# CORPORATE GOVERNANCE REPORT

*4C Group AB (publ) (“****4C****” or the “****Company****”) is a Swedish public limited company listed on Nasdaq First North Premier Growth Market since 24 May 2022 with registered office in Stockholm.*

Corporate governance describes how rights and responsibilities are distributed in a company according to applicable laws, rules and internal processes. Corporate governance also defines the decision-making systems and structure through which shareholders directly or indirectly control a company and its operations. 4C’s corporate governance is based on Swedish legislation, such as the Swedish Companies Act, the Accounting Act, the Annual Accounts Act and other applicable laws, ordinances, and internal regulations. 4C follows the Swedish Code of Corporate Governance, (the “**Code**”) and Nasdaq Stockholm’s Rulebook for Issuers. This Corporate Governance Report has been prepared in accordance with applicable Swedish legislation and the Code. 4C Group’s auditors have read this report and a statement from the auditor has been appended to it. No deviations from the Code or other regulations have taken place in 2023.

4C’s governance model sets out the division of responsibilities within the group, with mandates and role descriptions designed to create a clear and transparent division of functions and areas of responsibility.

The illustration on the right shows the formal corporate governance structure.

### SHARES AND SHAREHOLDERS

The shares in the Company were on 24 May 2022 listed on Nasdaq First North Premier Growth. At year-end 2023, the Company had a market capitalization of 568 MSEK, distributed between 34,199,142 shares per the last day of trade 2023. 4C’s share register is maintained by Euroclear Sweden AB. Each share corresponds to one vote at the Annual General Meeting (“**AGM**”) and gives equal rights to shares in the Company’s assets and earnings. As of December 31 2023, the largest single shareholder was Andreas Hedskog, whose holding was 11.4% of the shares. The four largest shareholders accounted for 36.6% of the shares and votes in the Company.

The main shareholders in the Company by year-end 2023 were:

|  |  |  |  |
| --- | --- | --- | --- |
| **Name** | **Number of shares** | **Votes**  | **Capital**  |
| Andreas Hedskog | 3,892,378  | 11,4 % | 11,4 % |
| Martin Gren (Grenspecialisten) | 2,989,989 | 8,8 % | 8,8 % |
| Klas Lindström  | 2,983,962 | 8,8 % | 8,8 % |
|  The Fourth Swedish National Pension Fund | 2,597,857 | 7,6 % | 7,6 % |
| **Total** | **12 464 186** | **36,6%** | **36,6%** |

### ANNUAL GENERAL MEETING 2023

The AGM for the 2022 fiscal year was held in Stockholm at Vasagatan 16 on 1 June 2023. The notice to the AGM was published on the company’s website and in the Swedish Official Gazette. An announcement with information that the notice has been issued was published in the daily national paper Dagens Industri. Sixteen shareholders, accounting for 48 percent of the votes and 48 percent of the shares, were represented at the AGM.

**The AGM passed, for example, resolutions on:**

* Adopting the income statement and balance sheet as well as the group income statement and group balance sheet.
* To treat the result in accordance with the proposal of the Board of Directors in the annual report, meaning that the result is carried forward.
* Discharging the directors of the board and the CEO from liability in relation to the Company.
* The remuneration to the Board of Directors, members of Committees and Auditors.
* Re-election of the Board of Directors and Chair of the Board. Re-election of the registered auditing company Ernst & Young AB. Ernst & Young appointed Certified public accountant, Peter Gunnarsson, as responsible auditor.
* Resolution regarding principals for the Nomination Committee
* Resolution to authorize the Board of Directors to issue shares.
* Resolution regarding an incentive program for senior executives and employees within the group.

### GENERAL MEETINGS

The highest decision-making body of the Company is the General Meeting where the shareholders exercises their influence.

According to the company’s Articles of Association, the notice of the General Meetings shall be made by announcement in the Official Swedish Gazette and by posting the notice on the Company’s website. Notification that the invitation has been issued is announced in the daily national paper Dagens Industri.

Notice of the General Meetings shall be issued no earlier than six weeks and no later than four weeks before the meeting if it is an AGM or if amendments of the articles of association will be raised. Notice of any other General Meeting shall be given no earlier than six weeks and no later than two weeks before the meeting. The AGM is held within six months of the end of the financial year and takes place in Stockholm.

The AGM’s resolutions include, among other things:

• Election of the Board of Directors and remuneration for board members, including for committee work.

• Discharge from liability for board members and the CEO.

• Election of the auditor.

• Adoption of the income statement and balance sheet.

• Disposition of the bank’s profit or loss.

• Remuneration guidelines for the CEO and certain other senior executives.

All shareholders who are registered in the share register and who have notified their participation in time have the right to attend and vote. The Board of Directors may collect proxies at the company´s expense in compliance with the procedure set out in the Swedish Companies Act.

The Board of Directors may resolve, ahead of a General Meeting of the shareholders, that the shareholders shall be entitled to exercise their voting rights by post prior to the meeting.

A shareholder that wishes to have a certain matter discussed on the General Meeting shall request this in writing to the Board of Directors. The matters shall be discussed at the General Meeting if the request has been received by the Board of Directors at least seven weekdays prior to the time when the convening notice may be submitted at the earliest, or thereafter if within time to include the matter in the convening notice to the General Meeting.

The Articles of Association do not contain restrictions on the number of votes for each shareholder at a General Meeting. Members of the Board of Directors are appointed and dismissed in accordance with the Swedish Companies Act and the articles of associa­tion does not contain special rules for this. Amendments to the Articles of Association are deci­ded in the manner that follows from the Swedish Companies Act and the Articles of Association contain no special rules for this.

### ANNUAL GENERAL MEETING 2024

The AGM will be held on Wednesday, 15 May 2024 at Vattugatan 17, Stockholm.

### NOMINATION COMMITTEE

The Swedish Corporate Governance Code requires 4C to have a Nomination Committee. According to the current principles for the appointment of the Nomination Committee adopted by the AGM 2023, the Nomination Committee shall consist of three shareholder representatives represented by the largest shareholders or shareholder groups in the company according to the share register from Euroclear Sweden AB as of 30 September each year. In addition to these three members, the Chairman of the Board may be an adjunct member of the Nomination Committee. In accordance with the Code, a member of the Nomination Committee shall carefully consider whether a conflict of interest or other circumstances exist that make it inappropriate to participate in the Nomination Committee before accepting the assignment. The Nomination Committee shall apply the Code.

The members of the Nomination Committee shall be published on 4C’s website no later than six months before the AGM. If any of the three largest shareholders or shareholder groups refrains from appointing a shareholder representative or if a shareholder representative resigns before the mandate has been fulfilled without the shareholder or shareholder group that appointed the Nomination Committee member appointing a new representative, the Chair of the Board shall invite the next largest shareholder or shareholder group (i.e. the fourth largest shareholder or shareholder group) to appoint a shareholder representative within one week. This process will continue until the Nomination Committee is composed of three shareholder representatives. In the event of a change in the ownership of the company affecting the composition of the three largest shareholders or groups of shareholders, the shareholder or group of shareholders that does not have an owner representative on the Nomination Committee may contact the Chair of the Nomination Committee with a request to appoint a member. The Chair of the Nomination Committee shall then inform the other members of the request. If the change of ownership is not insignificant, a member appointed by a shareholder or group of shareholders no longer belonging to the three largest shall make his/her seat available and the new shareholder or group of shareholders shall be allowed to appoint a member.

The majority of the members of the Nomination Committee shall be independent of the company and its management. In addition, at least one of the members of the nomination Committee shall be independent of the largest shareholder or group of shareholders in the company with voting rights who cooperate in the management of the company. Members of the Board of Directors may be members of the Nomination Committee, but shall not constitute a majority of the members of the Nomination Committee. If more than one director is on the Nomination Committee, no more than one of them may be dependent in relation to the company’s major shareholders. The Chair of the Board or any other member of the Board of Directors shall not be the Chair of the Nomination Committee. The Chief Executive Officer or any other member of senior management shall not be a member of the Nomination Committee.

No fees shall be paid to the members of the Nomination Committee. The Nomination Committee shall be entitled to charge the company with costs such as recruitment consultants or other costs necessary for the Nomination Committee to fulfil its mandate.

The Nomination Committee is to draft proposals on the following issues for resolution by the 2023 AGM:

* the chair of the AGM
* the election of Chair of the Board,
* other members of the Board of Directors of the company,
* the remuneration of the Board of Directors divided between the Chair and the other members and the principles for possible remuneration for committee work,
* the election and remuneration of the auditor
* decision on the principles for the appointment of a new Nomination Committee.

**The Nomination Committee for the 2024 AGM is composed by the following members:**

* Erik Syrén (appointed by Andreas Hedskog). Chair of the Nomination Committee.
* Erik Ivarsson (appointed by Grenspecialisten), Bengt Axelsson (appointed by Klas Lindström),
* and
* Adjunct member Andreas Hedskog – Chairman of the Board for 4C Group AB (publ).

Andreas Hedskog, Grenspecialisten and Klas Lindström represent more than 28.8 percent of the total number of votes in 4C Group AB (publ), as of August 31, 2023.

Shareholders who have proposals relating to the work of the Nomination Committee should submit these to email address NominationCommittee@4cstrategies.com.

### BOARD OF DIRECTORS

The Board of Directors is the highest decision-making body after the General Meeting, and the highest executive body. In accordance with the established Rules of Procedure, the Board of Directors is responsible for the control, overall organization and management. The Board of Directors shall compromise of a minimum of 3 and maximum of 9 directors. The Board is elected at the annual general meeting for the period until the end of the next annual meeting. There is no time limit for how long a director can be a part of the board.

The 2023 AGM decided on the re-election of Christine Rankin, Lena Ridström, Louise Bagewitz and David Lidbetter as full board members. The AGM re-elected Andreas Hedskog as chairman of the board. Jörgen Ericsson was elected new member of the board and Mats Hjerpe declined re-election. Andreas Hedskog (chairman of the board) is judged to be dependent in relation to the company and company management and in relation to major shareholders. The other board members are deemed to be independent both in relation to the company and company management as well as in relation to major owners. The board thus fulfils the requirement according to the Code, that a majority of the board members must be independent in relation to the company and company management and that at least two board members must also be independent in relation to the company's major shareholders.

Additional information about the Board of Directors can be found at [www.4cstrategies.com](http://www.4cstrategies.com).

### WORK OF THE BOARD OF DIRECTORS IN 2023

The Rules of Procedure include regulations of the distribution of work and responsibilities between the board members and the CEO, as well as between the Board of Directors and the various committees of the board. The Board of Directors determine the company’s strategy and targets, the operational frameworks and the business plan and appoints, dismisses and evaluates the CEO. The Board of Directors shall further regularly evaluate the company’s financial situation and ensure that the company has appropriate routines for control and reporting and that laws and regulations are followed. The Board of Directors is also ultimately responsible for ensuring that 4C has an appropriate organisation and corporate governance which includes adopting policies and instructions for operating activities within the company.

The company held 21 board meeting during 2023.

The board meetings also covered Group Management’s reporting of business conditions, operations, organizational resources, results and financial position. Senior executives have participated in board meetings as required. A board meeting with focus on strategy was held in June. During the autumn were board meetings held to consider the budget and business plan for the following year. At the scheduled meetings, the Board of Directors discussed the agenda in accordance with the Rules of Procedure and the relevant documentation regarding the matters to be addressed was sent to all members prior to the board meetings.

The main focus of the Board of Directors in 2023 has been the groups short- and long- term strategy and reaching the financial targets.

### THE BOARD - POSITION, ATTENDANCE AND COMPENSATION

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Name** | **Position** | **Elected** | **Independent1)** | **Board meetings** | **Audit Committee** | **Remuneration Committee** | **Board****compensation**  | **Committee compensation**  |
| Andreas Hedskog | Chairman of the Board | 2011 | No/No | 21/21 |  |  | 350,000 |  |
| Mats Hjerpe2) | Member | 2016 | Yes/No | 21/21 |  | 7/7 | 175,000 | 25,000 |
| David Lidbetter | Member | 2012 | Yes/Yes | 21/21 |  | 10/10 | 175,000 | 25,000 |
| Lena Ridström | Member | 2022 | Yes/Yes | 20/21 |  | 9/10 | 175,000 | 15,000 |
| Christine Rankin | Member | 2022 | Yes/Yes | 20/21 | 6/6 |  | 175,000 | 25,000 |
| Louise Bagewitz | Member | 2022 | Yes/Yes | 19/21 | 6/6 |  | 175,000 | 15,000 |
| Jörgen Ericsson3) | Member | 2023 | Yes/Yes | 12/12 |  | 3/3 |  | 15,000 |

1. Refers to independence in relation to the company and its management or independence in relation to major shareholders in the company.

2. Resigned in connection with the annual general meeting on 1 June 2023.

3. Newly elected in connection with the annual general meeting on 1 June, 2023

### EXECUTIVE MANAGEMENT

The business is managed by the CEO. According to the Instructions for financial reporting, the CEO is responsible for the financial reporting and shall ensure that the board of directors receives sufficient information to evaluate the Company's financial situation. The CEO shall also regularly provide the board with information regarding events that are significant to the Company's progress, results, financial position, liquidity or other information that may be of importance.

The CEO has appointed an executive management team. In 2023, the executive management has consisted of the CEO, deputy CEO, the Managing Directors of the subsidiaries, the CFO, the CHRO, the CPO and the deputy CEO of one of the US subsidiaries. Executive management meets on average once a week. Every quarter, all the Group's Directors also meet to discuss both operational and strategic issues. Additional information about the executive management can be found at [www.4cstrategies.com](http://www.4cstrategies.com).

### REMUNERATION COMMITTEE

The Remuneration Committee operates under instructions adopted by the Board of Directors and evaluates and consults on matters relating to remuneration policies and remuneration and other terms of employment of senior management. Further, the Remuneration Committee shall ensure that remuneration is commensurate with prevailing market conditions and that the company’s offering to its employees is competitive. The CEO’s remuneration is approved by the Board of Directors. Remuneration of other senior executives is decided by the CEO after consulting with the Remuneration Committee.

The Remuneration Committee shall consist of at least two members and forms quorum if a majority of the members is present. The chairman has a casting vote if the vote is tied.

The committee members appointed at the statutory board meeting in June 2023 were David Lidbetter (Chair of the Committee), Jörgen Ericsson and Lena Ridström. During the fiscal year 2023, the Remuneration Committee met on ten occasions.

### AUDIT COMMITTEE

The Audit Committee operates under instructions adopted by the Board of Directors and exercises oversight over the Group’s financial accounting and reporting, as well as audits carried out. This includes tasks such as ensuring the quality of the Group’s financial reporting through reviewing interim reports, annual and sustainability reports, evaluating the work of the auditors, and reviewing and assessing the Group’s internal control work. The Committee is responsible for ensuring that the Group complies with applicable laws and regulations, and monitoring legal and tax issues.

The Audit Committee shall consist of at least two members, which shall not be employees of the company. The majority of the members shall also be independent of the company and its management. At least one member must also be independent of the company's major shareholders and have accounting or auditing proficiency. The Audit Committee forms quorum if a majority of the members is present. The chairman has a casting vote if the vote is tied.

The committee members appointed at the constituent board meeting in June 2023 were Christine Rankin (Chair of the Audit Committee) and Louise Bagewitz. During the fiscal year 2023, the Remuneration Committee met on six occasions and has, among other things, dealt with internal governance and control, the auditor’s audit and reporting and internal financial reporting.

### AUDITOR

Ernst & Young Aktiebolag is 4C’s auditor with Peter Gunnarsson as responsible auditor. Peter Gunnarsson was re-elected the company’s auditor on the 2023 Annual General Meeting, Peter Gunnarsson is an authorised public accountant and member of FAR (Institute of the Accountancy Profession in Sweden).

Ernst & Young Aktiebolag’s address is Box 7850, 103 99 Stockholm, Sweden.

Fees are paid to the auditors on the basis of current agreements and for extra contributions according to invoice. Further information about remuneration to the auditor, see Note [G2] in the Annual Report 2023.

### INTERNAL CONTROLS AND RISK MANAGEMENT

4C strives to create long-term value for shareholders and other stakeholders. This involves ensuring an effective organizational structure, systems for internal control and risk management, as well as transparent internal and external reporting. The description of our risk management below is based on the COSO framework, which is a system used to establish internal controls to be integrated into business processes. These controls provide reasonable assurance that the organization is operating ethically, transparently and in accordance with established industry standards.

### CONTROL ENVIRONMENT

The Board of Directors has the overall responsibility for the internal control and risk according to the Swedish Companies Act and the Code. In order to maintain and develop a well-functioning control environment and complying with applicable laws and regulations, the Board of Directors has resolved a number of fundamental documents for risk management and financial reporting. These includes the Board of Directors’ Rules of Procedure, instructions for the CEO, authorization regarding the organization of operations as well as internal policy documents.

The Rules of Procedure aim to achieve a clear division of responsibilities between the board (including committees) and the CEO (and executive management) in order to, among other things, achieve effective management of risks in both operations and financial reporting. The Rules of Procedure is updated on an annual basis.

The executive management team’s work is based on the Board’s established routines and procedures, as well as instructions for the CEO and reporting instructions. The executive management team and their function’s staff lead the day-to-day operations primarily through policy instruments such as budgets, performance management, regular reporting and monitoring. The CEO and group management as well as the persons who in their function lead the respective defined critical process, function or area together have the operational responsibility for the internal control.

Policies and guidelines govern operations and financial reporting. It is mandatory for all group employees to read specific policies both at the start of the employment and annually. 4C regularly conduct education and training on the adopted policies to ensure that the employees understand the content of relevant policies, routine descriptions and instructions. Finally, all 4C’s policies are subject to the Board of Directors annual review at the statutory meeting.

The control environment for financial reporting is based on a division of roles and responsibilities in the organization, with accounting and reporting guidelines to support the process. The Board of Directors is responsible for internal control of financial reporting which has been delegated to the CEO and CFO through reporting guidelines which aims to provide reasonable assurance of the reliability of external and internal financial reporting. Financial information in financial reports is compared with related plans and variances are analysed. 4C’s external reporting such as quarterly reports, the annual report and other financial reports are based on the International Financial Reporting Standards (IFRS) and are always processed by the Audit Committee and the Board of Directors before they are published. The auditor also submits a written opinion for the financial reports subject to statutory audit and other reports subject to the auditor's approval.

### RISK ASSESSMENT

Risk assessments is the process of analysing and evaluating the company’s main risks and creating proper internal controls, risk responses and mitigation plans.

The work with risk assessment in a broad perspective is a fundamental part of the Board and the executive management’s mission. This includes, for example, continuously assessing, monitoring and mitigating financial risks, operational risks, and key business risks. Within 4C, risks assessments in all relevant areas of the company are regularly reported to the Board. 4C's internal processes and routines provide good support for the ongoing management of risks

### CONTROL ACTIVITIES

Control activities are designed to minimize the risks identified in the risk assessment. A various of control activities are carried out in the organization and comprise of a mix of preventive and detective controls including: approvals of authorized individuals at different levels in the organization, applying the arm’s length principle, two-party approval for payments, clear attestation and clear decision-making procedures. These control activities, among others, are applicable for all entities within 4C Group, and monitored at group level. 4C works actively to incorporate risk management into the daily routines. It is monitored that policies, guidelines and instructions are followed. Employees undergo continuous training or as needed to ensure required competences.

The Audit Committee is engaged in the discussions regarding the financial risk assessments and internal governance and control activities.

### INFORMATION AND COMMUNICATION

An important part of internal control work is to ensure effective dissemination of relevant information to internal and relevant external stakeholders. 4C’s routines and systems for providing information aim to provide the market with relevant, reliable, accurate and up-to-date information about the group's development and financial position.

The company CEO and CFO has jointly, on behalf of the Board of Directors, been given the overall responsibility for handling matters relating to insider information and IR communication. The Board of Directors has appointed 4C’s CFO as responsible for the management of the insider list.

Internal communication takes place, for example, through 4C’s intranet, on group monthly meetings, weekly meetings in the specific legal entities or in the respective group function. Other formal internal communication, such as 4C’s policy framework, education, guidelines and instructions, are communicated and accessible on the intranet.

The sales and marketing department is responsible for other external and internal information.

### MONITORING

The Board of Directors has access to monthly reports on the group's revenues, results and financial position involving all parts of operational functions. At least one interim report and all annual reports are audited by 4C’s auditors.

The executive management meets frequently and monitors business development, financial performance and position, and significant events. The finance department and management analyse the financial figures, including follow up against planned targets, on a monthly basis level of detail. The Company's operational reporting is under constant development and improvement in content as well as system support and accessibility for operational managers. Further, the Audit Committee monitors 4C’s financial reporting and the efficiency of the company's internal financial controls, internal audits, and risk management.

### REMUNERATION OF THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES

It was resolved at the AGM 2023 to adopt the guidelines for remuneration to senior executives, which is reviewed on an annual basis. The guidelines apply to the CEO and other senior executives in the group as well as to any

remuneration to the Board of Directors, other than approved director fees. The guidelines do not apply to any remunerations that has specifically been approved by the General Meetings or any remuneration in the form of shares, warrants, convertibles or other share-related instruments such as synthetic options or employ stock options, which require specific approval by the General Meeting.

It was decided at the AGM 2023, that the fee to the Chairman of the Board should amount to SEK 350,000 and SEK 175,000 to each non-employed board member. It was also decided that special fees for Committee work shall be paid, with SEK 15,000 to a member of a Committee and SEK 25,000 to the Chairman of a Committee.

Further information about remuneration to the CEO and executive management, see Note [G5] in the Annual Report 2023.

### ARTICLES OF ASSOCIATION

The Articles of Association stipulate, among other things, the company’s operations, election and the number of Directors and auditors, changes to the articles of association, procedure for convening shareholders’ meetings, matters for consideration at the AGM as well as share capital and number of shares. The Articles of Association are available at the company website: www.4cstrategies.com.

**Note: Employees, personnel costs and remuneration to senior executives**

**Guidelines for remuneration to senior executives**

In order to meet 4C’s business strategy and to the safeguard the company's long-term interests, 4C needs to recruit and retain skilled and qualified employees. The guidelines shall also stimulate an increased interest in the business and the result as a whole as well as increase the motivation of the senior executives and increase the belonging within the company. This requires that the company can offer market-based and competitive remuneration in each market where the company operates. Individual remuneration levels are based on experience, competence, responsibility, and performance. In accordance with the company’s guidelines for remuneration to the CEO and group executives, remuneration must be market-based and consist of the following components: fixed cash salary, possible variable cash salary and other benefits and pension payments in accordance with the Company's policy, as applicable. The total cash remuneration, including pension benefits, shall, on a yearly basis, be in line with market practice and competitive on the labour market where the senior executive is based and consider the individual responsibilities, competences, qualifications and experiences of the senior executive as well as reflecting any notable achievements. Fixed and variable cash salary shall be related to the senior executives' responsibility and authority. The fixed cash salary shall be revised on a yearly basis.

**Fixed salary**

The fixed salary will be based on the individual senior executive’s area of responsibility, authority, competence, experience, and performance.

**Variable remuneration**

Executive management may receive variable cash remuneration in addition to fixed cash salaries. The variable remuneration shall be based on the outcome of actual predetermined targets based on the 4C’s business strategy and the long-term business plan approved by the Board of Directors. The targets may include share based or financial targets, on group level, operational goals and goals for sustainability and social responsibility, employee engagement or customer satisfaction. These targets are to be established and documented annually. The variable cash remuneration shall also be designed with the aim of achieving alignment between the participating senior executive and the

company's shareholders in order to

**Pension and insurance**

In order to create long-term financial security for our employees, 4C strives to offer competitive employment benefits such as occupational pension. The Company provide occupational pensions in accordance with local custom and legislation in all countries where 4C is located. The contribution to the pension plan must be pre-defined and based on a fixed agreed salary. Variable cash remuneration is not base for pension contributions. Exceptions to this are due to applicable national law or geographical compliance variances.

**Other benefits**

4C may provide other benefits to senior executives in accordance with the company's policies. Such other benefits may include company healthcare and education.

**Agreement on severance pay to senior executives**

Upon termination of employment, the period of notice may not exceed 12 months. Fixed cash salary during the period of notice and severance pay may not exceed one years’ fixed cash salary. In the event of termination of employment by the executive, the period of notice may not exceed six months without entitlement to severance pay.

**The decision-making process for establishing, reviewing, and implementation of the guidelines**

The Board of Directors has established a remuneration Committee. The duties of the Committee include preparing the Board of Directors' decisions on proposed guidelines for remuneration for executive management. The remuneration Committee will also monitor and evaluate programs for variable remuneration for senior management, the application of guidelines for remuneration to senior executives, and applicable remuneration structures and levels in the company. The members of the remuneration Committee are independent in relation to the company management. The CEO and other members of the executive management absent themselves during the course of the Board of Directors consideration of and decisions on remuneration-related matters, where they are affected by such issues.