

Corporate Governance Report

Corporate Governance refers to the decision-making systems through which the owners, directly or indirectly, govern the company. Good corporate governance is a prerequisite for establishing confidence among shareholders, customers and other external stakeholders and is based on the company's strategies, targets and values permeating the entire organisation.

Introduction

Dustin Group AB ("Dustin") is a Swedish public limited liability company that was listed on Nasdaq Stockholm in February 2015. The Corporate Governance Report is submitted in accordance with the Swedish Corporate Governance Code ("the Code") and the Swedish Annual Accounts Act. The Corporate Governance Report forms part of the Directors' Report and has been reviewed by the company's auditor, Ernst & Young AB, whose report is available as part of the Audit Report.

Swedish Corporate Governance Code

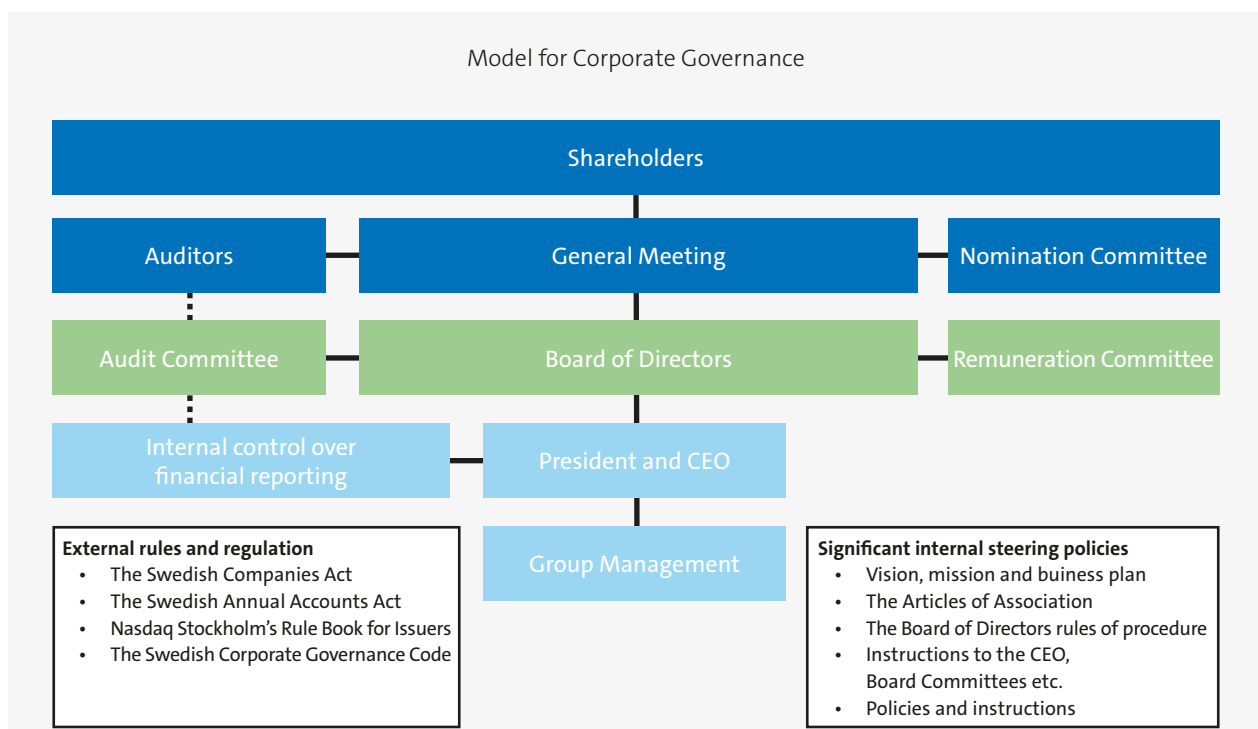
The Swedish Corporate Governance Code must be applied by all companies listed on Nasdaq Stockholm. The aim is to improve corporate governance in listed companies and promote confidence in companies among both the general

public and the capital market. The Code is based on the principle of "comply or explain," which means that companies can deviate from the Code if an explanation can be provided for the reason behind the deviation.

On June 15, 2016, the composition of the Nomination Committee was published. It was subsequently decided that the Annual General Meeting be brought forward to December 13, 2016, meaning this publication did not take place at least six months before the Annual General Meeting. Otherwise, there were no deviations from the Code.

Applicable Regulations for Stock Trading

Dustin has neither deviated from Nasdaq Stockholm's Rule Book for Issuers nor from good stock market practice.

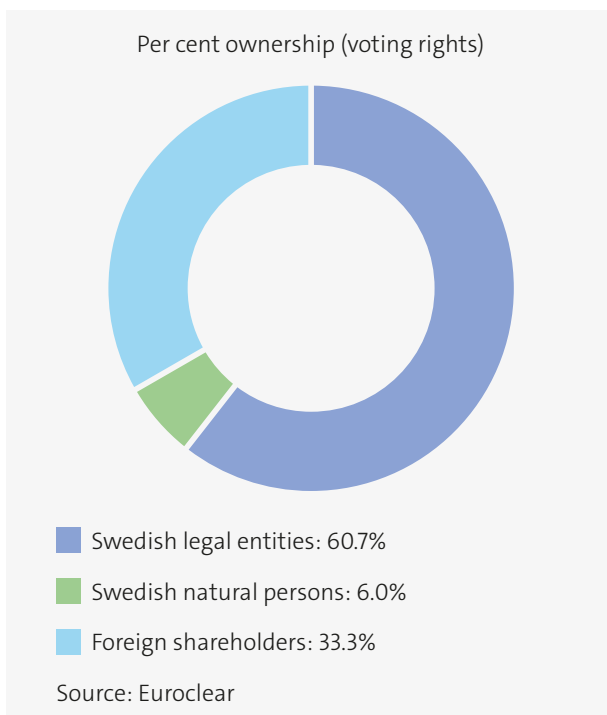


Shareholders and General Meeting

The General Meeting is Dustin's highest decision-making body, with all shareholders entitled to attend, raise issues for discussing and exercise voting rights. The Annual General Meeting (AGM) appoints the company's Board of Directors, external auditors and adopts the Annual Report. The Annual General Meeting also resolves on the appointment of the Nomination Committee, the remuneration of Board members and approves policies for remuneration of senior executives and makes decision regarding dividends and any discharge from liability.

Shareholders

Dustin's share was listed on Nasdaq Stockholm in 2015. All shares carry equal voting rights and equal entitlement to the company's profits and equity. The number of shareholders was 5,822 (6,436) at the end of the fiscal year. The company's largest shareholders, representing at least 10 per cent of the share capital each, were Axmedia AB (Axel Johnson AB) (25.00 per cent) and DG Holding SARL (Altor Fund II GP Limited) (10.04 per cent) as of August 31, 2016.



2014/15 Annual General Meeting

Dustin's Annual General Meeting for the 2014/15 fiscal year was held on January 19, 2016. 71 shareholders were represented at the meeting, corresponding to 70.41 per cent of the share capital and voting rights. All Board members and the Group's Auditor in Charge were present at the meeting.

The following major decisions were taken at the Annual General Meeting:

- Re-election of Fredrik Cappelen, Tomas Franzén, Stefan Linder, Mattias Miksche and Maija Strandberg as Bo-

ard members and election of Johan Fant and Gunnel Duveblad as new Board members. Fredrik Cappelen was re-elected as Chairman of the Board.

- Re-election of audit firm Ernst & Young AB as auditor, with Jennifer Rock-Baley as the Auditor in Charge.
- Ratification of 2014/15 Annual Report and resolution to distribute SEK 1.70 per share in dividends. The record date for the dividend was set for January 21, 2016. The dividend was paid out to shareholders on January 26, 2016.
- Granting of discharge from liability for the Board members and CEO.
- Approval of fees to Board members and the auditor.
- Approval of instructions for the Nomination Committee and guidelines for remuneration of senior executives.
- Decision on Dustin's share-related long-term incentive programme for 2016, involving up to 711,731 warrants and up to ten people.

The minutes of the Annual General Meeting can be found on www.dustingroup.com.

2015/16 Annual General Meeting

Dustin's Annual General Meeting for the 2015/16 fiscal year will be held in Stockholm on December 13, 2016. For more information about the next Annual General Meeting, see page 94 and Dustin's website, www.dustingroup.com.

Nomination Committee

The Nomination Committee is tasked with submitting, prior to the , proposals for the Chairman of the Annual General Meeting, Board members, as well as Chairman of the Board, remuneration for Board work and Committee work, the election and remuneration of auditors and proposals for the Nomination Committee for the next Annual General Meeting. The Nomination Committee also evaluates the Board's work and assesses its competency.

The Annual General Meeting resolved that, ahead of the 2015/16 Annual General Meeting and in accordance with the Nomination Committee's proposal, the Nomination Committee is to comprise representatives of the four largest shareholders in the company in accordance with the shareholders' register maintained by Euroclear Sweden at May 31, 2016 as well as the Chairman of the Board. The committee's mandate period extends until such time as a new committee has been appointed.

Ahead of the Annual General Meeting 2015/16, Dustin's Nomination Committee comprises the following members:

- Paul Schrotti, Axel Johnson AB/Axmedia AB, Chairman of the Nomination Committee
- Risto Siivonen, Altor Equity Partners
- Jannis Kitsakis, Fourth Swedish National Pension Fund

- Lennart Francke, Swedbank Robur funds
- Fredrik Cappelen, Dustin's Chairman of the Board

The composition of the Nomination Committee fulfils the requirements of the Code, which include the independence of the members.

The Nomination Committee has held six meetings to date. In addition, discussions and interviews have been held between the meetings. The Chairman of the Board has informed the Nomination Committee of the work of the Board and the committees and presented the Board's evaluation of its work. Together with the company-specific requirements, this evaluation has formed the basis of the Nomination Committee's work. A report of the Nomination Committee's work will be submitted at the Annual General Meeting. No special remuneration was paid to the members of the Nomination Committee.

The Nomination Committee's proposal and motivation for the proposal to the Board of Directors can be found on www.dustingroup.com.

Board of Directors




The Board of Directors has overall responsibility for the company's organisation and management by continuously monitoring the operations, ensuring an appropriate organisation, management, guidelines and internal control. The Board of Directors establishes strategies and goals, and makes decisions concerning major investments and operational changes. The Chairman has a leading role and is responsible for ensuring that the Board's work is well organised and performed efficiently.


Pursuant to the Articles of Association, Dustin's Board of Directors is to comprise a minimum of three and a maximum of ten members with no deputy members. Dustin's Board of Directors currently comprises seven members: Fredrik Cappelen (Chairman), Gunnel Duveblad, Johan Fant, Tomas Franzén, Stefan Linder, Mattias Miksche and Maija Strandberg. During the 2015/16 fiscal year, Dustin's Board of Directors fulfilled the Code's requirement stating that the majority of the members elected at the AGM must be independent in relation to the company and company management, and that at least two of the members must be independent in relation to the company's major shareholders. The independence of the members of the Board is detailed in the table "Board of Directors during the 2015/16 fiscal year."

The Board of Directors has adopted rules of procedure that regulate the Board's work methods and assignments, as well as instructions to the CEO, including instructions for financial reporting. The Board has also adopted policies for important parts of the operations, for example, communication and ethics. All policies are evaluated when necessary and at least once per year.

The Board does not have any specific internal distribution of work except for the certain issues being prepared by Committees. Dustin has established an Audit Committee and a Remuneration Committee. The members of the committees are elected annually and the duties are regulated in the instructions established for each committee annually. The committees have a preparatory and administrative role. The issues considered at committee meetings are recorded in minutes and reported at the next Board meeting.

Board of Directors during the 2015/16 fiscal year

| Board members | Elected | Attendance at meetings | | | Director fees (SEK) | Dependent* |
|-----------------------------|---------|------------------------|-----------------|------------------------|---------------------|---|
| | | Board of Directors | Audit Committee | Remuneration Committee | | |
| Fredrik Cappelen (Chairman) | 2010 | 11/11 | 4/5 | 3/3 | 750,000 | |
| Gunnel Duveblad** | 2016 | 5/6 | | | 250,000 | |
| Johan Fant** | 2016 | 6/6 | 2/2 | | 250,000 |  |
| Tomas Franzén | 2013 | 11/11 | | 3/3 | 250,000 | |
| Stefan Linder | 2006 | 11/11 | 5/5 | 2/3 | 250,000 |  |
| Mattias Miksche | 2006 | 11/11 | | | 250,000 | |
| Risto Siivonen*** | 2014 | 5/5 | 3/3 | | - |  |
| Maija Strandberg | 2013 | 11/11 | 5/5 | | 250,000 | |
| Total | | | | | 2,250,000 | |

 = Dependent in relation to major shareholders. No member is to be considered dependent in relation to the company or company management.

* According to the definition in the Swedish Corporate Governance Code.

** Became a member of the Board on January 19, 2016.

*** Resigned as a member of the Board on January 19, 2016.

The Work of the Board 2015/16

During the fiscal year, a total of eleven Board meetings were held, including statutory, extraordinary and per capsulam. Ordinary Board meetings follow a calendar that is established annually. In addition to the Board meetings, the Chairman of the Board and the CEO have continuous contact pertaining to operations. The Board has also conducted an evaluation of the Group Management together with the external auditors during the fiscal year.

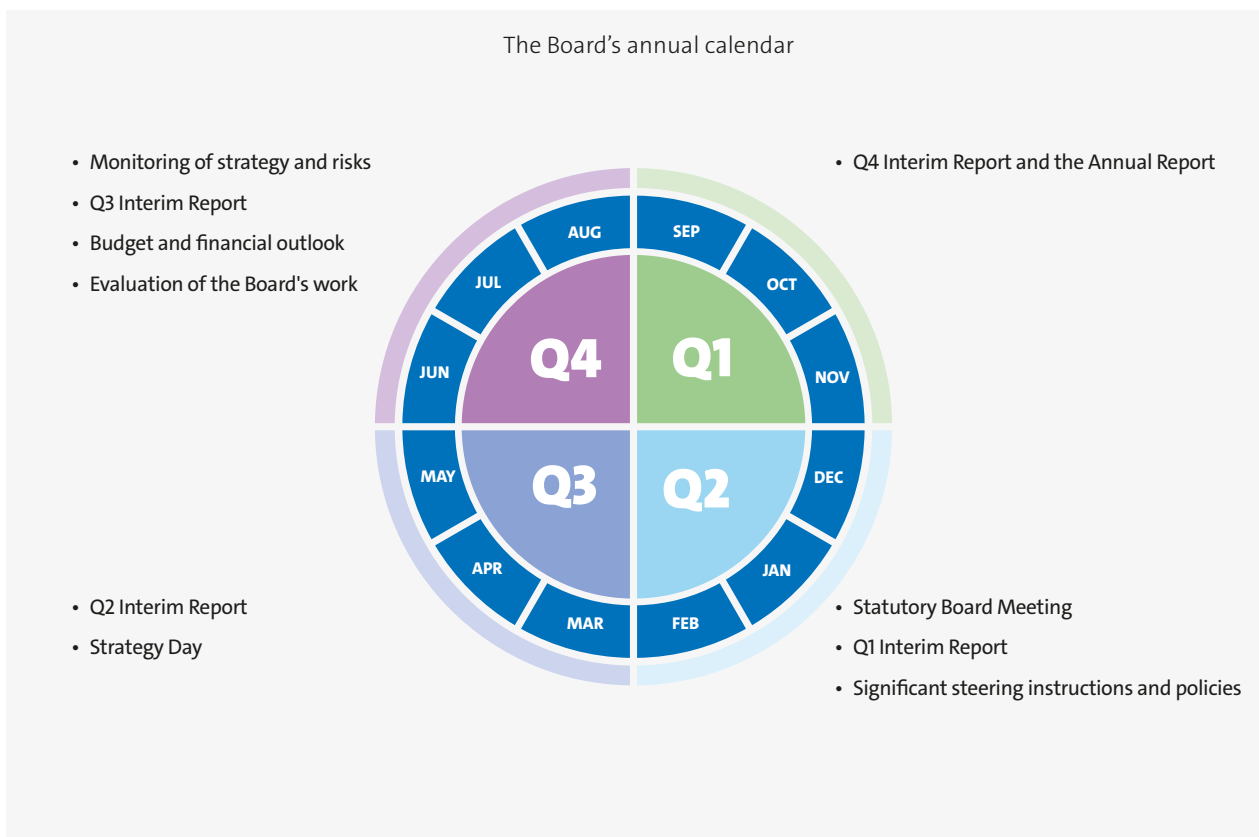
The company's CEO and CFO are present at all ordinary Board meetings. However, they do not participate in the items on the Board's agenda in which the Board evaluates the CEO, makes decisions about remuneration to the CEO/CFO or meets with the company's auditors to evaluate the management team.

The Board's annual calendar gives a clear overview of the Board's assignments during the year. The calendar is coordinated with the most important processes at the company, such as strategy, budget and risk.

For the 2015/16 fiscal year, the annual evaluation was carried out in survey form followed by reporting and discussion by the Board. The survey focuses on how the Board's work is progressing, as well as the Board's commitment and competence. The results of the evaluation were also presented to the Nomination Committee.

In line with the results of previous years' evaluations, the Board's work is deemed to be progressing well. The members are considered to be making a constructive contribution to both the strategic discussion and the governance of the company. The discussions are seen as open and the dialogue between the Board and management is also perceived to be positive. Providing key employees with extended space to present matters at Board meetings was highlighted as a potential area for improvement.

The Board is also evaluated within the scope of the Nomination Committee's work. The Nomination Committee has held meetings with some members of the Board and the CEO in order to put questions to individual members as to how the Board's work is progressing.



Evaluation of the Board's work

The work of the Board of Directors and CEO is evaluated annually through a systematic and structured process. The aim is to prepare a good basis for the Board's own development with respect to work methods and efficiency, as well as provide the Nomination Committee with a basis for the nomination work. The Chairman of the Board is responsible for the evaluation.

Audit Committee

The main task of the Audit Committee is to ensure the quality of the financial reporting, risk management and efficiency in the company's internal control and regulatory compliance.

The committee currently comprises four members: Maija Strandberg (Chairman), Fredrik Cappelen, Johan Fant and

Stefan Linder. During the 2015/16 fiscal year, the committee held five meetings, which were recorded in minutes. The company's CFO, external auditors and representatives from specific functions of the organisation were present at all committee meetings.

The work of the committee focused mainly on monitoring improvements pertaining to financial reporting and financial processes, with a special focus on identifying risks and evaluating the internal control environment, as well as following up the results of the review by external auditors. The review of the company's financial reports, examination of company risks, examination and updating of internal control and the follow-up of reported whistleblowing cases were standing items on the agenda. During the financial year, the Audit Committee also reviewed the annual impairment test of goodwill, evaluated the Group's dividend policy, approved the audit plans of the external auditors, as well as evaluated the independence of the auditors.

Remuneration Committee

The main task of the Remuneration Committee is to review and provide recommendations to the Board of Directors pertaining to principles for remuneration of senior executives.

The Committee currently comprises three members: Fredrik Cappelen (Chairman), Stefan Linder and Tomas Franzén. During the 2015/16 fiscal year, the Committee held three meetings and work pertained primarily to planning related to remuneration of the CEO and senior executives, as well as the structure for target formulation, financial goals and the performance management model.

The company's CEO and CFO are present at all Committee meetings. However, they do not participate in the items on the agenda that relate to remuneration of the CEO/CFO.

| Board Committees | |
|--|---|
| Audit Committee | Remuneration Committee |
| <p>Main tasks</p> <ul style="list-style-type: none"> Monitoring of the quality of financial reporting and risk management Monitoring the effectiveness of internal control and compliance | <p>Main tasks</p> <p>Provide recommendations to the Board regarding remuneration of senior executives (including long-term incentive programmes)</p> |
| <p>Members</p> <ul style="list-style-type: none"> Maija Strandberg (Chair) Fredrik Cappelen Johan Fant Stefan Linder | <p>Members</p> <ul style="list-style-type: none"> Fredrik Cappelen (Chair) Tomas Franzén Stefan Linder |
| <p>Meetings</p> <p>Five meetings were held during the fiscal year</p> | <p>Meetings</p> <p>Three meetings were held during the fiscal year</p> |

CEO and Group Management

The CEO is responsible for Dustin's day-to-day management and daily operations. Distribution of work between the Board and CEO is outlined in the rules of procedure for the Board and instructions to the CEO.

The CEO reports to the Board of Directors and ensures that the Board receives the information required to be able to make well-founded decisions. Pursuant to the adopted instructions, the CEO must keep the Board continuously informed about the development of the company's operations, the sales trend, the company's earnings and financial position, liquidity forecast, important business events, as well as all other events, circumstances or conditions that may be considered material to the company's operations.

Dustin's CEO leads the Group Management's work and makes decisions pertaining to the operations in consultation with other senior executives in the Group. At the beginning of the fiscal year, Group Management comprised nine individuals with each member holding responsibility for one of the Group's business areas or functions. Group Management meetings were held monthly and otherwise as necessary. The meetings focus primarily on strategic and operative monitoring and development, as well as performance follow-up. In addition to these meetings, there is almost daily cooperation within management. The presentation of the members of Group Management is available under the section "Group Management" on page 54.

Auditors

The auditor reviews the annual accounts for the company and the Group, and conducts a review of the quarterly report for the third quarter. The auditors report on the results of the review of the annual accounts and the review of the Corporate Governance Report, which are presented to the Annual General Meeting.

At the 2014/15 Annual General Meeting, Ernst & Young AB was re-elected as the audit firm, with Jennifer Rock-Baley as the Auditor in Charge for the period up to the end of the next Annual General Meeting. In addition to her assignment with Dustin, Jennifer Rock-Baley is the Auditor in Charge for DeLaval International AB, Recipharm AB (publ), Reitan Convenience Sweden AB, Skånemejerier AB and Swedfund International AB. Jennifer Rock-Baley is a Board member of FAR.

When Ernst & Young AB is engaged to provide services other than the ordinary audit, decisions pertaining to the nature, scope and fees for such work are made by the Audit Committee. Information about fees that Dustin paid the auditors for the 2015/16 fiscal year is found in Note 6 of the Annual Report.

Internal Control of the Financial Reporting

Dustin's internal control structure is based on the COSO model, whose framework has been adapted to Dustin's operations. The framework consists of the following five components: control environment, risk assessment, control activities, information and communication and monitoring activities. Based on this framework, areas for development are identified and prioritised for Dustin's internal control work.

The Board of Directors is responsible for internal control of the financial reporting. The Audit Committee supports the Board by continuously monitoring the financial reporting, any risks that could affect the reporting and the company's internal control environment.

Dustin has an internal control function that aims to support the management in providing excellent internal control of the financial reporting. This work focuses on ensuring compliance with guidelines and following up control activities in significant processes relating to the financial reporting. The Audit Committee is informed about the results of the work conducted by Dustin's internal control function pertaining to risks, control activities and follow-up.

Control Environment

The control environment forms the basis of internal control of the financial reporting. The basis of Dustin's control environment consists of the Group's values, policies and instructions. Dustin's Board of Directors has adopted fundamental policy documents such as rules of procedure for

the Board and Committees, instructions to the CEO, a code of ethics, a financial management policy and a communication policy. The aim of these control documents is to achieve and maintain a high ethical standard within the Group and to lay the groundwork for excellent internal control.

Dustin has clear guidelines regarding the responsibilities and authorities of different levels and functions within the Group, and communicating this to the entire Group is an important task. An important aspect of Dustin's control environment is the internal control framework, including the most important control activities and those responsible for each activity.

Risk Assessment

Dustin regularly evaluates the risks that affect internal control of the financial reporting. Measures to manage identified risks are established in connection with the evaluation. Significant risks are discussed by the Board and Audit Committee in order to establish measures aiming to ensure excellent internal control of the financial reporting.

Control Activities

Dustin's control activities are defined in a Group-wide control framework that is divided up into the company's most significant processes. The control activities are designed to manage the risks identified in the risk analysis. Examples of control activities included in the framework are authorised approval of business transactions, accounts reconciliation, analysis of income statement items and documentation of critical processes. Each control has an assigned control owner who continuously evaluates the ability of the control to address the risk and the execution of the control.

Information and Communication

Dustin's control documents, in the form of policies, instructions and procedures, insofar as they concern the financial reporting, are updated at least once per year and mainly communicated via the intranet. There is also a financial manual on the intranet containing instructions and procedures for financial reporting. The financial manual is updated continuously based on changes in external requirements or changes in Dustin's operations and processes.

To ensure that external information publication is consistent and of a high quality, an information policy is available describing how external information should be communicated.

Monitoring Activities

Dustin's internal control function follows up and evaluates the Group's control environment on a continuous basis

by way of self-assessments and evaluations by external parties. Any deviations are reported to the control owner responsible for correcting shortcomings and improving the internal control in their area of responsibility.

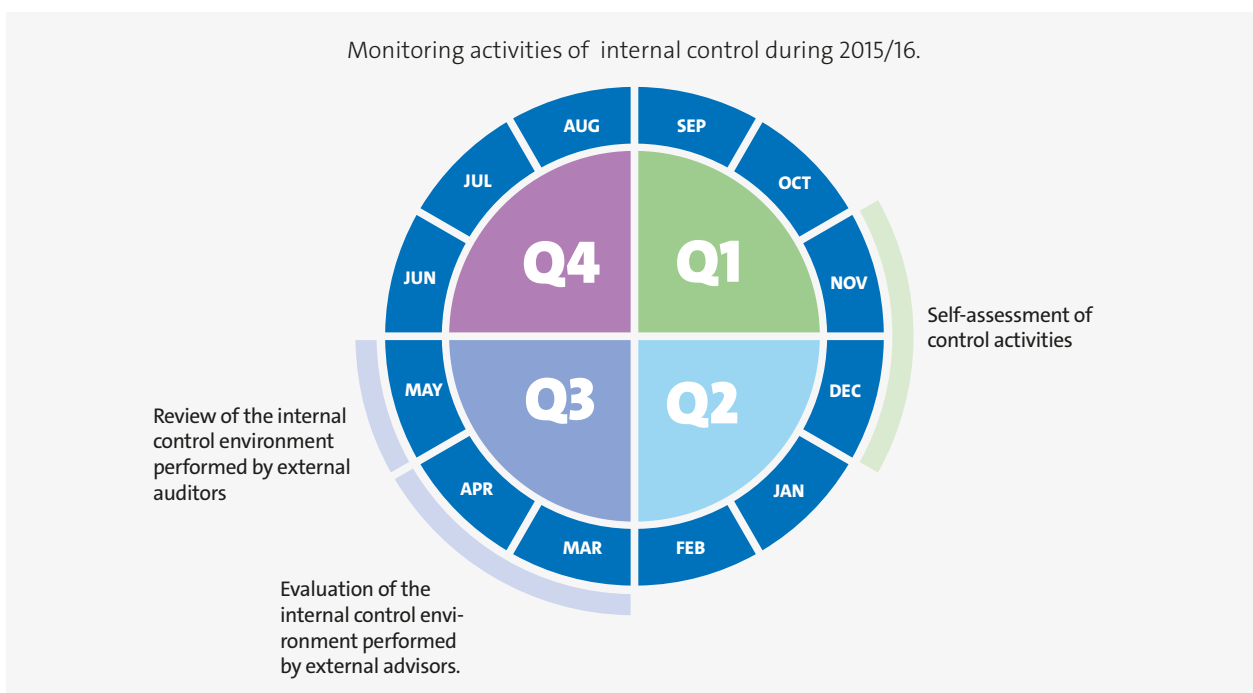
During the fiscal year, external advisors conducted an independent evaluation of Dustin's control activities. The results of the evaluation showed that the internal control environment improved during the fiscal year.

Internal control developments are reported on a quarterly basis to the Audit Committee. Furthermore, the company's external auditor reports to the Audit Committee the observations from the review and the assessment of the internal control environment.

Evaluation of a specific review function

There is currently no specific review function at Dustin (internal audit). The Board has examined the issue and determined that the current monitoring structure and activities conducted within the risk management and internal control frameworks provide a satisfactory basis. The Board evaluates the need for a specific review function annually.

Monitoring activities of internal control during 2015/16.



Remuneration of Senior Executives

The shareholders resolves on guidelines for remuneration of the CEO and other senior executives at the AMG. Remuneration to the CEO and other members of Group Management is thereafter decided by the Board, based on the recommendation of the Remuneration Committee.

Remuneration of Group Management

During the 2015/16 fiscal year, the remuneration to Group Management consisted of a fixed salary, short-term variable remuneration of between 35 and 70 per cent of fixed salary, long-term incentive programmes, pension and other customary benefits. The variable salary was linked to established, individual and measurable financial targets.

During the 2015/16 fiscal year, the total remuneration of Group Management amounted to SEK 36.3 million and is reported in more detail in Note 7 Number of employees, employee benefits expense and remuneration to Executive Management.

Long-term Incentive Programme

The Board evaluates on an annual basis whether a long-term incentive programme is to be proposed to the Annual General Meeting or not. Dustin has two outstanding incentive programmes; LTI 2015 and LTI 2016. Neither of these programmes includes the Board.

The Annual General Meeting on January 19, 2016 it was resolved to introduce a new incentive programme for senior executives. The programme comprises a total of 593,108 warrants, acquired at a market value of approximately SEK 4 million. Dustin has reserved the right to repurchase warrants if the participant's employment or assignment at the company comes to an end or the participant wishes to transfer the warrants.

For further information, see Note 7 Number of employees, employee benefits expense and remuneration to Executive Management.

Board Remuneration

Remuneration and fees that were approved by the Annual General Meeting 2014/15 and attendance at meetings during the 2015/16 fiscal year are described in the table "The Board of Directors during the 2015/16 fiscal year" on page 47 and in Note 7. No separate remuneration has been paid for Committee work during the financial year. Board members are not entitled to any benefits after their assignments as Board members have come to an end.

Guidelines for Remuneration

The Annual General Meeting 2014/15 resolved to adopt guidelines for remuneration of senior executives within the Dustin Group, consisting of a fixed salary, short-term variable remuneration incentive (STI), which is linked to the achievement of Dustin's financial targets and individual performance targets, and a long-term share-based or share-related incentive programme (LTI), in addition to pension and other benefits. The guidelines can be found on www.dustingroup.com/en/guidelines-remunerations.

The Annual General Meeting 2015/16 will decide on the guidelines for remuneration of senior executives. The Board is proposing guidelines whose content is essentially unchanged.

Deviations from guidelines adopted by the Annual General Meeting 2014/15

In exceptional circumstances, the Board of Directors may deviate from the guidelines outlined above. In this case, the Board of Directors is obliged to explain the grounds for the deviation at the following Annual General Meeting.

The guidelines resolved by the Annual General Meeting 2014/15 were followed and all agreed remunerations is were within the guidelines specified above.

Board of Directors

Dustin's Board of Directors comprises seven ordinary members, including the Chairman of the Board, with no deputy members, who are elected for the period until the end of the 2015/16 Annual General Meeting.



Top row from left: Mattias Miksche, Majja Strandberg, Stefan Linder
Bottom row from left: Tomas Franzén, Gunnel Duveblad, Fredrik Cappelen, Johan Fant

FREDRIK CAPPELEN

Born 1957. Chairman of the Board since 2010.

Education: MSc in Business and Economics from Uppsala University. Studies in political science at Uppsala University.

Key competencies: Fredrik Cappelen brings broad experience of leading newly listed companies and contributes significant retail knowledge by his current and previous assignments at retail companies.

Other current assignments: Chairman of the Board of Dometic AB, Terveystalo Oy and Board member of Securitas AB and Transcom AB.

Previous positions (in recent years): Chairman of the Board of Byggmax Group AB, Sanitec Oy, Svedbergs i Dals-torp AB, Granngården AB, Munksjö AB, Munksjö Holding AB, GG Holding AB, Carnegie Holding AB and Carnegie Investment Bank AB, vice Chairman of Munksjö Oy, Board member of Cramo Oyj and WPO Service AB as well as President and CEO of Nobia AB.

Shareholding¹: 432,746, through companies

GUNNEL DUVEBLAD

Born 1955. Member of the Board since 2016.

Education: Systems Scientist, Umeå University

Key competencies: Gunnel Duveblad contributes extensive Board experience thanks to her current and previous Board assignments, as well as valuable competencies from the IT sector where she held several senior executive positions at IBM and was CEO of EDS in northern Europe.

Other current assignments: Chairman of the Board of companies including Team Olivia AB, Global Scanning A/S, Ruter Dam Foundation and HiQ International AB. Board member of companies including PostNord AB and Sweco AB.

Previous positions (in recent years): Board member of companies including Anoto Group AB, Aditro Holding AB and SAM Headhunting Group A/S.

Shareholding¹: –

JOHAN FANT

Born 1959. Member of the Board since 2016.

Education: MSc in Economics from the Stockholm School of Economics

Key competencies: Johan Fant brings broad retail experience through his Board assignments at companies including Åhléns, Martin & Servera and Axel Johnson International. Johan also has extensive financial knowledge thanks to his role as CFO at Axel Johnson and Boliden.

Other current assignments: CFO of Axel Johnson AB. Board member of Axel Johnson International AB, Axstores AB, Amazing Brands AB, Åhléns AB and Martin & Servera AB.

Previous positions (in recent years): CFO Boliden AB, Senior Vice President Group Treasurer Electrolux AB, Corporate Controller Ericsson AB and CFO Assa Abloy AB.

Shareholding¹: –

TOMAS FRANZÉN

Born 1962. Member of the Board since 2013.

Education: MSc in Engineering in Industrial Economics from Linköping University.

Key competencies: Through his current role as President of Bonnier and previous role as CEO of Com Hem, among others, Tomas Franzén has extensive and wide-ranging experience of leading major companies as well as solid financial knowledge.

Other current assignments: President of Bonnier AB.

Previous positions (in recent years): CEO and Chairman of the Board of UPC Digital AB and Com Hem Holding AB.

Shareholding¹: 57,686

MATTIAS MIKSCHÉ

Born 1968. Member of the Board since 2006.

Education: MSc in Business and Economics from the Stockholm School of Economics.

Key competencies: Mattias Miksche contributes extensive experience within digital enterprises thanks to his roles as CEO and Board member of Stardoll and Board member of companies including Avanza, Pricerunner and Sportamore.

Other current assignments: Chairman of the Board of Glorious Games Group AB (previously Stardoll AB) and So-Marketplaces AB. Board member of Avanza Bank Holding AB, Pricerunner Group AB and EuroFlorist Intressenter AB.

Previous positions (in recent years): Board member of Eniro AB and Sportamore AB.

Shareholding¹: 280,089

MAIJA STRANDBERG

Born 1969. Member of the Board since 2013.

Education: MSc in Business and Economics from Turku School of Economics at Turku University.

Key competencies: Majja Strandberg offers experience in the sector thanks to her previous role as CEO of ALSO. Majja brings experience of Finnish business following several Board assignments and managerial positions at Finnish companies.

Other current assignments: Vice President Finance of Pulp and Energy Business Line at Valmet Technologies Oy. Board member of Danske Bank Oy and VR Group Oy.

Previous positions (in recent years): Board member of Vuoremaa Yhtiöt Oy and FinnSonic Oy. Member of group management of ALSO Holding AG. CEO of ALSO Nordic Holding Oy and ALSO Finland Oy.

Shareholding¹: 57,686

STEFAN LINDER

Born 1968. Member of the Board since 2006.

Education: MSc in Business and Economics from the Stockholm School of Economics.

Key competencies: Stefan Linder has a broad experience of Board work in both publicly established and unlisted companies as well as extensive financial knowledge.

Other current assignments: Employed at Altor Equity Partners AB as a partner. Chairman of the Board of Rotla B.V. Board member of CTEK Group AB and Q-MATIC AB.

Previous positions (in recent years): Chairman of the Board of Euro Cater A/S. Board member of Byggmax Group AB and Apotek Hjärtat Holding AB.

Shareholding¹: –

¹ Own or related legal and/or physical holdings as of August 31, 2016.

Group Management

Dustin's Group Management includes the CEO Georgi Ganev, and additional eight senior executives with various areas of responsibility.



Top row from left: Göran Lindö, Johan Karlsson, Jens Haviken
Bottom row from left: Juha Kivikoski, Caroline Rudbeck, Michael Haagen Petersen, Georgi Ganev, Morten Jakobi Nielsen. Missing in the picture: Robert Pap

GEORGI GANEV

Born 1976. President and CEO.
Employed at Dustin since 2012.
Education: MSc in Engineering in Information Technology from Uppsala University.
Previous assignments: CMO at Telenor Sweden AB, as well as CEO of Bredbandsbolaget AB.
Other assignments: Board member of Tele2 AB.
Shareholding¹: 291,919
Warrants: 515,531

JOHAN KARLSSON

Born 1965. CFO & VP Business Support.
Employed at Dustin since 2009.
Education: MSc in Business and Economics from the Gothenburg School of Economics.
Previous positions: Regional Finance Director at Tech Data AB, as well as CFO at ACO Hud Nordic AB.
Shareholding¹: 282,734
Warrants: 228,465

GÖRAN LINDÖ

Born 1973. VP SMB & B2C.
Employed at Dustin since 2007.
Education: MSc in Engineering in Industrial Economics from Chalmers University of Technology.
Previous positions: Partner and Co-founder of Cordial AB. Consultant at Boston Consulting Group AB.
Other assignments: Board member of Boostcom Group AS.
Shareholding¹: 124,052, through companies.
Warrants: 92,525

JENS HAVIKEN

Born 1966. VP Services & Solutions.
Employed at Dustin since 2013.
Education: BSc in Information Technology from Østfold University College.
Previous positions: Director Microsoft Enterprise Services Norway at Microsoft AS. Director of Accenture AS.
Shareholding¹: 18,718, through companies.
Warrants: 92,525

MICHAEL HAAGEN PETERSEN

Born 1971. VP CEP.
Employed at Dustin since 2008.
Education: BSc in Economics from Aarhus University School of Business and Social Science.
Previous positions: Sales Manager at thy:data A/S. Market Manager at Logica A/S.
Shareholding¹: 179,784
Warrants: 151,836

JUHA KIVIKOSKI

Born 1970. VP BusinessForum.
Employed at Dustin since 2015.
Education: MSc in Economics from the University of Helsinki.
Previous positions: Vice President at Intel Security. COO of Stonesoft Oyj. President of Siemens Enterprise Communications Oy.
Shareholding¹: 0
Warrants: 151,836

MORTEN JAKOBI NIELSEN

Born 1975. VP People Development.
Employed at Dustin since 2004.
Education: BSc in History and Society from Aarhus University.
Previous positions: Executive assistant at Dustin A/S. Senior team manager at Computerstore A/S.
Shareholding¹: 13,435
Warrants: 63,843

CAROLINE RUDBECK

Born 1981. VP Group Communication.
Employed at Dustin since 2012.
Education: BSc in Media and Communication Studies and a Degree in Business Administration from the University of Stockholm.
Previous positions: Head of Brand Management and CRM Project Manager at Tele2 AB. Marketing Manager at Reklamvision AB.
Shareholding¹: 116,929
Warrants: 75,918

ROBERT PAP

Born 1964. VP Group Supply Chain.
Employed at Dustin since 2008.
Education: BSc in Economics from Linköping University.
Previous positions: Managing Director, Spectra Stage & Event Technologies AB. Director Vendor Management, Ingram Micro Nordics. Sales and Marketing Director, Computer 2000 Sweden.
Shareholding¹: 99,557
Warrants: 122,180

¹ Own or related legal and/or physical holdings as of August 31, 2016.

Auditor's Report

To the annual meeting of the shareholders of Dustin Group AB, corporate identity number 556703-3062

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and consolidated accounts of Dustin Group AB for the financial year 2015-09-01 – 2016-08-31. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 34-91.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and of the consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures

selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 August 2016 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 August 2016 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. A corporate governance statement has been prepared. The statutory administration report and the corporate governance statement are

consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Dustin Group AB for the financial year 2015-09-01 — 2016-08-31.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Stockholm, 17 November 2016

Ernst & Young AB

Jennifer Rock-Baley
Authorized Public Accountant