

Corporate Governance Report

This report describes Qliro Group AB's principles of corporate governance. Qliro Group is a Swedish public limited liability company. The company's governance is based on its Articles of Association, the Swedish Companies Act, the Annual Accounts Act, Nasdaq Stockholm's regulations for listed companies and other relevant regulations. The company also applies the Swedish Code of Corporate Governance (the Code).

Qliro Group is governed by several bodies. At the Annual General Meeting, the shareholders exercise their voting rights by electing the Board of Directors and external auditors. Some of the Board's duties are prepared by the President and CEO of Qliro Group. The CEO oversees the day-to-day management of the Group in accordance with guidelines from the Board.



Shares and shareholders

According to the share register held by Euroclear Sweden AB, there were 17,912 shareholders at the end of 2018. Shareholdings by its 15 largest shareholders correspond to some 60.7 percent of the share capital and a somewhat lower percentage of votes. Swedish institutions and mutual funds own approximately 47 percent of the share capital, international investors hold about 7 percent and Swedish private investors own around 32 percent.

The share capital consists of two share types: ordinary shares and C shares. There are no restrictions on the number of votes each shareholder can cast at the AGM. For more information regarding company shares, see page 33.

On May 8, 2017, Qliro Group's AGM authorized the Board to issue (and buy back) up to 4,550,000 C shares if they so decided. The aim of the authorization was to ensure the delivery of shares to participants in Qliro Group's long-term incentive program adopted by the AGM in 2017. The authorization was exercised in April 2018, when the Qliro Group issued new shares and immediately bought back 4,550,000 C shares. Nordea Bank AB (publ) subscribed for all issued C shares at a subscription price of SEK 2.00. All issued C shares were subsequently bought back by Qliro Group for SEK 2.00. The issue of the C shares increased Qliro Group's share capital by SEK 9,100,000.

On May 22, 2018, Qliro Group's AGM authorized the Board to issue (and buy back) up to 1,807,000 C shares if they so decided. The aim of the authorization was to ensure the delivery of shares to participants in Qliro Group's long-term incentive program adopted by the AGM in 2018. The authorization had not been exercised by the end of 2018.

Furthermore, the AGM held in 2018 authorized the Board to decide on buying back as many of the company's ordinary shares during the period until the next AGM, on one or more occasions, so that Qliro Group's holding at no time exceeds 10 percent of all shares in Qliro Group. The authorization had not been exercised by the end of 2018.

Shareholders are regularly provided with information, including interim and full-year financial reports, financial statements, and press releases on significant events during the year. All reports, press releases and other information can be found on the website at www.qlirogroup.com.

Annual General Meeting

The Annual General Meeting (AGM) is a limited company's highest decision-making body. It is there that all shareholders can exercise their voting rights to decide on issues affecting the company and its operations. The Swedish Companies Act and the Articles of Association detail procedures on how notice is given of the AGM and Extraordinary General Meetings, along with who is entitled to participate and vote at the meetings.

The authority of the AGM and its rules of procedure are primarily based on the Swedish Companies Act and the Swedish Corporate Governance Code, as well as on the Articles of Association adopted by the AGM. The AGM must be held within six months of the end of the financial year. The AGM makes decisions on adoption of the income statement and balance sheet, consolidated income statement and statement of financial position, appropriation of the company's earnings according to the adopted balance sheet, discharge of liability for the Board and CEO, appointment of the Board, its chairman, the company's auditors, and certain other matters provided for by law and the Articles of Association. The AGM for financial year 2018 will be held on May 7, 2019, in Stockholm, Sweden.

Nomination Committee

Tasks of the Nomination Committee include:

- Evaluating the Board's work and composition
- Submitting proposals to the AGM regarding the election of Board members and the Chairman of the Board
- Preparing proposals for the election of auditors in consultation with the Audit Committee (when appropriate)
- Presenting proposals for the setting of remuneration for the Board and the auditors
- Preparing proposals for the Chairman of the Annual General Meeting
- Preparing proposals to the AGM regarding the Nomination Committee's composition and work during the following year

In accordance with the Nomination Committee Rules adopted at the 2018 AGM, a representative for the largest shareholder, Kinnevik, convened a nomination committee to prepare proposals for Qliro Group's 2019 AGM.

The Nomination Committee for the 2019 AGM consists of Samuel Sjöström (chairman), appointed by Kinnevik, Christoffer Häggblom appointed by Rite Ventures and Thomas Krishan, representing his own holdings. The members of the Nomination Committee do not receive any separate remuneration for their work.

The Nomination Committee will submit draft resolutions regarding the election of Board members and Chairman of the Board, auditors, remuneration of the Board and Chairman of the Board, and more at the company's 2019 AGM.

In its work, the Nomination Committee applies Rule 4.1 of the Swedish Corporate Governance Code and the company's policy regarding the diversity and suitability of board members. The Nomination Committee considers the importance of increased diversity on the Board, in terms of gender, age and nationality, as well as experience, occupational background and business areas. As part of its efforts to find the most competent Board members, the Nomination Committee strives for an even gender balance.

Board of Directors

Qliro Group's Board of Directors are elected at the AGM for the period up to and including the end of the following AGM. Qliro Group's Articles of Association do not include any restrictions regarding the eligibility of Board members. According to the Articles of Association, the Board should consist of a minimum of three and a maximum of nine members.

Responsibilities and duties of the Board

The Board has overall responsibility for the organization and management of Qliro Group. The Board has adopted working procedures for its internal activities that include rules pertaining to the number of regular Board meetings, which issues are to

be handled at regular Board meetings, the duties of the Chairman and instructions regarding division of duties between Qliro Group's Board, the CEO and the boards of the subsidiaries.

The work of the Board is also governed by rules and regulations, including the Swedish Companies Act, Articles of Association and Swedish Code of Corporate Governance.

In order to carry out its work more effectively, the Board has appointed a Remuneration Committee and an Audit Committee with special tasks. These committees handle business within their respective areas and present recommendations and reports on which the Board may base its decisions and actions. However, all members of the Board have the same responsibility for decisions made and actions taken, irrespective of whether issues have been reviewed by such committees or not. In 2018, the boards of Qliro Group and its subsidiary Qliro AB also set up a new joint committee dealing with matters related to the consolidated situation. This committee consists of board members from both Qliro Group and Qliro AB.

The Board has also issued instructions to be followed by the CEO. The instructions require that major investments in fixed assets must be approved by the Board. The Board must also approve major transactions, including acquisitions and divestments or closure of businesses. In addition, the Board has also issued written instructions specifying when and how information that is required for the Board to evaluate the Group's and its subsidiaries' financial positions should be reported.

The rules of procedure that are adopted annually by the Board include instructions on which financial reports and what financial information shall be submitted to the Board. In addition to the year-end report, interim reports and the annual report, the Board also examines and evaluates extensive financial information related to both the Group and various entities within the Group. The Board also examines, primarily through the Audit Committee, the most significant accounting policies applied in the Group regarding financial reporting, as well as any key changes to these policies. The Audit Committee is also tasked with examining reports on internal controls and the processes for financial reporting, along with internal audit reports compiled by the Group's external function for internal auditing. The Group's auditor reports to the Board as required, but at least once a year. At least one of these reporting occasions occurs without the CEO or any other member of executive management being present. The Group's auditor also participates in the meetings of the Audit Committee. The Audit Committee meetings are minuted and the minutes are made available to all Board members and the auditors.

Composition of the Board as of December 31, 2018

Namn	Position	Date of birth	Citizenship	Appointed	Independent of major shareholders	Independent of company and management	Remuneration Committee	Audit Committee
Christoffer Häggblom	Chairman	1981	Finnish	2017	Yes	Yes	Member	
Daniel Mytnik	Member	1971	Swedish	2014	Yes	Yes	Chairman	Member
Jessica Pedroni Thorell	Member	1983	Swedish	2017	No	Yes	Member	Member
Erika Söderberg Johnson	Member	1970	Swedish	2017	Yes	Yes		Chairman
Andreas Bernström	Member	1974	Swedish	2018	No	Yes		
Lennart Jacobsen	Member	1966	Swedish	2018	Yes	Yes		

Composition of the Board

The Board of Qliro Group AB comprises six board members. They are Christoffer Häggblom (Chairman since May 2018), Daniel Mytnik, Jessica Pedroni Thorell, Andreas Bernström, Lennart Jacobsen and Erika Söderberg Johnson. For more information, see page 42.

Qliro Group's Board composition during the year has fulfilled the requirements of Nasdaq Stockholm and the Code on the independence of board members. This means that most Board members appointed by the AGM are independent of the company and its management. At least two of these members are also independent of the company's major shareholders.

Remuneration Committee

The Remuneration Committee consists of Daniel Mytnik, Chairman, Christoffer Häggblom and Jessica Pedroni Thorell.

The Remuneration Committee's tasks are described in section 9.1 of the Code. The main tasks of the Remuneration Committee are to: (i) prepare decisions for the Board on matters regarding remuneration principles, remuneration and other employment terms for the CEO and senior executives; (ii) monitor and evaluate ongoing programs and programs concluded during the year for variable remuneration (e.g. long-term share-based incentive programs) for the CEO, senior executives and other key individuals within Qliro Group; and (iii) monitor and evaluate application of the guidelines for remuneration of senior executives that the AGM, in accordance with the law, shall decide upon, along with applicable remuneration structures and remuneration levels in the company.

Audit Committee

The Audit Committee consists of Erika Söderberg Johnson, Chairman, Daniel Mytnik and Jessica Pedroni Thorell.

The Audit Committee's tasks are described in Chapter 8, Section 49b of the Swedish Companies Act. The Audit Committee's responsibilities are to: (i) monitor the company's financial reporting, make recommendations and suggestions to ensure reporting accuracy; (ii) in respect of the financial reporting, monitor the efficiency of the company's internal controls, internal audits and risk management; (iii) stay informed on the audit of the annual report and consolidated accounts as well as the conclusions of the Supervisory Board of Public Accountants' quality control; (iv) inform the Board about the results of the audit and the manner in which the audit contributed to the reliability of financial reporting as well as on the role the Committee had; (v) review and monitor the impartiality and independence of the auditor, and therewith, paying special attention to whether the auditor provides the company with services other than auditing; and (vi) assist with preparation of proposals to the AGM's resolution on election of an auditor. The Audit Committee's work focuses on evaluating the quality and accuracy of the financial reporting, internal controls, internal audits and risk assessments.

The Consolidated Situation Committee

The new joint Consolidated Situation Committee was established by the boards of directors of Qliro Group AB and its subsidiary Qliro AB during the summer 2018 in order to improve the governance and reporting capabilities in relation to the consolidated situation (comprising Qliro Group AB and Qliro AB). The Committee consists of two members appointed by the board of Qliro Group AB (Lennart Jacobsen and Erika Söderberg Johnson) and two members appointed by the board of Qliro AB (Lennart Francke and Helena Nelson). Lennart Francke has been appointed as the chairman of the Committee and Lennart Jacobsen has been appointed as the vice chairman of the Committee. During the year 2018 the Committee had four meetings.

The Consolidated Situation Committee reports directly to the boards of Qliro Group and Qliro, respectively, on matters handled in the Committee. The role of the Committee is to ensure co-ordination between the two boards and to enable a more effective and relevant flow of information from and to the respective board. The responsibility for directing the governance of the consolidated situation and for ensuring compliance with the regulatory requirements rests with the board of Qliro Group and the board of Qliro (as applicable). The Committee acts as a preparatory function to these boards and assists them with review of policies and framework for the consolidated situation, as well as with follow-up on compliance with regulatory requirements on a consolidated basis. The Committee is the primary forum for coordination between the boards in matters relating to the consolidated situation.

Compensation to Board members

The fixed remuneration for the Board for the period until the close of the 2019 AGM totals SEK 2,746,000, of which SEK 670,000 is allocated to the Chairman of the Board, SEK 325,000 to each of the five Board members, and a total of SEK 451,000 as remuneration for work on board committees. The remuneration of the Board members is proposed by the Nomination Committee, which represents the company's largest shareholders, and approved by the AGM. The Nomination Committee's proposal is based on benchmarking of peer group company compensation and company size.

The Board's work in 2018

During the year the Board regularly reviewed Qliro Group's consolidated earnings, financial position, organization and administration. During its meetings the Board has dealt with matters involving Qliro Group's strategy, including budget and other financial forecasting, capital structure and financing, investments in equipment, potential acquisitions, the establishment of new operations and divestments (such as the sale of Health and Sports Nutrition Group) and continued streamlining of internal procedures and control processes. An annual structured evaluation of the Board's work is conducted with the aim of further developing the Board's effectiveness and proactive involvement in the company. The result of this evaluation was also reported to the Nomination Committee.

The Board had a total of 13 meetings in 2018, including four ordinary meetings, one constituent meeting and eight extraordinary meetings.

Presence at board and committee meetings in 2018

Namn	Board meetings	Audit Committee	Remuneration Committee
Number of meetings until 5/22/2018	4	2	4
Number of meetings from 5/22/2018	9	3	3
Total meetings in 2018	13	5	7
Christoffer Häggblom	13/13		7/7
Daniel Mytnik	12/13	5/5	7/7
Jessica Pedroni Thorell ¹⁾	13/13	3/3	7/7
Erika Söderberg Johnson	12/13	5/5	
Andreas Bernström (from 5/22/2018)	8/9		
Lennart Jacobsen (from 5/22/2018)	9/9		
Lars-Johan Jarnheimer (until 5/22/2018)	4/4		
Peter Sjunnesson (until 5/22/2018)	3/4	2/2	
Caren Genthner-Kappesz (until 5/22/2018)	4/4		

¹⁾ Jessica Pedroni Thorell is a member of the Audit Committee as of May 22, 2018

External auditors

KPMG AB was elected as Qliro Group AB's auditor at the 2018 AGM for a period of one year. KPMG has been the company's external auditor since 1997. Märten Asplund, Authorized Public Accountant at KPMG, has overseen the company's audits since May 2017. An auditor election will take place at the 2019 AGM.

The auditor reports its findings to the shareholders by means of the auditors' report, which is presented to the AGM. In addition, the auditors report detailed findings to the Audit Committee twice a year and to the full Board once a year, and annually provide written assurance of their impartiality and independence to the Audit Committee.

KPMG also provided certain additional services in 2017 and 2018. These services comprised consultation on accounting and tax issues and other audit-related engagements.

Audit engagements involve examination of the annual report and financial accounting, administration by the Board and CEO, other tasks related to the duties of a company auditor and consultation or other services that may result from observations noted during such examination or implementation of such other engagements. See Note 25 for further details regarding audit fees.

CEO and executive management

The Group's executive management includes the Chief Executive Officer, the Chief Financial Officer and managing directors of Qliro Group's operating subsidiaries. Information on Group management can be found on page 44.

The CEO is responsible for the ongoing administration of the company in accordance with the guidelines and directions established by the Board.

The CEO and executive management team, supported by various staff functions, are responsible for adhering to the Group's overall strategy, financial and business controls, financing, capital structure, risk management and acquisitions. Among other tasks, this includes preparation of financial reports, communication with the investors and more.

Subsidiary boards

As a part of Qliro Group's revised strategic direction to run Qliro Financial Services, CDON Marketplace and Nelly as three completely independent companies, corporate governance was strengthened in Qliro Group's subsidiaries. From the second half of 2018, Nelly and CDON Marketplace have held regular board meetings. The board of Qliro Financial Services has held regular board meetings since 2014. All subsidiaries have separate boards with representatives from the parent company's board and management as well as external board members for Qliro Financial Services and Nelly. This means that the subsidiaries are run independently of each other and that Group management focuses on making the companies independent and ready for listing and evaluating potential strategic transactions.

As of December 31, 2018, the subsidiary boards had the following composition:

- Qliro Financial Services (Qliro AB) – Lennart Jacobsen (chairman, also board member of Qliro Group), Andreas Bernström (also a board member of Qliro Group), Marcus Lindqvist (also CEO of Qliro Group), Robert Burén (external member), Lennart Francke (external member), Helena Nelson (external member) and Johan Wigh (external member).
- Nelly (NLY Scandinavia AB, renamed Nelly NLY AB (publ) in February 2019) – Marcus Lindqvist (chairman, also CEO of Qliro Group), Christoffer Häggblom (also board chairman of Qliro Group), Jessica Pedroni Thorell (also board member of Qliro Group), Mathias Pedersen (also CFO of Qliro Group), Louise Nylén (external member) and Maj-La Pizzelli (external member).
- CDON Marketplace (CDON AB) – Marcus Lindqvist (chairman, also CEO of Qliro Group), Christoffer Häggblom (also board chairman of Qliro Group), Andreas Bernström (also board member of Qliro Group) and Mathias Pedersen (also CFO of Qliro Group).

Each of the subsidiaries' boards has adopted working procedures for its internal activities that include rules pertaining to the number of regular Board meetings, which issues are to be handled at regular Board meetings, the duties of the Chairman and instructions regarding division of duties between the boards of the subsidiaries and their CEOs and Qliro Group's Board and CEO. Instructions to be followed by the CEOs of the subsidiaries have also been adopted.

Applicable guidelines for remuneration of senior executives

At the Annual General Meeting held on May 22, 2018, it was resolved to adopt the following guidelines for determining remuneration of senior executives in Qliro Group and Board members of the parent company, to the extent to which they are remunerated outside their directorship.

Remuneration guidelines

The Qliro Group should endeavor to offer total remuneration that will enable the Group to attract, develop and retain senior executives in competition with comparable international companies, which primarily are Nordic companies operating in e-commerce and retail with consumer brands and products, as well as Nordic credit market companies specializing in e-commerce payments, digital consumer financing, personal loans and savings accounts. Remuneration of senior executives in the Qliro Group should reflect in both the short and long terms the individual's performance and responsibilities and the earnings of the Qliro Group and its subsidiaries and should also align the interests and rewards of senior executives with those of the shareholders. Remuneration of senior executives should therefore be based on the "pay-for-performance" principle and encourage them to build up a significant private ownership of Qliro Group shares in relation to their personal financial situation.

Remuneration of senior executives shall consist of:

- Fixed salary
- Short-term variable remuneration paid in cash
- Opportunities to participate in long-term incentive programs
- Pension and other benefits

Fixed salary

Senior executives' fixed salaries are revised each year. They should be competitive and based on the individual's competence, responsibilities and performance.

Variable remuneration

Senior executives' short-term variable remuneration paid in cash shall be based on performance in meeting established targets for their areas of responsibility and for Qliro Group and its subsidiaries. The outcome shall be linked to measurable targets (qualitative, quantitative, general and individual). The targets

within the senior executives' respective areas of responsibility are intended to promote Qliro Group's performance both in the short and long term. The cash-based variable remuneration shall generally not exceed 100 per cent of the senior executive's fixed annual salary. The Board may resolve that part of senior executives' variable remuneration paid in cash should be invested in shares or share-related instruments in Qliro Group. Long-term incentive programs should include a personal investment and be linked to certain predetermined value-creating and/or share- or share-price-related performance criteria and should be designed to ensure a long-term commitment to the value growth of Qliro Group and/or its subsidiaries. They should also align the interests and rewards of senior executives with those of the shareholders by paying the participants in shares. Qliro Group has three outstanding long-term equity-related incentive programs (performance share plans) for senior executives and other key employees of the parent company and Qliro Group's subsidiaries/segments, namely PSP 2015, PSP 2016 and PSP 2017. The incentive programs expire in April 2018 (PSP 2015), April 2019 (PSP 2016) and April 2020 (PSP 2017). These programs may be followed by other equity-related programs, warrants and synthetic options.

Synthetic call options

Qliro Group has two outstanding synthetic call option programs (QOP 2016 and QOP 2017) for management and other key employees in Qliro Group's subsidiaries/segments that offer financial services.

Pension and other benefits

Pension commitments are secured through premiums paid to insurance companies. The retirement age is normally 65. Other benefits should be customary and contribute to facilitating the executives' ability to perform their duties, for example company car, occupational health services and medical expense insurance.

Notice of termination and severance pay

The maximum notice period in senior executive contracts is generally 12 months, and in exceptional cases 18 months, during which time salaries will continue to be paid.

Compensation to Board members

Board members elected by General Meetings may in certain cases be paid for services within their respective areas of expertise, outside of their Board duties. These services should be remunerated at market rates and be approved by the Board.

Remuneration of senior executives who are subject to remuneration rules for credit market companies

For senior executives who are subject to the remuneration rules for credit market companies, special remuneration rules apply

pursuant to laws and regulations issued by the Swedish Financial Supervisory Authority. The remuneration rules were applied to the parent company Qliro Group AB (publ) when Qliro Group AB (publ) formed a so-called consolidated situation with its subsidiary Qliro AB in 2018. The boards of Qliro Group AB (publ) and Qliro AB have established a remuneration policy that covers all employees in each company and that is compatible with and promotes sound and efficient risk management and counteracts excessive risk taking. In addition to the guidelines set out above, the following guidelines will mainly be applied to remuneration of senior executives who are subject to the remuneration rules:

- Qliro Group AB (publ) and Qliro AB will conduct an analysis annually to identify employees whose duties have a significant impact on the company's risk profile based on several different criteria.
- The performance assessment shall, in the case of variable remuneration, be set in a multi-year framework to ensure that the assessment process is based on long-term, sustainable results and that the underlying business cycle and business risks are considered when paying performance-based remuneration.
- The variable remuneration shall be based on the employee's performance as well as the overall performance of both the business unit and the company. Both financial and non-financial criteria shall be considered when assessing the employee's performance.
- At least 40-60 percent of the variable remuneration shall be deferred at least three to five years before it is paid, or the right of ownership passes to the employee.
- Variable remuneration shall only be paid or passed to the employee if justifiable by the company's financial situation and motivated by the performance of the company, the business unit and the employee. The variable portion of the remuneration may be omitted for these reasons.

Deviations from the guidelines

Under special circumstances, the Board may deviate from the guidelines if it is deemed necessary. If the Board deviates from the guidelines, it must report the reasons for this at the following AGM.

Share-based long-term incentive programs

Qliro Group has three outstanding share-based long-term incentive programs decided on at the Annual General Meetings in 2016, 2017 and 2018, as well as an outstanding synthetic call option plan for senior executives and key employees in Qliro Financial Services (launched in 2016 and 2017). See Note 24 for more information.

Evaluation of the guidelines and auditor's statement as to whether the guidelines have been complied with

In accordance with the Swedish Corporate Governance Code, the Board's Remuneration Committee follows and evaluates the application of the AGM's guidelines for remuneration of executives. The company's auditor has, in accordance with Chapter 8, Section 54 of the Companies Act, provided an opinion as to whether the remuneration guidelines for executives in force in 2018 were adhered to. The Remuneration Committee's evaluation and the auditor's review have concluded that in 2018 Qliro Group followed the guidelines adopted by the AGM. The opinion and the Board of Director's report on the outcome of the Remuneration Committee's evaluation is available on the company's website at www.qlirogroup.com, at company headquarters at Sveavägen 151 in Stockholm, and is sent to the shareholders who request it, stating their mailing or e-mail address.

Internal control of financial reporting, etc.

The processes for internal control, risk assessment, control activities and monitoring regarding financial reporting are designed to ensure reliable overall and external financial reporting in accordance with International Financial Reporting Standards (IFRS), applicable laws, regulations and other requirements for listed companies on Nasdaq Stockholm. This work involves the Board, executive management and other staff.

Control environment

In addition to the Board's rules of procedure and instructions to the CEO, Board committees and the boards of the subsidiaries, there is a clear division of roles and responsibilities for effective management of operational risks. The Board also has several established basic guidelines that are important to its work with internal control activities. This includes control and monitoring of results as compared with plans and prior years. The Audit Committee assists the Board in overseeing various issues such as internal audit and accounting policies applied by the Group. The responsibility for maintaining an effective control environment with risk assessment of ongoing activities and internal control over financial reporting is delegated to the CEO. The boards of the subsidiaries and managers at different levels in the Group have this responsibility within their areas of responsibility. Executive managers regularly report to the Board according to established procedures and in addition to the Audit Committee's reports. The control environment is made up of defined responsibilities and authority, instructions, guidelines, manuals and policies, together with laws and regulations. All employees are accountable for compliance with these guidelines.

Risk assessment and control activities

The company has prepared a model for assessing risks in all areas, in which several parameters are identified and measured. These risks are reviewed regularly by the Board and the Audit Committee and include both the risk of loss of assets as well as irregularities and fraud. Special attention was paid to designing controls for preventing and discovering shortcomings in these areas. The important areas are purchasing, logistics, and inventory processes, technical development and performance of the web platform, as well as general IT-security.

Information and communication

Guidelines, manuals and the like that are significant for financial reporting are regularly updated and distributed to the employees concerned. There are formal as well as informal information channels to the executive management and Board for employees to transmit information of significance. Guidelines for external communication ensure that the company applies the highest standards for providing accurate information to the financial market.

Monitoring

The Board continuously evaluates the information submitted by company management and the Audit Committee. The Board receives regular updates between meetings as to the Group's development. The Group's financial position, strategies and investments are discussed at every ordinary Board meeting. The Audit Committee reviews all quarterly reports prior to publication. The Audit Committee is also responsible for monitoring internal control activities. This work includes ensuring that action is taken to deal with any deficiencies and to implement proposed measures emerging from the internal and external audits. The external auditors participate in the regular meetings of the Audit Committee.

During the year, Qliro Financial Services has had an independent internal audit function that is responsible for monitoring and evaluating risk management and internal control activities. Internal auditing has been performed by a third party, whose work includes scrutinizing the application of established guidelines. In 2019, an independent internal audit function will be responsible for monitoring and evaluating risk management and internal control activities for Nelly and CDON Marketplace, as well.



Board of Directors



Christoffer Häggblom
Chairman of the Board

Finnish, born 1981

Christoffer Häggblom is the founder and Managing Partner of Rite Ventures and has 20 years of experience with technology-focused growth companies, both as an entrepreneur and investor. Christoffer is chairman of Verkkokauppa.com, Finland's largest e-commerce company, which is listed on Nasdaq First North Helsinki, and is also a board member of the SaaS company Lemonsoft and Acervo, an investment company focused on listed stocks and bonds. Christoffer also sits on the boards of Qliro Group's subsidiaries Nelly and CDON Marketplace.

Christoffer has an MSc in Finance from Hanken School of Economics in Helsinki.

Member of the Remuneration Committee.

Independent of the company, executive management and independent of major shareholders.

Shareholdings (including related parties): Rite Ventures owns, directly and indirectly, 10,321,494 shares.

Daniel Mytnik
Board member

Swedish, born 1971

Daniel Mytnik has been a member of the Board of Qliro Group since May 2014. Daniel is co-founder of the London-based private equity company Ventiga Capital Partners and has been Managing Partner since its start in 2015. Daniel was previously a partner at Palamon Capital Partners in London until 2013. During his seven years at Palamon, Daniel identified and managed a significant number of investments in rapid-growth service-oriented businesses, primarily in the Nordic countries and the United Kingdom. Before joining Palamon Capital Partners, Daniel spent four years as Managing Director of investment bank Altium Capital, prior to which he worked in Morgan Stanley's Private Equity and Investment Banking department in London for five years.

Daniel has a BA in Philosophy, Politics & Economics and an M.Phil. in Economics from Oxford University.

Chairman of the Remuneration Committee and member of the Audit Committee.

Independent of the company, executive management and major shareholders.

Shareholdings (including related parties): 131,513 shares.

Erika Söderberg Johnson
Board member

Swedish, born 1970

Erika Söderberg Johnson is Chief Financial Officer at Biotage, a life science company listed on Nasdaq Stockholm. Prior to joining Biotage in 2012, Erika was Chief Financial Officer of Karo Bio from 2007 to 2011, for Affibody from 2005 to 2007, and for Global Genomics from 2002 to 2005, and she also worked with investment banking and corporate finance at SEB Enskilda from 1993 to 2002. Erika sits on the board of Saab AB, which is listed on Nasdaq Stockholm.

Erika holds an MSc in Economics and Business Administration from the Stockholm School of Economics.

Chairman of the Audit Committee. Member of the Consolidated Situation Committee.

Independent of the company, executive management and independent of major shareholders.

Shareholdings (including related parties): 1,300 shares.

Jessica Pedroni Thorell
Board member

Swedish, born 1983

Jessica Pedroni Thorell has been Investment Manager at Kinnevik since 2014, focusing on identifying and leading new investments in Europe and managing several consumer-focused investments in e-commerce and financial services. Prior to joining Kinnevik, Jessica spent four years as Senior Associate at the international risk capital company General Atlantic, where she managed the company's investment in Klarna. From 2008 to 2010, Jessica worked at Goldman Sachs' Nordic investment banking department. Jessica also sits on the board of Qliro Group's subsidiary Nelly.

Jessica holds an MSc in Economics and Business Administration from the Stockholm School of Economics and a CEMS master's in international management from the University of St. Gallen.

Member of the Remuneration Committee and Audit Committee.

Independent of the company and executive management, but not independent of major shareholders.

Shareholdings (including related parties): 0 shares.

The Board was elected at the AGM on May 22, 2018 for the period until the end of the next AGM to be held on May 7, 2019.



Andreas Bernström

Board member

Swedish, born 1974

Andreas Bernström has been a member of the Board of Qliro Group since May 2018. Andreas is Investment Director at Kinnevik with a focus on the Nordic market. Andreas has been chairman of Trustly, one of Europe's fastest growing fintech companies, between 2016-2018 and has also been an industrial advisor to EQT in matters of digitization and TMT in the past seven years. In 2014, Andreas founded and launched the company Sinch, a communication platform for IOS and Android developers, which was later sold to CLX Communications. He was also CEO of Rebtel and worked for eight years at TradeDoubler, first as Managing Director for the United Kingdom and later as Chief Operating Officer. Andreas also sits on the boards of Qliro Group's subsidiaries Qliro Financial Services and CDON Marketplace.

Andreas holds a BA in Economics and French from Manchester University and an MA in Finance from Webster University.

Independent of the company and executive management, but not independent of major shareholders.

Shareholdings (including related parties): 0 shares.



Lennart Jacobsen

Board member

Swedish, born 1966

Lennart Jacobsen has been a member of the Board of Qliro Group since May 2018. Lennart is active as a senior advisor and is currently chairman of the board of Qliro Financial Services. From 2013 to 2016, Lennart was EVP Head of Retail Banking at Nordea, a business that provided services to more than 10 million Nordic customers. Before entering his position at Nordea, Lennart worked for 15 years at GE Capital, finally as CEO of GE Money Bank Nordics.

Lennart has an MSc in electrical engineering and telecommunications from the Swedish Royal Institute of Technology.

Member of the Consolidated Situation Committee.

Independent of the company, executive management and independent of major shareholders.

Shareholdings (including related parties): 40,000 shares.

Executive Management



Marcus Lindqvist
President and CEO

Born 1970

Marcus Lindqvist took over as President and CEO of Qliro Group in August 2016. His most recent position was as Head of B2B Sweden & Products at Dustin. He has previously served as Sweden Manager of Hewlett Packard's PC division and was responsible for Dell's channel business in the Nordic region. Marcus has a degree in business administration from FEI in Stockholm. Marcus is also board chairman of Qliro Group's subsidiaries Nelly and CDON Marketplace and a board member of Qliro Financial Services.

Shareholdings (including related parties): 466,979 shares.



Mathias Pedersen
Chief Financial Officer

Born 1971

Mathias Pedersen was appointed as CFO for Qliro Group in August 2016. His most recent position before that was at Kinnevik AB where he was Investment Director. Prior to this he has, among other things, been CFO for East Capital Group, East Capital Explorer and ETAC. Mathias holds a master's degree from the Stockholm School of Economics and has completed the Program for Management Development at Harvard Business School. Mathias also sits on the boards of Qliro Group's subsidiaries Nelly and CDON Marketplace.

Shareholdings (including related parties): 240,000 shares (held through pension insurance, endowment insurance or the like).



Kristoffer Väliharju
CEO of CDON Marketplace

Born 1975

Kristoffer was appointed CEO of CDON in September 2018. He joined CDON as Chief Operating Officer and member of CDON's management team in June 2017. Kristoffer has extensive experience in retail, the last three years at Dustin, including sales manager for small and medium-sized companies in the Nordic region and before that, ten years at Dell as head of distribution in the Nordics.

Shareholdings (including related parties): 12,240 shares.



Anna Ullman Sersé
CEO of Nelly

Born 1973

Anna Ullman Sersé joined as Head of Business Development for Qliro Group in December 2016. She was named Interim Head of Nelly in April 2018 and CEO of Nelly in October 2018. Anna most recently comes from the management consultancy firm Accenture Interactive where she was Nordic lead for Retail and Marketing & Content and has worked with most of the largest retailers in Sweden. Anna holds a MSc in Law and Business Administration from Stockholm University.

Shareholdings (including related parties): 34,944 shares.



Carolina Brandtman
CEO of Qliro Financial Services

Born 1974

Carolina started as CEO of Qliro Financial Services (Qliro AB) in the fourth quarter of 2018. Carolina has extensive experience from GE Money Bank (now Santander Consumer Bank) where she began in risk management in 1999 and became General Manager Sweden in 2012. After Santander Consumer Bank's acquisition, she was CEO of the business combination. Carolina has studied at the University of Örebro and at Central Queensland University.

Shareholdings (including related parties): 11,415 shares.