

## Remuneration of Koda's Board of Directors, as recommended by Koda's Board for the General Assembly's adoption on 26 April 2023

**The General Assembly decided to follow the recommendation from the Board of Directors that the General Meeting adhere to the recommendation of the critical auditors and that the remuneration for 2023 be maintained at the current level with adjustment corresponding to other salaries in Koda**

According to Koda's Articles of Association, section 10, subsection d, Koda's Board of Directors must make a recommendation to Koda's general meeting regarding remuneration of the board.

Section 115 of the Danish Companies Act describes the general tasks of boards of directors.

A board is responsible for ensuring:

- That the company has a proper organization and perform overall management duties and strategic management duties
- That the bookkeeping and financial reporting procedures are satisfactory
- That adequate risk management and internal control procedures have been established
- That the Board of Directors receive ongoing information as necessary about the company's financial position and that the Executive Board performs its duties properly and according to the guidelines from the Board of Directors.
- That the financial resources are adequate and to oversee the company's economy

For board members, the general rules on liability, power of attorney and liability apply. This means that as a board member you risk incurring personal liability if you act outside the agreed guidelines, or if you act inappropriately and contrary to what you would expect from an ordinary, sensible board member.

As a board member, one is obliged to attend the board meetings. The Board of Directors meets once a month (July excepted) for board meetings of 4 to 5 hours duration. The meetings typically require 3-4 hours preparation per meeting and that the board members keep up to date on developments in the music market, both in Denmark and abroad. There are 1-2 annual board seminars of 1-2 days duration, where typically the major strategic guidelines are discussed. The members of the Board of Directors also participate in Koda's annual general meeting.

As a supplement to the regular board meetings, the Board of Directors can at any time set up a committee for resolving certain matters in which only fewer members participate. Travel activity may also be associated with committee work or participation in international forums.

Both the chairman and vice-chairmen have regular meetings with Koda's Executive Board and participate in a large number of activities both in Denmark and abroad as representatives of Koda.

Since the Board of Directors preferred that the recommendation for remuneration of the board did not come from the board itself, Koda's critical auditors have been asked to draw up a recommendation. Based in the aforementioned, the critical auditors make the following recommendation:

*The critical auditors find that the remuneration of Koda's board members is adequate and should this year be adjusted according to the normal development of salaries in Koda.*

*As critical auditors*

*Morten Olsen, Finn Olafsson and Leif Ernstsen*

Based on a total weighing of the scope of the tasks, the accompanying responsibilities and after comparing the remuneration with board remuneration in equivalent corporations, the Board recommends that the remuneration for 2022, applied from the General Meeting, shall constitute:

Private member: DKK 14,147 per month (2022 = 13,603)

Deputy Chairperson: DKK 20,204 per month (2022 = 19,427)

Chairperson: DKK 31,517 per month (2022 = 30,305)

The amounts are adjusted by 4 %, compared to 2022, in accordance with the budgeted general salary adjustment in Koda.

Unofficial translation Danish version prevails