

Corporate governance report

Principles of corporate governance

Since its listing on Nasdaq First North Premier Growth Market, Jetpak Top Holding AB (publ) follows the Nasdaq First North Growth Market - Rulebook and applies the Swedish Corporate Governance Code (the "Code"). The Company is not required to follow all the rules of the Code as the Code itself allows for the possibility of deviating from the rules, provided that any such deviations and the chosen alternative solution are described and the reasons for this are explained in the corporate governance report (according to the so-called "comply or explain principle"). The Company has applied the Code since the listing of its shares on Nasdaq First North Premier Growth Market. There are no deviations from the Code. Existing deviations had been disclosed in this report.

Jetpak Top Holding AB also applies Swedish laws and internal guidelines for its corporate governance. Internal guidelines for corporate governance such as articles of association, instructions and rules of procedure for the board of directors and the CEO, as well as a process description for internal control, are available at Jetpak Top Holding AB (www.jetpakgroup.com).

General meeting

According to the Companies Act (2005:551), the general meeting is the company's highest decision-making body. At the general meeting, shareholders exercise their voting rights on key issues, such as the adoption of the income statement and balance sheet, the appropriation of the company's profits, the discharge from liability of the members of the board of directors and the CEO, the election of board members and auditors, the remuneration of the board of directors and auditors, and the authorization of the board of directors to decide that the company shall issue new shares or acquire its own shares.

The annual general meeting must be held within six months of the end of the financial year. In addition to the annual general meeting, an extraordinary general meeting may be convened. According to the Articles of Association, notice of a General Meeting is given by advertising in Post- och Inrikes Tidningar and by making the notice available on the company's website. At the same time, the fact that notice has been given must be announced in Svenska Dagbladet.

Shareholders who wish to participate in the proceedings of a general meeting must be entered in the share register maintained by Euroclear Sweden AB five working days before the meeting and must notify the company of their intention to attend the meeting no later than the date specified in the notice of the meeting. Shareholders may attend general meetings in person or by proxy and may also be assisted by a maximum of two persons. Shareholders can usually register for the general meeting in several ways, which are specified in the notice of the meeting. Shareholders who wish to have a matter dealt with at the general meeting must send a written request to the board. The request must normally be received by the Board at least seven weeks before the General Meeting.

Nomination Committee

According to the Code, the Company shall have a Nomination Committee whose purpose is to make proposals regarding the Chairman of General Meetings, candidates for Board members (including the Chairman), fees and other remuneration to each Board member and remuneration for committee work, the election and remuneration of external auditors and proposals for the Nomination Committee for the next Annual General Meeting, as well as, where applicable, procedural matters for the next Nomination Committee. The Nomination Committee's proposals are presented in the notice to the AGM.

The Nomination Committee shall consist of four members, three of whom shall be appointed by the Company's three largest shareholders in terms of voting rights and the fourth shall be the Chairman of the Board. As soon as reasonably possible after the end of the third quarter, the chairman of the board of directors shall, in an appropriate manner, contact the three largest shareholders or groups of shareholders

registered in the share register maintained by Euroclear Sweden AB at that time and invite them to, within a reasonable time considering the circumstances, which may not exceed 30 days, name in writing to the nomination committee the person the shareholder or group of shareholders wishes to appoint as a member of the nomination committee. If one of the three largest shareholders or groups of shareholders does not wish to exercise its right to appoint a member of the nomination committee, the next shareholder or group of shareholders shall be offered the right to appoint a member of the nomination committee. In the event that several shareholders or groups of shareholders waive their right to appoint members of the nomination committee, the chairman of the board shall not be required to contact more than eight shareholders, unless this is necessary to form a nomination committee consisting of at least three members.

Unless otherwise agreed between the members, the member appointed by the largest shareholder in terms of voting rights shall be appointed chairman of the nomination committee. The chairman of the board of directors or any other member of the board shall never chair the nomination committee.

If a member of the nomination committee resigns before the nomination committee has completed its task, for reasons other than those set out in the previous paragraph, the shareholder who appointed such member shall have the right to appoint a replacement member independently and at its discretion. If the chairman of the board of directors resigns from the board, his replacement shall also replace the chairman of the board in the nomination committee. Any change in the composition of the nomination committee shall be announced immediately.

The company shall not pay fees to any member of the nomination committee. However, the Company shall bear all reasonable costs associated with the work of the Nomination Committee.

This year's nomination committee has, in addition to the company's chairman of the board, consisted of Jan Hummel (chairman of the nomination committee) representing Paradigm Capital AG, Peter Lindell appointed by Cidro Förvaltning AB (who in March 2024 replaced Oskar Börjesson from Skandia who resigned from the nomination committee in connection with Skandia selling its entire shareholding in Jetpak), and Johan Martinsson from JCE Asset Management AB.

Board of Directors

The Board of Directors is the company's highest decision-making body after the General Meeting. According to the Swedish Companies Act, the Board of Directors is responsible for the company's management and organization, which means that the Board of Directors is responsible for, among other things, setting goals and strategies, ensuring procedures and systems for evaluating established goals, continuously evaluating the company's results and financial position and evaluating the operational management. The Board is also responsible for ensuring that the annual report and interim reports are prepared in a timely manner. In addition, the Board appoints the company's CEO. The members of the Board are normally elected by the AGM for the period until the end of the next AGM. According to the company's Articles of Association, the Board of Directors, in so far as it is elected by the General Meeting of Shareholders, shall consist of at least three members and no more than ten members. According to the Code, the Chairman of the Board of Directors shall be elected by the General Meeting of Shareholders and shall have particular responsibility for the management of the work of the Board of Directors and for ensuring that the work of the Board is well organized and carried out efficiently.

The Board follows written rules of procedure which are revised annually and adopted at the inaugural Board meeting each year. The rules of procedure regulate, among other things, board practices, functions and the division of work between the board members and the CEO. In connection with the statutory Board meeting, the Board also adopts instructions for the CEO, including financial reporting.

The Board reviews and evaluates its working practices annually. The evaluation reflects on the contribution of each member to the work of the Board, the way in which the Chair and the CEO fulfill their roles, and the effectiveness and functioning of the Board as a whole. Additional objectives of the Board evaluation are to ensure that the Board has the right level of competence, the right number of members, the right information base, and appropriate procedures for monitoring and controlling the implementation of decisions taken.

The Board meets according to an annually fixed schedule. In addition to these Board meetings, further Board meetings may be convened to deal with matters that cannot be referred to a regular Board meeting. In addition to the Board meetings, the Chairman and the CEO have an ongoing dialog regarding the management of the company.

In 2023, the Board of Directors held 12 meetings, four of which were held in direct connection with the publication of the company's quarterly reports. Attendance at the Board meetings was very good, with only Tiina Grönroos, an employee representative not elected by the General Meeting, absent from a total of four of the Board meetings held during the year.

The Remuneration Committee held one minuted meeting during the year and was chaired by Christian Høy and John Dueholm. The Remuneration Committee has ensured that the company's remuneration models and levels comply with the decisions taken at the last AGM and has examined and assessed that the company's fixed and variable remuneration models for the CEO and other senior executives are in line with the market.

The Audit Committee held a total of eight meetings during the year and consisted of John Dueholm and Lone Møller Olsen as Chairman of the Committee. During the year, in addition to reviewing the company's interim reports and annual report, the Audit Committee also specifically reviewed the company's operational risk process.

CEO and other senior executives

The CEO reports to the Board of Directors and is responsible for the day-to-day management and operations of the company. The division of work between the Board and the CEO is set out in the rules of procedure for the Board and the instructions for the CEO.

The CEO is also responsible for preparing reports and compiling information from the management for board meetings and is essentially the presenter of the material at board meetings.

According to the instructions for financial reporting, the CEO is responsible for financial reporting in the company and must therefore ensure that the Board receives sufficient information to enable it to evaluate the company's financial position on an ongoing basis.

The CEO shall keep the Board of Directors continuously informed about the development of the company's business, the development of turnover, the company's results and financial position, the liquidity and credit situation, important business events and any other event, circumstance or relationship that can be assumed to be of material importance to the company's shareholders.

The CEO and other senior executives are presented in section "Board of Directors, Management and Auditor".

Remuneration of Board members, CEO and other senior executives

The fees and other remuneration of the members of the Board of Directors, including the Chair, are set by the General Meeting.

The table below shows the Board fees set by the 2023 AGM for the Board members elected by the General Meeting, as well as fees for work on the Audit and Remuneration Committees

Amount in TSEK	Remuneration of the Board of Directors	Committee fees	Total
John Dueholm, Board Chairman	628	155	783
Lone Møller Olsen, Board member	281	150	431
Christian Høy, Board member	281	40	321
Shaun Heelan, Board member	281	-	281
Total	1 471	345	1 816

The employee members of the board, Morten Werme and Tiina Grönroos, are not elected by the General Meeting.

Decisions on current remuneration levels and other terms of employment for the CEO and other senior executives have been taken by the Board of Directors, with the exception of the terms of the Long-Term Incentive Plan (LTIP) for the period 2021-2023, the framework for which was set by the 2021 AGM.

The table below shows the remuneration of the CEO and other senior managers in 2023;

Amount in TSEK	Basic salary	Variable remuneration*	Social cost	Total
Kenneth Marx, CEO	4 218	1 472	629	6 319
Other senior executives (5)	9 306	2 697	1 806	13 808
Total	13 524	4 169	2 434	20 127

*During the year, the provision for LTIP 2021-2023 was reversed by SEK 4 439 TSEK.

The year's variable remuneration has been reduced by SEK 3,148 thousand and social security costs by 1 291 TSEK.

According to the employment contract, the CEO is entitled to a monthly remuneration and can receive a variable salary of a maximum of 40% of the year's basic salary, excluding provision for LTIP. Payment of any variable remuneration is based on established parameters linked to Jetpak's results. In addition, the CEO has an individual occupational pension insurance that includes an occupational pension corresponding to fifteen percent of the fixed salary. The CEO has a six-month notice period. In the event of termination by Jetpak, the notice period is twelve months. The CEO is not entitled to any severance pay. The CEO is bound by a non-competition and non-solicitation clause that applies for one year from the termination of the employment. During the period of the prohibition, compensation of up to sixty percent of the Managing Director's fixed salary is paid. The CEO is otherwise subject to the usual terms and conditions of employment. Other senior executives are entitled to fixed remuneration and variable remuneration. Payment of any variable remuneration is based on established parameters linked to Jetpak's results. Other senior executives are not entitled to any remuneration in connection with the termination of their employment. Both Jetpak and the other senior executives shall observe a six-month notice period. Other senior executives are bound by a ban on solicitation of clients and employees for twelve months after termination of employment. The 2021 Annual General Meeting resolved, in accordance with the Board's proposal, to implement a long-term 3-year cash-based incentive program for the years 2021-2023. The program would be based on the company's long-term business goals with 2023 as the measurement year and with a single possible payment date in the spring of 2024.

A maximum of ten key employees could be included in the incentive program and no other long-term incentive programs could be launched before 2024.

Agreements were signed with the maximum number of the Group's identified senior executives and key employees. The reconciled outcome of this program amounted to SEK 13,305 thousand, including social security costs as of the end date of the program, which was 31 December 2023. The outcome level was 33% of the maximum possible outcome of the program, SEK 39,914 thousand.

The table below shows the final remuneration for each category; CEO, other senior executives and other incentive participants in the form of key employees, which will be paid in the spring of 2024 within the framework of the long-term incentive program;

Amount in TSEK	Bonus amount	Social costs	Total
Kenneth Marx, CEO (1 pers.)	2 500	786	3 286
Other senior executives (4 persons)	5 667	2 510	8 177
Other incentive participants (5 persons)	1 387	455	1 842
Total (10 people)	9 554	3 751	13 305

Internal control

Internal control includes control over Jetpak's organization, procedures and measures. The purpose is to ensure that reliable and correct financial reporting takes place, that the company's and the Group's financial reporting is prepared in accordance with the law and applicable accounting standards, and that other requirements are complied with. The description of internal control over financial reporting is mainly based on the framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Control environment

Effective board work is the basis for good internal control. The Board has established structured work processes and rules of procedure for its work. An important part of the Board's work is to prepare and approve basic rules and guidelines. Furthermore, a good control environment is based on clear decision-making paths and a corporate culture with shared values and individual employees' awareness of their role in this control environment. Jetpak Top Holding AB has a functional organization. For all functions there are policies, instructions and detailed process descriptions. These documents state which function/position is responsible for a specific task, mandate and authority and how validation is performed.

Jetpak Top Holding AB has a framework that guides decisions and actions throughout the organization, which consists of the financial handbook and guidelines aimed at achieving an efficient, structured, and uniform way of working within the company. The guidelines include instructions for the CEO, financial policy, information policy and decision rules.

Authorization rules are in place to strengthen the control of decisions regarding investments, costs, and contractual commitments. The authorization scheme in Jetpak is clear and transactions cannot be carried out without the approval of two different people for payment. Revisions are made regularly to ensure that guidelines and policy documents are up to date. All policy documents are published on the intranet and are available to all employees.

Risk assessment

Risk assessment of the processes within Jetpak Top Holding AB is continuous. Risk management is handled by the company's management team collectively, according to policies established by the Board. Risk management is based on a common risk matrix, which is reviewed and revised in connection with the management team meeting at least once a year.

See separate section on Risks and uncertainties.

Control activities

To ensure that the financial reporting gives a true and fair view at each reporting date, there are control activities that involve several levels within the organization, ranging from the Board of Directors and management down to individual employees. Financial controls in the company's business processes include an authorization scheme for the conclusion of business transactions, both for customers and suppliers. Furthermore, there is ongoing reconciliation of settlements with external counterparties (suppliers and franchisees), ongoing monitoring of risk exposure, daily reconciliations of customer invoicing, and earnings follow-ups as well as analytical follow-up of decisions made. Jetpak Top Holding AB's financial reports are

analyzed and validated by the company's finance function and regular analyses are made of all units within the Group.

Information and communication

Ensuring effective and accurate information, both internally and externally, requires good communication. Jetpak Top Holding AB has adopted an information policy for this purpose. Furthermore, there are internal instructions on information security and how the financial information should be communicated between the board, management, and other employees. In connection with the listing on Nasdaq First North Premier Growth Market, an insider policy was also adopted.

Follow-up

Jetpak Top Holding AB's Board of Directors and management continuously monitor the effectiveness of the internal controls to ensure the quality of the financial reporting processes. Prior to each Board meeting, the Board receives information on Jetpak Top Holding AB's situation and strategy regarding the financial position. At each board meeting, the company's situation is discussed, where the board receives detailed reports regarding the development of the business. Each quarterly report is reviewed by the Board. Minutes of the management review of quality and environment, in accordance with the ISO certification, are presented to the Board after each completed session.

Diversity policy

Jetpak Top Holding AB conducts ongoing gender equality work. Each individual employee has the right to be assessed and treated based on their performance, competence, and ambitions, not their gender, beliefs, or sexual orientation. Equality work is conducted based on local legislation in each country. All forms of discrimination are incompatible with the requirements of a good working environment and are not accepted in any form. Jetpak Top Holding AB complies with the law prohibiting discrimination on all grounds and works long-term to counteract all discrimination.

Audit

The auditor shall examine the annual report and accounts of the company and the administration of the Board of Directors and the Managing Director. After each financial year, the auditor shall submit an audit report to the annual general meeting. According to Jetpak's articles of association, the company shall appoint a minimum of one and a maximum of two auditors or audit firms. Jetpak's elected auditor is Grant Thornton Sweden AB, with Joakim Söderin as auditor in charge. The company's auditor is presented in more detail in the section "Board of Directors, management and auditor". In 2023, the total remuneration to the company's auditors amounted to SEK 1 716 (2 079) thousand.

2023

Auditor's opinion on the corporate governance report

To the Annual General Meeting of Jetpak Top Holding AB (publ)
organization number 559081-5337

Mission and responsibilities

The Board of Directors is responsible for the corporate governance statement for the financial year 2023-01-01-- 2023-12-31 on pages 15-20 (of the Annual report) and for its preparation in accordance with the Annual Accounts Act.

Focus and scope of the audit

Our review has been conducted in accordance with FAR's statement RevR 16 The auditor's review of the corporate governance report. This means that our review of the corporate governance report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides us with sufficient basis for our opinions.

Opinion

A corporate governance report has been prepared.
Disclosures in accordance with Chapter 6. 6, second paragraph, points 2-6 of the Annual Accounts Act and Chapter 7, Section 31, second paragraph of the same Act are consistent with the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, May 14, 2024

Grant Thornton Sweden AB

Joakim Söderin
Authorized Public Accountant