

Corporate governance report

The aims of good corporate governance are to create the conditions for active shareholder participation, to uphold a transparent and sound balance of power between the company's governing bodies and to ensure the provision of correct information to the market.

The aim of corporate governance is to ensure that the company is managed as effectively as possible in the interests of the shareholders, but also that Cloetta complies with the rules required by legislators and the stock exchange, among other things in the form of corporate governance.

Corporate governance is also aimed at creating order and systems for both the Board and the management. In addition, by having well defined structures, rules and processes, the Board can ensure that the management and employees are focused on developing the business and thereby creating shareholder value.

Cloetta AB (publ) is a Swedish public limited company, with corporate identification number 556308-8144, whose class B shares are traded on NASDAQ OMX Stockholm. The company is domiciled in Ljungsbro, Linköping, and its head office is in Stockholm.

APPLICATION OF THE SWEDISH CODE OF CORPORATE GOVERNANCE

Since 1 July 2008, all companies whose shares are traded on NASDAQ OMX Stockholm are required to apply the Swedish Code of Corporate Governance, regardless of their market capitalisation. Cloetta is thus subject to compliance with the Swedish Code of Corporate Governance, which is based on the "comply or explain" principle. This means that a company can deviate from the Code's provisions without this entailing a breach of the Code. However, a company that deviates from a rule in the Code must explain the reason for doing so. Cloetta currently complies with the Code without any deviations. Complete information about Cloetta's application of the Swedish Code of Corporate Governance can be found at www.cloetta.com. The corporate governance report

is part of the company's administration report and is reviewed by the company's auditor. The results of the review are presented in the audit report on page 147.

EXTERNAL GOVERNANCE SYSTEMS

Cloetta AB (publ) operates under both external governance steering systems and the company's own internal steering systems.

The external governance systems, which provide the framework for Cloetta's corporate governance, include the Swedish Companies Act, the Swedish Annual Accounts Act, other relevant laws, NASDAQ OMX Stockholm's Rules for Issuers and the Swedish Code of Corporate Governance. Governance, management and control are divided between the shareholders at the AGM, the Board of Directors and the President in accordance with Swedish corporate law, the Swedish Code of Corporate Governance and the Articles of Association.

INTERNAL GOVERNANCE SYSTEMS

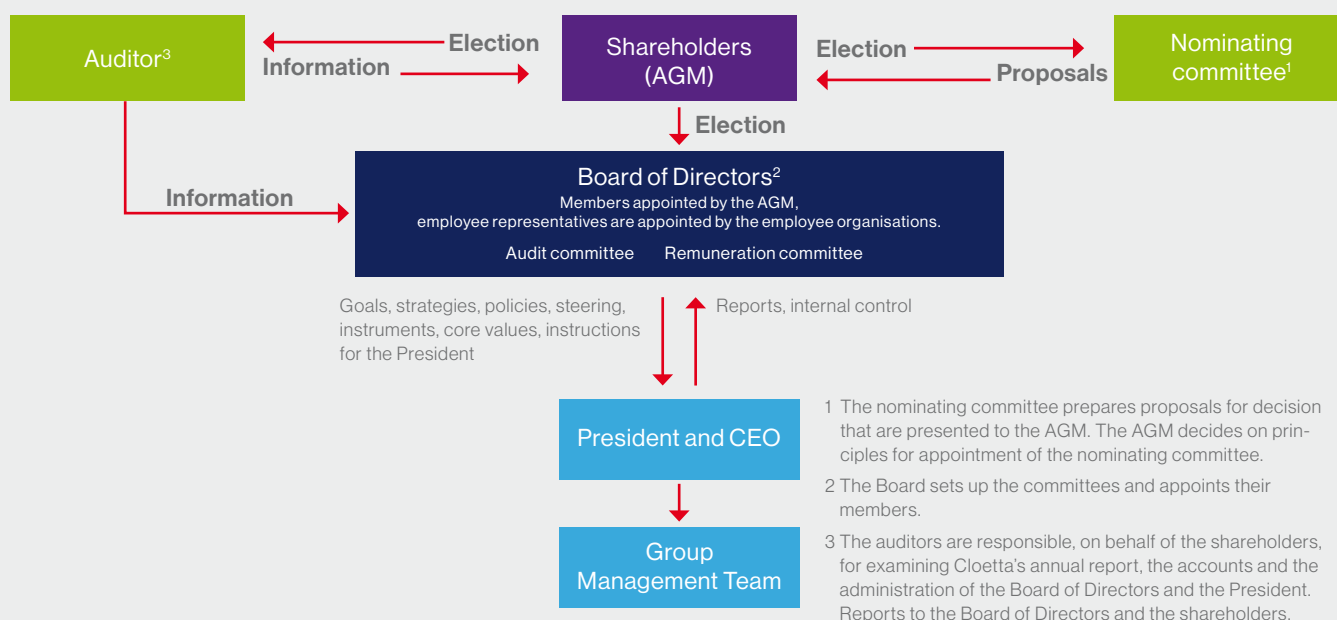
The most important internal steering instrument consists of the Articles of Association that are adopted by the general meeting of shareholders. Other steering instruments include the Board's work plan and the Board's instructions for the President. In addition, the Board has adopted a number of policies and instructions containing rules for the entire Group's operations. These are evaluated yearly.

ARTICLES OF ASSOCIATION

The Articles of Association are adopted by the general meeting of shareholders and contain obligatory information of a fundamental nature to the company.



GOVERNANCE STRUCTURE



These articles specify the object of the company's operations, the size of the share capital, the voting rights attached to the different classes of shares and the permitted number of Board members. The Articles of Association contain no special provisions regarding the appointment and dismissal of Board members or amendments to the Articles of Association. The full Articles of Association can be viewed at www.cloetta.com.

SHAREHOLDERS

The class B shares in Cloetta AB (publ) have been listed on NASDAQ OMX Stockholm since 16 February 2009 and are traded on the Mid Cap list since 2 July 2012. The number of shares at year-end 2013 was 288,619,299, of which 278,757,685 were of class B and 9,861,614 were of class A. The number of shareholders was 6,321 (compared to 4,667 at the previous year-end). All shares grant equal entitlement to participate in the company's assets and profits. The share capital amounts to SEK 1,443,096,495 and the quota value of the share is SEK 5. Each class B share corresponds to one vote and each class A share to ten votes, although all shares carry equal entitlement to the company's assets and profits. There are no limitations regarding the number of votes a shareholder may exercise at a general meeting.

Should the company issue new shares of class A and class B through a cash or set-off issue, holders of class A and class B shares have the right to subscribe for new shares of the same class in proportion to the number of shares already held on the record date. Corresponding rules of apportionment are applied in the event of a bonus issue or issue of convertibles and subscription warrants. The transference of a class A share to a person who is not previously a holder of class A shares in the company is subject to a pre-emption procedure, except when the transference is made through division of joint property, inheritance, testament or gift to the person who is the closest heir to the bequeather. After receiving a written request from a holder of class A shares, the company shall convert the class A shares specified in the request to class B shares.

The largest shareholder is AB Malfors Promotor, which at year-end held 41.0 per cent of the votes and 22.9 per cent of the share capital. The second largest shareholder at year-end was AMF Försäkring och Fonder, with 11.2 per cent of the votes and 14.7 per cent of the share capital, and the third largest shareholder was Lannebo Fonder, with 7.1 per cent

of the votes and 9.3 per cent of the share capital. The formerly second and third largest shareholders following the merger, Cidron Pord S.á.r.l. (which is owned by Nordic Capital Fund V) and Godis Holdings S.á.r.l. (which is owned by funds under the advisorship of CVC Capital Partners) successively reduced their interests during the year and had sold their entire shareholdings at the end of 2013. At year-end, institutional investors held a total of 92.5 per cent of the votes and 90.3 per cent of the share capital.

INDIVIDUALS WITH AN INSIDER POSITION

The members of the Board, the Group Management Team, authorised public accountant Helene Willberg, a number of employees/contract personnel in Cloetta and individuals with certain functions in the Group's subsidiaries, who have a position that can normally be assumed to provide access to non-publicised share price sensitive information, have been registered with the Swedish Financial Supervisory Authority as insiders in Cloetta. These individuals are obligated to report changes in their holdings of financial instruments in Cloetta according to the Act on Reporting Obligations for Certain Holdings of Financial Instruments.

Listed companies are required to record a logbook of individuals who are employed or contracted by the company and have access to insider information relating to the company. These can include insiders, but also other individuals who have insider information without being registered as insiders. Cloetta records a logbook for each financial report or press release containing information that could affect the share price.

SILENT PERIODS

Cloetta maintains a silent period of at least 30 days prior to the publication of its quarterly financial reports. During this period, representatives of the Group will not meet with financial media, analysts or investors.

GENERAL MEETING OF SHAREHOLDERS

The general meeting of shareholders is the company's highest decision-making body. At a general meeting, all shareholders have the opportunity to exert an influence over the company by exercising the

votes attached to their respective shareholdings. The powers and duties of the general meeting are regulated among other things by the Swedish Companies Act and the Articles of Association.

Cloetta's financial year runs from 1 January to 31 December. Notice to attend must be given no more than six weeks and no fewer than four weeks prior to the AGM. The AGM resolves on adoption of the year's balance sheet and profit and loss account, dividends, election of Board members and auditors, fees to Board members and auditors, and other items of business as prescribed by the Swedish Companies Act and the Articles of Association. Each shareholder has the right to participate in the AGM, either in person or by proxy.

Each class B share corresponds to one vote and each class A share to ten votes, although all shares carry equal entitlement to the company's assets and profits.

Every shareholder has the right to request that a matter be taken up at the AGM. A shareholder who wishes to have a matter addressed at the AGM must submit a written request to the Board. In order to be taken up at the AGM, the request must be submitted to the Board no later than one week before the earliest date on which the notice of meeting may be published (e.g. the request must be received no later than seven weeks before the AGM). In accordance with Chapter 7, 32§, of the Swedish Companies Act, all shareholders have the right, at a general meeting of shareholders, to pose questions to the company about the matters that are taken up at the meeting and the financial situation of the company and the Group.

2013 Annual General Meeting

The latest AGM was held on 11 April 2013 in Stockholm. The AGM was attended by 174 individuals representing 91.1 per cent of the votes. The AGM approved the proposals of the Board and the nominating committee regarding:

- > Adoption of the balance sheet and profit and loss accounts;
- > That no dividend be paid;
- > Discharge from liability for the Board of Directors and CEO;
- > The number of Board members elected by the AGM shall be ten, with no deputies;
- > Re-election of sitting Board members Lennart Bylock (Chairman), Hans Eckerström, Håkan Kirstein, Adriaan Nühn, Robert-Jan van Ogtrop, Mikael Svenfelt, Olof Svenfelt, Meg Tivécus and Peter Törnquist and election of Lilian Fossum Biner as a new member. Aside from the members elected by the AGM, the employee organisation LIVS has appointed one employee representative and a deputy representative to the Board;
- > Board fees were set at SEK 500,000 for the Chairman and SEK 250,000 for each of the other Board members elected by the AGM;

- > Fees for work on the Board committees were set at SEK 100,000 for each member of the audit committee and SEK 50,000 to each member of the remuneration committee;
- > Re-election of KPMG AB as the company's auditor to serve for the period until the end of the next AGM. Fees are to be paid according to approved account;
- > Guidelines for remuneration to the Group Management;
- > Amendments to the Articles of Association;
- > Introduction of a share-based long-term incentive plan (LTI 2013).

The full minutes from the AGM can be viewed at www.cloetta.com.

2014 Annual General Meeting

The 2014 AGM will be held on Tuesday, 29 April 2014, at 2:00 p.m. at Norra Latin in Stockholm. The Notice of the Annual General will be published at the end of March 2014 and contain the Board's proposals. For more information, see "Annual General Meeting" on page 153 and www.cloetta.com.

NOMINATING COMMITTEE

The task of the nominating committee is to prepare recommendations to be put before the AGM for decision regarding election of Board members and the Board Chairman, fees to the Board of Directors, remuneration for committee work, election of a chairman of the AGM, election of auditors, auditing fees and rules for the nominating committee.

The AGM on 11 April 2013 adopted the following rules for the nominating committee:

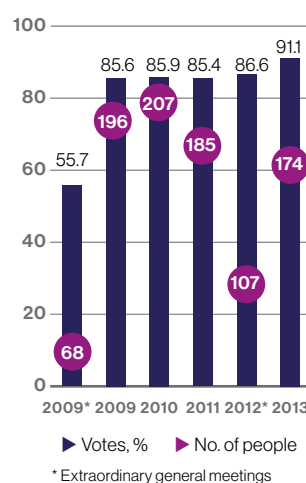
1. The nominating committee shall consist of at least four and at most six members. Of these, one shall be a representative of the Board, appointed by the Board, and three shall be members appointed by the major shareholders. The members thus appointed shall themselves appoint one additional member. In the cases specified in point 6, the number of members may amount to six;
2. Based on the ownership statistics provided to the company by Euroclear Sweden AB on the date falling five months before the end of the current financial year, the Board Chairman shall without undue delay contact the three largest shareholders in terms of voting power and offer each of these the opportunity, within a reasonable amount of time, to appoint a member to the nominating committee. If any of these does not exercise its right to appoint a member, the right to appoint such member shall be transferred to the next largest shareholder in terms of voting power which does not already have the right to appoint a member to the nominating committee;
3. The member who is appointed by the largest shareholder in terms of voting power shall be chairman of the nominating committee;

The nominating committee ahead of the AGM on 29 April 2014 has the following composition:

Name	Appointed by	Share of votes at 31 Dec 2013, %
Christer Wagenius, chairman	AB Malfors Promotor	41.0
Lars Åke Bokenberger	AMF Försäkringar och Fonder	11.2
Peter Rönström	Lannebo Fonder	7.1
Stefan Jacobsson	Nordic Capital Fund V and CVC Capital Partners	0 ¹
Lennart Bylock	Board of Cloetta AB	

¹ Nordic Capital Fund V and CVC Capital Partners successively reduced their holdings of Cloetta shares during 2013 and at year-end they had sold all interests in the company.

ATTENDANCE AT AGMs/EGMs



4. The members of the nominating committee shall serve until a new nominating committee has been appointed.
5. The names of the members of the nominating committee shall be made public as soon as the nominating committee has been appointed, but not later than six months before the upcoming AGM;
6. In the event of changes in the company's ownership structure after the date falling five months before the end of the current financial year, but before the date falling 12 weeks before the upcoming AGM, and if the shareholder who after this change has come to be one of the three largest shareholders in the company in terms of voting power makes a request to the chairman of the nominating committee to be part of the nominating committee, this shareholder shall have the right, according to the decision of the nominating committee, to appoint either an additional member to the nominating committee or a member to replace the member who has been appointed by the smallest shareholder in terms of voting power after the change in ownership structure;
7. If a member appointed by a shareholder resigns from the nominating committee during the mandate period, or if such member is prevented from discharging his/her duties, the nominating committee – if time permits and the change is not due to special circumstances, for example that the shareholder has sold its shares – shall request that the shareholder who has appointed the member appoint a new member within a reasonable amount of time. If the shareholder does not meet the required criteria or does not exercise its right to appoint a new member, the right to appoint such member shall be transferred to the next largest shareholder in terms of voting power which has not already appointed or waived its right to appoint a member to the nominating committee. If a member of the nominating committee who is appointed by the other members resigns or is prevented from discharging his/her duties, these may appoint a new member.
8. No fees shall be paid to the members of the nominating committee, although the company shall reimburse expenses attributable to the work of the nominating committee;
9. The nominating committee shall put forward proposals for:
 - > Chairman of the AGM;
 - > Board members elected by the general meeting;
 - > The Board Chairman;
 - > Fees for Board members elected by the general meeting and their apportionment between the Chairman, a possible Deputy Chairman, other members and for work on the Board's committees;
 - > Fees for the auditors;
 - > Election of auditors;
 - > Rules for the nominating committee.
10. For a general meeting of shareholders other than the AGM, the nominating committee's proposals shall address the election(s) to be dealt with at such meeting.

Shareholders are welcome to send proposals to the nominating committee ahead of the 2014 by e-mail.

BOARD OF DIRECTORS

According to the Articles of Association, Cloetta's Board of Directors shall consist of at least three and at most ten members elected by the general meeting. The AGM on 11 April 2013 resolved that the Board shall have ten members elected by the general meeting. For the period until the end of the next AGM, which will be held on 29 April 2014, the Board consists of Lennart Bylock (Chairman), Hans Eckerström, Lilian Fossum Biner, Håkan Kirstein, Adriaan Nühn, Robert-Jan van Ogtrop, Mikael Svenfelt, Olof Svenfelt, Meg Tivéus and Peter Törnquist.

In addition, the employee organisation LIVS has appointed one employee representative to the Board, Lena Grönedal, and one deputy representative, Shahram Nikpour Badr.

Aside from the employee representative and her deputy, no Board member is employed by the company.

The average age of the Board members at year-end was 58 years and two of the ten members elected by the general meeting are women.

Of the Board's ten members, eight were independent in relation to the company's major shareholders and all ten were independent in relation to the company and its management at the end of the year. For information about the Board members' assignments outside the Group and shareholdings in Cloetta, see pages 90–91.

Previous agreement regarding the Board's composition

Following the merger in February 2012, Malfors Promotor, CVC and Nordic Capital entered into a shareholder agreement regarding the parties' shareholdings in Cloetta which among other things regulated the

Composition of the Board

Elected by the AGM ¹	Year elected	Born in	Total fees, SEK ²	Independent from the shareholders	Independent from the company and management	Attendance ³		Remuneration committee
						Board meetings	Audit committee	
<i>Chairman</i>								
Lennart Bylock	2012	1940	550,000	Yes	Yes	8/8		3/3
<i>Members</i>								
Hans Eckerström	2012	1972	400,000	Yes ⁴	Yes	8/8	4/4	3/3
Lilian Fossum Biner	2013	1962	250,000	Yes	Yes	6/8		
Håkan Kirstein	2012	1969	250,000	Yes	Yes	8/8		
Adriaan Nühn	2012	1953	250,000	Yes	Yes	7/8		
Robert-Jan van Ogtrop	2012	1956	300,000	Yes ⁴	Yes	6/8		3/3
Mikael Svenfelt	2008	1966	300,000	No	Yes	8/8		3/3
Olof Svenfelt	2008	1941	350,000	No	Yes	7/8	4/4	
Meg Tivéus	2008	1943	350,000	Yes	Yes	8/8	4/4	
Peter Törnquist	2012	1953	350,000	Yes ⁴	Yes	5/8	4/4	

1 Information about education, other assignments and shareholdings can be found on pages 90–91.

2 The AGM on 11 April 2013 resolved that board fees would be paid in an amount of SEK 500,000 to the Board Chairman and SEK 250,000 to each of the other members elected by the AGM. Members of the audit committee shall received fees of SEK 100,000 each and members of the remuneration committee fees of SEK 50,000 each. For further details, see Note 6. The reported fees in the above table refer to the period from the AGM on 11 April 2013 to the upcoming AGM on 29 April 2014.

3 Attendance at meetings for the period from the AGM on 11 April 2013 until the publication of this report in March 2014.

4 At year-end, these individuals were regarded as independent from the company's largest shareholders now that Cidron Pord S.á.r.l. (which is owned by Nordic Capital Fund V) and Godis Holdings S.á.r.l. (which is owned by funds under the advisorship of CVC Capital Partners) no longer control 10 per cent or more of the shares or votes in the company.

composition of the Board. Because Cidron Pord S.á.r.l. (which is owned by Nordic Capital Fund V) and Godis Holdings S.á.r.l. (which is owned by funds under the advisorship of CVC Capital Partners) successively reduced their interests during 2013 and at the end of the year had sold their entire shareholdings, the shareholder agreement has ceased to apply.

Work of the Board

The primary task of the Board is to serve the interests of the company and the shareholders. The Board is responsible for the company's organisation and oversight of the company's affairs. The Board is also responsible for making sure that the Group is suitably structured so that the Board can optimally exercise its governance over the subsidiaries. The Board is responsible for ensuring that the company complies with the applicable laws, the Articles of Association and the Swedish Code of Corporate Governance. The Board shall continuously assess the financial situation of the company and the Group and ensure that the company's organisation is structured in such a way that the company's financial accounting, financial management and financial circumstances in general can be controlled satisfactorily.

The Board's powers and duties are regulated by the Swedish Companies Act, the Articles of Association and the Swedish Code of Corporate Governance. The Board has also adopted a work plan for the Board and instructions for internal reporting to the Board which regulate the following:

1. The Board of Directors
2. The Board Chairman
3. The Board committees
4. The general meeting of shareholders
5. Reports to the market
6. Items of business to be taken up at Board meetings, etc.
7. Internal reports to the Board
8. Notice to attend meetings, etc.
9. Presence of a quorum of the Board
10. Minutes of Board meetings
11. Disqualification due to impartiality
12. Responsibilities of the Board
13. Fees

In addition, the Board has issued and adopted the following policies:

- > Code of Conduct
- > Communication and IR policy
- > Finance policy
- > HR policy
- > Insider policy
- > Insurance policy
- > Internal control policy
- > IT security policy
- > Mergers and acquisitions policy

Board meetings

During the period from the statutory meeting after the AGM on 11 April 2013 until the publication of this annual report in March 2014, the Board has held six scheduled meetings and two extra meetings according to the following.

APRIL

AGM and statutory meeting: decision on authorised signatories, adoption of instructions and policies, election of the remuneration committee and audit committee, appointment of a board representative to the nominating committee, information about fees to the Board and committees.

Scheduled Board meeting: interim report for the period from January to March, targets for the 2013 share-based long-term incentive plan, acquisition of FTF Sweets Ltd. which owns the brand Goody Good Stuff.

JULY

Scheduled Board meeting: interim report for the period from January to June, approval of the Parent Company's semi-annual report, renegotiation of the terms of bank loans, bond issue.

AUGUST

Extra Board meeting: renegotiation of the terms of bank loans, bond issue, approval of the prospectus for the bond issue, definition of targets for the 2013 share-based long-term incentive plan.

SEPTEMBER

Extra Board meeting: new Board platform, times and dates for the scheduled Board meetings, the AGM and reporting dates, visit to Cloetta's factory in Ljungsbro, Sweden.

NOVEMBER

Scheduled Board meeting: interim report for the period from January to September, acquisition of Alrifai Nutisal AB, evaluation of the President's performance, information about the nominating committee and the AGM, visit to Cloetta's factory in Levice, Slovakia.

DECEMBER

Scheduled Board meeting: budget/business plan for the coming year, evaluation of the Board's performance.

So far in 2014, one additional scheduled Board meeting has been held:

FEBRUARY

Scheduled Board meeting: annual accounts, year-end appropriations, draft annual report and administration report, full-year report, matters ahead of the AGM, report from the auditors, presentation of category- and brand activities and evaluation of remuneration to the Group Management, presentation of category and brand activities.

Other fixed items at the scheduled Board meetings include the activities and financial results of the company and the subsidiaries, the President's situation report, production strategy, feedback from the committees, and other pertinent projects and issues.

BOARD COMMITTEES

Audit committee

The audit committee shall have no more than four members who are appointed by the Board on a yearly basis. The majority of the committee members shall be independent in relation to the company and its management. At least one member shall be independent in relation to the company's major shareholders and have accounting or auditing expertise.

The audit committee is responsible for ensuring the quality of the financial reporting and the effectiveness of the company's internal control and risk management regarding financial reporting. In brief, the audit committee, without affecting the other tasks and responsibilities of the Board, shall continuously meet with the company's auditors to stay informed about the focus and scope of the audit. The company's independent auditor Helene Willberg participates in all scheduled meetings of the audit committee. The audit committee shall meet at least four times per financial year. Once a year the committee shall meet without the presence of any member of the Group Management Team and once a year without the presence of the auditor. Minutes shall be recorded at meetings of the audit committee. The audit committee shall inform the Board about the matters dealt with by the committee. The audit committee consists of Hans Eckerström (chairman), Peter Törnquist, Olof Svenfelt and Meg Tivéus. During the period from the AGM on 11 April 2013 to the publication of this annual report in March 2014, the committee has held four meetings.

WORK OF THE BOARD IN 2013

DECEMBER

Scheduled Board meeting: budget/business plan for the coming year, Board evaluation.

NOVEMBER

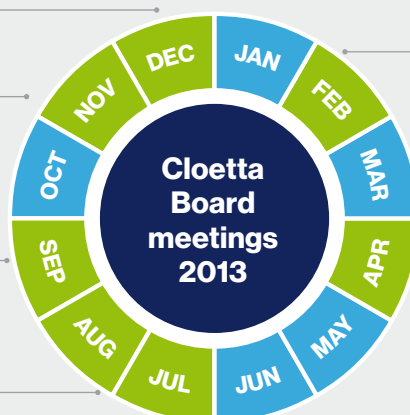
Scheduled Board meeting: interim report for the period from January to September, acquisition of Alrifai Nutisal AB, evaluation of the President's performance, information about the nominating committee and the AGM, visit to Cloetta's factory in Levice, Slovakia.

SEPTEMBER

Extra Board meeting; new Board platform, times and dates for the scheduled Board meetings, the AGM and reporting dates, visit to Cloetta's factory in Ljungsbro, Sweden.

AUGUST

Extra Board meeting; renegotiation of the terms of bank loans, bond issue, approval of the prospectus for the bond issue, definition of targets for the 2013 share-based long-term incentive plan.



JULY

Scheduled Board meeting: interim report for the period from January to June, approval of the Parent Company's semi-annual report, renegotiation of the terms of bank loans, bond issue.

FEBRUARY

Scheduled Board meeting: annual accounts, year-end appropriations, draft annual report and administration report, full-year report, matters ahead of the AGM, report from the auditors, presentation of category- and brand activities and evaluation of remuneration to the Group Management, presentation of category and brand activities.

APRIL

AGM and statutory meeting: decision on authorised signatories, adoption of instructions and policies, election of the remuneration committee and audit committee, appointment of a board representative to the nominating committee, information about fees to the Board and committees.

Scheduled Board meeting: interim report for the period from January to March, targets for the 2013 share-based long-term incentive plan., acquisition of FTF Sweets Ltd. which owns the brand Goody Good Stuff.

Other fixed items at the scheduled Board meetings have included the activities and financial results of the company and the subsidiaries, the President's situation report, production strategy, feedback from the committees, and other pertinent projects and issues.

Remuneration committee

The remuneration committee shall have no more than four members who are appointed by the Board. The main task of the remuneration committee is to prepare recommendations to the Board for decision on remuneration principles, remuneration levels and other terms of employment for the Group Management, to monitor and evaluate ongoing and during the year completed programmes for variable remuneration to the Group Management and to monitor and evaluate application of the guidelines for remuneration to Group Management as adopted by the AGM and of remuneration structures and levels in the Group. The remuneration committee shall meet at least twice every financial year. The Board's remuneration committee consists of Robert-Jan van Ogtrop (chairman), Lennart Bylock, Hans Eckerström and Mikael Svenfelt. During the period from the AGM on 11 April 2013 until the publication of this annual report, the committee has held three meetings.

Integration committee

The Board may also form temporary committees to deal with specific matters, and in respect of the merger with LEAF set up a special integration committee of a temporary nature. However, the integration process was completed during the spring and the integration committee was disbanded in connection with the AGM in April 2013. The integration committee consisted of Lennart Bylock (chairman), Hans Eckerström, Peter Törnquist and Mikael Svenfelt.

Chairman of the Board

The Chairman shall be elected by the general meeting of shareholders, and the AGM on 11 April 2013 re-elected Lennart Bylock as the Board Chairman. The Chairman shall supervise the work of the Board and ensure that the Board discharges its duties, and has special responsibility for ensuring that the work of the Board is well organised and effectively executed and for monitoring the Group's development. The Chairman oversees the effective implementation of the Board's decisions and is responsible for ensuring that the work of the Board is evaluated yearly

and that the nominating committee is informed about the results of this evaluation. The purpose of the evaluation is to gather the Board members' opinions about the Board's performance and what measures can be taken to improve the efficiency of Board work.

Some of the Chairman's main duties are to:

- > convene meetings when needed;
- > in good time prior to each financial year, prepare a plan with dates for the AGM, scheduled board meetings and scheduled reports to the market;
- > in consultation with the President, decide which matters are to be dealt with by the Board;
- > ensure that the Board addresses the items of business to be dealt with by the Board according to law, the Articles of Association and the Swedish Code of Corporate Governance;
- > on behalf of the Board, handle matters related to changes in the share capital and the number of shares, amendments to the Articles of Association and proposals for dividends;
- > serve as the Board's spokesman when the Board is not gathered; and
- > personally authorise costs that are attributable to the Board's activities and to the President.

President and Group Management Team

The President, who is also the CEO, is appointed by the Board. The President supervises operations according to the instructions adopted by the Board and is responsible for day-to-day management of the company and the Group in accordance with the Swedish Companies Act. In addition, the President, together with the Chairman, decides which matters are to be dealt with at Board meetings. The Board adopts instructions for the President on a yearly basis and continuously evaluates the President's duties.

Bengt Baron has been President of Cloetta since 16 February 2012. For information about the President's significant assignments outside the Group and shareholding in Cloetta, see page 92.

The President of Cloetta AB (publ) heads the Group Management

Team. The Group Management Team is a consultative body for the CEO and therefore has no autonomous executive authority. The Group Management Team meets as decided by the CEO. Aside from the CEO, the Group Management Team consists of the individuals appointed by the President. The President is responsible for ensuring that the Board members are supplied with the necessary information and decision data and presents reports and proposals at Board meetings regarding issues dealt with by the Group Management Team. The President continuously informs the Board and Chairman about the financial position and development of the company and the Group. The President's performance is evaluated continuously by the Board.

The President's main tasks include:

- > acting as the CEO, which means overseeing and coordinating the Group's operations according to the Board's guidelines and instructions;
- > ensuring that the Board's decisions are implemented; and
- > ensuring that financial accounting in the group companies is carried out in compliance with legal requirements and that financial management is handled in a satisfactory manner;

Danko Maras has been Chief Financial Officer (CFO) of Cloetta since 16 February 2012. For information about the President and the members of the Group Management Team, see pages 92–93.

Financial reporting

The Board of Directors is responsible for ensuring that the company's organisation is structured in such a way that the company's financial circumstances can be controlled satisfactorily and that external financial information such as interim reports and annual reports to the market is prepared in accordance with the legal requirements, relevant accounting standards and other requirements applicable to listed companies. The task of the audit committee is to support the Board in assuring the quality of the company's financial reporting.

The interim reports are examined by the Board's audit committee and are issued by the Board as a whole. The semi-annual report for the period from January to June, like the annual report, is issued by all members of the Board and the President. The CEO ensures that financial accounting in the group companies is carried out in compliance with legal requirements and that financial management is conducted in a satisfactory manner. Cloetta AB's President is a member of the boards of all operating subsidiaries. Every month, the Group prepares a closing of the books that is submitted to the Board and the Group Management Team. The Board ensures the quality of the Group's financial reporting through the audit committee. The audit committee deals not only with the Group's financial reports and significant accounting matters, but also matters related to internal control, compliance, reliability of reported values, events after the balance sheet date, changes in estimates and judgements and other conditions affecting the quality of the financial reports.

Internal reports

The tasks of the Board are to oversee the Group's financial development, assure the quality of the Group's financial reporting and internal control and regularly monitor and evaluate operations. Internal reports such as the consolidated accounts are compiled and delivered to the Board on a monthly basis. For every financial year, a profit, balance sheet and investment budget is prepared for the Group and is adopted at the scheduled Board meeting in December.

Guidelines for remuneration to the Group Management and key employees

According to the guidelines for remuneration to the Group Management and key employees resolved on by the AGM on 11 April 2013, remuneration to the President, other members of the Group Management

Team and other senior executives who report directly to the President, shall consist of fixed salary, variable salary, other benefits and pension benefits. When deemed appropriate by the Board, the key employees in question shall also be offered the opportunity to participate in share-based long-term incentive schemes, which shall be resolved on by the general meeting of shareholders.

Any variable salary shall be linked to predetermined and measurable criteria, and shall be limited to the equivalent of one fixed annual salary.

The total remuneration package shall be market-based and competitive, and shall be proportionate to the individual's responsibilities and powers. In the event of dismissal on the part of the company, the term of notice shall be not longer than 12 months. Any termination benefits may amount to not more than one year's fixed salary. Defined contribution pension plans shall be strived for.

The retirement age shall be not lower than 60 and not higher than 67 years of age. These guidelines apply to agreements entered into after the decision of the AGM on 11 April 2013, and in cases where changes are made in existing agreements after this date. The Board shall have the right to deviate from these guidelines in individual cases where there is special reason to do so.

In addition to the above guidelines, the following applies. Due to employment contracts entered into in LEAF prior to Cloetta's acquisition of the company, there are employment contracts with members of the Group Management Team granting termination benefits corresponding to 18 monthly salaries. Variable salary to the members of the Group Management Team is structured so that an annual bonus equal to 30–50 per cent of fixed annual salary is payable on the attainment of predetermined financial targets. In addition, a bonus equal to an additional 30–50 per cent of fixed annual salary is payable on the attainment of predetermined extraordinary financial performance targets.

Information about incentive schemes at Cloetta can be found on pages 73 and 105.

AUDITOR

The auditors are responsible for examining the company's annual accounts and accounting records and the administration of the Board of Directors and the President. After every financial year, the auditors shall present an audit report to the AGM.

The AGM on 11 April 2013 re-elected the certified auditing firm of KPMG AB as the company's independent auditor to serve until the end of the next AGM. Authorised Public Accountant Helene Willberg is Auditor in Charge.



KPMG AB
HELENE WILLBERG
Auditor in Charge.

Born: 1967.

Auditor for the company since 2007.

Authorised Public Accountant, KPMG AB.

Other auditing assignments: Cision AB, PostNord AB, Thule Investment AB, Nobia AB and Höganäs AB.



● John Movie time with @Linda #Venco

INTERNAL CONTROL OVER FINANCIAL REPORTING

Cloetta applies the COSO framework for internal control over financial reporting in order to ensure correct and reliable reporting in compliance with the applicable laws and regulations, accounting standards and other requirements for listed companies.

The Board of Directors has defined the guidelines regarding roles, responsibilities and processes that are vital in maintaining good internal control.

ROLES AND RESPONSIBILITIES

The Board of Directors and the audit committee are responsible for establishing the fundamental rules and guidelines for internal control.

The audit committee assists the Board by continuously monitoring the risks that can affect the financial reporting and in the preparation of manuals, policies and accounting policies. The Board of Directors and the audit committee interact directly with the external auditors.

The CEO is responsible for the effective design and implementation of internal control within the Group.

The CFO is responsible for the design, correct implementation and proper application of the framework for internal control at the central level. The local management is responsible for the design, correct implementation and proper application at the local level, all in order to facilitate realisation of the Group's objectives.

Cloetta's accounting manual contains instructions and guidance for accounting and financial reporting. The Board's instructions for financial reporting are found in the Group's finance manual, including instructions for accounting and reporting and the finance policy.

CONTROL ENVIRONMENT

The foundation for Cloetta's control environment is the company's corporate culture, i.e.:

- > Integrity and ethical values, with Cloetta's Code of Conduct as a platform for the rules that among other things govern financial reporting;
- > The management's conduct and working methods based on a clearly defined working process that is described in the "Instructions for Accounting and Financial Reporting";

- > Rules for signatory authorisation, segregation of duties and delegation of authority are clearly defined in the "Framework for Authority and Responsibilities" and in the "Rules of Procedure";
- > Processes for leading and developing the employees in the organisation and the attention devoted to these issues by Cloetta's Board of Directors.

Financial reporting competencies

The executive and local managements work actively to ensure that the company has employees with the right competency in all key (financial) positions and that there are procedures in place to ensure that employees in key (financial) positions have the requisite knowledge and skills.

Human Resources (HR)

The guidelines and processes for management of human resources play a fundamental role in Cloetta's system of internal control and contribute to ensuring the effectiveness of internal control. Key processes include compensation and benefits, HR development, recruitment, allocation of resources, performance management and routines for feedback to the employees.

RISK ASSESSMENT

A risk assessment evaluates the probability that a risk will occur and that consequences (impact) if this risk results in a real event. The speed (velocity) at which this risk could become a reality is also considered.

Both the local and central financial reporting are monitored and evaluated based the impact and magnitude of risk, and are adjusted depending on their materiality.

Relevant objectives are an important prerequisite for internal control. Tax and financial risks are reviewed proactively on a periodic basis and all significant assessed tax, legal and financial risks are properly reflected in the consolidated financial statements.

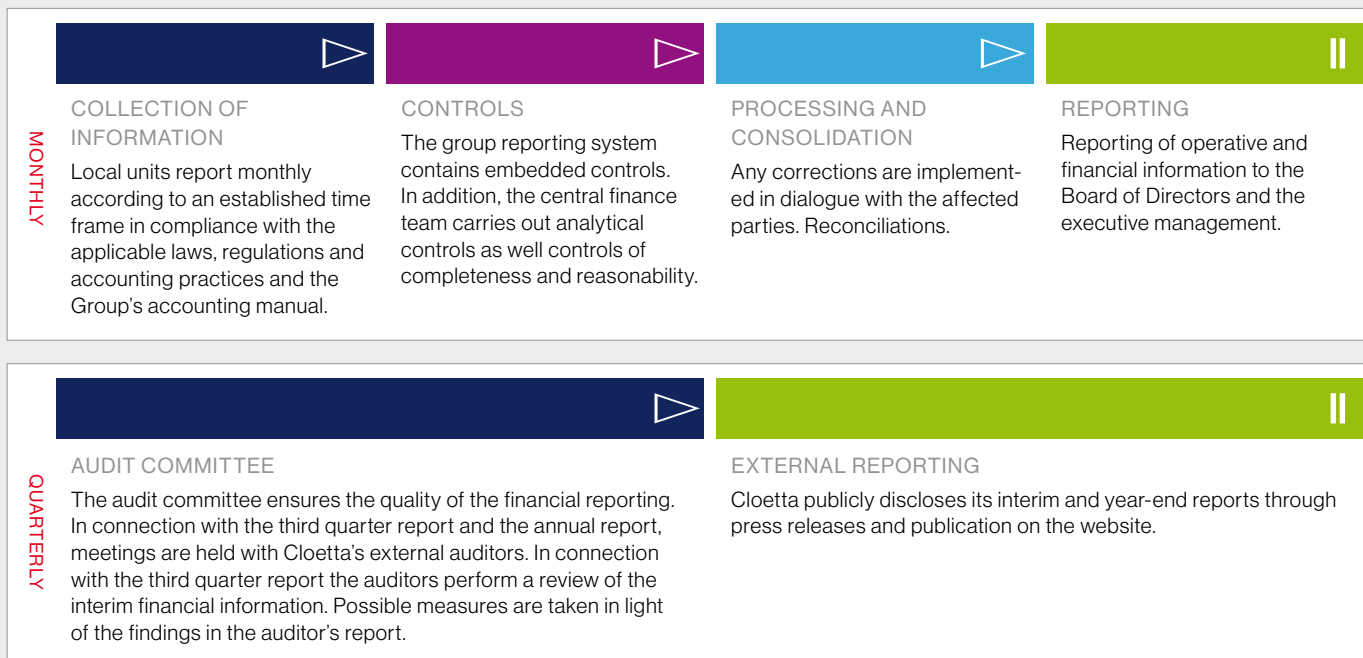
Fraud risk

The executive management and the central finance team are responsible for preventing the risk for fraud and continuously assessing the

Basis for risk assessment

▶	▶	▶	▶	▶
Existence , reported assets and liabilities exist on the reporting date.	Completeness , all transactions during the reporting period are recorded and reported.	Assets and liabilities consist of the rights and obligations that Cloetta has on the reporting date.	Valuation and allocation , all items in the financial reporting are reported in conformity with IFRS valuation principles and are correctly calculated and summarised and appropriately recorded.	Presentation and disclosure , items in the financial reports are properly described, sorted and classified.

Process for financial reporting



risk for fraud with respect to the applicable attitudes, incentives, and opportunities to commit fraud.

CONTROL ACTIVITIES

Control activities are the policies and procedures that contribute to ensuring that management's directives are carried out and that the necessary actions are taken to address risks that may hinder the achievement of the company's objectives.

Control activities are found at all levels of the organisation and in all functions. They include a range of activities as diverse as approvals, authorisations, verifications, reconciliations, reviews of operating performance, security of assets and segregation of duties.

The controls are embedded in Cloetta's business processes and play a key role in ensuring effective internal control in the company. The local management is responsible for having all required control activities in place and maintained within their respective units. The Group CFO is responsible for ensuring that all control activities are operational and maintained at the central level. As far as possible, the control activities should be automated, but there are also manual control activities in place to verify that the automated controls are functioning as intended.

The continuous reviews that are performed by the central and local managements, and that are incorporated into all business transactions and processes, are an important part of Cloetta's monitoring controls. The local management is responsible for ensuring that relevant laws and regulations are complied with in their respective areas of responsibility. Every identified risk is covered by one or more control activities. All control activities and identified business risks are linked to each other.

MONITORING AND IMPROVEMENT

If potential weaknesses are found, internal control audits are performed to ensure the effectiveness of the internal control. Such audits are performed based on the standards applied by external auditors.

Internal control deficiencies that are detected through the ongoing monitoring activities or separate evaluations are reported upstream and corrective actions are taken to ensure continuous improvement of the internal controls. Every quarter the non-adjusted but signalled deficiencies in internal or external reporting are reported in the quarterly review memo and discussed with the involved persons and the members of the Group Management.

INFORMATION AND COMMUNICATION

An effective internal control system requires sufficient, timely and reliable information, both financial and non-financial, relating to both internal and external events and activities.

Pertinent information is identified, captured and used at all levels of the company, and is distributed in a form and time frame that supports the achievement of the financial reporting objectives. As far as possible, management reporting is directly linked to the financial reporting and consolidation tool.

Cloetta has a predefined reporting package that is distributed on a monthly basis to the Board of Directors and Group Management. The management reporting package provides both operating and financial information.

The timeliness and accuracy of internal and external reporting are safeguarded through the use of corporate planning and a regular meeting schedule. The information and communication in the internal and external reports are reviewed at the group level.

Internal communication

Effective communication ensures information flows in the organisation. Separate communication channels are used to communicate internally, based on what is most effective.

External communication

It is also important to maintain effective communication about relevant policies with external parties such as customers, suppliers, regulators and shareholders.

All external communication is carried out in accordance with Cloetta's Communications and IR Policy.

EVALUATION OF THE NEED FOR A SEPARATE INTERNAL AUDIT FUNCTION

There is currently no internal audit function in place at Cloetta. The Board has examined this issue and found that existing structures for follow-up and evaluation provide satisfactory documentation. For some special reviews, external resources can also be used. This decision is reviewed annually.

Board of Directors

**LENNART BYLOCK**

Assignment and elected: Chairman of the Board. Member of the Remuneration Committee. Elected 15 February 2012.

Year born and nationality: 1940, Swedish

Education:

Other assignments: Board chairman of Sigur Holding S/A. Board member of Swede Ship Marine AB, Förvaltningsbolaget Villa Godthem AB and Bylock Konsult AB.

Previous assignments: President and CEO of Nitro Nobel Group. Board chairman of AS3 Companies, Endomines AB (publ), Stiftelsen Natur & Kultur, B&N AB (Transatlantic) and Cellmark. Board member of LE Lundbergsföretagen AB, Cloetta AB and Cloetta Fazer AB.

Independence in relation to major shareholders the company and management:

Yes
Yes

Shareholding*: –
Shareholding related party*: 250,000 class B shares.

**HANS ECKERSTRÖM**

Board member. Chairman of the Audit Committee. Member of the Remuneration Committee. Elected 15 February 2012.

1972, Swedish

M.Sc. in Mechanical Engineering, Chalmers University of Technology, Gothenburg and M.Sc. in Business Administration, University of Gothenburg, Sweden.

Partner at NC Advisory AB, Swedish exclusive advisor to Nordic Capital. Board chairman of Britax Childcare Ltd and board member of Thule Group AB, Nefab Holding AB and Nordic Outsourcing Services AB.

Board member of Aditro Group AB, SATS Holding AB, Nossegem AB and SiC Processing GmbH. He has also held board assignments within C More Group AB and been active at Arthur D. Little.

Yes¹
Yes

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**LILIAN FOSSUM BINER**

Board member. Elected 11 April 2013.

1962, Swedish

BSc, Stockholm School of Economics, Sweden.

Board member of Oriflame Cosmetics S.A., Thule Group AB, Nobia AB, Melon Fashion Group OJSC, a-connect AG and Givaudan SA.

She has earlier worked at Mc Kinsey & Co Inc, AB Electrolux and Axel Johnson AB.

Yes
Yes

5,500 class B shares
–

**OLOF SVENFELT**

Assignment and elected: Board member. Member of the Audit Committee. Elected 25 August 2008.

Year born and nationality: 1941, Swedish

Education: M.Sc. Engineering, Faculty of Engineering, LTH, Lund University and LLB, Stockholm University, Sweden.

Other assignments: Board member of AB Malfors Promotor, Highland Group AB, Hjalmar Svenfelts Stiftelse, Wilhelm Stenhammars Stiftelse and Georg Hultners Stiftelse.

Previous assignments: Board chairman of Cloetta AB and deputy chairman of Cloetta Fazer AB. Board member of Metoden Agenturer AB and Stiftelsen Hagdahlsakademien.

Independence in relation to major shareholders the company and management:

No
Yes

Shareholding*: 30 class A shares and 2,347,300 class B shares.
Shareholding related party*: 9,855,954 class A shares and 56,375,661 class B shares.

**MEG TIVÉUS**

Board member. Member of the Audit Committee. Elected 5 November 2008.

1943, Swedish

M.B.A., Stockholm School of Economics, Sweden.

Board chairman of Arkitektkopia AB, Björn Axén Institut AB, Folkvandvården i Stockholms Läns Landsting and in Solhagagruppen AB. Board member of Swedish Match AB, Nordea Fonder AB and Endomine AB.

Board chairman of Boss Media AB. Board member of Addici AB, Apoteket Farmaci AB, Billerud AB, Cloetta Fazer AB, Danderyds Sjukhus AB, Frösunda LSS AB, IUC Sverige AB, Nordic Cable Acquisition Company Sub-Holding AB, SC Intressenter AB and Victoria Park AB. She has also a background as CEO of Svenska Spel AB, Deputy CEO of Posten AB, and has been Division Manager at Holmen AB and Åhléns AB.

Yes
Yes

1,008 class B shares.
–

**PETER TÖRNQUIST**

Board member. Member of the Audit Committee. Elected 15 February 2012.

1953, Swedish





M.Sc. in Economics and Business, Stockholm School of Economics, Sweden and MBA, IMD Lausanne, Switzerland.

Partner at CVC Capital Partner, CEO and board chairman of CVC Capital Partners Svenska AB and board chairman of Svenska M Holding AB. CEO and board member of Keravel AB and Crozon Invest AB. Board member of Yllop Finance Sweden AB, Ahlsell AB, P Törnquist Invest i Stockholm AB, United Waters AG and Pure Sailing AB.

Board chairman of TV4 Retail Television AB, Starbreeze Studios AB and DT Group A/S and deputy chairman and board member of Posten A/S, Matas A/S, Managing Director at Lehman Brothers, Senior Partner, Director and board member of Bain & Company.

Yes²
Yes

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HÅKAN KIRSTEIN	ADRIAAN NÜHN	ROBERT-JAN VAN OGTROP	MIKAEL SVENFELT
Board member. Elected 15 February 2012.	Board member. Elected 15 February 2012.	Board member. Chairman of the Remuneration Committee. Elected 15 February 2012.	Board member. Member of the Remuneration Committee. Elected 25 August 2008.
1969, Swedish	1953, Dutch	1956, Dutch	1966, Swedish
M.Sc. in Business Economics, Stockholm University, Sweden.	M.B.A., University of Puget Sound, Tacoma, Washington, USA and B.A. of Business Administration, Hogere Economische School, Eindhoven, The Netherlands.	M.B.A, the Graduate School of Manage- ment, Rotterdam and B.A. in Business Economics, Erasmus University of Rotter- dam, The Netherlands.	Marketing and business economist, Tibbleskolan and law studies, Folkuniver- sitetet, Sweden.
Board member of Kemetyl Holding AB.	Board chairman of Sligro Food Group N.V. Board member of Kuoni AG, Plukon Foodgroup N.V., Anglovaal Industries Ltd. and Stern Group N.V.	Founder and Chairman of the Circle Economy. Investor, Industrial partner and Board member of CVC Capital Partners Ltds Advisory Board. Board chairman of African Parks and TBL Mirror Fund, Board member of Xindao B.V.	CEO and Board member of AB Malfors Promotor. Board chairman of Fjärilshuset Haga Trädgård AB. Board member of Fjärilshuset Haga Trädgård Café AB and Rollox AB.
CEO of Svenska Statoil AB and number of assignments within Statoil. He has further been CEO and Board member of Niscayah Group AB and Intersport AB.	CEO and Board chairman of Sara Lee International and has also held a number of assignments within the Sara Lee Corporation and Procter & Gamble.	President and CEO of Remy Cointreau. Board chairman and President of Bols Royal Distilleries, CEO of Bols Internation- al B.V., Board chairman of Leaf Holding S.A. and the Foundation for Natural Lead- ership. Board member of C1000.	Senior positions in Nicator Group, Dell Financial Services and GE Capital Equipment Finance AB.
Yes Yes	Yes Yes	Yes ¹ Yes	No Yes
12,000 class B shares. –	198,363 class B shares. –	– –	25 class A shares and 37,535 class B shares. –

Employee board member

**LENA GRÖNEDAL**

Assignment: Employee board member, Swedish Food
Workers' Union (LIVS).
Elected 5 November 2008.

Year born and nationality: 1962, Swedish

Position: Factory Operative, Cloetta Produktion
Sverige AB.

Shareholding: –

Shareholding related party: –

Deputy employee
board member**SHAHRAM NIKPOUR BADR**

Assignment: Deputy employee board member, Swed-
ish Food Workers' Union (LIVS).
Elected 11 April 2013.

Year born and nationality: 1963, Swedish

Position: Factory Operative, Cloetta Produktion
Sverige AB.

Shareholding: –

Shareholding related party: –

1 Regarded as independent in relation to the company's major shareholders since year-end 2013, now that Cidron Pord S.å.r.l. (which is owned by Nordic Capital Fund V) no longer controls 10 per cent or more of the shares or votes in the company.

2 Regarded as independent in relation to the company's major shareholders since year-end 2013, now that Godis Holding S.å.r.l.

(which is owned by funds under the advisorship of CVC Capital Partners) no longer controls 10 per cent or more of the shares or votes in the company.

* Shareholding at 31 December 2013.

Group Management Team

**BENGT BARON**

Position: President and CEO since 16 February 2012. Employed by LEAF since 2009.

Year born and nationality: 1962, Swedish

Education: BS, University of California at Berkeley, MBA, University of California at Berkeley, US

Other assignments: Chairman of MIPS AB. Board member of Thule Group AB and 5653 Sweden AB.

Previous assignments/positions: President and CEO of LEAF, 2009–2012, President and CEO of V&S Vin & Sprit, 2004–2008, Business Manager of V&S Absolut Spirits, 2001–2004, Nordic President at Stepstone, 1999–2001, Business Manager at Consumer Imaging Kodak Nordic, 1996–1999, CEO of Frionor Sweden, 1994–1996, Business Manager at Coca-Cola Company Sweden, 1992–1994, and Management Consultant at McKinsey & Co, 1988–1992. In the past five years Bengt has completed assignments as chairman of Pendulum AB and board member of Nordnet AB, Lundhags Förvaltning AB, Five Seasons Försäjäningsaktiebolag, EQ Oy, the Sweden-America Foundation and Tenson Group AB.

Holdings of shares*: 6,000 class B shares and
Call options*: 3,225,388 call options.
Related party*: 1,135 class B shares.

**GIORGIO BOGGERO**

Position: President Italy and Rest of the World since 16 February 2012. Employed by LEAF since 2009.

Year born and nationality: 1969, Italian

Education: B.A. in Economics, University of Turin, Italy.

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Previous assignments/positions: President of LEAF Italy, 2010–2012, since 2012 also responsible for Rest of the World, Commercial Director at Leaf Italy, 2009–2010, CEO of Bialetti Industries International Markets, 2007–2008, Commercial Director for L'Oréal Italy, 2004–2006, Marketing and Category Manager for L'Oréal Italy, 2002–2004. Several positions in marketing and sales for L'Oréal and Kimberly Clark in Italy and France, 1994–2002.

Holdings of shares*: 691,154 call options.

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**JACOB BROBERG**

Position: Senior Vice President Corporate Communications and Investor Relations since 16 February 2012. Employed by LEAF since 2010.

Year born and nationality: 1964, Swedish

Education: B.A. in Political Science and Economics, Lund University, Sweden.

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Previous assignments/positions: SVP Corporate Communications at LEAF, 2010–2012, Vice President Corporate Communications at TeliaSonera, 2008–2010, Senior Vice President Corporate Affairs and Communication at V&S Vin & Sprit AB, 2005–2008, Vice President Media Relations at Electrolux, 2001–2005, and Vice President Corporate Communications at Länsförsäkringar, 2000–2001. Various positions, including Head of Media Relations and Information for Moderata Samlingspartiet, 1989–2000.

Holdings of shares*: 6,000 class B shares and
Call options*: 537,566 call options.

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**DANKO MARAS**

Position: CFO since 16 February 2012. Employed by LEAF since 2010.

Year born and nationality: 1963, Swedish

Education: B.Sc. in Business Administration and Economics, Uppsala University, Sweden.

Other assignments: –

Previous assignments/positions: CFO of LEAF, 2010–2012, CFO/COO at Unilever Nordic, 2007–2010, VP Finance Supply Chain at Unilever North America, 2004–2006, Head of Unilever Corporate Finance Western Europe & Personal Assistant to the Group Treasurer at Unilever Head Office, the Netherlands, 2000–2003, Chief Accountant at Unilever Cosmetics International Switzerland, 1997–2000, Corporate Auditor at Unilever, 1993–1996, Management Trainee at Unilever Sweden, 1992–1993. Danko has also been board chairman of Slottsfabriken Fastighets AB.

Holdings of shares*: 1,500 class B shares and
Call options*: 1,305,514 call options.
Related party*: –

**DAVID NUUTINEN**

Position: President Finland since 16 February 2012. Employed by LEAF since 2003.

Year born and nationality: 1959, Finnish

Education: M.Sc. Economics, Helsinki School of Economics, Finland.

Other assignments: Chairman of Kamux Oy.

Previous assignments/positions: President of LEAF Finland, 2005–2012, Commercial Director at Leaf Finland, 2003–2005, General Manager of PepsiCo Beverages, Finland, Baltics, Ukraine, 2000–2002, Operations Director at McDonald's Finland, 1996–2000, various marketing and sales positions at Vaasanmylly Oy, 1986–1996. In the past five years David has completed the assignment as board member of Turun Vapaavarasto Oy and DNA Oy.

Holdings of shares*: 6,000 class B shares and
Call options*: 1,151,924 call options.

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**LARS PÅHLSON**

Position: President Scandinavia since 16 February 2012. Employed by LEAF since 2008.

Year born and nationality: 1959, Swedish





Education: B.A. Economics and Marketing, Växjö University, Sweden, PED IMD Lausanne, Switzerland.

Other assignments: Chairman of DLF Serviceaktiebolag. Board member of GS1 Sweden AB and Validoo AB.

Previous assignments/positions: Chairman of Cleano AB. President Scandinavia at Leaf, 2008–2012, President of Campbells Nordic, 2005–2008, Senior Vice President Carlsberg Nordic, 2001–2005, Managing Director Falcon Brewery, 1998–2001, Vice President Nestlé Nordic Findus, 1996–1998, Marketing Director Nestlé Sweden, 1994–1996, various positions in sales and marketing at Nestlé Sweden and Nestlé Switzerland, 1982–1994.

Holdings of shares*: 10,000 class B shares and
Call options*: 844,745 call options.

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JOHNNY ENGMAN	EWALD FRÉNAV	JACQUELINE HOOGERBRUGGE	EDWIN KIST
Senior Vice President Corporate Development and M&A since 1 May 2012. Employed by Cloetta since 2012.	President Middle since 16 February 2012. Employed by LEAF since 2000.	President Operations since 16 February 2012. Employed by LEAF since 2010.	Senior Vice President Human Resources since 16 February 2012. Employed by LEAF since 2005.
1977, Swedish	1963, Dutch	1963, Dutch	1950, Dutch
M.Sc. in Economics and Business Administration, Stockholm School of Economics, Sweden.	M.Sc. Economics, Erasmus University Rotterdam, the Netherlands.	M.Sc. Chemical Engineering, University of Groningen, the Netherlands.	M.Sc. Sociology of Organisation & Labour, University of Groningen, the Netherlands.
Board member of Menigo AB.	–	Board member of Cederroth Intressenter AB.	–
Director at Nordic Capital Advisory AB, 2004–2012, where he has worked with companies in various sectors, including retail and fast-moving consumer goods. Management Consultant at McKinsey & Company in Stockholm, 2001–2004. Board member of StudentConsulting AB, 2006–2010, Luvata Ltd., 2007–2009 and Saferoad AS, 2008–2013.	President Middle at LEAF, 2011–2012, Chief Marketing Officer and Senior Vice President Sales Rest of the World, 2008–2011. Member of LEAF Executive Committee, 2008–2012. Vice President Segment Sugar Confectionery, 2005–2007, Marketing Director of Sugar Confectionery Division, (former subsidiary CSM), 2004–2005, Marketing Director of RBV Leaf the Netherlands (former subsidiary CSM), 2000–2004. Several marketing and sales positions at Mars Inc., European Franchise Manager for SNICKERS, 1997–1999, Divisional Sales Manager Snackfood, 1995–1997, Brand Manager roles in Snack and Petfood, 1990–1995, Management Trainee, 1989–1990.	President Operations at LEAF, 2010–2012, Vice President Operations at Danone’s Medical Nutrition Division, 2009–2010, and Vice President Procurement at Numico Baby & Medical Food, 2006–2009. Various positions in engineering, manufacturing and procurement at Unilever 1992–2006, and in engineering and sales at Fluor Daniel, 1988–1992.	SVP Human Resources at LEAF, 2005–2012, Interim Manager (various assignments), 2002–2005, Vice President Human Resources at Royal Wessanen, 1995–2002, HR Director at KNP/BT, 1991–1995, HR Director at Royal Nijverdal-ten Cate, 1988–1991.
6,000 class B shares.	6,000 class B shares and 1,151,924 call options.	6,000 class B shares and 376,182 call options.	6,000 class B shares and 537,566 call options.
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ERWIN SEGERS

Chief Marketing Officer since 1 March 2012. Employed by LEAF since 2010.

1967, Belgian

M.Sc. Business and Economics, University of Antwerp, Belgium.

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Marketing Director at Leaf Holland, 2010–2012, Senior Marketing Director at Philips, 2006–2010, Marketing Director at Cadbury Netherlands (part of KRAFT), 2002–2006. Several senior positions in marketing and sales at Sigma Coatings, Hero and Maxxium, 1990–2002.

6,000 class B shares and 76,796 call options.

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* Holdings of shares and call options at 31 December 2013.

