

# NKT Annual General Meeting 2024 - Transcript

**Jens Due Olsen, Chair of the Board:** [00:00:00] Dear shareholders, it's great to see so many of you here today. It's rare that we need to bring in extra chairs, so that's great to see. Welcome to the AGM of NKT. My name is Jens Due Olsen and I'm Chair of the Board. I just want to mention that I had an implant in my cheek in my mandible for a few days ago, so I have a bit of a swelling there. I hope you'll bear with me. It's a pleasure to welcome everyone here in at Glostrup Park Hotel. And also, to those of you who are following the AGM online and our shareholders portal. Like last year, the AGM is held in Danish with interpretation into English. And I would just ask you all to just make sure you know where the emergency exits are in case of fire. We haven't planned any drills, so if the alarm sounds, we do need to evacuate as quickly as possible and meet in the parking lot. Once again this year, we have asked Christian Lundgren from the law firm Kromann Reumert to be our chair of the AGM. He knows NKT very well, so I'm sure he can guide us well through today's programme. Christian, the floor is yours.

**Christian Lundgren, Chair of AGM:** [00:01:27] Thank you very much for the kind words. I'll try to live up to them. And I will not allow that anyone tests the swelling and the pain of the chairman's face. I'll make sure that we have a smooth process at this AGM. As already said by the chair, the meeting and this is the choice of the board is held in Danish. This is possible according to the articles of association and there is simultaneous translation if you need it. You can follow us online. Welcome to those who attend in that manner. But it is not possible to be an active participant. You cannot put questions or make comments if you participate online. If you wish to leave the room during the meeting, please leave your access badge outside because you need to be deregistered if you leave. If you wish to take the floor at some point you will raise your hand and I'll try to keep track of the sequence of those who wish to speak. And please show me your access card so I can introduce you. Questions comments from participants will be included in the protocol. If we need it, I will give instructions about any written ballot that we may have to have. Now, I'd like to explain why I find that this meeting is both duly convened and quorate, according to all the business on the agenda. You will know this. You are present in the room that we are in the capital region of Denmark, and that is where we need to be according to the articles. The meeting is held prior to the end of April.

That too is something that is stipulated in the articles, and also the date of the AGM was announced in a corporate release dated the 8th of November, 2023, when the financial calendar for 2024 was announced. And it has been confirmed to me that the convening notice with the agenda and the complete proposals was sent on the 1st of March by email or mail to those shareholders who have requested this. According to the articles, the convening notice must go out not earlier than five weeks and not later than three weeks before the meeting. Also, it has been confirmed and I have found this by inspecting the situation. Then the convening notice, the agenda, complete proposals have been accessible to shareholders on the company's website since the 27th of February, 2024. I also find that the meeting today meets the requirements according to article 6 and the agenda. As I said, and a corporate announcement on the 27th of February gave information about the arrangements in practice of the meeting. And according to article 8, we have a simple majority rule for all business on the agenda. 27 million and upwards or 51% of the votes are present in the room. So, the meeting has been legally convened and we are quorate in relation to all the business on the agenda. I have a duty as chairman of the meeting to make this decision, and I am also entitled to make it. But I'd like to hear if there are other comments. There are no other comments. Thank you very much. Let's proceed.

**Christian Lundgren, Chair of AGM:** [00:05:39] And this is our agenda item one is the report from the Board of directors on the company's activities. Then we have presentation of the audited annual report. Three is adoption of that annual report. Four is proposal by the Board of Directors concerning distribution of profit or cover of loss. Five is presentation of an advisory vote on the remuneration report. Six is a resolution regarding discharge of liabilities for members of management and board of directors. Then we have the remuneration of Board of Directors. Item seven is remuneration of the Board of Directors. Eight is election of board members. Nine is election of auditors. There's a novelty here. I'll come back to that. And then ten proposals from board or shareholders. We have not received any proposals from shareholders by the deadline stated in the Articles of Association. There is one proposal from the board of directors. It has to do with an amendment to the remuneration policy to introduce an indemnification scheme for members of Board of directors and executive management. I suggest that we do as we've done before at NKT that we will deal with item 1 to 4 in one go. First, we will hear a short report from the chair of the Board of directors and introduction of the

Annual report 2023 and an explanation of the proposal for distribution of profit. After these introductions, we will have a debate, and we will see if it becomes necessary to have a vote concerning item 3 or 4. We will not have votes concerning items 1 and 2. If there are no objections, I'll hand over to the chair of the board. You have the floor, Jens.

**Jens Due Olsen, Chair of the Board:** [00:07:44] Thank you. Christian. Dear shareholders, I'll now go through developments in 2023, in NKT, including the work of the board, and also take an outlook on our expectations for the future. It has been an eventful year for NKT, where we have accelerated our positive developments and expanded positions in several core markets. Our cable business delivered a great result after a year with record high order intake in high voltage projects, while NKT photonics continued to increase revenue. As you know, in June '22nd, we announced the sale of NKT Photonics to Japanese Hamamatsu. The deal was approved by competition authorities in Germany, the UK and the US, but Danish authorities rejected the deal in May of last year. In July 2023, Hamamatsu relaunched the application and we are still waiting for the final decision from the Danish authorities. In May 2023, we welcomed Claes Westerlind as new CEO and NKT. If you could just stand up so everyone can see you. Claes has extensive experience from the cable industry and management in NKT, where most recently he was responsible for the high voltage business in Karlskrona. In fact, Claes started as trainee in ABB which later became part of NKT, so he knows the sector very well indeed. Under the management of Claes, NKT has continued its growth journey and given his personal touch to the business. For instance, he has strengthened the organisation's focus on execution and central operating organisation and commercial organisation. We are also have CFO Lina Fandrup, who is now also standing up, and together the two of them make up a strong, dynamic team who, alongside the rest of top management in NKT, are focussed on continuing execution of our strategy, ensuring future growth and value for our shareholders. With a single exception. The whole top management you can see on screen are also present in the room today, so you can meet them afterwards. Claes took over from Alexander Kara as CEO, and I would like to take the opportunity to thank Alexander for his great efforts to ensure the positive development in our cable business since 2019. And the cable business, we continued the positive development as expected, and we consider 2023 a successful year for NKT. Among other things, we ended the year with a new record large order book of high voltage projects after having won a number of large orders. It emphasises our strong position

in the market and that we are well positioned to continue to take part in the global opportunities created by the green transition. The positive development has been recognised by both customers, partners and investors. This meant that NKT in December last year again became a part of the Danish C25 index, which is a recognition of our recent hard work. This has happened through good cooperation with customers and investors. Therefore, I would like to say thank you for the trust and support around central investment decisions that are now helping create growth in NKT.

**Jens Due Olsen, Chair of the Board:** [00:11:32] As you can see on the slide behind me, the share price has developed positively in recent months and that has created value for our shareholders. The total return to investors, corrected for the capital expansion over the summer is at 60% as of 1st of January, 2023, until today. Our cables play a vital role in ensuring that the rollout of renewable energy and the corresponding capacity in the power grid is geared for us to succeed in the green transition. We stand strong with three focussed business units.

**Jens Due Olsen, Chair of the Board:** [00:12:10] We have solutions which covers high voltage power cables for both on and offshore projects. Then as Applications that primarily supplies the market for low and medium voltage cables, and then there is Services and Accessories that provide service and cable solutions and sells accessories to projects within primarily medium and high voltage. Together, they address the majority of products and services in the renewable energy market and the transmission of energy, and it positions us well for the future.

**Jens Due Olsen, Chair of the Board:** [00:12:47] Over the years to come and the next decades, we expect the green transition to increase supply and demand for electricity and thus create great demand for cables. A well functioning power grid is vital when we transmit power from offshore wind farms and to increase global security of supply with cable connections across regions, countries and continents. In many markets, the power grid is already a central bottleneck for the security of supply. Therefore, increased production of renewable energy and the need to transmit electricity across countries and continents very much drives a market for our cable business.

**Jens Due Olsen, Chair of the Board:** [00:13:31] This especially drives the demand for our direct current cables that are particularly suitable for transmission of electricity over large distances, and we have a strong position with our technological foundation, great experience and continued investments in our cable solutions. With our focus and technology, we are central part of the solutions to the global climate challenges, and we welcome the increased interest in Green Energy. Circular. The solutions and biodiversity will increase political focus on timely green investments. This is also necessary to promote the green transition further.

**Jens Due Olsen, Chair of the Board:** [00:14:17] In spite of the positive development in the medium and high voltage market, we experienced greater societal uncertainty in 2023. We have seen that as macroeconomic uncertainty, continued high interest rates and pressure on supply chains. Furthermore, we have to deal with the new geopolitical reality with several armed conflicts around us. The conflicts have great human costs, but it has also made it more complicated to procure materials and energy which has led to rising input prices. So, far, we have managed to navigate under the new circumstances, and we have mechanisms that mean that we are less vulnerable towards price increases in important materials like copper, aluminium and plastic. Therefore, only a few of our parts of the business have been affected in the past year. The economic slowdown in parts of Europe has particularly hit the market for installation cables, which is a minor part of our business and applications. Of course, we continue to follow the global developments closely to take the necessary precautions to navigate through the challenges.

**Jens Due Olsen, Chair of the Board:** [00:15:34] IN spite of the global challenges, we have seen that the green transition has had momentum in the market and created increasing demand for our cable solutions in 2023. We thus won several large projects and closed the year with a record large order book.

**Jens Due Olsen, Chair of the Board:** [00:15:50] We expect the great activity in the high voltage market to continue in 2024. And now in March, we won another large German order with a value of €1.2 billion. The developments in 2023 and the beginning of '24 underline that we are able to grab the growth opportunities from the green transition and General

electrification, for instance, when it comes to offshore wind farms and interconnectors. To strengthen and maintain our position, over the past year, we have invested in expanding our capacity and technological foundations in high voltage factories in both Karlskrona and Cologne. This year we started using the extra capacity and that has had a positive effect on the financial results in 2023. We also saw larger orders with a longer time frame. Now, also, more and more customers who want to have access to production capacity through framework agreements. And we saw that in the record order from the German net operator, 50Herz, at an estimated value of €3.5 billion, which we won in September '23rd, based on the number of large orders, we decided in May '23rd to start further investments in a large expansion of the factory in Karlskrona, which will make it the largest factory for offshore cables in the world. We also increased our installation capacity with another offshore cables on top to complement our existing ship, NKT Victoria. In all, we invest about €1 billion in Karlskrona and in the ship. We have also continuously invested in applications, accessories and most recently announced to invest about €100 million in the production capacity in Cologne. The developments follow the plan and play a vital role in ensuring that from 2027, we will have the necessary capacity to execute our large order book and also be able to take new orders in investments, among other things, financed with a capital expansion we implemented in May last year. I would like to thank our shareholders for their support in that regard. We appreciate your support in us preparing NKT for future growth.

**Jens Due Olsen, Chair of the Board:** [00:18:19] In February '23rd, we announced another growth initiative in the shape of a joint venture deal regarding the establishment of Taiwan's first offshore cable factory. It's a good growth opportunity for NKT, where we have technical consultants in the design of the factory and also in the alternating current technology our partner Walsin Lihwa will produce. The establishment of the factory requires no investments from NKT but will generate revenue once it's operational in 2027. The deal gives us access to the growing offshore market in Taiwan, and it gives us a platform and a regional partner for getting established in the Asian market where coastal offshore wind is gaining momentum.

**Jens Due Olsen, Chair of the Board:** [00:19:08] Sustainability is a global agenda, and we welcome it and follow it closely. It is clear that demands on the company's social and climate responsibility increases in NKT. We take our social responsibility seriously and in '23 we have

continued to focus on sustainability. Among other things, we've got in our climate targets, verified and approved by the science based Target Initiative. We have upgraded our cable ship, NKT Victoria to operate on biofuel, and we have strengthened our focus on creating a diverse and inclusive culture in NKT.

**Jens Due Olsen, Chair of the Board:** [00:19:50] If you look further into the numbers in our sustainability report, you will see in spite of a slight increase in CO2 emissions compared to the year before, we are well on our way towards the 2030 targets for scope one and two. Here we will reduce CO2 emissions by 90% compared to 2019 and refocused initiatives in 2023. We have reduced emissions in our activities by 77%. When it comes to our CO2 emissions in our value chain, we ensured a positive development compared to last year. While we are above the dead level in 2019, which is our baseline for scope three. These emissions in our value chain make up more than 99% of our total CO2 footprint, and we are therefore greatly focussed on reducing our scope three emissions further. We do it in close cooperation with suppliers and partners. A good example of the strategic cooperation is the strategic cooperation we entered into with Norwegian Hydro, because that will give us access to Hydro's aluminium, which has a lower carbon footprint than conventionally mined aluminium. The development in our footprint is as expected, and the result of a growth we've seen in our business because of increased production and installation activity. We are, of course, focussed on maintaining a good balance between growth and sustainability, so we will achieve our climate targets by 2030. The overall climate target is still that by 2050 we will be at net zero. The journey to get there requires focus and hard work, and we continue to focus on sustainability across our business. This also applies to the board, where we have a special committee to ensure the proper development in sustainability. On the social side of sustainability, we continue our focus on creating a culture that promotes employee commitment and space for all. In '23, we strengthened our initiatives to create even better conditions for to promote female managers in NKT. In safety, we unfortunately saw a negative development in work related incidents that is not in line with our ambitions and therefore we have launched a number of targeted initiatives to turn things around so that we get an even better working environment. We, of course, work with the ambition to have no work related incidents or accidents on the business side of things, side of things. We still run NKT in accordance with the recommendations for good governance and we comply with legislation

and sanctions. We cooperate with our suppliers, and we have increased our demands for accountability and sustainability in our value chain. This is all reported in our ESG report, which I would encourage all of you to read.

**Jens Due Olsen, Chair of the Board:** [00:23:07] I would now like to look at the financial results for 2023, where the key figures only cover the cable business, because the current sale of NKT photonics means that the results are consolidated on one line in the profit and loss account. In the cable business, the positive financial development continued in both revenue and earnings compared to the year before in '23. The revenue increased in standard metal prices to €1.9 billion from €1.4 billion, corresponding to organic growth of 36%, which emphasises our strong position and ability to grab the possibility from green transition and electrification. The operational EBITDA increased to €255 million from €155 million the year before, and that's the highest annual operational EBITDA in the history of the company. This produced a net result of €119 million, which is progress compared to the €55 million the year before. Cash flow from operations increased to €542 million, from €298 million in '22, while the free cash flow, which of course is after investments, increased from €295 million from €93 million in '22.

**Jens Due Olsen, Chair of the Board:** [00:24:41] Now, here's a brief review of our capital structure. At the end of 2023, NKT had a net interest bearing debt of -671 million. So, the opposite of debt. The low level is because of positive developments in revenue, the capital increase in May and greater prepayments in connection with the execution of projects. The negative debt level gives us financial security and flexibility for the years to come, where we will see greater expenses in connection with the current investments in the high voltage business that's, among other things, the €1 billion I mentioned before. At the end of 2023, our net bearing debt compared was -2.6 times the operational EBITDA. And that's within our target of having a gearing level of up to zero times the operational EBITDA. Some might find that quite low, but it's to have the necessary financial capacity to pursue possibilities in the market. In spite of the positive result, the board recommends that no dividends be paid out. That's because we need a robust capital structure to complete the current investments. We've already committed €1 billion, as I said, and we also need to be a strong financial counterpart to the customers who trust us with large orders with a long time frame. Just a few years ago, I



said that an order of €250 million was large for us, but now we are talking about €1.5 billion orders. Therefore, it's also important that our financial capacity can handle the potential fluctuations associated with the large long term cable projects that we see an increase of in the market.

**Jens Due Olsen, Chair of the Board:** [00:26:47] And now I'd like to take a look at developments in the individual business units.

**Jens Due Olsen, Chair of the Board:** [00:26:51] First of all Solutions. Solutions one, as I've already said, several large orders in '23. And as a result, once again, the order book for that year was record high. And we also had a satisfactory execution of ongoing projects in several segments.

**Jens Due Olsen, Chair of the Board:** [00:27:09] In 2023, we saw high activity levels in the high voltage market, both with regard to the number and the scale of projects in the market. We managed to translate our strong market positions into winning orders worth about €7 billion in '23. This is a new record for NKT and more than double the level in '22. We believe that the size of our accessible market was upwards of €15 billion in '23. Because of the large influx of orders at late year, we had an order book of €10.8 billion, compared to €4.7 billion the year before. In 2024, we continued expanding the order book volume, so it's now worth about €12 billion. Developments. Once again, this is a testimony to our strong position in the high voltage market and also the speed of the green transition, which raises demand for cables directly. But it also shows that there are things happening in the underlying grids and interconnectors. So, we expect a positive market to continue in coming years.

**Jens Due Olsen, Chair of the Board:** [00:28:24] So, we've seen a very strong development in the number and scale of projects that are up for tender. In '23, the total value of orders awarded in the high voltage market came up above the €15 billion mark. This is a large increase compared to projects awarded in 2022, which were worth about €8 billion. We expect the high activity level in the market to continue, and that we will have an average a year of about €10 billion until 2030, in awarded projects. So, we are faced with a market that has some attractive opportunities for us. Orders have become bigger, and the time horizons are

longer, and there's a growing tendency for customers to ensure access to production capacity by means of large framework agreements. We want several of those in '23, in order to continue among the leading suppliers in the market. It's been vital for us that already in 2020, we started expanding our production capacity. We continued and in May last year we announced, as already mentioned, new large investments in Karlskrona in a new advanced cable ship. And in March this year, we decided to initiate additional investments in Cologne.

**Jens Due Olsen, Chair of the Board:** [00:29:40] Applications, which covers our low and medium voltage business had a result that was considerably above the year earlier level. The primary reasons were that sales of medium voltage cables grew over the '22 level, and the positive effect of ongoing efficiency measures in our business. In '24, we will maintain focus on growing earnings and execute our long term growth strategy. We expect, in particular the medium voltage market, to grow as the power grid is expanded, and we also expect there to be more demand after the installation of more solar cell farms and onshore wind turbines.

**Jens Due Olsen, Chair of the Board:** [00:30:24] The result in our business for the servicing of cables ended below '22, because the number of offshore service orders was very limited in '23 compared to previous years. After a focussed effort, we have one of the strongest service offerings in the cable industry and we are above the fastest responders in the market. When repairs are suddenly needed, we continue developing our service business and expand our activities in several countries globally. In our business for cable accessories, we saw a positive development on the back of increased sales of accessories to the high and medium voltage cable market. We expect the market to continue its positive development in future, and that's why we have started up investments in our Swedish plant in Alingsås.

**Jens Due Olsen, Chair of the Board:** [00:31:13] As stated in our annual report, we still expect financial results in '24 to develop positively compared to the year before. We expect revenue expressed in standard metal prices to go to between 2.21 and €2.36 billion, and the operational earnings, measured in the form of EBITDA, to come to between 285 and €335 million. The financial outlook is based on a number of. And they include a satisfactory execution and development of high voltage investments and projects without major disruptions, stable market conditions and Applications, a normalised activity level in offshore

cable repairs, stable developments of the global economy, a stable supply chain with limited disruption and access to the required labour, materials and services, and a stable development in currencies and metal prices.

**Jens Due Olsen, Chair of the Board:** [00:32:20] We still execute the strategy ReNew BOOST with focus on growth, innovation and sustainability. With this strategy, we will ensure that we maintain our strong market position in the fast growing cable market and capture our share of the opportunities that we get from the green transition in our markets.

**Jens Due Olsen, Chair of the Board:** [00:32:43] The positive outlook for the future years is reflected in the financial ambitions that we upgraded in May '23, so that we now look forward until 2028. We expect to deliver an average annual organic growth rate in our revenues, the so-called CAGR upwards of 12% in the period from '21 to '28. We expect an operational EBITDA upwards of €550 million and a return on invested capital ROCE upwards of 20%.

**Jens Due Olsen, Chair of the Board:** [00:33:25] And now let's have a look at the board and a brief account of its work.

**Jens Due Olsen, Chair of the Board:** [00:33:32] The board has had a year with a wide agenda and a lot of activity. In addition to the activities already planned, we've had special focus on the overarching strategic deliberations, projects for which to submit tenders and investments in the cable business. We also had the annual self-evaluation. It was handled by the nomination committee and the result was discussed by the board afterwards. We found, among other things, that we have a good composition with regard to professional and personal competencies. We also agreed that we have very clearly defined responsibility areas in the board, and we operate with a high level of trust, which gives room for good discussions.

**Jens Due Olsen, Chair of the Board:** [00:34:13] Since 21 we focussed on a growing diversity on the board, and since '23 we've had equality in terms of gender on the board, which means that we have met the target of minimum 40% of the underrepresented gender not later than in 2025. And that's why I am pleased to hear from all board members elected by the AGM that they are willing to be re-elected, and they continue to stay on board for the next part of the

journey in NKT. I also like to say thank you to the employee elected board members Pernille Blume, Christian Dyhr and Stig Knudsen. I look forward to cooperating with you all, though I believe it's going to be for a brief period only because Christian and Stig are both employed by NKT photonics.

**Jens Due Olsen, Chair of the Board:** [00:35:04] As I said, the board works very well and if we are re-elected, we intend to appoint me as Chair and René Svendsen-Tune as Vice Chair. We will continue with the current committees with regard to nomination, remuneration, audit and sustainability. And then we also have a Tender Board, a special committee that looks at the large projects in the market. Election concerning board membership will be dealt with under item 8 on the agenda.

**Jens Due Olsen, Chair of the Board:** [00:35:35] In 2024. The base fee and structure of remuneration to the board is unchanged from the frame agreed last year. We will still receive a base fee plus extra amounts for certain chairmanships and certain work on committees, but for the sake of good order, I would tell you that the Chair, if he participates in committee work, will not get a special fee for this. The board is still not involved in incentive programs. This is also in keeping with the recommendations from the Committee for Good Corporate Governance. We also have this special Tender Board on the board, which together with the management, has the last say in relation to bids for high voltage projects. It has to do with the size of the order and where it is not big enough for the whole board to be involved. There have been high activity levels in 2023. We expect this to continue next year. There is no separate fee for membership of the Tender Board.

**Jens Due Olsen, Chair of the Board:** [00:36:41] Every year our remuneration report is on the agenda. In NKT we focus on. Paying our top management in a way that reflects the results achieved. Also, we wish to be able to attract and maintain or retain competent profiles on our management, and that's why we are on an ongoing basis, adjust the base pay to management and have bonus programs to ensure that we are competitive when compared with other companies in the peer group. We have a base fee that depends on the agreement with the individual, and also may or may not include pension contribution. Then there are some fixed payment elements such as company car or allowance. For domestic arrangements. There's a

bonus that has to do with the achievement of specific targets, and this has to do with the current accounts and the value of our RSUs, which involves a three year period. Bonus targets are individual, but typically they contain an element in relation to financial targets. But they may also have elements such as employee satisfaction, customer satisfaction, safety, sustainability, or the initiation of specific operational measures such as a factory extension. When budgets are achieved, typically half of the financial conditional part of the maximum bonus will be achieved. The share programmes are also awarded as a special value of. The base pay allotment is conditional upon achievement of our strategic targets, typically in relation to revenue and earnings and a model return on share increases or possibly RoCE three years later. If the defined targets have been achieved, half of the allotment will be considered as earned, so it takes a special achievement of results both in the short term and the longer term. To get a full bonus and a full share allotment.

**Jens Due Olsen, Chair of the Board:** [00:38:48] On the screen behind me, you see the total compensation to management in 2023 broken into the fixed elements and the variable elements. You can see the elements of the bonus programme for '23, the value of the RSUs in '23 for members of the Executive Board, and the target conditions concerning EBITDA and TSR. You can also see the outcome of the issues that were allotted three years ago. The TSR and the EBITDA target maximum was achieved, so all the shares the RSUs were allotted. The remuneration report also shows the development on a year by year basis. In 2023 the top management pay reflects the positive results we saw throughout the year. The remuneration report will be considered under item five on our agenda today. As the chair of the meeting mentioned, we have on the board made a proposal to change the remuneration policy in order for it to contain an indemnification scheme for board and management. We do that to supplement or complement the present management liability insurance. A number of listed Danish companies have introduced or will introduce similar arrangements. It covers, among other things, the responsibility of members of board and management vis a vis third parties in connection with the handling of our activities. The development in the insurance market actually makes it possible for us to take out such insurance with a sufficient cover at a reasonable premium, and that's why we find that it is correct and in our interest to offer indemnification to members of board and management so that we can continue attracting and retaining qualified candidates. Cover will, of course, not be available if there are claims due

based on fraud, intentional acts or grossly negligent behaviour. We will get back to this under item 10.1 on the agenda.

**Jens Due Olsen, Chair of the Board:** [00:38:48] Let's take a look at '24 and the following years. We have a strong position in the growing market for high and medium voltage cables. We will focus on maintaining that position. We can deliver the technology and competencies required to tap into the growth opportunities arising because of the global megatrends such as the green transition, the growing focus on reliability and supply, and the electrification of society. So, we have full focus on continuing winning orders, have a satisfactory execution of our considerable order book and the ongoing investments in increased capacity.

**Jens Due Olsen, Chair of the Board:** [00:41:40] Special thanks are due to all employees and managers for a job well done in '23. It's been a successful year. High activity level. Wonderful results. Also, thank you to our shareholders for another good year with good cooperation and support to continued investments, which are so important for us to ensure our future growth. It's going to be an interesting year with higher targets, and we have become off to a good start. Thank you very much. And now back to the chair of the meeting.

**Christian Lundgren, Chair of AGM:** [00:42:19] Thank you very much, Jens. I just heard a telephone ring, and I will just ask you all to put your telephones on soundless for the rest of the AGM. Now I'll open the debate. Any comments? You might have to the report from the chair. I think I already know of one intervention. Would you come up here, please? This is the representative from the Danish Shareholders Association, and you will introduce yourself, won't you?

**Carsten Christiansen, Dansk Aktionærforening:** [00:42:57] Yes. Thank you for giving me the floor. My name is Carsten Christiansen and I represent the Danish Shareholders Association. First of all, I would like to thank the chair for good report. Now let's look at earnings. When I look at earnings it starting to look good with an earnings margin of 6.2% of the revenue which is also higher than our competitor Nexans. We also need a good earnings margin because of our product segment, because it is in the better end when it comes to earnings. I was also happy to see a statement from our new CEO, Claes Westerling, and the

newspaper Børsen on 15 January '24th, where he asked for clear statements from the energy companies about their investment plans in the energy grid so that NKT can deliver on the demand. And it's very good to ask for those investment plans, because that way our production capacity can be adapted to the demand. Years back, NKT was in a situation where there was great overcapacity. We had been running at a deficit and the share price was below 100 DKK. Now it's close to 600 DKK. And I definitely don't want to go back to the situation years ago. In continuation of this, I would also like to thank our previous CEO, Alexander Kara, who suddenly stopped, but I would like to thank him for his good efforts and a good dialogue I had with him here at the AGMs. But it's also nice to see that in NKT had a new CEO ready, and I'm sure it's also the case for other managers that there's someone to take over in case it's needed. The order book also looks very good, and from the accounts it's clear that there's an order book of €10.8 billion. And that has to do with our solutions segment. Therefore, it's also important that NKT has a production apparatus that can turn the order book into good sales with a high profit margin. But I would like to get a bit more information about the order situation is for Applications and Services. So, I'd also like the chair to say a bit about our production efficiency in our factories, as well as the order situation in Applications and the Service business. Finally, of course, we have seen a terrible situation in the geopolitical scene. We have seen that the threats in our part of the world have increased. For instance, the Swedish chief of the military has mentioned that the Baltic states are at a risk for an armed conflict with Russia. NKT is a business with activities in the Baltic states. We have a well functioning shared service centre in Lithuania which covers part of our finance function. I actually know the Baltic states quite well and I've visited them quite a few times, but I think it would be timely to consider which measures and solutions could be applied to ensure NKT business and its employees and the Baltic States if it should turn into an armed conflict in that part of the world. With these questions and comments, I would like to thank you for your attention and time.

**Christian Lundgren, Chair of AGM:** [00:47:09] Thank you, Carsten. Jens, will you respond?

**Jens Due Olsen, Chair of the Board:** [00:47:18] Thank you. Carsten Christiansen. It's always good to see you and the Danish Shareholders Association here. There were several questions and also some comments. Your first comment was that our earnings had increased and that it's higher than our French competitor Nexans. And you're right, we should be above them.

And we have quite a few projects with direct current technology. And I don't want to comment on our competitors, but you could look at our share price development compared to theirs. And you can see that our Solutions are of a higher and advanced quality. So, we are doing better than our competitors. Your question about Applications is very relevant, and it's true that I didn't mention much about it in the report, but the way we see it right now, society knows we need to invest in power grids and the interconnectors. We call it the superhighways of electrification. But when you do that, you also need to invest in byroads and small access roads. And that's where our medium voltage and high voltage cables come into play. So, we see a sort of trickle down effect to the medium voltage market. So, we look very positively in our applications business. So, this is of course the direct effect of solar farms and wind farms where you need medium voltage cables to get the power in, but also in the development of the grid, we see a greater demand in Applications. So, we are positive for that part of the market. So, how come we don't publish the order book for that market? That's because it's not really an order based market. The cables we sell there aren't standard, but there are several competitors who are also in the market. And typically, it's just something we have in stock, or we can produce quite quickly. So, we don't publish the order book there. And if you look in our balance sheet, you'll see we have some stock. And that's basically those cables that are ready to be sold in the applications market. So, we don't have a great order book there we can publish. One of the questions was also about our production efficiency in Applications. And when you look at our results from Applications. Applications is doing better and better because the market is growing, but also because we have made a lot of efficiency measures in applications. Years ago, the factories were supposed to deliver primarily to the local market and then could produce all sorts of things. But now we specialise our factories, so they only produce one type of cable from one production line, and that gives us a higher volumes and we can make the individual more efficient. But it also gives us economies of scale for the industry. And you can see that in all the targets we have, like yield management, how much scrap is and individual lines, how efficient are they right down to our sustainability parameters where a lot of what we produce, how much of it can we recycle or reuse. So, our quality and our yield has increased in the factories as we specialise and get a higher degree of industrialisation. Then there was a question about the geopolitical situation in the Baltic States. Of course, we are worried about that. We are worried about Russia and also the Russian invasion and war on Ukraine. And of course, the closer you get to that area and with the



history of the Baltic, we know it can affect things locally and certainly our employees. We are very aware of that. And we are also in dialogue about this with our employees in Lithuania. We have support measures implemented for them. And we also have a business model where if anything happened there, we don't expect anything to happen. But if anything were to happen, our business model gives us opportunities to do things differently. So, we are not terribly dependent on the situation in Lithuania or Denmark for that matter. But we share your worry, and it's certainly legitimate. I think that was an answer to all your questions. Thank you.

**Christian Lundgren, Chair of AGM:** [00:52:54] Thank you. Are there any other requests for the. Yes. Please come forward. Bo Svarrer Hansen.

**Bo Svarrer Hansen:** [00:53:18] Thank you for a fine report, Jens. Looking back, you see that the acquisition of Karlskrona was a very good idea. It's a good plan. And it has good employees. My question is, we all agree that we're doing very well, but compared to the peer group, how well are we doing? It's a competitive market. And if we don't sort of compete successfully, then we might as well. Well, you know, I'd like to hear about the peer group.

**Jens Due Olsen, Chair of the Board:** [00:54:03] Thank you. Bo Svarrer Hansen. Very good question. In order to answer, we need to look at the different segments. We have Solutions, the high voltage cables. We have Applications, medium and low voltage. And then we have Service and Accessories. And I think we should look at the two largest competitors, Nexans and Prysmian. Prysmian is larger than us, and Nexans doesn't have the same market value as us. Let's take Solutions as a unit or a division. We are one of the market leaders in the DC market. And if we look at the biggest growth, then it's in relation to DC or direct current cables. And that's also where we see the biggest contracts and where the best earnings potential. And that is precisely what we got when we invested in Karlskrona. So, the short answer is we are outperforming the competitors. But then you need to say yes. But we also have more of the part of the market where you can get better and more financially interesting contracts. How about the DC market compared to the peer group that also move in the DC market? Well, we haven't got all the data, but I think we are at level with Prysmian but doing better than Nexans. We also larger than them. But if we look at the AC market, then we are more or less on level with our two competitors. Then Applications. It depends a bit on the market and the position

you have in that market. Generally, in Applications, it's a good idea to have a fairly high share of the markets where you are, because there are many solutions that become very specific in relation to the distributors or dealers. And it may be that cables for a specific type of building have a different colour in Germany than in Denmark. So, you need to be aware of the more tailor made products that are required. But we are doing fine in markets where we are fairly dominant. And if we look at the peripheral market, typically where we have excess capacity, we will bid for contracts in those markets and make money on that. But if like for like we try to look at application and its earnings and then compare to Prysmian, I think we are a bit behind them because they generally have a higher proportion of the market they are active in than we do. And I'm looking to Claes now. I think that for Nexans the situation is the same, but it depends on the market, I think. So, the markets where we are present, we are outperforming our peer group and that's also because we can fill up our capacity by means of some contracts. And then with regard to repairs, we are actually larger and better than our competitors. But that's because it's a focus area for us. And it has to do with the focus that we have placed on not only producing the cables, but also installing them. And we see production and installation or deployment as one sort of step. And that means that we are also in control of the quality of the work. We don't think the cable is done and delivered until we have it installed on the seabed and can hand it over to the customer. I know I've given you a lengthy answer, but we are strong in the market that is doing well. But that was what we knew when we decided to take over Karlskrona. Thank you.

**Christian Lundgren, Chair of AGM:** [00:58:45] Thank you very much. I hope that answered the question and another person asked for the floor at the back. Troels Eggert Jørgensen.

**Troels Eggert Jørgensen:** [00:59:17] Thank you for the floor. I agree that it's going very well for NKT, and I've learned a great deal about cables since I became a shareholder in 2020. I hadn't expected to get into this sector, but it has been extremely interesting. I have three questions. When you upgraded in Karlskrona, I think it must require a great deal of qualified employees in a very small plant. Can you really attract the required employees? Of course. I hope NKT is an attractive place to work, but that was one of my questions. Attracting employees. My second question, of course, you look at where to expand and with the location we have in northern and Eastern Europe, things look quite good. But are there other

interesting places that could be attractive? Like for instance, the American grid, which I've heard is quite worn down. I don't know whether political upheaval may make that less attractive. And then my third and last question, the Russian threat towards cables. I mean, could that almost become a separate section of the business? Because when they start attacking not just telecommunications lines and internet lines, they might also attack power grids. I'm sure both NATO and the EU could get into big trouble. So, those were my three questions.

**Jens Due Olsen, Chair of the Board:** [01:01:11] Thank you. Troels Eggert Jørgensen. It's interesting with cables because I've. I'm no longer an independent member of the board. I'm turning into a cable person more and more every day. This really grows on you, even on our shareholders like you, as I understand. And I know that a lot of cable people in the room here. So, there are a lot of things you can learn by talking to other shareholders after the AGM. You're right. The Karlskrona factory, I mean, Karlskrona is a beautiful town, relatively large, and we are big in Karlskrona and will become even bigger. So, we are thinking about can we get the employees we need? So, far we have succeeded, and we don't just recruit from Karlskrona but also from the surrounding area and we are an attractive employer, but we also have several programs to get people in and also to give them training quickly. We have NKT Academy to help people learn some things, so they'll also stay and feel well working for us. Also know we attract people and are of course experts who like working with electricity and cables. I mean, we can attract them almost globally because it's one of the best factories in the world. So, that way is easy enough. Maybe the experts, but the people who aren't fully skilled yet, we also need to attract, and we do have a steady stream of Swedish colleagues who will move from Malmö or Göteborg or Landskrona to Karlskrona. So, yes, we can attract the employees we need. And of course, it's of benefit to be of a certain size in a smallish city because the authorities treat us well. We support the local sports associations. There's a very good atmosphere around our plant there. Other interesting markets. Well, we have global megatrends and markets growing everywhere. The market that has grown the most in recent years was driven by the green transition. So, offshore wind farms in the North Sea and off Poland and in the UK. And then the authorities focus on the green transition, needing the grids and interconnectors, etc.. But we also see that the focus on the green transition increases everywhere. And the American market might be interesting. The Asian market where we

probably feel even more foreign is also interesting. That's why we've entered into the joint venture in Taiwan to get our feet wet. And also, Vietnam is very big on renewable energy, so it's all quite interesting. That being said, don't misunderstand me, but we are sort of walking a tightrope because we need to deliver on a record large order book while we are increasing capacity. And the good employees who can increase capacity are also good at installing them. We've increased factory capacity earlier, so we have a team ready that can now expand Cologne and Karlskrona even further. But we don't dare add on another factory at this point. So, it might happen in a few years, but we need to sort of settle what we are doing now first, all that being said, the best place to invest and we can be happy about earnings etc. but what we measure is what is our return on investment. It's easy to increase earnings if you invest a lot of money, but we also need to increase the return on investments, and that return is greater on an existing factory than on a new factory. So, starting a factory from scratch is also a sort of a worrying endeavour. And there's a risk. So, we have to be ready for such a green field. And we're not there yet, but we'll probably get there in time. Other opportunities? Well, it might be southern Europe, but sailing from Karlskrona to southern Europe is still a bit of a way, and we have no current plans about that. Now, the threat from Russia, we have seen attacks on pipelines, which haven't been explained yet. It's something our customers and society is aware of. And one of the things that are being considered now is whether or not cables are critical infrastructure. We think they are, and I'm sure governments will reach the same conclusion at some point. We can do cable surveillance solutions and our customers who have that now, so you can see if something happens. Why did it happen? When did it happen? How did it happen and who might be behind it? There are various solutions available. We can't prevent it from happening because we're not a defence business, but we have applications that can be used. And the more we get a grid, the more you become independent in case of a small breakage in one area, if you have other access points, etc. in the grid. So, I think the authorities don't just want sort of a single solution, but grids to sort of increase your opportunities in many ways. But it's certainly something the customers are very aware of at this point in time. Thank you.

**Christian Lundgren, Chair of AGM:** [01:07:21] Thank you. I hope that was sufficient. Reply. And there was one more over there. Kent Busk is the name.

**Kent Busk:** [01:07:53] I'm actually interested in picking up on what you said about growth opportunities in view of our capacity level. You said that we have this order book worth €10.8 billion, and with framework agreements and that kind of thing, they cover a specific time horizon with a possibility of using our capacity. But is it possible for you to share with us what it would mean to production capacity in '24 and 25 until was it in '27, we got the additional capacity because haven't we reached the level where we actually have almost reached the ceiling of our production capacity, or is there headroom in some places where we can sort of benefit from that from time to time?

**Jens Due Olsen, Chair of the Board:** [01:09:03] I look to Claes and Line. We have been discussing this on a number of occasions- Well, it's true that we are fairly close to full capacity utilisation. If we look at the order book, then it's right to assume that until we get the expansion of our production capacity, we're going to exploit almost everything. And we also hope to be able to start delivering on some new framework agreements. But are we saying that we can't accept new orders? No. There are pockets slots here and there that we can use. We can accept some orders. But again, it is going to be a while because some of the orders we are working on now will be executed until way into the future. That said, previously we very rarely discussed orders with customers that had a duration of 2 to 3 years plus. Now customers say. We want to ensure capacity in 2030, 2031, 2032. So, it's an entirely different type of dialogue we have with our customers now. So, that's about as far as I'm ready to go. Thank you very much.

**Christian Lundgren, Chair of AGM:** [01:10:49] I hope that was sufficient. And we have one more. Finn Flanding is the next speaker.

**Finn Flanding:** [01:11:14] I have attended general meetings for many years. But a lot of things have happened since then, and what is left now, as I see it, is what we find in Asnæs. I live in essence in Asnæs, the north western part of Zealand, and things are happening at the plant located there and some of us still meet up from time to time. I just wondered, because I've heard the other things that were said, I think, since I was so close to the microphone, I might as well get up and put questions. Since it came up. There are some premises there that could easily be fitted with large machines.

**Jens Due Olsen, Chair of the Board:** [01:12:30] Thank you, Finn. What a good question. We are listed on the stock exchange, so I can't reveal any secrets here. But we are really pleased with the sites that we've got. And that includes Asnæs. It's much easier to create, to generate a return by investing in an existing plant than in building a brand new plant. So, when we look at the positive developments of our markets, and when you hear that we like the sites we've got, and then you hear also that it's a better idea to invest in existing plants, then. You might want to take a positive view of the future.

**Christian Lundgren, Chair of AGM:** [01:13:30] And we have one more. It's Ole Højer.

**Ole Højer:** [01:13:51] Thank you, Jens. It was a wonderful report you delivered. But you forgot one thing. I think this is something you may not have considered. DC cables and maybe also AC cables. They're produced and they are deployed. Have you ever considered continuing the ownership and sort of lease these cables to users? I don't know how that could be made possible, but I know that in the wind farms, for instance, and with wind turbines, the producers of wind turbines actually lease them to users. So, instead of building a new factory that you might consider that as a new business area.

**Jens Due Olsen, Chair of the Board:** [01:14:55] It's a very good question. But in order to answer, I need to give you some historical background. A couple of years ago, our financial situation was entirely different. And one of the challenges at the time, and we tend to forget that now. But at the time we had factories that were not filled to capacity, and we were always worried about how we would ever be able to get a return on the investments if we were to build a new factory. So, we have discussed how can you generate a return without making major investments? And the result is what you see in Taiwan, where we deliver technical expertise in a joint venture. That's all. But that's also enough. And we become co-owner of a plant, and we get royalties and some other ideas we've had. We could cooperate in the same way as Vestas and Ørsted and European Energy, are privately owned undertaking where they have these wind farms, solar farms and some of these plants they own, and they are also energy producers. So, previously our conclusion was we didn't want to go there because it was a new business leg. And when we looked at the growth opportunities in the market, we didn't have

enough money to start investing in something entirely new. But it's an interesting idea. It's an interesting thought, and I wouldn't say that it's not going to happen. There are major investments due with regard to how to expand the power grid. There are onshore farms that cannot sell the power they produce now, because there simply isn't a grid to take the power to the consumers. Today we can just lean back. Cables have become the bottleneck and customers just come to us with their orders. Authorities are under pressure to undertake these huge investments, and that sometimes opens up for new markets, new possibilities in the US. Private money is now being used to a project that takes hydropower from Canada, from Quebec and all the way southwards. So, as these projects arise, sometimes it may sound strange, but sometimes 80 or 90 or 95% of the money has been found. But the project never materialises because they cannot find the remaining 5 or 10%. Ownership of a cable network is interesting, and it is something that we might want to consider in our strategic efforts. It's not just something that's around the corner, but the idea is fine.

**Christian Lundgren, Chair of AGM:** [01:18:26] Right. Are there any further questions or comments? That doesn't seem to be the case.

**Christian Lundgren, Chair of AGM:** [01:18:38] If we then move on in the agenda, we are talking about item 2 to 4. Now we have the presentation of the audited annual report. The group management statement appears from page 106 and is dated 21st of February 24th. There's also an audit report in page 107 signed by Kim Tromholt and Søren Ørjan Jensen from PricewaterhouseCoopers. It's a so-called blank audit comment that says that everything is done as it should be. I conclude that the report by the chair of the board has been adopted with what was said by the chair. Now, I want to ask under item three, basically whether there are shareholders who want to vote about the annual report or if I have the AGM support, to just conclude that the AGM has adopted the annual report. There are certainly so one person nodding and who doesn't complain is considered to agree. So, I conclude that the annual report has been adopted. Regarding item four. That is regarding the distribution of profits. As has been stated, the Board of Directors proposes no dividend be paid out in 2023, so the profits are carried over to next year. And that a general meeting cannot adopt a higher amount than proposed by the board. So, there's not really anything to do about this. But I still want to

ask whether anybody wants to vote on this, but the result is a given, I'm afraid. I again conclude that the proposal has been adopted.

**Christian Lundgren, Chair of AGM:** [01:20:53] This brings us to item five, presentation of and advisory vote on the company's remuneration report. Jens presented the remuneration report for 2023 under his report from the board. And I'll just conclude that on page 13, there's the statement by the board that the report has been developed in accordance with the Danish Companies Act and. There's also a statement from the auditors of the company that the report, and they confirm that the report complies, complies with the Danish Companies Act section 139B, part 3. Are there any questions or comments regarding item five on the remuneration report? Does anybody want an advisory board even though it's only advisory? So, I'll once again conclude that the AGM has adopted the remuneration report. Thank you all.

**Christian Lundgren, Chair of AGM:** [01:22:10] That brings us to item six. Now we're moving forward. That's resolution regarding discharge of the management and the board of directors from their liabilities. That's the same item every year. This area covers what appears from the Annual report 2023 regarding the management and the Board of directors. Are there any questions or comments regarding this? Otherwise, I'll once again conclude that the AGM grants discharge to the management and the Board of directors. Thank you.

**Christian Lundgren, Chair of AGM:** [01:22:59] Item seven, remuneration of the Board of Directors for 2024. The board proposes that the remuneration remains unchanged compared to 2023. That is, the board of directors has a base fee of 375,000 kroner. That's about €50,000. And the proposal is that the chair receives three times the base fee and will not receive further remuneration for additional committee appointments. The deputy chair received twice the base fee, and the ordinary members get the base fee only. Then there are committees. The first we can go through the agenda and NKT Photonic working group gets 187,500. And the members get 93,750 each. And the audit committee, which typically has more meetings. It's proposed that they that they get 250,000 and for the chair and 125,000 for the other members. And ESG 125,000 for the chair and other members, 62,500 and the same for the nomination committee. Are there any comments as to the remuneration of the board, or can I again conclude that this is adopted by the AGM? Thank you for adopting.



**Christian Lundgren, Chair of AGM:** [01:25:18] Now, item eight, election of members to the board. The board proposes the re-election of the following board members elected by the AGM. Jens Due Olsen as chair, then René Svendsen-Tune, Karla Marianne Lindahl, Andreas Nauen, Nebehat Albayrak and Anne Vedel. Are there any comments or questions? That doesn't seem to be the case. I take it then, with your consent, that all board members have been re-elected. There are also some formal requirements with regard to other board positions, etc., but that's all something you can find in the convening notice.

**Christian Lundgren, Chair of AGM:** [01:26:17] Item nine. This year there are two proposals because you always have the financial auditor. 9.1 therefore is the election of auditor that we have always been having as an item on the agenda. And there's a proposal that PricewaterhouseCoopers be re-elected. Any other comments, questions, proposals? That doesn't seem to be the case. Right. Thank you. Then there's a new item called Election of Sustainability auditor. The thing is that there are some new rules from the EU. It's called corporate sustainability reporting the directive CSRD for short. And because of that directive, starting from the 1st of January '25 and financial statements prepared thereafter, there must be a specific audit report about sustainability. I won't go into details, but the report must be subject to an independent third party check. So, the board proposes, therefore that PricewaterhouseCoopers also be elected sustainability auditor for the company. Any questions? Comments? Don't ask me to go into details concerning the EU text, because then you're going to create challenges to me as chair. Well, thank you very much.

**Christian Lundgren, Chair of AGM:** [01:28:09] Item ten. There is one thing of business to transact here against. Touched upon this in his report. The proposal is for the AGM to agree on an amendment to the remuneration policy so that it contains an indemnification scheme for members of board and management. On this page and the next page, you see the full text, which of course also appears in the convening notice. So, I will not go into this in detail. Very briefly, a summary NKT in accordance with ordinary practice has taken out liability insurance for members of board and management in connection with the exercise of their job activities. But because of the developments in the insurance market and because of the premiums that have literally exploded because of the growth of that particular business areas in insurance, it

has been decided by the board that it's in the interest of the shareholders to offer members of board and management an indemnification scheme on certain conditions. In case third parties submit claims against them because of the exercise of their activities. This is done in order to be able to attract and retain competent board members and members of the Executive Board. This is, of course, something that is of importance to these people. And so an indemnification scheme will always be a complement to the existing insurer arranged policy. There must be a maximum indemnity limit, and there must also be a timeline, or a deadline indicated, but that will not be announced publicly for strategic reasons. And it will not cover in case of fraud and intent or grossly negligent behaviour. There may be tax payments also in connection, but that is all dealt with. In order for this scheme to start operating, agreements must be entered into between the company and the individual members of board and management. Also, I would like to point out that this is not something done by NKT. In practically all the large businesses. Which have made these arrangements. It is primarily as a result of developments in the insurance market and the premium levels. So, I'd like to hear if there are any questions or comments. That is not the case. So, I take it then that it has been agreed to vote in favour of the proposal from the board. Thank you very much.

**Christian Lundgren, Chair of AGM:** [01:32:16] We've now dealt with the rest of the business on the agenda. We've now reached item 11, which is any other business. Nothing can be voted on here, but if you have questions you wish to raise or comments you wish to make, you can always do that under any other business. Yes, we have someone over here. Kent Busk again.

**Kent Busk:** [01:32:56] We didn't talk so much about Photonics other than mentioning them in the beginning. But there's been an application to the authorities to approve the sale, which was rejected. And now there's a new question about approval, hopefully for the sale to go through. But what if that is rejected again, what are the alternative strategic outlooks? Because as I understand the business, it's a business that would benefit from being strengthened in a different context that maybe we are too small in the market, a market where a lot of things are happening. So, what are the other strategic possibilities for Photonics if the sale doesn't go through or doesn't get authority approval?

**Christian Lundgren, Chair of AGM:** [01:33:51] Now, I'm not supposed to answer that question. I just want to say, as you all know, NKT is a listed company, so there may also be limits as to what the chair can say about this or whether he's allowed to answer that question, but Jens give you the floor.

**Jens Due Olsen, Chair of the Board:** [01:34:27] It's a very relevant question. The reason we got at the first rejection was that it was because of the safety of the nation, so we couldn't get insight into the process or why the decision was made to reject. And as that is the argument, I can't say anything basically both because I don't know and because it's a matter of national security. I don't think that indemnification scheme should come into play already, but it is a relevant question.

**Christian Lundgren, Chair of AGM:** [01:35:13] Yes. It's a brave new world, isn't it? Okay. I'm sorry you couldn't get a clear answer. Does anybody else want the floor? That does not seem to be the case. So, then I would like to conclude that we have come to the end of the agenda. I'd like to thank you for participating so actively, and also thank you for good discipline. Let's call it that. I'll give the floor back to Jens for his final comments.

**Jens Due Olsen, Chair of the Board:** [01:35:56] Thank you Christian. I would also like to thank you for a very good AGM with a very good dialogue. I think it's been very interesting and the things we've talked about also occupy us in the boardroom and in our discussions with the executive management. I sometimes say to my colleagues in the board that it's not that we are working less hard or intelligently than before, but we have to do our best. And sometimes luck is also on your side. And right now, luck is on our side. I think we've made the right decisions historically, but we also remind ourselves to be humble. Sometimes things go well, sometimes they go less well, and we are not better or worse than we were five years ago. But as I said, things are going very well and it's fun for us cable people such as myself. Cables are sexy now. People talk about cables everywhere and that's really great. So, thank you for this good dialogue. Thank you to our customers and partners and other interested parties, including society, which we are an important part of. And thank you for organising the AGM. I'm glad we could get more chairs in. I hope next year we'll need even more chairs. Thank you to the technicians, the interpreters and Christian for leading us through the AGM. Thank you all.

