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LONG-TERM ISSUES TAKING UP GREATER FOCUS IN THE BOARDROOM

Apart from continued profitable expansion, in 2019 the Board dedicated time and commitment to highlighting the significance of sustainability issues for our continued long-term development.

In summing up 2019 I can credit a large part of Addnode Group's success to our continued ability to execute in accordance with our long-term strategy to acquire and develop companies irrespective of temporary and short-term trends. Most important of all has been our continued focus on expansion and profitable growth. For example, in 2019 we were highly engaged in analysing the market and the position we have now attained with the acquisition of the British company Excitech, which we announced in January 2020.

Supporting our newly acquired companies and giving them an opportunity to grow is decisive for continued value creation. We further develop many of our acquired companies as standalone enterprises. As we achieve market synergies and efficiency, we integrate them over time. The Board's role is to serve as an active sounding board for management with respect to companies that are ready for

integration. With the size and scope that we have now achieved, we see numerous opportunities for synergies that we have not yet fully realised.

In addition, the Group's size and increased international presence require that we review our control functions. For every year that passes, new demands and tasks arise, and within the Board the Audit Committee is carrying a heavy load to ensure that we are in compliance with the constantly changing rules and regulations.

Another important future issue that is taking up greater focus in the boardroom is sustainability, which points to the responsibility we have as a modern company. In 2020 we continue to focus on developing our sustainability work, both jointly for the entire Group and for the respective subsidiaries. This is in line with our decentralised management structure, where the Group CEO, the divisional presidents and subsidiaries are taking great responsibility with the support of joint guidelines and an engaged board.

Staffan Hanstorp
Chairman of the Board

CORPORATE GOVERNANCE REPORT

The Group's governance is regulated by both external and internal governance documents. The external governance systems include, among other things, the Swedish Companies Act, the Swedish Annual Accounts Act, Nasdaq Stockholm's Rule Book for Issuers, and other applicable laws and regulations. Internal governance systems include the Articles of Association adopted by the Annual General Meeting, the Board's Rules of Procedure, and the Board's instructions for the CEO.

Addnode Group AB ("Addnode Group") applies the Swedish Corporate Governance Code (also referred to as "the Code"). The Code is based on the "comply or explain" principle, which means that a company that applies the Code may depart from individual rules, but must in such case provide an explanation for the departure.

IMPORTANT EVENTS 2019

- Ahead of the 2020 Annual General Meeting, Jonas Gejer was named as the new chair of the Nomination Committee. This entails that Addnode Group now meets point 2.4 of the Code regarding board members represented on the Nomination Committee.
- In September Lotta Jarleryd was named interim CFO, succeeding Helena Nathorst.
- In October, Group Management was expanded with the addition of Adam Nilsson, Head of M&A and Corporate Development.

FOR MORE INFORMATION

- Nasdaq Stockholm, www.nasdaqomxnordic.com
- Swedish Corporate Governance Code, www.bolagsstyrning.se
- Swedish Financial Supervisory Authority, www.fi.se
- Addnode Group's website, www.addnodegroup.com

OWNERSHIP STRUCTURE AND VOTING RIGHTS

Addnode Group's shares are serviced by Euroclear Sweden AB. This means that no share certificates are issued and that Euroclear Sweden maintains a shareholder register of owners and administrators in the

company. Addnode Group's share capital is made up of Class A, Class B and Class C shares. A-shares carry entitlement to ten votes each, and B- and C-shares carry entitlement to one vote each. Class A and B shares carry entitlement to dividends. Class C shares do not carry entitlement to dividends.

All shares carry equal entitlement to the company's assets. However, Class C shares are limited and are not entitled to a larger share of the company's assets than what corresponds to the share quota value calculated as per the date of distribution, with an interest-rate factor of one month STIBOR plus 4 percentage points calculated from the date of payment of subscription settlement. Class C shares are redeemable upon demand by the company. At the request of a shareholder, Class A shares can be converted to Class B shares, and Class C shares can be converted to Class B shares by the Board of Directors.

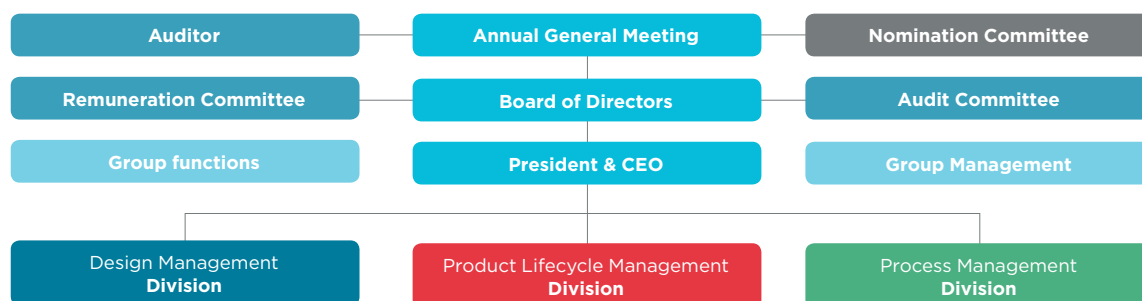
On 30 December 2019 the number of shareholders was 5,872, and the proportion of foreign-owned shares was 22 per cent. The proportion of institutional owners including mutual funds was 67 per cent.

Aretro Capital Group AB is the largest owner, with 6.8 per cent of the share capital and 18.7 per cent of the votes. Verg AB is the second largest owner, with 4.3 per cent of the share capital and 11.1 per cent of the votes. Aretro Capital Group AB is jointly owned via companies by Addnode Group's Chairman, Staffan Hanstorp, and Jonas Gejer, President of the Product Lifecycle Management division. Jonas Gejer is also President of Addnode Group's subsidiary TECHNIA AB.

NOMINATION COMMITTEE

The 2019 Annual General Meeting resolved to assign the Chairman of the Board with the task of contacting the four largest owner-registered shareholders (in terms of votes) in Euroclear Sweden's shareholder register as at 31 August 2019, to each appoint a representative who is not a member of the company's Board, to form the Nomination Committee along with the Chairman of the Board ahead of the 2020 Annual General Meeting. The Nomination Committee chair

GOVERNANCE



shall serve as the representative for the largest shareholder in terms of votes, unless its members determine otherwise. The Chairman of the Board shall not serve as chair of the Nomination Committee.

The Nomination Committee is responsible for safeguarding all of the shareholders' interests and submits recommendations to the next year's Annual General Meeting on the following:

- A chairman to preside over the Annual General Meeting
- Board members
- The Chairman of the Board
- Fees for each of the board members
- Fees for committee work
- Nomination Committee for the following year
- Auditors and auditors' fees

The Board's Audit Committee assists the Nomination Committee in the work on submitting recommendations for the election of auditors and the auditors' fees. The Audit Committee evaluates the work of the auditors and informs the Nomination Committee about the results of its evaluation.

Nomination Committee ahead of the 2020 AGM

The composition of the Nomination Committee was announced via a press release that was published on 30 October 2019 and which is also posted on Addnode Group's website.

- Jonas Gejer, appointed by Aretro Capital Group AB. Jonas Gejer is chair of the Nomination Committee as representative of the largest shareholder in terms of votes
- Dick Hasselström, appointed by Verg AB
- Vegard Søråunet, appointed by Odin Fonder
- Magnus Skåninger, appointed by Swedbank Robur funds
- Staffan Hanstorp, Chairman of the Board of Addnode Group

All of the Nomination Committee's members, apart from Jonas Gejer and Staffan Hanstorp, are independent in relation to the company and Group Management as well as to the largest shareholder in terms of votes.

Addnode Group, through its nomination committee, applies Rule 4.1 of the Swedish Corporate Governance Code as its diversity policy in drawing up recommendations for election of board members. The Nomination Committee held seven meetings ahead of the 2020 AGM. The Nomination Committee represented approximately 44 per cent of the shareholders' votes as per 31 December 2019. As the basis for the Nomination Committee's work, the President of the company presented information about the company's operations and strategic direction. In addition, the Chairman of the Board presented the annual evaluation of the board members' performance. The Chairman of the Board also provided information about the Board's work during the year.

ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) is Addnode Group's highest decision-making body. A shareholder's right to make decisions on Addnode Group's affairs is exercised at Annual General Meetings or, where applicable, at extraordinary general meetings. The AGM is normally held in April or May.

The AGM resolves on the following:

- Adoption of the annual report
- The dividend
- Election of board members and auditors
- Directors' and auditors' fees
- Guidelines for remuneration of Group Management and other senior executives
- The Nomination Committee
- Other important matters

An extraordinary general meeting may be held if the Board deems it necessary or if requested by Addnode Group's auditors or owners with at least 10 per cent of the shares.

Annual General Meeting 2019

The 2019 AGM was held on 7 May 2019. The Chairman of the Board, Staffan Hanstorp, was elected as Chairman of the Annual General Meeting, in accordance with the Nomination Committee's proposal. The minutes from the AGM are available on Addnode Group's website. The AGM resolved in favour of the Board's proposal to pay a dividend of SEK 2.50 per share for the 2018 financial year.

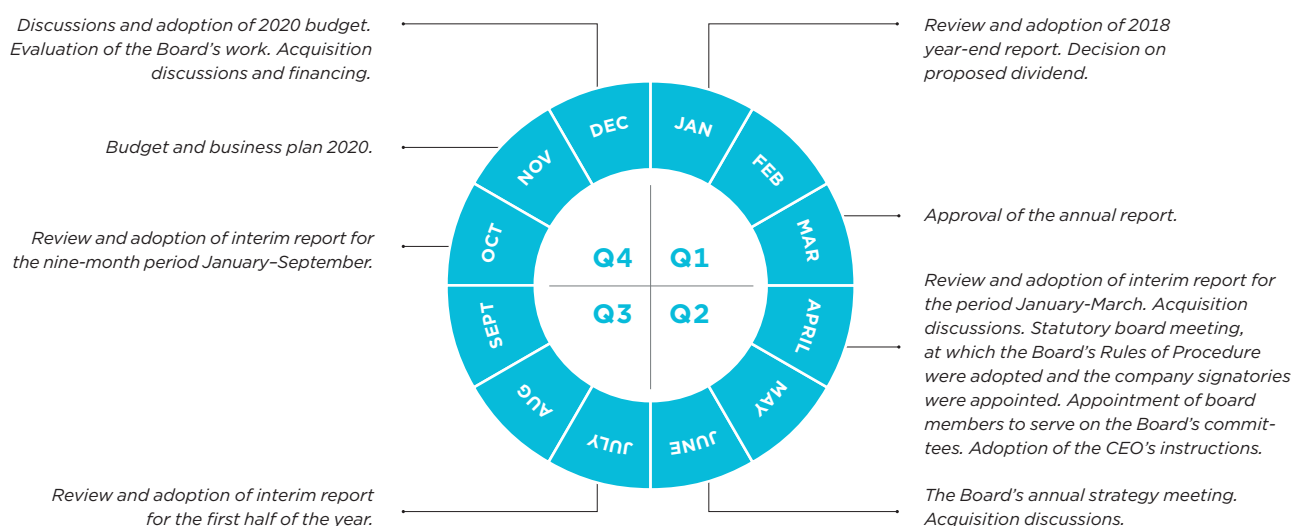
Staffan Hanstorp was re-elected as Chairman of the Board. Jan Andersson, Kristofer Arwin, Johanna Frelin, Sigrun Hjelmquist and Thord Wilkne were re-elected as board members in accordance with the Nomination Committee's proposal. The AGM approved the Nomination Committee's proposal for directors' fees as well as the Board's proposed guidelines for remuneration and terms of employment for the President and other senior executives. The Board's proposed resolution for a long-term incentive programme through the issuance of call options and the transfer of shares to participants was not adopted, as it did not receive the required majority.

Authorisations granted by the AGM

The 2019 AGM authorised the Board to decide, on one or more occasions during the period until the next AGM, on purchases of a maximum number of Class B shares so that the company's holding following such purchase amounts to a combined maximum of 10 per cent of the total number of shares in the company at any given time. The aim of any share repurchase is primarily to be able to transfer shares in connection with the financing of company acquisitions and other types of strategic investments. Up until the date of publication of this annual report, no shares were purchased with the support of this authorisation.

In addition, the 2019 AGM also authorised the Board to decide, on one or more occasions prior to the next AGM, on the transfer of Class B shares in the company to a third party. The number of shares transferred may not exceed the total number of treasury shares held by the company at any given time. Transfers may take place outside of Nasdaq Stockholm, entailing a right to deviate from the shareholders' preferential rights. The reason for allowing the Board to deviate from shareholders' preferential rights is to enable financing of potential company acquisitions and other types of strategic investments in a cost-efficient manner. Up until the date of publication of this annual report, no shares were purchased with the support of this authorisation. To finance potential company acquisitions using treasury shares, the

MAIN ITEMS OF BUSINESS FOR THE BOARD IN 2019



Board received a mandate at the AGM in 2019 for the period until the next AGM to make decisions about new issues of Class B shares. Through decisions supported by this mandate, the share capital may increase by a maximum of SEK 39.6 m through the issuance of a combined maximum of 3,300,000 shares upon full subscription. Up until the date of publication of this annual report, no new issues were carried out.

BOARD OF DIRECTORS

The Board of Directors has overarching responsibility for Addnode Group's organisation and administration.

The Board's duties

The Board of Directors' main duty is to safeguard the company's and shareholders' interests, appoint the President and be responsible for ensuring that the company adheres to applicable laws, the Articles of Association and the Swedish Code of Corporate Governance.

The Board reports each year to the shareholders on how corporate governance in Addnode Group is exercised through the corporate governance report. The Board's work is regulated by – among other things – the Swedish Companies Act, applicable rules for listed companies, including the Swedish Corporate Governance Code, the Articles of Association, other laws and regulations, and the Board's and its committees' internal Rules of Procedure.

The Board handles and decides on Group-wide matters, including:

- Strategic direction

- Short- and long-term targets
- Significant matters such as financing, investments, acquisitions and divestments
- Follow-up and control of information and organisational matters, including evaluation of the Group's organisation and operational management
- Appointment and, where necessary, dismissal of the company's President
- Overarching responsibility for establishment of effective systems for internal control and risk management, and Group-wide policies

The Board's composition

According to the Articles of Association, Addnode Group AB's Board of Directors shall consist of three to eight members elected by the AGM for a term through the end of the next AGM. The Articles of Association allow the election of deputy board members, however, there are currently no deputy members elected by the AGM. The Articles of Association contain no general stipulations about the appointment or dismissal of board members. The Board of Directors consists of six members. For further information about the board members, see pages 78–79.

Directors' independence

According to the Code, a majority of board members elected by a general meeting shall be independent in relation to the company and company management, and at least two shall also be independent in

relation to the company's major shareholders. The Board of Directors of Addnode Group is considered to meet the requirement for directors' independence. All of the board members, except for Staffan Hanstorp, have been determined to be independent. Chairman of the Board Staffan Hanstorp was formerly President and CEO of Addnode Group AB, and through his part-ownership in Aretro Capital Group AB he is the largest owner of Addnode Group in terms of votes, and has thereby not been determined as being independent in relation to the company and its management or to the company's major owners.

The Board's Rules of Procedure and board meetings

Each year the Board adopts written Rules of Procedure that lay out the Board's responsibilities and regulate the Board's and its committees' internal delegation of duties, including the Chairman's role, the Board's decision-making processes, summonses to board meetings, agendas and minutes, and the Board's work with accounting and audit issues and the financial reporting. Decisions on changes to the instructions may be made at board meetings during the course of the financial year if the Board deems it necessary.

According to the Rules of Procedure, that Chairman shall:

- Consult with the President on strategic issues and, through regular and frequent contacts with the President, closely monitor Addnode Group's performance
- Lead the Board's work and ensure that board members continuously receive the information required to monitor the business performance
- Consult with the President regarding the agenda for board meetings
- Ensure that matters are dealt with in a manner that is not in conflict with the Companies Act, other laws and regulations or the Articles of Association
- Serve as chair of the Remuneration Committee

The Rules of Procedure also include detailed instructions for the President and other company functions concerning issues that require the Board's approval. The instructions stipulate the maximum amount that the various decision-making bodies in the Group are authorised to approve in terms of agreements, credits, investments and other expenditures. According to the Rules of Procedure, a statutory board meeting is to be held immediately after the AGM. At this meeting, decisions are made about who is authorised to sign for Addnode Group and which board members are to serve on the Board's two drafting committees, the Remuneration Committee and the Audit Committee. The committees' work is mainly of a preparatory and advisory nature, however, the Board can in special cases delegate decision-making authority to the committees. According to the Rules of Procedure, the Board shall meet at least four times per year and additionally when necessary.

The Board's work in 2019

The Board held ten meetings in 2019, of which one was the statutory meeting held directly in conjunction with the Annual General Meeting. All board meetings during the year followed an approved agenda,

which together with documentation for each item on the agenda was provided to the board members prior to the respective meetings. Meetings normally take half a day, while the Board's annual strategic meeting is held over a full day to allow time for more in-depth discussions. The President and CEO participates in board meetings in a reporting role. The CFO serves as company secretary.

The divisional presidents are invited to board meetings on a regular basis to present reviews of their respective operations.

Other Group employees attend board meetings to present reports on specific matters when the Board deems it necessary. Set items of business at board meetings include an information report by the President and monthly financial reporting as well as an outlook for the coming quarter.

In addition, the Board dealt with a number of other matters at its meetings in 2019, with special attention dedicated to the following:

- Strategy and acquisition matters
- Financing
- Business plan
- Competence, leadership succession and incentive programmes
- Reports from the Audit Committee on internal control and the audit, among other things
- Corporate governance issues
- The yearly book-closing and interim reports
- Review of risk matrices covering business and market risks as well as sustainability issues
- Dividend proposal for the financial year

Ensuring the quality of financial reporting

The Rules of Procedure adopted each year by the Board include, among other things, detailed instructions about which financial reports and financial information are to be provided to the Board. In addition to the year-end report, interim reports and the annual report, the Board reviews and evaluates extensive financial information pertaining to the Group as a whole and the various units included in the Group. The Board also addresses information about risk assessments, disputes and any improprieties that may impact the Addnode Group's financial position. The Board also reviews, primarily through the Audit Committee, the most significant accounting policies applied in the Group pertaining to the financial reporting, as well as significant changes in the policies. The task of the Audit Committee includes reviewing reports about internal control and the processes for financial reporting.

The Group's auditors' report to the Board at least once per year and whenever necessary. At least one of these reports is presented without the President or any other member of Group Management being present. The Group's auditors also commonly participate in Audit Committee meetings. The Audit Committee submits a report to the Board after each meeting. All Audit Committee meetings are documented by minutes, which are available for all board members and the auditors.

Evaluation of the Board of Directors

The Board performs an annual evaluation of its own work. The evaluation pertains to work methods and the work climate, the focus of the

THE BOARD'S COMPOSITION AND MEETING ATTENDANCE 2019

Name	Function	Committee assignment	Year elected	Independent in relation to the company and company management/owners	Attendance at board meetings	Class A shares	Class B shares
Staffan Hanstorp ¹	Chairman of the Board	Remuneration Committee chair	2017	No/No	10/10	625,332	1,654,624
Jan Andersson	Director	Audit Committee chair	2012	Yes/Yes	10/10	—	15,000
Kristofer Arwin	Director	Member of Audit Committee	2012	Yes/Yes	10/10	—	2,180
Johanna Frelin	Director	—	2017	Yes/Yes	10/10	—	—
Sigrun Hjelmquist ²	Director	Member of Audit Committee	2009	Yes/Yes	10/10	—	2,000
Thord Wilkne ³	Director	Member of Remuneration Committee	2008	Yes/Yes	10/10	—	435,000
						986,999	3,193,522

1) Via 50 per cent ownership of the company Aretro Capital Group AB.

2) Including spouse's holding of 1,000 shares.

3) Including spouse's holding of 35,000 shares.

All shareholdings of board members are reported as per 31 December 2019. Fees paid to the Chairman of the Board and directors are detailed in Note 5 of the annual report.

Board's work, as well as access to and the need for specific expertise on the Board. The evaluation is used as a tool to develop the Board's work and is also used as documentation for nomination work by the Nomination Committee.

Directors' fees

Fees paid to the AGM-elected board members are set by the AGM based on the recommendation by the Nomination Committee. For the period between the 2019 and 2020 Annual General Meetings, a set fee of SEK 400 thousand (380) is payable to the Chairman of the Board, and SEK 200 thousand (190) is payable to each of the other board members. In addition, a fee may be payable on account for special initiatives (consulting services, etc.) by board members within their respective areas of competence, provided that such initiatives are approved in advance by the Chairman of the Board or by two board members. A fee of SEK 55 thousand (45) is payable to each of the two regular members of the Board's Audit Committee, and a fee of SEK 85 thousand (75) is payable to the Audit Committee chair. A fee of SEK 20 thousand (15) is payable to each of the members of the Remuneration Committee. The AGM also resolved to continue using the services of Chairman of the Board Staffan Hanstorp on a consultant basis for work with the Group's acquisition opportunities, financing matters, strategic partnerships and overarching strategic issues. A maximum fee of SEK 190,000 per month may be payable for such work.

There are no agreements concerning pensions, severance pay or other benefits for board members.

COMMITTEES

The Board has established a remuneration committee and an audit committee. The work of the committees is mainly of a preparatory and advisory nature, but the Board may delegate decision-making authority to the committees in special cases. Committee members and the committee chairs are appointed at each year's statutory board meeting.

Remuneration Committee

The Remuneration Committee's main task is to represent the Board on matters pertaining to remuneration and terms of employment for the President and other senior executives based on the guidelines for remuneration and terms of employment for the President and other senior executives adopted by the AGM. The Committee reports on its work to the Board on a regular basis. The Remuneration Committee's members are Chairman of the Board Staffan Hanstorp and board member Thord Wilkne. The Remuneration Committee held two meetings in 2019.

Audit Committee

The Audit Committee's main task is to monitor the processes for Addnode Group's financial reporting and internal control in order to ensure the quality of external reporting. The Audit Committee's members are Jan Andersson (committee chair), Sigrun Hjelmquist and Kristofer Arwin. The Audit Committee held five meetings in 2019, at which all of its members were present.

The Audit Committee's work includes:

- Reviewing the financial statements and addressing accounting issues that impact the quality of the company's financial reporting
- Monitoring the effectiveness of internal control over financial reporting, including risk management
- Overseeing the audit and evaluating the work of the auditors
- Evaluating the auditors' objectivity and independence
- Assisting the Nomination Committee

AUDITOR

The auditor is appointed by the Annual General Meeting and reports via its audit report on its audit of the annual report, the bookkeeping and the consolidated accounts as well as on the Board of Directors' and President's administration of Addnode Group. The auditor also conducts a review of the nine-month interim report.

At the 2019 Annual General Meeting the chartered accounting firm PricewaterhouseCoopers AB (PwC) was re-elected, with Authorised Public Accountant Anna Rosendal as auditor-in-charge. To ensure fulfilment of the information and control requirements placed on the Board, the auditor attends the Audit Committee meetings and reports on all material accounting issues as well as on any errors or irregularities. The auditor also reports directly to the Board of Directors, in connection with a board meeting, at least once a year.

The fees paid by Addnode Group to the auditor, for both audit-related and other non-audit-related assignments, are specified in Note 6 of the annual report, Auditors' fees.

PRESIDENT AND CEO

The President and CEO is responsible for the day-to-day administration of the Group's operations in accordance with the Board's guidelines and instructions. The President provides the Board with the necessary documentation for its work both prior to and between board meetings.

Group Management

The President appoints the other members of Group Management, who consist of the CFO, the Head of M&A, and the presidents of the three divisions, Design Management, Product Lifecycle Management and Process Management. The members of Group Management are responsible for implementing the Group's strategy in their respective areas and also have overarching responsibility for Addnode Group with respect to matters of a long-term and strategic character, such as the Group's organisation, acquisitions, trademarks, investments and financing. Group Management meetings are held monthly to review the Group's financial performance, acquisition matters and joint-Group initiatives as well as for discussions on strategic matters. In addition to these scheduled meetings, Group Management also regularly reviews matters as necessary. The President and other members of Group Management are presented on page 80-81.

Group functions

Under the President's direction are Group functions for finance, communication, acquisitions and business development within Addnode Group AB.

Divisions

The three divisions – Design Management, Product Lifecycle Management and Process Management – make up Addnode Group's operational structure. The division presidents are responsible for the operations of their respective divisions and report to Addnode Group's President and CEO. Board meetings of the divisions are held quarterly to review financial development, strategic matters, acquisitions, product ventures and risk matters, among other things. In addition to the division president, the division controller as well as the Group CEO and CFO attend these meetings.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Board of Directors has overarching responsibility for internal control over financial reporting. The Board has established an audit committee tasked with conducting preparatory work for the Board's work with control over the company's financial reporting. The following description has been prepared in accordance with the Swedish Corporate Governance Code (the Code) and constitutes the Board's description of the company's system for internal control and risk management with respect to financial reporting.

Addnode Group's control environment

Addnode Group's control environment includes the values and ethics that the Board, the President and Group Management communicate and work according to, as well as the Group's organisational structure, leadership, responsibilities and authorisations, and the employees' expertise.

The Board works continuously with risk assessment and risk management. Addnode Group's Board has chosen to not establish a designated audit function for internal control. The Board is of the opinion that the existing organisation and existing control structures in Addnode Group enable effective operations, identify risks in the financial reporting and ensure compliance with applicable laws and regulations. Addnode Group has a decentralised governance model in which governance, risk management and continuous financial reporting are conducted primarily by the operating divisions. This is complemented by a central finance function responsible for monitoring the divisions' financial reporting and for the external financial reporting.

Responsibilities and authorisations are defined in instructions for authorisation rights, manuals, policies, routines and codes of conduct. A few examples include the Articles of Association, the Board's Rules of Procedure, the instructions for the division of duties between the President and the Board, the instructions for financial reporting, the finance policy, and the financial manual with an accompanying accounting manual.

These guidelines, together with laws and external rules and regulations, make up the control environment. The Board tests the relevance and pertinence of these instructions on a regular basis. Responsibility for continuously maintaining an effective control environment and the day-to-day work with internal control over financial reporting is delegated to the President. Group Management and other senior executives have responsibility for internal control within their respective areas of responsibility.

Risk assessment

The Audit Committee continuously assesses the Group's risks and reports to the Board when necessary. The aim is to identify events in the market or in the Group's operations that could result in changes in the value of assets and liabilities. Another important part of risk assessment involves staying abreast of changes in accounting rules and ensuring that any changes are correctly reflected in the financial reporting. The CFO is responsible for the preparatory work behind the Audit Committee's assessments and for operational monitoring of identified risks. A key aspect of risk assessment is the company's monthly financial reporting and the management reports that are submitted each month by the divisional presidents and their directly subordinate managers.

Control structures

The company's control structures have been designed to manage the risks that the Board and management deem as being the most significant for the operations and the financial reporting. Addnode Group's control structures consist in part of an organisation with clear roles that facilitate an effective and suitable division of duties and responsibilities, and in part of instructions and specific control activities aimed at detecting or preventing risks for errors in the reporting in a timely fashion.

Examples of control activities include:

- Clear decision-making processes and authorisation instructions for important decisions (e.g., purchases, investments, agreements, and acquisitions and divestments)
- Monthly performance analyses with deviation monitoring against budgets and forecasts
- Monthly risk assessment of past-due accounts receivable and major projects
- Automatic controls in IT systems that are essential for the financial reporting and other analytical follow-ups and reconciliations
- Self-assessment of internal control of selected companies

Monitoring

Control activities are monitored on a continuous basis to ensure that risks have been identified and addressed in a satisfactory manner. Monitoring is conducted both informally and formally, and involves reconciliation of monthly financial reports against budgets, forecasts and other set targets. Monitoring to ensure the effectiveness of internal control over financial reporting is conducted by the Board, the President, Group Management, and individuals in the Group's divisions and companies who are responsible for operations.

The Audit Committee reviews reports on internal control and the financial reporting processes as well as analyses by the CFO. The auditors report to the Audit Committee in connection with their review of the nine-month interim report, the year-end report, and the annual report. In addition, the Audit Committee and the auditors maintain regular contact.

Information and communication

Guidelines for the financial reporting are communicated to employees through targeted communication initiatives, regular information

meetings with the Group's controllers and financial managers, and manuals, Group-wide policies and codes that are published via Group-wide systems. Such information includes methodologies, instructions and practical checklists, descriptions of roles and responsibilities, and overarching timetables for e.g., budgets, forecasts, monthly reports, quarterly book-closings and work with the annual report. The CFO is responsible for ensuring that information and training activities are conducted on an ongoing basis with the heads of finance/accounting and administration in the various divisions. The effectiveness of this communication is followed up on a regular basis to ensure receipt of information. In addition, informal channels are in place for employees to communicate important information with relevant recipients – ultimately the Board of Directors where necessary. Addnode Group also has a whistleblower function that is accessible via the Group's website with contact information for the Audit Committee Chair, who in turn is responsible for informing the Board about reported matters. For communication with external parties, an insider policy and information policy lay out guidelines for how external communication may take place. The aim of these policies is to ensure correct and thorough compliance with all information obligations.

Financial reporting and information

Addnode Group's routines and systems for the issuance of information aim to provide the market with regular and correct information about the Group's performance and financial position in accordance with applicable regulations and laws. Via Addnode Group's intranet the employees are updated about Group-wide policies, governance documents and manuals.

Financial reporting and business information are provided on a regular basis in the following ways:

- Year-end and interim reports, which are published via press releases
- Annual reports
- Press releases on significant events
- Presentations for financial analysts, investors and the media on the same day that year-end and interim reports are published as well as in connection with the publication of other important information
- Meetings with financial analysts and investors

The Board monitors and ensures the quality of the financial reporting through instructions on the division of duties between the President and the Board, and instructions for financial reporting to the Board. The Audit Committee is responsible for conducting preparatory work for the Board's work with control over the company's financial reporting. In addition, the Board ensures the quality of the financial reporting by thoroughly reviewing interim reports, the year-end report and the annual report at board meetings. The Board also reviews information about risk assessment, disputes and any irregularities. The Board has delegated responsibility to the executive management for ensuring the quality of press releases with financial content as well as presentation material in connection with meetings the media, owners and financial institutions.

BOARD OF DIRECTORS



STAFFAN HANSTORP

Born 1957. Chairman of the Board, Remuneration Committee chair.

Education and experience: Civil engineer, KTH Royal Institute of Technology. More than 35 years of experience as sales manager/marketing manager and CEO in IT sector. Founded TECHNIA in 1994, which was acquired by Addnode Group in 2004. President and CEO of Addnode Group 2007–2017.

Current assignments: Chairman of Bioteria Technologies AB, Byggnadsfirman Viktor Hansson AB, director of IT & telecom companies in Almega.

Shareholding in Addnode Group: Staffan Hanstorp owns, via companies, 50 per cent of Aretro Capital Group AB, which owns 625,332 A-shares and 1,654,624 B-shares in Addnode Group. Personal holding of 3,973 B-shares. Aretro Capital Group AB has issued call options on 70,000 B-shares.



JAN ANDERSSON

Born 1959. Director, Audit Committee chair.

Education and experience: Civil engineer with specialisation in computer technology. Co-founder of Readsoft and President 1991–2011.

Current assignments: Chairman of DH Anticounterfeit, Fast2 AB and Mildef Group AB, director of Entreprenörinvest AB, Innovum Invest AB, Myloc AB and TimeZynk AB, among other companies.

Shareholding in Addnode Group: 15,000 B-shares.



KRISTOFER ARWIN

Born 1970. Director and member of Audit Committee.

Education and experience: B.Sc. Business Administration, Finance, Stockholm University. Co-founder of TestFreaks, CEO of TestFreaks 2006–2013. Founded Pricerunner in 1999 and CEO 1999–2005. Director of Trade-Doubler 2007–2013, Stagepool 2007–2012 and Alertsec 2007–2017. Director and member of audit committee of Kindred Group 2008–2019.

Current assignments: Chairman of the Board of TestFreaks AB.

Shareholding in Addnode Group: 2,180 B-shares.



JOHANNA FRELIN

Born 1969. Director.

Education and experience:

Journalist, B.A. Luther College, USA. MBA Stockholm School of Economics. 20 years of management experience, including 12 years in group management with SVT. CEO of Hyper Island and Tengbom.

Current assignments:

CEO of Riksbyggen, director of Springtime AB.

Shareholding in Addnode Group:

No shareholding.



SIGRUN HJELMQUIST

Born 1956. Director and member of Audit Committee.

Education and experience:

Civil engineer, M.Sc. Engineering Physics from KTH Royal Institute of Technology. Active in the Ericsson Group 1979–2000, most recently as President of Ericsson Components AB. Investment manager at BrainHeart Capital 2000–2005. Currently executive partner at Facesso AB.

Current assignments:

Director of Azelio AB, Eolus Vind AB, Edgeware AB, Ragnsellsbolagen AB, Trancendent Group AB and Teqnion AB.

Shareholding in Addnode Group:

1,000 B-shares, plus 1,000 B-shares owned by spouse.



THORD WILKNE

Born 1943. Director and member of Remuneration Committee.

Education and experience:

Secondary school economics degree. Co-founder of WM-data and CEO 1970–1997, Chairman 1998–2004.

Current assignments:

Director of Silver Life AB and Wilgot AB.

Shareholding in Addnode Group:

400,000 B-shares, plus 35,000 B-shares owned by spouse.

AUDITOR

At the 2019 Annual General Meeting, the chartered accounting firm PricewaterhouseCoopers AB (PwC) was re-elected as Addnode's Auditor, with Authorised Public Accountant Anna Rosendal as Auditor-In-Charge.

GROUP MANAGEMENT



JOHAN ANDERSSON

Born 1974. President and CEO of Addnode Group AB.

Education and experience: M.Sc. Econ., Uppsala University. Executive Management Programme, IFL/Stockholm School of Economics. Active in Addnode Group since 2006 as Head of IR and M&A, and as CFO. Previous experience as adviser at investment bank for tech companies.

Current assignments outside the Group: Chairman of Teknik i Media Datacenter Stockholm AB.

Shareholding in Addnode Group: 57,778 B-shares and call options on 60,000 B-shares.



LOTTA JARLERYD

Born 1966. CFO of Addnode Group AB.

Education and experience: B.Sc. Business Administration and Economics and journalism degree, Stockholm University. Active in Addnode Group since 2019. Previous experience as an Authorised Public Accountant, as an adviser in company acquisitions, and as CFO of Protect Data AB (publ) and Acando AB (publ), among other companies.

Current assignments outside the Group: Director of V.S. Visit Sweden AB.

Shareholding in Addnode Group: No shareholding.



JONAS GEJER

Born 1963, President of Product Lifecycle Management division.

Education and experience: Secondary school degree in engineering and Market Economics degree, IHM Business School. 30 years of experience in product development and related digital tools, such as PLM, simulation and CAD. One of three co-founders of TECHNIA in 1994, which was acquired by Addnode Group in 2004.

Current assignments outside the Group: None.

Shareholding in Addnode Group: Jonas Gejer owns, via companies, 50 per cent of Aretro Capital Group AB, which owns 625,332 A-shares and 1,654,624 B-shares in Addnode Group. Personal holding of 3,973 B-shares. Aretro Capital Group AB has issued call options for 70,000 B-shares.



ROLF KJÆRNSLI

Born 1958. President of Design Management division.

Education and experience: Civil engineer, Norwegian Institute of Technology. Active in Addnode Group since 2005, more than 30 years of experience as head of R&D and as CEO in the IT industry.

Current assignments outside the Group: Director of WK Entreprenør AS.

Shareholding in Addnode Group: 79,498 B-shares via companies, and call options on 40,000 B-shares.



ANDREAS WIKHOLM

Born 1974, President of Process Management division.

Education and experience: Degree in Public Health Science, Karolinska Institutet. Numerous continuing education courses in company management, economics and business development. Active in Addnode Group since 2015, with 20 years of experience from the IT industry in roles such as divisional manager, CEO, and other executive positions.

Current assignments outside the Group: None.

Shareholding in Addnode Group: 20,000 B-shares and call options on 40,000 B-shares.



ADAM NILSSON

Born 1984. Head of M&A, Addnode Group AB.

Education and experience: M.Sc. Business administration/ Finance, Stockholm University. Active in Addnode Group since 2018. Previous experience as a consultant on transactions and financial analysis.

Current assignments outside the Group: None.

Shareholding in Addnode Group: 1,000 B-shares.