



# CORPORATE GOVERNANCE

## Corporate governance

Studsvik AB is a Swedish public company with its registered office in Nyköping and is listed on Nasdaq Stockholm. The company is the parent of a Group that carries on business in nuclear technology in an international arena. Corporate governance is based on the Articles of Association and the Swedish Companies Act, a number of Swedish and foreign laws and ordinances and the Swedish Code of Corporate Governance (the Code). Studsvik has no departures from the Code to report.

## General Meeting of Shareholders

The General Meeting is the company's highest decision-making body, where the shareholders exercise their influence through discussions and decisions. An Annual General Meeting must be held once a year to adopt income statements and balance sheets, decide on dividend as well as elect a Board of Directors and auditors and decide on their remuneration.

The number of shareholders on December 31, 2021 was 4,293. The total number of shares was 8,218,611. All shares have an equal right to participate in the company's assets and profits. Three shareholders each account for more than 10 per cent of the shares in the company. Information on shareholders, voting rights and the Articles of Association is presented in the annual report on pages 34-35.

The Annual General Meeting held on June 23, 2021 was in accordance with Sections 20 and 22 of the Act on temporary exceptions to facilitate the execution of general meetings in companies and other associations and therefore attendance could only be via postal votes. , 4,294,891 shares and votes, representing a total of 45.4 per cent of the votes in the company participated in the meeting. The Annual General Meeting adopted the consolidated income statements and balance sheets, adopted the Board's proposed dividend, discharged the Board of Directors and President from liability, and elected KPMG AB as auditor. Jan Barchan, Anna Karinen, Agneta Nestenbord and Anders Ullberg were re-elected to the Board. Erik Strömquist was elected as a new member of

the Board. Anders Ullberg was appointed as Chair. The Meeting also established principles for benefits to senior management and appointed the Nomination Committee. The minutes of the Annual General Meeting can be found on the company's website.

## Nomination Committee

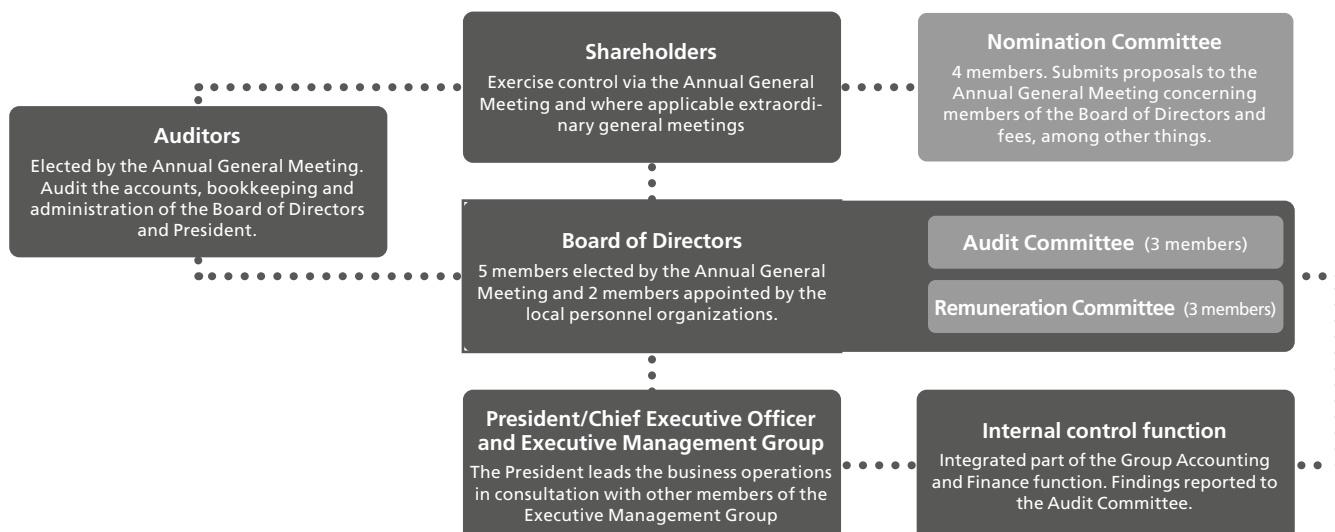
The main task of the Nomination Committee is to propose to the Annual General Meeting candidates for the Board of Directors, Chair of the Board and auditors and their fees. The Nomination Committee is also to propose a new Nomination Committee.

As resolved by the Annual General Meeting, the Nomination Committee is to consist of the Chair of the Board and representatives of each of the three largest shareholders. The Annual General Meeting appointed Jan Barchan (Briban Invest AB), Sven Ericsson (representative of the Karinen family), Peter Gyllenhammar (Peter Gyllenhammar AB) and Anders Ullberg (Chair of the Board) as members of the Nomination Committee. The Nomination Committee's term of office is until a new Nomination Committee is appointed.

Information on how shareholders can submit proposals to the Nomination Committee has been published on Studsvik's website. The work of the Nomination Committee focuses on ensuring that the Board of Directors is composed of members that together have the knowledge and experience that meet the requirements of the owners concerning Studsvik's highest governing body. In the process of preparing proposals for candidate members of the Board, the Chair of the Board therefore presents to the Nomination Committee the evaluation made of the work of the Board of Directors in the past year.

## Composition of the Board of Directors

The Board of Directors consists of five board members elected by the General Meeting of Shareholders, as well as two members and two alternates appointed by the staff organizations Unionen and the Swedish Association of Graduate Engineers. Of the ordinary seven members, the proportion of women is 43 per cent, which is



in line with the Group's policy for diversity and gender equality. The members of the Board of Directors are presented on pages 78-79 of the annual report and under Board of Directors and auditors on the website.

The members elected by the Annual General Meeting are to be regarded as independent in relation to the company and the company management All, apart from Jan Barchan and Anna Karinen, are independent of major shareholders.

#### Chair

Anders Ullberg is the Chair of the Board and leads the work of the Board. He has a particular responsibility to follow the company's development between Board meetings and ensure that the Board Members regularly receive the information necessary for performing a satisfactory job. The Chair is to maintain regular contact with the President on various matters as needed.

#### Work of the Board of Directors.

The task of the Board of Directors is to administer the company's business in the best way possible and in its work safeguard the interests of the shareholders. The Board's work follows rules of procedure adopted annually at the inaugural board meeting. The rules of procedure specify the division of duties between the Board and the President, the responsibilities of the Chair and President respectively, and the forms of financial reporting. The President takes part in the work of the Board of Directors and other employees take part when this is called for. The Group's Chief Financial Officer acts as secretary to the Board.

In 2021 the Board of Directors held 7 meetings, including the inaugural meeting in connection with the Annual General Meeting. The attendance of the members is shown in the table below.

The Board of Directors receives information on the company's economic and financial situation through monthly reports and at board meetings. Operations in the various business areas are monitored and discussed in accordance with a rolling plan, which

means that the Board of Directors makes a detailed analysis of each business area at least once a year. Moreover, the Board of Directors agrees each year on a number of issues that are to be examined at a board meeting during the year. In 2021 the Group's strategy and business opportunities in new markets were among the matters dealt with. In-depth reviews of all business areas were carried out during the year. In addition, the possibilities of administrative efficiency improvements and savings within the Group were considered.

Ahead of each board meeting the Chair and President go through the business to be dealt with at the meeting and supporting documentation for the Board's processing of the business is sent to the members about a week before each board meeting.

At two meetings the company's auditors reported on their findings from the audit of the annual accounts and the company's administration. The Board of Directors was then also given the opportunity of discussions with the auditors without the company management being present. The Chair ensures that the work of the Board of Directors is evaluated annually and that the Nomination Committee receives the information necessary concerning the results of the evaluation. The evaluation is discussed by the Board of Directors as a basis for planning the Board's work for the coming year.

#### Policies, guidelines and instructions

The Board reviews and adopts Group policies and guidelines and the Group's Code of Conduct. The Code of Conduct aims to provide guidance to employees and business partners, minimize risks, strengthen the corporate culture and convey Studsvik's core values.

The President adopts guidelines and operative instructions based on policies and guidelines established by the Board. Guidelines and operative instructions issued by the President/CEO primarily cover financial reporting, treatment of personal data (GDPR) and information technology. All policies and guidelines are available to the Group's employees on Studsvik's intranet.

Board members	Elected	Attendance	Remuneration Committee	Audit Committee	Independent of company	Independent of shareholders	Fee SEK '000
Anders Ullberg, Chair	2007	7/7	4/4	4/4	Yes	Yes	725
Anna Karinen, Vice Chair	2003	7/7	4/4		Yes	No	225
Jan Barchan	2004	7/7	4/4		Yes	No	225
Peter Gossas <sup>1</sup>	2013	3/7		2/4	Yes	Yes	187,5
Erik Strömqvist <sup>2</sup>	2021	4/7		2/4	Yes	Yes	150
Agneta Nestenborg	2010	7/7		4/4	Yes	Yes	337,5
Per Ekberg (A)	2005	7/7					
Roger Lundström (A) alternate	2006	0/7					
Jitka Zakova (A)	2020	7/7					
Oscar Lemón (A) alternate	2020	1/7					

1) Retired on June 23 2021

2) Elected on June 23 2021



### Audit Committee

The Board of Directors has set up an Audit Committee. The Committee monitors the effectiveness of the company's internal controls, management of the company's risks and assures the quality of the company's financial reporting. The Audit Committee consists of, Agneta Nestenborg (chair), Erik Strömqvist and Anders Ullberg. The presenter in the Committee is the Chief Financial Officer. Apart from the Group's quarterly reports, during the year the Committee has taken note of and dealt with reports from the follow-up of internal controls. In addition, the Committee has been updated on the development of major current fixed price contracts, dealt with accounting matters, with particular focus on impairment testing, as well as continually following the progress of the Group's legal disputes. The company's auditors have reported to the Committee on their findings from the audit of the third-quarter closing (review) and the audit of the annual accounts. The Committee meets before each reporting date and on more occasions if necessary. The Committee held four meetings during the year. The Audit Committee works in accordance with the instructions adopted annually by the Board of Directors and reports on its work to the Board of Directors.

### Remuneration Committee

The Board has appointed a Remuneration Committee from among its number. The Remuneration Committee submits proposals to the Board for the President's salary and other conditions of employment and approves salaries and other conditions of employment for the Executive Group Management proposed by the President. The Committee also draws up the Board of Directors' proposals to the General Meeting concerning principles of remuneration and other conditions of employment for the Executive Group Management. The Committee held four meetings during the year. The Remuneration Committee works in accordance with the instructions adopted annually by the Board of Directors and reports on its work to the Board of Directors. The Remuneration Committee consists of Anders Ullberg (chair), Jan Barchan and Anna Karinen.

A description of benefits to senior management is given in note 38 on page 64.

### Board fees

The total board fee for Studsvik AB for 2021 amounted to SEK 1,850 (1,850) thousand. In accordance with a resolution passed by the Annual General Meeting, the Chair of the Board receives SEK 650 thousand per year and ordinary members SEK 225 thousand per year. No fee is paid to members appointed by the employee organizations. The chair of the Audit Committee receives a fee of SEK 150 thousand per year and the members SEK 75 thousand per year. No fee is paid to the Remuneration Committee. Board fees paid are presented in note 38 on page 64.

### Auditors

At the 2021 Annual General Meeting the registered public accounting firm KPMG AB was elected as auditor for the period up to and including the 2022 Annual General Meeting. The auditor in

charge is authorized public accountant Helena Arvidsson. KPMG conducts the audit of all the Group's material companies. The audit is based on an audit plan and during the year the auditor regularly reports findings to the Audit Committee and on at least one occasion to the Board of Directors. The auditor obtains views from the Audit Committee concerning Studsvik's risks, which are thereafter given particular consideration in the audit plan. The auditor also participates in the Annual General Meeting to present the auditor's report and describe the audit work and findings.

In addition to the audit assignment, Studsvik has consulted PricewaterhouseCoopers in the area of taxation and on various accounting and financial issues. PricewaterhouseCoopers is obliged to test its independence prior to every decision to provide advice to Studsvik unrelated to the audit assignment. Advisory services in excess of SEK 50 thousand are to be approved in advance by the chair of the Audit Committee. Remuneration to the company's auditors is paid in accordance with an approved invoice on agreed terms. For information concerning remuneration in 2021 please refer to notes 8 and 44.

### President/CEO and Executive Group Management

The President is responsible for the day-to-day management of the company. The President/CEO leads the operative business and prepares information and data for decision-making for the Board of Directors and is the presenter at Board meetings. In 2021 the Executive Group Management consisted of the President/CEO, the Chief Financial Officer and the heads of the business areas; Decommissioning and Radiation Protection Services, Fuel and Materials Technology, Scandpower and Waste Management Technology. The Executive Group Management is presented on pages 80-81 of the annual report and on the website under Executive Group Management.

The Executive Group Management meets monthly to follow up the operative and financial developments in the segments. On two to three occasions during the financial year the Executive Group Management meets to deal in more detail with matters of an operative, strategic or long-term nature.

The President/CEO and Group functions are located in Studsvik. In accordance with the policies and guidelines established by the Board, the Group functions are responsible for business development, allocation of financial resources among the Group's operations, capital structure, risk management and human resources. The tasks also include questions concerning Group wide acquisitions and disposals, certain major projects, the Group's financial reporting, communication with the stock market and other internal and external communication.

### Operative management

The Group's operative business was conducted during the year in subsidiaries, which are included in the four business areas. Operations in the business areas were followed up partly through business area reviews, partly through active board work in the subsidiaries. The business area reviews, which take place quarterly, not only analyze and discuss financial developments, but also

market developments, risks and sustainability issues, among other things. The management groups for the business areas follow the business areas' day to day activities on a monthly basis. Business plans and budgets are prepared by each business area in consultation with the Executive Group Management. The business is carried on in accordance with the rules, guidelines and policies established by the parent company, and local rules established by the respective local board. The Business Area Presidents have budget responsibility and are to ensure growth in their operations as well as being responsible for utilizing the synergies between the Group's various units.

#### Internal control

- internal control aims to ensure:
- that company goals and strategies are followed up,
- that shareholders' interests are protected,
- that external financial reporting reflects the actual situation with reasonable assurance,
- that financial reports are prepared in accordance with generally accepted accounting principles, laws and ordinances and other requirements of listed companies.

The Board of Directors has the overall responsibility for ensuring the Group has effective internal controls. The President is responsible for ensuring that processes and organization that guarantee internal control and the quality of financial reporting are in place. Studsvik has no special internal audit function. The review and internal control are performed by an external consultant on behalf of the Chief Financial Officer, which the Board has found to be appropriate. The audit is based on an overall risk analysis at Group level, as well as on checklists and question lists in material for self-assessment that is subsequently verified from the point of view of materiality through direct audit. The audit is conducted via interviews and spot checks and is summarized in a report to the Audit Committee, where it is dealt with. A detailed description of the Group's risks and how they are managed is presented in the Administration Report on pages 10–35. An account of the Group's financial risks can be found in note 2 on pages 48–49.

The outcome of the examination is reported to the Audit Committee and the Board. The company's financial situation is discussed at every board meeting and the management makes a monthly analysis of the financial reporting at a detailed level. At its meetings the Audit Committee follows up the financial reporting and receives a report from the auditors.

#### The auditor's examination of the corporate governance report

The Board of Directors is responsible for the corporate governance report on pages 74-77 and for its preparation in accordance with the Annual Accounts Act.

Our examination was conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance report. This means that our examination of the corporate governance report is different and substantially less in scope than an audit conducted in accordance with International

Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

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

Stockholm, March 11, 2022  
KPMG AB

Helena Arvidsson Älgne  
Authorized public accountant