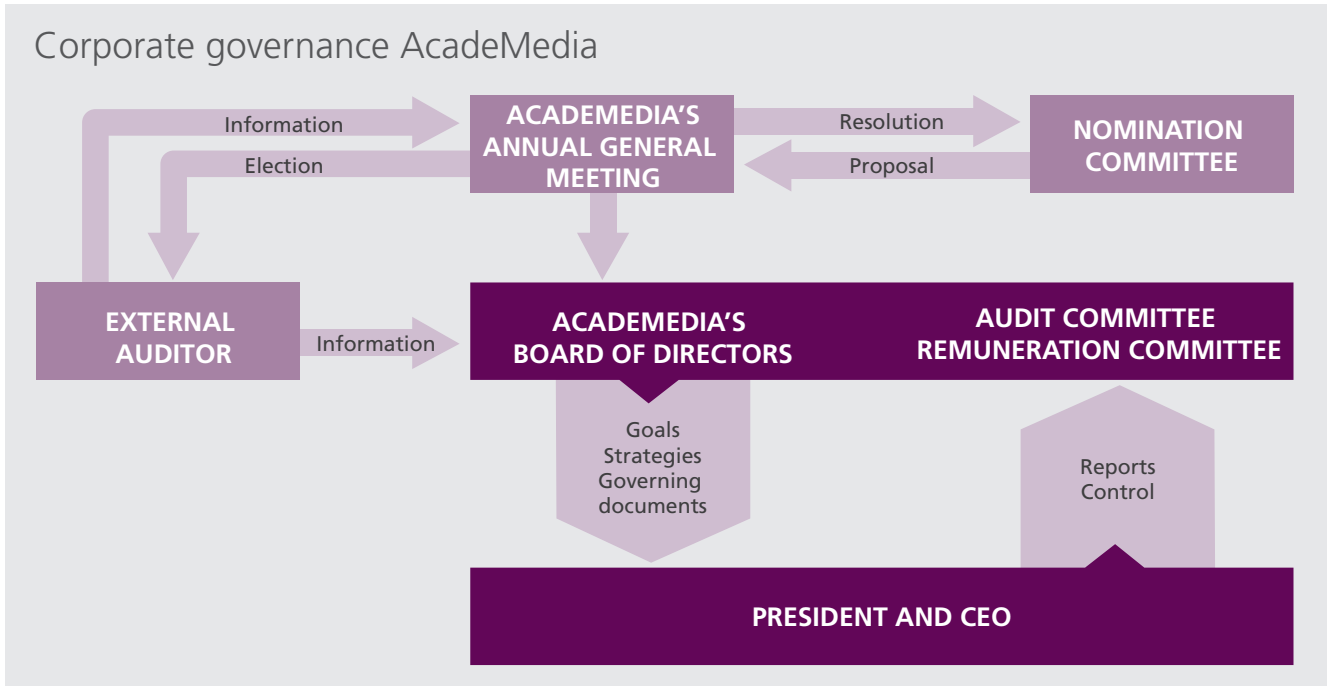


Corporate Governance Report



EXTERNAL GOVERNING DOCUMENTS

- Swedish Companies Act
- Swedish Annual Accounts Act
- Other relevant laws
- Nasdaq Stockholm's rules for issuers of shares
- Swedish Code of Corporate Governance

INTERNAL GOVERNING DOCUMENTS

- AcadeMedia's articles of association
- Rules of procedure, instructions for the board of directors/CEO
- Values and culture
- Codes of conduct
- Policies and guidelines

AcadeMedia AB (publ) is a public limited company whose shares were listed on June 15, 2016 on Nasdaq Stockholm's list for Mid Cap companies. AcadeMedia complies with Nasdaq Stockholm's rules for issuers of shares and the Swedish Code of Corporate Governance (the "Code") which applies to all Swedish companies whose shares are listed on a regulated stock market in Sweden.

Corporate governance at AcadeMedia

The purpose of corporate governance at AcadeMedia is to ensure that the board of directors and management act so that the Company's operations focus on development to create long-term value for shareholders and other stakeholders, such as students, employees and customers. This includes ensuring:

- an efficient organization,
- quality management, risk management and internal control systems, and
- transparent internal and external reporting.

The structure of corporate governance at AcadeMedia is shown in the above illustration

Responsibility for governance, management and control is divided among shareholders, the board of directors, its elected committees and the chief executive officer. The external framework includes the Swedish Companies Act and Nasdaq Stockholm's rules for issuers of shares and the Swedish Code of Corporate Governance (the "Code"), as well as other relevant Swedish and foreign laws and regulations (such as the Education Act). The corporate governance report is prepared in

accordance with the Annual Accounts Act.

In addition, there are internal control instruments such as the articles of association, rules of procedure for the board, guidelines for the composition of the nomination committee, instructions to board committees, instructions to the chief executive officer, authorization arrangements, financial policy, communications policy, insider policy, ethical guidelines, property policy and guidelines for remuneration to senior executives. Some of these documents can be found on the AcadeMedia website. All policy documents are available on AcadeMedia's intranet for employees.

Deviations from the Corporate Governance Code

During the 2015/16 financial year one deviation from the Code occurred, regarding rule 9.7, under which AcadeMedia reports a deviation with respect to the share-matching program and the warrant program described below in the "Share capital and ownership – Long-term incentive programs" section, where the vesting period for the programs is less than three years. The intention is that the vesting period in the Company's long-term incentive programs is to run from the first quarter report of the financial year to the corresponding report three years later. Because the current programs were adopted in connection with the Company's listing on Nasdaq Stockholm during the fourth quarter, the vesting period for this year's program is slightly shorter.

Another deviation from the Code is that the Company has chosen not to appoint an internal auditor. The board has

resolved not to establish a special internal audit function because the Company believes that the enhanced quality management system and the responsibility of each segment head, along with the Company's CFO, meet the need for proper control, and that monitoring takes place, including in the form of reporting to the board. However, the board of directors conducts an annual review of the need for an internal audit function.

The Company has also deviated from the Code with regard to rule 2.4, composition of the nomination committee. According to the Code, if more than one board member serves on the nomination committee, no more than one of them should be dependent in relation to the Company's major shareholders. AcadeMedia has chosen to allow Erika Henriksson as representative of EQT and Ulf Mattsson, chairman of the board, to serve on the nomination committee. As a precaution, Ulf Mattsson has been deemed to be dependent on the principal owner EQT. The nomination committee has nevertheless allowed Ulf, as chairman of the board, to serve on the nomination committee to contribute his experience in working with the Company and the board of directors.

AcadeMedia has partly qualitative criteria in determining the quality objectives, which is a deviation from the code. Achieved quality is measured in detail with a quantitative measure at the unit level up to the corporate level and are described in detail in AcadeMedia's annual quality report and on its website. AcadeMedia's board has ruled, however, that it is also useful to evaluate whether the management has used good judgment in the process of quality development. This is important to ensure that the operations develop in a sound way for students and also for the company in a long-term sound way.

Shareholders' meeting

The shareholders' meeting is AcadeMedia's highest decision-making body. At the shareholders' meeting, shareholders exercise their voting rights in key issues, such as the adoption of income statements and balance sheets, appropriation of the Company's results, discharge from liability of members of the board of directors and the chief executive officer, election of members of the board of directors and auditor, as well as remuneration to the board of directors and the auditor. Amendments to the articles of association are also decided by the shareholders' meeting. The annual general meeting of shareholders must be held within six months from the end of the financial year. AcadeMedia's annual general meeting will be held on November 17, 2016. In addition to the Annual General Meeting, an Extraordinary General Meeting may also be convened. According to the articles of association, shareholders' meetings are convened by publication of the convening notice in the Swedish National Gazette (Sw. Post och Inrikes Tidningar) and by making the notice available on the Company's website. At the time of the notice, information regarding the notice shall be published in Dagens Industri.

Right to participate in shareholders' meetings

Shareholders who wish to participate in a shareholders' meeting must be included in the shareholders' register maintained by Euroclear Sweden on the day occurring five business days prior to the meeting, and notify the Company of their participation no later than on the date indicated in the notice convening the meeting. Shareholders may attend the shareholders' meetings

in person or by proxy and may be accompanied by a maximum of two advisors. Shareholders may register for the shareholders' meeting in several different ways, as indicated in the notice of the meeting. Shareholders are entitled to vote for all shares in the Company shares held by the shareholder.

Shareholders initiatives

Shareholders who wish to have a matter brought before the shareholders' meeting must submit a written request to the board of directors. Such requests must be received by the board of directors well in advance of the shareholders' meeting, in accordance with the information provided on the Company's website in conjunction with the announcement of the time and place of the shareholders' meeting.

Nomination committee

In compliance with the Code, AcadeMedia has a nomination committee with the purpose of preparing proposals to the shareholders' meeting regarding the election of board members and auditors.

According to a resolution from the annual shareholders' meeting of the Company on December 18, 2015, AcadeMedia's nomination committee shall comprise the chairman of the board and one representative for each of the three largest shareholders based on ownership of the Company as per the end of the financial year's third quarter. Consequently, the AcadeMedia's nomination committee consists of:

Erika Henriksson,
Marvin Holding Limited, 64.5 percent of votes

Rune Andersson,
Mellby Gård, 10.0 percent of votes

Johan Lannebo,
Lannebo Fonder, 1.4 percent of votes

Ulf Mattsson
(chairman of the board), 0.1 percent of votes

Rune Andersson is chairman of the nomination committee.

Shareholders

The largest shareholders and their holdings are set out in the section on the AcadeMedia share on page 99.

Board of Directors

Composition of the board of directors

According to AcadeMedia's articles of association the board of directors, as elected by the shareholders' meeting, shall consist of at least three members and a maximum of ten members. The Company's board of directors currently consists of seven members, including the chairman, elected by the shareholders' meeting for the period until the AGM in 2016. Labor organizations are entitled by law to appoint employee representatives to the board with the same rights and duties as other board members. The Swedish Teachers' Union and the National Union of Teachers in Sweden appointed a total of two members and one alternate to serve on the board. The list below shows AcadeMedia's board members, when they were first elected to the board and whether the elected members are independent of the Company, management and/or the

BOARD OF DIRECTORS			Independent of	
Member	Elected	Position	The Company and executive management	The Company's major shareholders
Ulf Mattsson	2010	Chairman of the board	Yes	No
Harry Klagsbrun	2010	Board member	Yes	No
Helen Fasth Gillstedt	2009	Board member	Yes	Yes
Torbjörn Magnusson	2010	Board member	Yes	Yes
Erika Henriksson	2012	Board member	Yes	No
Silvija Seres	2015	Board member	Yes	Yes
Anders Bülow	2016	Board member	Yes	Yes
Peter Milton	2016	Employee representative	-	-
Anders Lövgren	2016	Employee representative	-	-
Fredrik Astin	2016	Deputy employee representative	-	-

principal owner. The composition of the board of directors of AcadeMedia meets the requirements for independent board members. None of the members of Group Management have significant shareholdings or partnerships in companies with which the Company has significant business relationships.

Ulf Mattsson has been AcadeMedia's chairman of the board since 2010. The chairman is elected by the Annual General Meeting, leads the board, and ensures that it is both efficient and well-organized.

Division of work

The board follows written rules of procedures that are reviewed annually and adopted at the statutory board meeting each year. The rules of procedure regulate board practices, functions and breakdown of duties between board members and the chief executive officer, as well as between the board and its various committees. In connection with the statutory board meeting following each Annual General Meeting, the board also adopts the instructions to the chief executive officer, including instructions for financial reporting.

The board meets annually according to a fixed schedule. In addition to these board meetings, additional meetings may be convened to deal with issues that cannot be referred to a regular board meeting. In addition to board meetings, the chairman and the chief executive officer conduct a continuous dialog concerning management of the Company.

For a detailed presentation of the board, see pages 95-96.

The board's work during the 2015/16 financial year

During the year the board held 22 meetings. Board member attendance can be seen in the accompanying table. Eola Änggård Runsten, who is AcadeMedia's CFO, served as secretary at the board meetings. Before the meetings, board members received written information on the issues to be discussed at the meeting.

During the year, in addition to the usual monitoring of quality issues and finances, much of the board's time was devoted to work associated with the IPO, the establishment in Germany and the segment's operations.

The board has been working actively with management in various strategic issues and each year devotes a longer board meeting to a review of the Company's strategy.

BOARD ATTENDANCE

Member	Audit committee	Remuneration committee	Attendance board meetings
Ulf Mattsson		2 (2)	22 (22)
Harry Klagsbrun		1 (2)	18 (22)
Helen Fasth Gillstedt	3 (3)		22 (22)
Torbjörn Magnusson	3 (3)		20 (22)
Erika Henriksson	3 (3)	1 (2)	21 (22)
Silvija Seres		2 (2)	21 (22)
Anders Bülow	1 (1)		2 (3)
Peter Milton			10 (13)
Anders Lövgren			13 (13)
Fredrik Astin			13 (13)

Audit committee

At the board meeting on September 15, 2015 AcadeMedia established an audit committee consisting of three members: Helen Fasth Gillstedt (chair), Erika Henriksson, and Torbjörn Magnusson. The audit committee shall, among other things, without prejudice to the responsibilities and tasks of the board of directors, monitor the Company's financial reporting, monitor the efficiency of the Company's internal control, internal auditing and risk management, keep itself informed of the auditing of the annual report and the consolidated accounts, review and monitor the impartiality and independence of the auditor, keep itself informed of the result of the Supervisory board of Public Accountants' quality control of the Company's auditor and pay close attention to whether the auditors are providing the Company with other services besides audit services. The committee also has the task of evaluating the audit work and providing this information to the nomination committee, as well as assisting the nomination committee in the preparation of proposals regarding election of auditors and auditors' fees.

The audit committee has held three meetings from September 15, 2015 through August 30, 2016.

Remuneration committee

At the board meeting on September 15, 2015 AcadeMedia also established a remuneration committee consisting of three members: Ulf Mattsson (chair), Silvija Seres and Harry Klagsbrun. The remuneration committee shall prepare proposals concerning remuneration principles and remuneration and other terms of employment for the CEO and senior executives.

The remuneration committee has held two meetings from September 15, 2015 through August 30, 2016.

Evaluation of the board's work

The board's work is evaluated annually through a structured process in which all board members and deputy members answer questions about how they feel the board performed with respect to a number of relevant areas. The areas assessed include whether the board's skills and composition are appropriate, as well as the focus and direction of its work. The chairman of the board is responsible for the evaluation and ensures that the results are presented and discussed within the board, as well as in the nomination committee. Thus the evaluation serves as a basis for the board's further work and development, as well as for the nomination committee's work. The evaluation of the board's work in 2015/16 was presented and discussed at the board meeting on June 20, 2016. All board members elected by the AGM participated in the survey. The overall results were presented orally and various areas for development were discussed.

Remuneration to board members and shareholdings

At the extraordinary shareholders' meeting held on June 1, 2016, it was resolved that remuneration until the next Annual General Meeting shall be paid at SEK 500,000 to the chairman of the board and SEK 250,000 to each of the other board members who are not employed by the Group. In addition, SEK 100,000 per year shall be paid to the chairman of the audit committee and the chairman of the remuneration committee, respectively, and remuneration to each of the other members of the relevant committee, who are not employed by the Group, shall be paid SEK 50,000 per year each. For information on the remuneration paid to the board members for the 2015/16 financial year see note 5.

Further information about the board members and their shareholdings can be found on page 95-96.

Chief Executive Officer and Executive Management

Marcus Strömberg has been President and CEO of AcadeMedia since 2005. The division of work between the board of directors and the CEO is set out in the rules of procedure for the board of directors and the CEO's instructions. The CEO is also responsible for the preparation of financial reports and compiling information from executive management for board meetings and for presenting such materials at the meetings.

According to the instructions for financial reporting, the CEO is responsible for financial reporting in the Company and consequently must ensure that the board of directors receives adequate information in order for the board to be able to evaluate the Company's financial position.

The CEO must continuously keep the board of directors informed of developments in the Company's operations, the net sales development, the Company's earnings and financial position, liquidity and credit status, important business events and all other events, circumstances or conditions which can be assumed to be of significance to the Company's shareholders.

Group management, consisting of the heads of the four segments, as well as the deputy CEO, CFO, HR director and

communications director, provides support for the CEO. For more information about the CEO and other senior executives, as well as their shareholdings, see pages 97-98.

For a description of the remuneration and terms of employment for the CEO and senior management for the 2015/16 financial year, as well as outstanding incentive programs in the Company, see note 5. The evaluations and reports required under the Code are posted on the website, along with descriptions of incentive programs, criteria for variable remuneration, application of guidelines for remuneration to senior executives, remuneration structures and remuneration levels in the Company.

Internal control and risk management

Internal control framework

AcadeMedia's procedures for internal control are based on two perspectives: internal control and risk management relating to operations and internal control and risk management relating to financial reporting. Internal control shall ensure that AcadeMedia's financial reporting provides a fair picture of the Company's financial position and that the operations continuously meet the requirements and expectations of a company that operates within publicly funded operations.

Control environment

AcadeMedia's board of directors is ultimately responsible for ensuring that the Company complies with the requirements for internal control and control of its financial reporting. The board annually adopts a number of governance documents to support the actions of management and all employees in order to promote correct, complete and current accounting. Central documents, which are available on the Company's intranet, include rules of procedure for the board of directors, instructions for the CEO and the CEO's duties, the work allocation between them and overall policies. AcadeMedia's CEO has delegated responsibility for implementation and enforcement of formalized routines for financial reporting and internal control to the CFO. In addition to the Company's policies, AcadeMedia's accounting manual is a central element and was approved by the board.

In parallel with the procedures for financial accounting and reporting, AcadeMedia's internal control and risk management is largely based on systematic quality work. AcadeMedia has developed its own quality system through the AcadeMedia Model. The purpose of the quality system is both to minimize risk and to improve quality. Additionally, the operations are regularly reviewed by the Swedish Schools Inspectorate.

Within the framework of the AcadeMedia Model, the internal control includes control of the Company's and the Group's organization and implementation of annual student, parent and employee surveys at Group level, where levels below certain limits result in action plans and further control and monitoring measures. Within the Group's compulsory school and upper secondary school operations, internal audits have been carried out for many years to verify that the operations meet the requirements of laws, regulations and other rules, as well as serving as tools for learning, development and quality work. The audits are carried out by trained examiners and include document studies, site visits and interviews with school

management, personnel and students and where deficiencies are identified, action plans are presented. The goal is to carry out internal inspections every two years. A similar follow-up model is also available within the Group's preschools. In order to monitor and control ongoing regulatory and inspection cases, case logs of all pending cases are kept. The Group's head of quality and legal counsel prepare, on a monthly basis, a list of units for which specific risks and deficiencies exist. The list is reported to the segment and Group management, which decides whether specific actions are necessary.

AcadeMedia is characterized by high growth rates due to new establishments, as well as acquisitions. As regards the latter, the Company has well developed routines for integrating new operations relatively quickly and for ensuring that the operations comply with the Company's quality and financial procedures.

In summary, AcadeMedia's control environment is based on:

- Governance and monitoring of the board of directors and its audit committee
- Governing documents such as policies and rules of procedure
- Accounting manual
- Continuous monitoring and audits
- The Company's organization and clear delegation of authority, as well as accountability
- Well-established ethical guidelines (Code of Conduct) and the Company's guarantees to students/participants and society
- A well-developed quality management system (The AcadeMedia Model)

Risk Assessment

AcadeMedia conducts an annual risk assessment for the business. The operation is characterized by relatively low risks in areas such as credit risk (high share of public customers/ counterparties), market risk (stable markets and revenue streams based on continuous need for educational services, demographic trends and price inflation) and relatively low risk of corruption or financial irregularities. According to the Company, the most important risks to manage are quality risk, which is the risk that the quality does not meet the requirements of students or the authorities, and political risk, which lies in the fact that business conditions are largely based on politically determined frameworks. Both of these risks are best managed by a quality management model (The AcadeMedia Model), clear ethical guidelines and a high degree of transparency regarding the Company's operations.

The audit committee is responsible for ensuring the risk assessment and risk management process regarding financial reporting. Read more about risks and risk management on page 47.

Control activities

Monitoring and control of the Company's operations in relation to stated objectives is ongoing. Monitoring of the board of directors largely takes place through the audit committee, including monitoring of reporting by management and the external auditors. The external auditors examine selected areas of internal control and report the results to the audit committee.

The internal control system aims both to ensure the reliability of financial reporting and monitoring of the Group's quality

performance, as well as to ensure the necessary monitoring of compliance with Group policies, principles and instructions. Internal controls shall also ensure that the consolidated financial statements are prepared in accordance with the law and applicable accounting standards, and that the other requirements of the Group are met. Internal control relating to financial reporting consists of a number of main elements:

- the organizational structure of competence developed and documented in the order of attestation, which requires that at least two individuals review and approve transactions and costs;
- the documentation of financial procedures and policies found in the Group's accounting manual including financial policies, etc.;
- the procedures by which individuals at several levels in the organization analyze the financial results before external reporting occurs;
- the audit committee's duty to supervise financial reporting and internal control; and
- clear guidelines on financial reporting in the Company's communication policy and IR policy.

Information and Communication

AcadeMedia has communication and information channels aimed at enabling relevant information to be quickly and duly spread both internally and externally. The Company has a method for communicating complete and transparent financial reports. There are policies and procedures to prevent incorrect or inappropriate information. The board of directors receives monthly business reports, both operational and financial. The board is responsible for external interim reports and annual accounts in accordance with applicable laws and the Code. The board decided to modify policies and procedures to meet the requirements of the EU Market Abuse Regulation which entered into force on July 3, 2016. The financial reports are published on the Company's website. Internal governing documents are found in the Company's management system and are posted, where relevant, on AcadeMedia's intranet. The results of the annual quality investigation are published annually for the entire Group, for each principal and for each education unit on their respective websites.

Follow-up

AcadeMedia's efforts within internal control and risk management are primarily carried out through Group management's continuous follow-up of operations in relation to set goals and key indicator trends, as well as by focusing on early warning signs. The Company's key procedures for financial reporting and their appropriateness are continuously assessed by the CFO and the CFO's organization. Compliance with financial handbook, policies and legislation is examined and any deviation leads either to corrective actions, or improvement of processes and procedures. The audit committee summarizes and reports on the status of identified measures to the board.

Internal Audit

AcadeMedia's internal governance and control are based on a model of three defence lines. Based on an evaluation by the audit committee, the board has resolved not to establish a special internal audit function because the Company believes

that the enhanced quality management system and the responsibility of each segment head, along with the Company's CFO, meet the need for proper control, and that monitoring takes place, including in the form of reporting to the board. However, the board of directors conducts an annual review of the need for an internal audit function. In order to ensure an appropriate organization for control measures and with respect to relevant licenses, the board of directors of the subsidiaries (providers subject to licenses) consist of AcadeMedia's CEO, deputy CEO and CFO, as well as the relevant segment head and business area head. The Company has therefore currently resolved not to establish an internal audit function.

Auditing

The auditor shall review the Company's annual report and financial statements, as well as the board of directors' and the CEO's management of the Company. Following the end of each financial year, the auditor shall present an audit report and a consolidated audit report to the AGM (Annual General Meeting).

According to the Company's articles of association, the Company must have at least one and at most two auditors

and at most two deputy auditors. The Company's auditors are Ernst & Young AB, with Staffan Landén as auditor-in-charge and Oskar Wall as principal auditor. Staffan Landén has many years of experience auditing companies listed on a regulated market. His auditing clients include Vattenfall AB, Capio AB and Nederman Holding AB. Staffan is also an exchange auditor appointed by Nasdaq Stockholm. Oskar Wall has many years of experience auditing companies listed on a regulated market. His auditing clients include Estea AB, Oasmia Pharmaceutical AB and Stendörren Fastigheter AB.

The Company's auditors have participated in one board meeting and all three audit committee meetings.

The Company's auditors are presented in more detail in the section "board of directors, executive management and auditors" on page 98.

The audit committee conducts an annual evaluation of the auditors' work and independence.

For information on the remuneration paid to the auditors for the 2015/16 financial year see note 4.