

principle that a majority of the members are independent of Techstep's Board of Directors and executive management, and that at least one of the members is not a member of the Board of Directors.

4.3 Recommendation regarding remuneration of the Board of Directors

Recommendations for the Board of Directors' remuneration should take into account the significance of the Board of Directors and ensure that the proposal is proportional to the character and time commitment of the Board's tasks.

5. Grounds for consideration

The Nomination Committee's recommendations must include explanations that detail how the candidates fulfil the needs of the shareholders and the company.

The Nomination Committee shall consider the need for changes in the composition of the Board of Directors, and shall maintain contact with different shareholders, members of the Board of Directors and executive management of Techstep. The Nomination Committee must closely review and consider the Board of Directors' annual evaluation report. In the event re-election of members of the Board of Directors is recommended, the proposal should also state how long the candidate has served on Techstep's Board of Directors and list his or her participation in board meetings.

The proposal should also outline the working process of the Nomination Committee.

The Nomination Committee is responsible for submitting a proposal regarding the remuneration of the members of the Board of Directors. The proposal shall include an explanation of how the committee has arrived at its recommendation.

6. The work of the Nomination Committee

The Nomination Committee shall meet when convened by the chair or at the request of one member. Minutes shall be taken of the proceedings at Committee meetings.

The Nomination Committee has a quorum when two of its members are present. Each member has one vote and decisions made by the Nomination Committee require the simple majority of the votes represented at the meeting. In the event of an equal number of votes, the Chair of the Nomination Committee has the deciding vote.

The Chair of the Board of Directors and the company's CEO must be summoned to at least one Nomination Committee meeting before the committee gives its final recommendation. The Nomination Committee shall be presented with the Board of Directors' evaluation of its activities and expertise.

The Chair of the Nomination Committee has the main responsibility for the committee's work and must ensure that the committee has adequate access to the necessary competence. In this respect, the Nomination Committee may use company resources or seek advice and recommendations from external sources.

Information is published on the company's website concerning time-limits for the submission of proposals and comments to the Nomination Committee regarding nominations to the Board of Directors and the Nomination Committee.