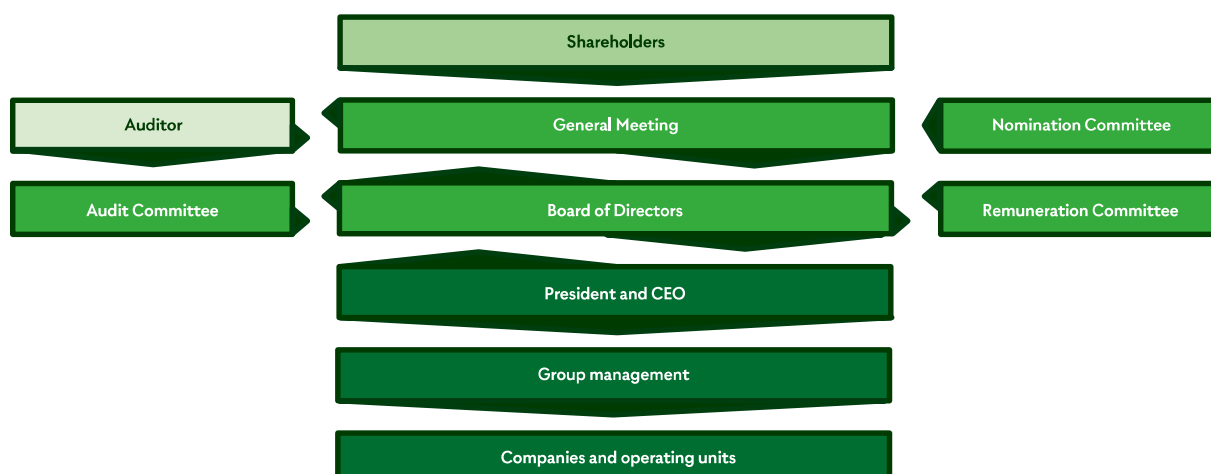
External regulations

- Swedish Companies Act
- Swedish Annual Accounts Act
- Regulations for issuers, Nasdaq Stockholm
- International Financial Reporting Standards (IFRS)
- Other relevant laws
- Swedish Corporate Governance Code

Internal regulations

- Articles of Association
- The Board's Rules of Procedure
- The Board's instructions for the CEO
- Control parameters through policies, instructions and guidelines

Organisation of Nobina's Corporate Governance



General Meeting

The General Meeting is the company's highest governing body. At this Meeting, shareholders exercise their decision-making rights on such matters as the composition of the Board of Directors and the election of auditors. The Nomination Committee proposes candidates for selection as Board members, Chairman of the Board and auditors. Resolutions at the Annual General Meeting (AGM) are normally passed with a simple majority. In certain cases, however, the Swedish Companies Act stipulates a certain level of attendance to reach a quorum or a special voting majority. Shareholders have the opportunity at the AGM to pose questions about the company and its results for the preceding year. Representatives of the Board of Directors, the Group management and the auditors are normally present to answer such questions at the AGM.

No shareholder in Nobina represents a shareholding larger than 10 percent, in terms of votes, for all shares in the company and there are no limitations on how many votes each shareholder can cast at the AGM.

2020 AGM

The 2020 AGM will be held on 28 May 2020. For more information on the Meeting, see page 98 and the company's website, www.nobina.com.

Nomination Committee

The Nomination Committee of Nobina prepares and submits proposals to the AGM for the Chairman of the AGM, members of the Board and Chairman of the Board. It also submits proposals for Board fees to each of the members of

the Board and the Chairman as well as, if any, remuneration for Committee work and fees to the company's auditor. Where applicable, it provides proposals regarding the election of auditors. Furthermore, it prepares and submits proposals regarding principles governing the composition of the Nomination Committee. The proposals submitted by the Nomination Committee are presented in the official notification of the AGM.

Composition of the Nomination Committee and principles governing appointment of the Nomination Committee

The 2019 AGM resolved that during the period until the next AGM, Nobina will have a Nomination Committee comprising one representative for each of the three largest shareholders in terms of votes and the Chairman of the Board. The names of the members of the Nomination Committee and the shareholders they represent are to be published not later than six months prior to the AGM and be based on shareholding statistics provided by Euroclear Sweden AB as of the last banking day in September 2019. Provided the members of the Nomination Committee do not agree otherwise, the member representing the largest shareholder, in terms of votes, shall be appointed chairman of the Nomination Committee. In the event that a shareholder who has appointed a member is no longer one of the three largest shareholders, in terms of votes, the appointed member is to resign and be replaced by a new member in accordance with the above procedure.

At Nobina, diversity is a material, natural and integral part of efforts to pursue responsible and continuously improving operations. Diversity is also viewed as a critical success factor in achieving strategic goals. Ahead of the 2020 AGM, the Nomination Committee has applied section 4.1 of the Code as its diversity policy. The aim of the Nomination Committee has been to provide the Board of Directors with the expertise and experience required to lead the company's operations in an optimal manner and that Board members complement each other, thereby ensuring the expertise that is crucial for Nobina. In addition, it has been the ambition of the Nomination Committee to promote a gender balance by ensuring the proportion of female Board members and strengthening the industrial and operational experience on the Board of Directors. As a result of the Nomination Committee's work, the Nomination Committee's proposed Board composition will represent a variation in terms of gender, age and background and suitable breadth in terms of industrial, financial and marketing expertise. Nobina is of the opinion that these objectives and aims have been achieved.

Nobina's Nomination Committee ahead of the 2020 AGM

| Member | Representing | Shareholding/votes |
|-----------------|-----------------------|--------------------|
| Jan Sjöqvist | Chairman of the Board | 0.2% |
| Peter Lundkvist | AP3 | 2.7% |
| Nuno Caetano | Invesco Limited | 5.6% |
| Mattias Cullin | Danske Invest Fonder | 3.2% |

The members of the Committee were appointed based on the ownership structure as of 30 September 2019. The shareholdings are reported as of the same date. Chairman of the Nomination Committee is Nuno Caetano.

2019 AGM

The most recent AGM was held on 29 May 2019 in Stockholm. At the AGM, 39.94 percent of voting rights were represented. Representatives of Nobina's Board of Directors and Group management, and the auditor were present. The AGM adopted the accounts for 2018/19 and granted the Board of Directors and CEO discharge from liability for the forthcoming fiscal year's administration.

The following decisions were made at the Meeting on 29 May 2019:

- Profit for the year was SEK 235,039,605, disposable earnings from previous fiscal year totalling SEK 658,636,107 and share premium reserves were SEK 1,335,198,568. It was resolved to pay a dividend to shareholders of SEK 3.80 (SEK 3.35 per share) for the past fiscal year. Accordingly, SEK 1,893,122,688 was carried forward to the next fiscal year,
- The Board shall comprise seven Board members with no deputies and that the company shall have one auditor with no deputy,
- Re-election of Board members John Allkins, Graham Oldroyd, Monica Lingegård, Liselott Kilaas, Bertil Persson and Jan Sjöqvist, the latter of whom was re-elected as Chairman of the Board. Johan Bygge was elected as a new Board member. All of the above were elected for the period until the next AGM,
- Re-election of PricewaterhouseCoopers AB as the company's auditors,
- That fees shall be paid to the Chairman of the Board of SEK 900,000 and a fee of SEK 450,000 for each of the other Board members, SEK 2,700,000 in total, and that fees to the auditors shall be paid against invoices approved by the Board. In addition, it was decided to pay extra fees for work on
- the Audit Committee of SEK 100,000 to the Chairman and SEK 50,000 SEK to each of the other members,
- Approval of the Nomination Committee's proposal for principles governing the appointment of the Nomination Committee,
- Approval of guidelines for remuneration of senior executives,
- The Board's proposal to implement a performance-based share saving scheme was approved,
- Authorisation for the Board of Directors to acquire and transfer treasury shares within the scope of share saving scheme,
- Approval for the Board of Directors to make decisions on the transfer of treasury shares to participants in the share saving scheme,
- Authorisation for the Board to take decisions on new share issues, and so forth.

Nobina's Board of Directors

The Board's responsibility

The Board's work is governed by the Swedish Companies Act, the Articles of Association, the Code and the Rules of Procedure established by the Board annually. Nobina's Board is responsible for the organisation and administration of the company's affairs. Neither during his time on the Board, nor previously, has the CEO participated in meetings where his remuneration was discussed. One of the Board's most important assignments is to secure a long-term strategy, governance, follow-up and control of Nobina's daily operations with the aim of creating value for shareholders, customers, employees and other stakeholders. The Board appoints the President, who is also CEO.

Composition of the Board of Directors

The Articles of Association state that the Board is to comprise not less than three and not more than ten Board members. The Board is to have an appointed Chairman, who, under Swedish law, may not simultaneously serve as the company's CEO. According to the Code, the Chairman shall be elected by the AGM. During the 2019/2020 fiscal year, the Board comprised seven members: Johan Bygge, John Allkins, Graham Oldroyd, Monica Lingegård, Liselott Kilaas, Bertil Persson and Jan Sjöqvist, the latter of whom was re-elected as Chairman of the Board at the AGM. All Board members are independent in relation to major shareholders in the company. All Board members are independent in relation to the company and its management.

Work performed by the Board during the year

The Board's work follows an annual cycle, which enables the Board to continuously maintain general value creation and strategic issues high on the agenda and to conduct regular risk assessments.

The Board met seven times during the fiscal year. Board meetings are normally convened by notice being sent at least one week prior to the meeting. A shorter notice period is permitted if there are special reasons. Relevant material for discussion and, where applicable, for resolution at the meeting is also attached to the notice. Nobina's General Counsel, who is also Board secretary, and the CFO participate in all Board meetings. Other Nobina employees have sometimes presented various matters during Board meetings. At meetings held during the fiscal year, the Board dealt with issues including the company's operations, risk analysis, strategy, financial reporting and the business plan. The Board evaluates its work once each year by responding to an anonymous survey. The Chairman of the Board presents the survey results to the Board. In addition, the Board evaluates the company's CEO and his work during at least one meeting each year. No member of Group management is present at this meeting.

The Board's work procedures

The Board follows adopted Rules of Procedure governing its operations that describe how work is divided between the Board, its Committees and the CEO. These are established each year by the Board and apply to the Board members. Directives for the CEO and for financial reporting are described in appendices to the formal work procedures. The prevailing formal work procedures were adopted on 31 May 2019.

Board member elected by AGM

| | Elected | Born | Remuneration, SEK | Number of shares/votes | Independent | Attendance at Board meetings | Attendance at Committee meetings |
|------------------|---------|------|----------------------|------------------------|-------------|------------------------------|----------------------------------|
| Jan Sjöqvist | 2015 | 1948 | 900,000 | 193,737 | Yes | 7 of 7 | 4 of 4 |
| Graham Oldroyd | 2014 | 1961 | 450,000 | 34,375 | Yes | 7 of 7 | 4 of 4 |
| John Allkins | 2013 | 1949 | 450,000+(100,000 AC) | 54,963 | Yes | 7 of 7 | 4 of 4 |
| Bertil Persson | 2018 | 1961 | 450,000 | 0 | Yes | 7 of 7 | Not present |
| Monica Lingegård | 2017 | 1962 | 450,000+(50,000 AC) | 0 | Yes | 5 of 7 | 4 of 4 |
| Liselott Kilaas | 2017 | 1959 | 450,000+(50,000 AC) | 0 | Yes | 7 of 7 | 4 of 4 |
| Johan Bygge | 2019 | 1955 | 450,000 | 10,000 | Yes | 7 of 7 | 4 of 4 |

Board meetings during the fiscal year

19 December

Scheduled meeting

Operations, Interim report, Strategy, Business plan

26 September

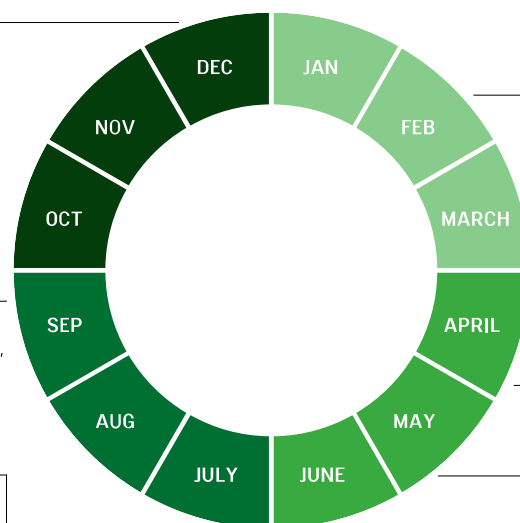
Scheduled meeting

Operations, Interim Report, Risk Analysis, Strategy

26 June

Scheduled meeting

Operations, Interim report, Strategy



20 February

Scheduled meeting

Operations, Budget, Multi-year plan, Board evaluation

4 April

Scheduled meeting

Operations, Interim Report, AGM

26 April

Scheduled

Annual report, AGM

29 May

Scheduled meeting

Election of officers, Committees

President and CEO

Nobina's President and CEO is appointed by the Board of Directors and is responsible for leading the company's operating activities in accordance with the Swedish Companies Act and instructions and directives issued by the Board. The President and CEO is responsible for ensuring that the company's accounting policies meet legal requirements and that financial issues are addressed in an adequate and reliable manner. The Board approves Nobina's overall organisation and the functions that report to the CEO. The CEO also prepares and is responsible for the preparatory process ahead of Board meetings. Moreover, the CEO monitors decisions relating to key employees and central operational matters.

Group management

The CEO is the chairman of Group management. Members of Group management are appointed by the CEO and approved by the company's Board of Directors. At the end of the fiscal year, members of Group management comprised the CEO, Managing Directors for subsidiaries, CFO, HR Director, General Counsel and Chief Compliance Officer and Director of Strategy and M&A. A more detailed presentation of Group management can be found on page 86.

Group management assists the CEO in following up the results of the Group and the business areas compared with agreed targets and strategies and in the continuous monitoring of operations. Group management also

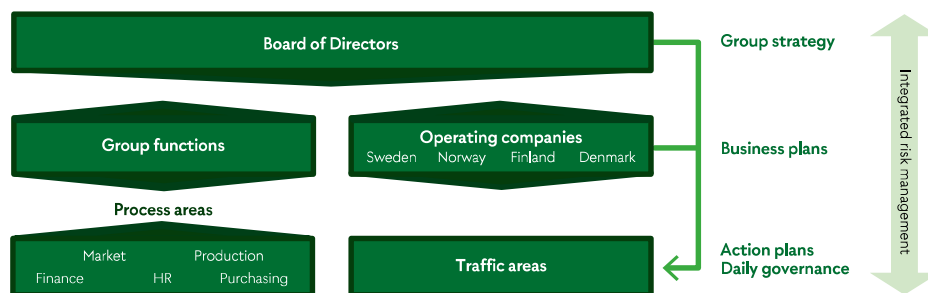
ensures access to efficient and value-generating allocation of Nobina's capital and funds. Group management holds one scheduled meeting each month. The meetings focus on the Group's strategic and operational development as well as performance follow-up. In addition to these meetings, close daily collaboration takes place on various issues between members of Group management. Management works in line with all of the Group's policies and applicable directives. All material decisions in the daily management of the Group's operations are taken by the CEO following consultation with Group management. The managing director of each operating subsidiary is responsible for collecting information about the development of the operations and how financial and qualitative targets are achieved. The managing director of each subsidiary is also responsible for compiling this information and reporting to the relevant senior executives and the CEO. The CEO thereafter reverts to each of the managing directors of subsidiaries who in turn are responsible for ensuring the received instructions are implemented.

Group management comprised 10 members at the end of the fiscal year. At meetings of Group management over the past year, the following important issues were high on the agenda: financial performance, company strategy and business plans, sustainability and general issues concerning the Group's operations, planning and follow-up. Investment issues and strategic projects were also addressed as well as preparations ahead of Board meetings.

Overall governance model

Nobina has organised the operational governance model using a number of Group functions and processes tasked with supporting the operating companies in order to convert the Group's targets, strategy and key metrics in an optimal and efficient manner and ensure that the results correspond to

Governance model



NOBINA'S GROUP FUNCTIONS

Group finance – the function is headed by the Group's CFO who is ultimately responsible for the Group's financial control and reporting. The function has a number of sub-units; group accounting that includes responsibility for the Group's shared service center and the Swedish payroll office, group controlling, fleet finance, treasury, and investor relations. The function also includes the Group's IT department.

Legal and Compliance – the function is headed by the General Counsel & Chief Compliance Officer who is ultimately responsible for providing legal support to the Group's various operations. The function also includes the Fleet and Group purchasing departments and data protection and information security, which have their own organisations and resources in their respective areas. All departments report to the General Counsel.

Strategy and M&A – the function is headed by the Head of Strategy and M&A, who is ultimately responsible for the Group's strategy process, acquisition projects, sustainability agenda and the Group's project offices. The function also includes KAMS.

HR – the function is headed by the HR Director, who is ultimately responsible for the Group's employee process, which involves recruitment, skills development, talent management, salaries and benefits as well as the Group's work with inclusion and diversity. The function leads and coordinates strategic Group-wide HR issues for all companies, and also operational HR issues at Nobina Sweden.

NOBINA'S PROCESSES

As a complement to Nobina's organisational governance, the company's operations are continuously pursued and developed using a number of processes. These are used to produce best practices and working procedures to ensure that Nobina's operations are conducted in the most efficient and optimal manner possible. Responsibility for the processes is strongly linked to accountability in the Group functions, with the exception of the Production and Market process, where representatives from the operating companies are responsible for pursuing the Group-wide agenda in traffic production and market development.

Nobina processes are used in the areas below:

- Market
- Production
- Employees
- Group purchasing
- Accounting

established objectives. Nobina holds monthly performance meetings at Group, company and traffic area levels – when goals and outcomes are presented and followed up. Any identified risks or suggestions for improvement are analysed and then addressed. Nobina applies – at all levels of operations – a systematic working procedure that constantly strives and ensures that the operation is oriented towards the company's targets and follows its strategy. Working procedure. A systematic working procedure is applied where business plans are developed and implemented based on the Group's overall strategic direction and local conditions, strengths and weaknesses. Nobina's risk management process is also fully integrated into all parts of the operation and uses a specific work procedure, read more about Nobina's risk management process on page 90.

Group functions and processes

Nobina's Group functions support the operating companies. Each function is responsible for one area (see below) and pursues functional leadership through their organisation and their resources. The person responsible for each Group function is a member of Group management and reports to the CEO. The CEO leads the functions by conducting regular follow-ups with each member of Group management and through Group management meetings.

Operating companies and traffic areas

The operating companies in Nobina comprise the national companies, which are in turn organised into a number of different traffic areas in each country. As a means of achieving the Group's goals and key metrics, central and local business plans are developed at both company and local level through each traffic area. In this way, goals and key metrics are included in business plans that are then carried out in short and long-term action plans and in daily governance of various teams, professions and individual employees.

Auditors

The shareholders at the AGM elect an external independent auditor for the period until the end of the next AGM. The auditor reports to the shareholders at the company's AGMs. The company is to have not less than one (1) and not more than two (2) auditors with at most two (2) deputies. Authorised public accountants or registered auditing firms shall be appointed as auditors or deputies as appropriate.

The 2019 AGM re-elected PricewaterhouseCoopers AB as Nobina's auditors for the coming year. Authorised Public Accountant Michael Bengtsson is the Auditor in Charge. Michael Bengtsson is a member of the Swedish Institute of Authorised Public Accountants (FAR).

The external auditors are responsible for auditing the company's annual report, which consists of consolidated financial statements and accounts, as well as the administration of the Board and CEO. The auditor must conduct a general review of the company's six-monthly or nine-monthly interim reports in accordance with the Code. The auditor regularly reports to the Audit Committee, Group management and the local company management teams. At the Board meeting in conjunction with the annual accounts, he presents his conclusions from the review to the entire Board. During the year, the auditors met the Board without the presence of company management. The auditor may only be engaged for consulting services that have been decided on and approved in advance by the Audit Committee. The auditor informs the Audit Committee of the annual audit plan, its scope and contents, and presents its conclusions. The Audit Committee is also informed about assignments that were performed in addition to auditing services, compensation for such assignments and other circumstances of importance for assessing the auditors' independence. The audit is carried out in accordance with the Swedish Companies Act, International Standards on Auditing and generally accepted auditing standards in Sweden, which are based on the International Federation of Accountants' (IFAC) international audit standards. Remuneration of auditors was paid in accordance with Note 7.

Board Committees

The Board of Directors appoints a Remuneration Committee and Audit Committee in order to streamline its work. These draw up recommendations to the Board when Board decisions are required and also provide the Board with regular information about their work.

REMUNERATION COMMITTEE

The work of the Remuneration Committee includes helping the Board to prepare proposals related to remuneration and regularly monitoring and evaluating the structure and level of remuneration of the CEO and other members of Group management.

The main tasks of the Remuneration Committee include:

- preparing matters for the Board related to the remuneration and other terms of employment of senior executives,
- monitoring and evaluating the applicable remuneration structures, levels of remuneration and variable remuneration programmes for such senior executives and
- monitoring and evaluating the results of variable remuneration programmes and how the company complies with the remuneration guidelines adopted by the Annual General Meeting.

The Remuneration Committee currently has three members: Jan Sjöqvist (Chairman), Graham Oldroyd and Johan Bygge, who are all independent in relation to the company and its senior executives. The Remuneration Committee held four meetings during the fiscal year.

AUDIT COMMITTEE

Without prejudice to the tasks and areas of responsibility of the Board, the Audit Committee is to:

- monitor the company's financial reporting, and based on this,
- monitor the company's internal controls, internal auditing and risk management,
- keep informed about the auditing of the annual report and the Group's short and long-term cash flow trends,
- review and monitor the impartiality and independence of the auditor, with a particular focus on whether the auditor is providing the company with any services other than auditing, and
- provide support in the preparation of proposals for the Annual General Meeting's resolutions regarding the election of auditors.

The Audit Committee currently has three members; John Allkins (Chairman), Monica Lingegård and Liselott Kilaas, who are all deemed independent in relation to the company, Group management and the company's main shareholders. The Chairman of the Committee has the requisite financial reporting competence under the Swedish Companies Act. The Audit Committee meets ahead of all Board meetings in connection with the interim reports. The Committee held four meetings during the fiscal year.

Remuneration of management and Board of Directors

Principles for remuneration of senior executives

Every year at the AGM, a decision is taken about the remuneration principles to be applied during the fiscal year. The following new principles were applied during the fiscal year. See the administration report on page 13 for proposals for remuneration principles that will apply for the coming fiscal year.

Senior executives at Nobina include the President and CEO, the managing directors of subsidiaries, the CFO and functions that report directly to the CEO. In order for the company to be able to attract, develop and retain senior executives with the relevant experience and skills, it is important that the company has a competitive remuneration package that is in line with the market for senior executives in different industries. Remuneration to senior executives consists of fixed salary, short and long-term variable remuneration, pensions, and other customary benefits. Overall remuneration should be on market terms, be competitive and reflect the employee's performance and responsibilities.

Short-term variable remuneration

Short-term variable remuneration is to be based on the individual's performance and the company's performance in relation to predetermined and established targets. The evaluation of these targets takes place annually and for managing directors of subsidiaries is capped at 60 percent fixed annual salary, while the cap for other senior executives is 30 percent of fixed annual salary.

Share-based long-term variable remuneration

Since 2017 AGM, the Board of Directors has introduced long-term incentive programmes to increase value for the Group's shareholders by promoting and maintaining the commitment of senior executives towards the performance of Nobina, and thereby align the interests of shareholders with those of Group management and other key employees to ensure maximum long-term value creation. The targets for this comprise annual growth rate and operating profit. For details about the incentive programme, see Note 8.

Other benefits

Other benefits primarily consist of company cars.

Severance pay

In the event of termination of employment, the CEO of Nobina is entitled to not more than 18 months' compensation including salary during the notice period. As a basic principle, a six-month mutual termination period applies between Nobina and the CEO. For other senior executives, the notice period is not more than six months, and a shorter period than six months may be permitted. In addition, a maximum of six months' remuneration is payable should employment be terminated by Nobina.

Pensions and terms for the CEO

The retirement age for the company's CEO is 65. Pension expenses comprise defined-contribution pensions, for which the premium is equal to 35 percent of pensionable salary. Pensionable salary refers to basic salary as long as the CEO remains employed by the company. Salary paid upon termination is pensionable.

The CEO is entitled to 30 days of holiday and, in addition to the taxable benefits described above, also to health insurance and a company car. If the CEO chooses to refrain from a company car then monthly compensation is paid corresponding to the taxable benefit value.

Remuneration of the Board of Directors

Remuneration to the Chairman and other members of the Board is paid according to the decision of the AGM. No remuneration is paid to the Board beyond that approved by the AGM now that the aforementioned incentive programme has been concluded. The CEO receives no directors' fees. Directors' fees paid during the fiscal year totalled SEK 3.5 million.

Remuneration of auditors

For the fiscal year, remuneration of auditors has been paid in accordance with Note 7.

To read more about the new remuneration principles and remuneration of the Board of Directors and senior executives, refer to Note 8.

Internal governance and control

The following section describes the most important elements of Nobina's system for internal control and risk management in conjunction with its financial reporting. The purpose of well-developed internal control is to ensure correct, appropriate and reliable financial reporting and disclosures. Nobina's internal control is shaped by the overall control environment. The Board of Directors is responsible for ensuring and establishing an efficient system for internal control and then steers its work through the Audit Committee, Nobina's CEO and Group management. These are then responsible for ensuring that operations, including all employees, comply with the structures established for internal governance and control. For Nobina, a success factor for strong and transparent control environment is the establishment of a good organisational structure, clear decision-making procedures, Group-wide values in terms of ethics and integrity, and clearly defined and communicated authorities through internal qualitative control parameters, including policies, instructions and guidelines.

In summary, reliable financial reporting for Nobina means that:

- accounting policies are appropriate and comply with International Financial Reporting Standards (IFRS) and the Swedish Annual Accounts Act (ARL),
- profit and loss accounting is informative and sufficiently detailed, and
- it accurately reflects underlying events and the company's actual earnings, financial position and cash flow with reasonable assurance.

Components for internal control

Nobina's internal control is based on an established framework – the Internal Control Integrated Framework, which is referred to as the COSO framework. Nobina's control components comprise the following elements:

- Control environment,
- Risk assessment,
- Control activities,
- Information and communication, and
- Follow-up and improvements.

Nobina's control environment

Nobina's main operational governance for its control environment is based on a process-oriented management system, which aims to guarantee behaviour and a corporate culture characterised by integrity and that does not compromise on ethical values. This includes employees' experience, skills, attitudes, ethical values and perception of how responsibility and authority are distributed within the organisation. The control environment comprises the main operational processes with a documented framework that includes Group policies as well as company-specific instructions and local instructions. Each main process has a process owner who is responsible for the process and for proactively proposing preventative measures, as well as suggestions on how to develop and improve the process. Nobina's various business leaders are responsible for the implementation of controls, and the follow-up and correction of deficiencies in the different main processes.

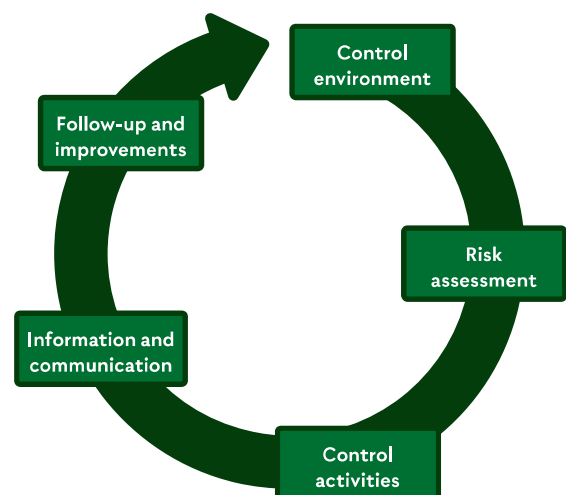
In addition to the above, Nobina also has other control environments that act as an extension of the main operating control.

Internal control

Nobina engages external assistance for internal audit functions, which help to perform reviews and evaluations. The result of these is then reported to the Audit Committee and the company's management.

Nobina's Group-wide policies including the Code of Conduct and our values

- Security policy
- Employee policy
- Environmental policy
- Purchasing policy
- Nobina's values
- Insider policy
- Information security policy
- Communication policy
- Authorisation policy
- Code of Conduct
- Financial policy



Compliance function (regulatory compliance)

Nobina has a compliance function that is independent from business operations at the same time as serving as a support function for the Group's operations. The function is responsible for supporting business operations and management in matters involving regulatory compliance and works proactively to identify new regulations and other external events that could impact the business. The function also continuously follows up various activities and reports compliance risks that may arise in instances when Nobina does not comply with external and internal rules. The role of the compliance function is to promote a sound compliance culture throughout the Group by contributing to safeguarding quality, integrity and ethical principles in Nobina's business operations. The compliance function regularly reports on Nobina's regulatory compliance and risks to Group management and the Board of Directors through the Chief Compliance Officer. Included in this function are also the sub-functions within both information security and data protection, who in turn work with this through their organizations.

Whistleblowing

Nobina has an internal and external whistleblowing service that employees can reach on the intranet and other stakeholders through the companies' websites. The service aims to identify at an early stage any deviation from Nobina's values, business ethics guidelines or economic crimes. Anyone who wishes to use the service can remain completely anonymous as it is administered by Nobina's external party, primarily to guarantee anonymity and professionalism.

Nobina's KAMS organisation

Nobina's integrated and operational KAMS activities – which include quality, work environment, environment and safety – pervade the entire Group's work and involve proactive and preventive efforts relating to such areas as operational risks. The work is carried out at local and central levels and regularly assessed through internal inspections and in internal audits.

Risk assessment

Proactive and continuous risk management forms a central building block in measures to prevent and counteract high risks. Nobina's work in assessing and managing risks is conducted as an integrated but focused part of work with the Group's strategy and Group-wide initiatives, as well as in business and operational planning by subsidiaries and functions. Risk assessment encompasses business risks, risks in the financial statements and other risks. The processes include built-in components and methods to identify, appraise and limit risks and to ensure that any risks are dealt with in accordance with Nobina's control framework and guidelines. Every operating unit is responsible for handling its own risks in accordance with Nobina's control framework and process tools. Work with Group-wide risks is coordinated and followed up by Group finance, which also has a specific responsibility with respect to managing financial risks.

In accordance with the Board's Rules of Procedure and in work approving the strategy and targets, the Board of Directors reviews the key risks and action plans at least once per year, see the general work procedure for this on page 90, Risk management. Other than this, the Board of Directors is presented with information concerning action plans and analyses regarding specific risks on a number of occasions.

Control activities

Even if Nobina's continuous risk assessment in itself has a preventive effect on risks, within the Group there are a range of different central and local control structures and functions with the purpose of managing identified risks and taking various control activities. The activities aim to prevent, detect and correct faults and deviations. The control activities are integrated into Nobina's operational management system and control environment and form a central function to ensure effective internal control in the Group. Group management is responsible that relevant control activities are in place and main-

tained in each main process and unit. In addition, activities are based on a combination of preventive controls and follow-up as well as automated and manual controls. This includes conducting IT controls that secure the Group's IT environment, both from an operational and IT and information security perspective, for key systems and applications. Within the Group, controls also exist for approving and authorising business transactions, which are applied in daily operations, as are established accounting policies when preparing the year-end accounts and financial reports for all Group companies. Established routines govern the review and analysis of the financial statements at all levels in the Group, which is important in order to ensure the accuracy of the statements.

Decision channels, authorities and responsibilities at various levels of the organisation are defined based on documented policies and instructions, which include the authorisation manual.

Information and communication

Nobina has information and communication channels to ensure efficient and correct internal and external information disclosure regarding financial reporting. These require that all parts of the business communicate and exchange relevant and essential information. Nobina works in line with the control framework for financial reporting and an adopted communication plan that ensure that information reaches the right target group in the right manner. It shows how the Group acts and how deviations are reported and monitored. The owner for each main process is to ensure that information about Group-wide methods reaches the entire organisation. Nobina has a line organisation that regularly holds management meetings, where new control documents are presented. Following the presentation, a decision is taken on implementation within each of the relevant operations. Written communication is primarily made available via Nobina's intranet that reach the relevant target groups. This is where news is regularly updated, and where information about the components of the management system are described and our control framework is available.

The Board of Directors and Group management regularly receive financial information from the various operating units with comments on financial performance and risks. In addition, the Board of Directors receives information regarding risk management, internal control and financial reporting from the auditors via the Audit Committee.

Nobina also has special procedures for external information disclosure, which aim to provide the market with relevant, reliable, correct and up-to-date information about the Group's performance and financial position. Nobina has internal control functions, which include the compliance function, to assess the content of information about Nobina and the financial statements, and to ensure that share-price-sensitive information is adequately communicated to the market.

All financial statements, presentations and press releases are published on the Group's website; www.nobina.com

Follow-up and monitoring

Follow-up and testing of control activities are regularly conducted to ensure that risks have been taken into account and addressed in a satisfactory manner. The risks that are deemed to be high are primarily followed up within each process. The purpose of following up and monitoring is to ensure a stable control environment at Nobina and to ensure that application and follow-up are carried out in key areas of operations. The starting point within the company is that every process has control functions that support follow-up activities. Internal audits are a supplementary instrument for ensuring that operations are conducted in line with approved decisions. Nobina also engages both internal and external assistance for its internal audit function. In addition, regular internal operational reviews are conducted by internally trained personnel to ensure that control points are functional and efficient. The results of the internal audits are reported to both the Board and Group management. Changes in the organisation that may affect the internal control are assessed each year and reported to the Board.

Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in Nobina AB (publ.), corporate identity number 556576-4569

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the financial year 2019-03-01–2020-02-29 on pages 77–84 and 86–89, and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm April 28th, 2020
PricewaterhouseCoopers AB

Michael Bengtsson
Authorized public accountant

Board of Directors



1. Jan Sjöqvist

Chairman

Born: 1948

Elected: 2005

Other assignments: Chairman of the Board of Aditro Logistics AB.

Previous assignments: President and CEO of NCC. Board Member of SSAB AB, Green Cargo AB, Eltel Networks AB, Lannebo Fonder AB and Stora Enso Oyj.

Dependence status: Independent in relation to Nobina, its management and major shareholders.

Education: MSc. from Gothenburg School of Business, Economics and Law.

Number of shares/votes¹⁾: 193,737

Total remuneration in 2019, SEK 900,000

2. Johan Bygge

Vice-Chairman

Born: 1956

Elected: 2019

Other assignments: Chairman of the Board of PSM Holdings Ltd. Board member of Getinge AB, Lantmännen and AP3.

Previous assignments: Chairman of EQT Asia Pacific and COO EQT, CFO Investor AB, Deputy CEO of Electrolux AB and Head of Europe and Asia, CFO Electrolux AB, Board member of EQT Partners AB, I-Med Pty Ltd, ILA Vietnam Ltd, Anticimex Int AB, Sanitec OY, Vice-Chairman of swiss smile AG, Isaberg Rapid AB, Grand Hotel AB, Hi3G Scandinavia AB, Riksbankens Jubileumsfond, Föreningen för god sed på värdepappersmarknaden and the Swedish Association of Listed Companies.

Dependence status: Independent in relation to Nobina, its management and major shareholders

Education: MSc from Stockholm School of Economics.

Number of shares: 10,000

Total remuneration in 2019, SEK 387,500

3. Bertil Persson

Born: 1961

Elected: 2018

Other assignments: Board member of Christian Berner Tech Trade AB and Troax AB. Senior Advisor of Hjalmarsson & Partners Corporate Finance AB.

Previous assignments: Board member of Posten AB, Svensk Bilprovning AB and Swed-carrier AB. President and CEO of Beijer Alma AB, vice President of LGP AB, CFO of Scania AB and Director of Treasury of Investor.

Dependence status: Independent in relation to Nobina, its management and major shareholders.

Education: MSc from Stockholm School of Economics.

Number of shares/votes¹⁾: –

Total remuneration in 2019, SEK 450,000

4. John Allkins

Born: 1949

Elected: 2013

Other assignments: –

Previous assignments: Board member and Chairman of the Audit Committee of Volex plc, Linpac Senior Holdings Ltd, Albemarle & Bond plc, Molins plc, Intec Telecommunications plc, Punch plc, Fairpoint plc and Renold plc. Executive Roles; Group Finance Director MyTravel plc and CFO of Equant NV.

Dependence status: Independent in relation to Nobina, its management and major shareholders.

Education: BA business studies and Fellow of the Chartered Institute of Cost and Management Accountants.

Number of shares/votes¹⁾: 54,963

Total remuneration in 2019, SEK 524,997

5. Liselott Kilaas

Born: 1959

Elected: 2017

Other assignments: Board member of DNVGL, Orkla, Norske pensionsfonden Nordic, Norsk Hydro, Peab, Ambea and Avonova.

Previous assignments: CEO of Aleris AB and Board member of Polaris Media ASA, Telenor, I.M. Skaugen and Norges Bank.

Dependence status: Independent in relation to Nobina, its management and major shareholders.

Education: MBA at IMD Business School and a Master of Science in Mathematics and Statistics at University of Oslo/Norwegian University of Science and Technology.

Number of shares/votes¹⁾: –

Total remuneration in 2019, SEK 487,503

6. Monica Lingegård

Born: 1962

Elected: 2017

Other assignments: CEO of Samhall AB, Chairman of the Board of SSC and Board member of Humana.

Previous assignments: Board member of Wireless Maingate, Orio, Almega and the Confederation of Swedish Enterprise. CEO of G4S in Sweden and Prenax Global. Senior positions in IT consulting, including Spray and Cap Gemini.

Dependence status: Independent in relation to Nobina, its management and major shareholders.

Education: MSc Business Administration at Stockholm university.

Number of shares/votes¹⁾: –

Total remuneration in 2019, SEK 487,503

7. Graham Oldroyd

Born: 1961

Elected: 2014

Other assignments: Vice-Chairman of Ideal Standard International NV and Chairman of MCF UK Limited. Board member of Henderson Alternative Strategies Trust Plc (publ), BMO Global Smaller Companies plc (publ) and PHS Group Investments Ltd.

Previous assignments: Commissioner at the Church of England, Partner at Bridgepoint and responsible for Bridgepoint's investments in the Nordic region. Professional qualifications: Eurling, CEng, FIMechE and MCSI in the UK.

Dependence status: Independent in relation to Nobina, its management and major shareholders.

Education: MA Engineering, Cambridge University; MBA INSEAD Business School.

Number of shares/votes¹⁾: 34,375

Total remuneration in 2019, SEK 450,000

¹⁾ As of 29 February 2020.

Group management



1. Magnus Rosén

President and CEO of Nobina AB from 1 June 2017

Born: 1962

Other assignments: Board member of Wexus AS.

Previous assignments: Board member of Llentab and Bonava. CEO of Ramirent plc, MD of BE Group Sverige AB, MD of Cramo-Sverige AB. Service market manager BT Svenska AB.

Education: MSc Linköping University, EMBA from Stockholm School of Economics.

Number of shares/votes¹⁾: 62,000

2. Pernilla Walfridsson

CFO at Nobina AB since 2019

Born: 1973

Other assignments: Board member of NetOnNet Group AB and Sortera Group AB.

Previous assignments: CFO Bygghem Group AB, Finance Manager of Power AB, Business controller at IKEA Russia and Controller at IKEA AB. Former Board member of Ahlström-Munksjö.

Education: MBA from Växjö University.

Number of shares/votes¹⁾: 7,100

3. Martin Pagrotsky

General Counsel and Chief Compliance Officer since 2006

Born: 1974

Other assignments: –

Previous assignments: Member of the Swedish Bar Association. Senior Associate at Vinge Law Firm. Law Clerk at Karlstad Administrative Court.

Education: Master of Laws degree, Stockholm University.

Number of shares/votes¹⁾: 40,000

4. Jenny Lundmark

HR Director since 2019

Born: 1975

Other assignments: Director of HR at Nobina Sweden.

Previous assignments: Chief negotiator on labour law issues at Nobina AB.

Education: Human Resources Specialist, Lund University

Number of shares/votes¹⁾: 3,000

5. Magnus Af Petersens

Director of Strategy and M&A since 2019

Born: 1985

Other assignments: –

Previous assignments: Head of Strategy and M&A Nobina AB, Management consultant Capgemini Consulting.

Education: Business programme at Uppsala University.

Number of shares/votes¹⁾: 8,350

6. Henrik Dagnäs

MD of Nobina Sverige AB since 2018

Born: 1970

Other assignments: Chairman of Samtrans Omsorgsresor AB. Deputy Chairman of Samtrafiken, Board member of Nobina Technology and the Swedish Bus and Coach Federation.

Previous assignments: Vice President and CMO Nobina Sweden 2006–2011 and 2015–2018, Traffic Director Skånetrafiken 2011–2015.

Education: Officershögskola Royal Swedish Air Force, strategic planning at Lund University.

Number of shares/votes¹⁾: 17,000

7. Niels Peter Nielsen

MD at Nobina A/S since 2011

Born: 1965

Other assignments: Board member of DKT *(Dansk Kollektiv Trafik).

Previous assignments: Operations Manager Nobina Denmark and Arriva A/S. Head of operations (Railfreight) DSB (Danish railways). Board member of the Federation of Road Transport.

Education: Business diploma.

Number of shares/votes¹⁾: 54,005

8. Jan Volsdal

MD of Nobina AS since 2017

Born: 1975

Other assignments: –

Previous assignments: MD of Bring Cargo AS, Director of Bring International, CFO of Logistik Posten Norge. Other senior positions within Bring and Posten Norge. Head of Production at Farris, Ringnes AS/Carlsberg. Planning Manager, Ringnes AS, project manager Ringnes AS.

Education: CMSc. Engineering from NTNU, industrial economy

Number of shares/votes¹⁾: 13,000

9. Petri Auno

MD of Nobina Oy since 2019

Born: 1973

Other assignments: –

Previous assignments: Senior Vice President and member of the management team of VR Group.

Education: MSc. Engineering from Oulu University.

Number of shares/votes¹⁾: 10,000

Changes to Group management during the fiscal year

On 1 April 2019, Tomas Hansson was appointed Managing Director of Samtrans and in connection with this, left Group management on 31 March 2019. At the same time, Anna Jonasson (Director of HR) left Group management for new challenges outside of Nobina. On 1 April 2019, Anna Jonasson was replaced by Jenny Lundmark as new Director of HR and member of Group management. Magnus Af Petersen (Head of Strategy and M&A) also became a member of Group management on 1 April 2019. On October 31 2019 Per Skärgård retired after fifteen years as CFO for the group. At the same time Pernilla Walfridsson was appointed new CFO and member of group management. She took up her position on October 1, 2019. After 18 years with Nobina, Deputy CEO Jan Bosaeus decided to retire. All of his work duties will be shared among the existing Group management team and the changes came into effect on 1 April.

1) As of 29 February 2020.