

Corporate Governance Report

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The Corporate Governance Report is a part of Coor's Annual Report 2022, which explains why it begins on page 56. The Corporate Governance Report can be read separately but sometimes contains references to other parts of the annual report. The full annual report is available on the company's website.

The Corporate Governance Report of Coor Service Management Holding AB (corp. ID no. 556742-0806) refers to the 2022 financial year.

Corporate Governance Report 2022



“Coor always puts the customer first”

Persistence, drive and a focus on delivering good service to the customers – that is the attitude that characterises Coor, according to Mats Granryd, the company's Chairman.

What do you think of Coor's performance in 2022?

“2022 was a very turbulent year, with war in Ukraine, high inflation, rising electricity prices and an impending recession. Coor has tried to deal with the challenges by being flexible, creative and continuing to deliver good service to our customers. Thanks to that, the company has been successful and both extended and won new contracts during the year.

I am also very proud that Coor has supported Ukraine by hiring new employees who fled the country, and by donating money to UNHCR. As a large company, it feels good to be able to help where help is needed.”

What sets Coor apart as a company?

“A hallmark of Coor is that everyone is prepared to roll up their sleeves and work hard with a focus on delivering service to the customers. Coor always puts the customer first. I am impressed by our professionalism and attention to detail, which are two of the company's hallmarks, and that there is a genuine respect for both our employees and our customers.”

What do you see as the Board's most important tasks?

“Much of what the Board does centres on looking after the interests our owners. As in previous years, we have had a strong focus on sustainability, innovation and integration – of new acquisitions as well as new contracts. Another important task for the Board is to monitor the company's strategic direction and ensure that management thinks outside the box – creatively and innovatively. In that respect, we have been greatly assisted by our two new Directors Karin Jarl Månsson and Linda Wikström, who have brought valuable expertise as well as fresh ideas.”

What is most important for Coor to focus on going forward?

“Coor needs to continue to cultivate the qualities it already has: customer focus, professionalism and innovation, and also to nurture the entrepreneurial spirit that pervades our entire organisation. Internally, Coor needs to become more process-oriented, which is connected to the fact that the company has grown rapidly.

Coor needs to continue to ensure a high level of reliability in its deliveries to customers while at the same time daring to try new things. A trademark of AnnaCarin Grandin's leadership is that she has created a culture where belief in one's own individual ability and responsibility is paramount. This is vital for the growth and success of a company.”

How does Coor's focus on sustainability manifest itself?

“Coor has a way of structuring sustainability issues based on a triple bottom line approach – taking responsibility for business, social and environmental sustainability – where all aspects matter. Our customers are demanding a clear sustainability agenda, but this is not just about the environment; it is also about how we care for our employees and ensure respect for the individual. Coor is a big employer and it is important that all our employees feel safe and secure at work and that they have the opportunity to grow in the company.”

How do you see the next few years for Coor?

“Coor will stand strong! The company is valued by our customers and employees, as is very clear from the annual customer and employee surveys. Satisfied employees perform better and this translates into happier customers, which in turn makes Coor more interesting to investors.

I and the rest of the Board look to the future with confidence and see good opportunities to continue to grow organically and make value-adding acquisitions. We also have a strong cash flow, which gives us great freedom of action. I look forward to an eventful 2023.”



Coor needs to continue to cultivate the qualities it already has: customer focus, professionalism and innovation, and also to nurture the entrepreneurial spirit that pervades our entire organisation.

Structured governance and control

The goal of Coor’s corporate governance is to ensure systematic risk management and sustained value creation for shareholders through good control and a sound corporate culture.

This Corporate Governance Report has been prepared by the Board of Directors of the Coor Group and describes Coor’s corporate governance for 2022. The report has been reviewed by Coor’s auditors, whose opinion is presented at the end of the report.

Corporate governance at Coor

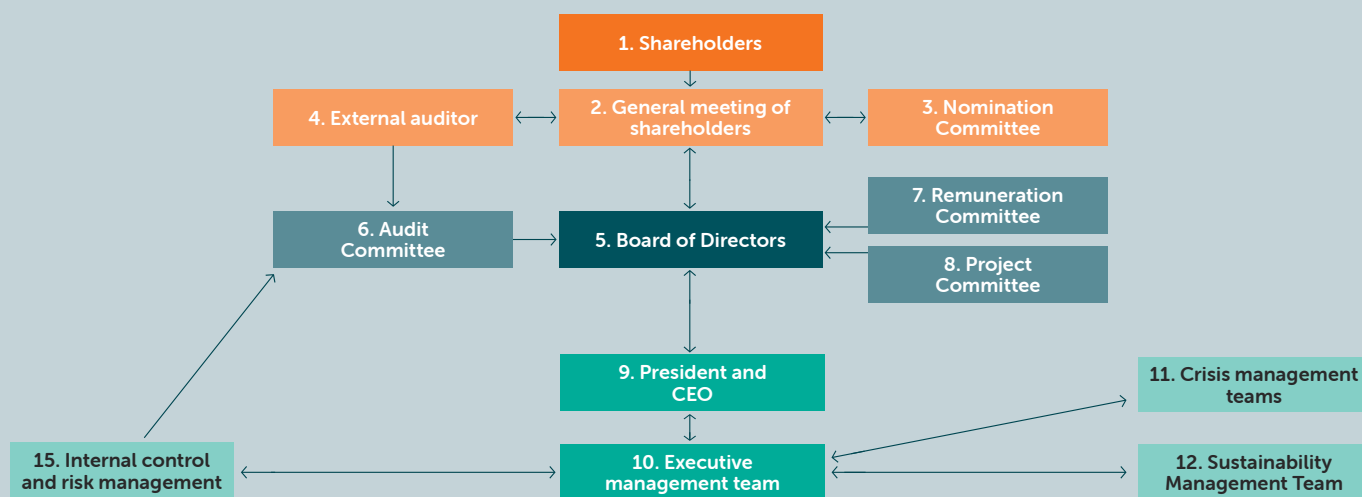
Coor is a public limited company with its registered office in Stockholm, whose shares were listed on the Nasdaq Stockholm exchange on 16 June 2015. For Coor, good corporate governance means that the company is managed in a sustainable, responsible and efficient manner in all dimensions, thereby creating long-term value for all shareholders and other stakeholders. Coor’s corporate governance is based on Swedish laws and regulations and on the rules and practices which apply for companies listed on Nasdaq Stockholm. Coor also follows the Swedish Corporate Governance

Code without deviating from any of its rules. In the countries where Coor operates the company follows the applicable local legislation.

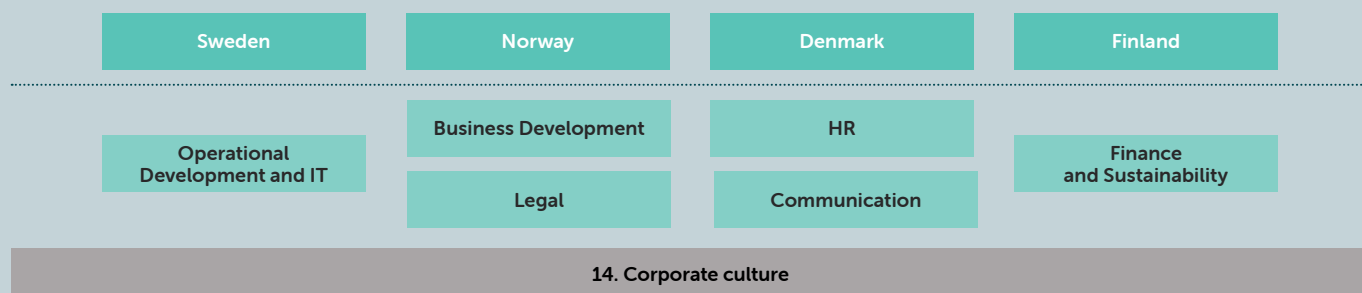
In addition to the external regulations, Coor has a set of internal regulations consisting of governing documents for the Group, of which the most important are the Articles of Association, which are adopted by the shareholders’ meeting, the rules of procedure for the Board of Directors and its committees, and the Board’s terms of reference for the Chief Executive Officer. In addition, there are a large number of internal policies, instructions and delegation arrangements which clarify responsibilities and authorities in different areas. The most important governing documents are included in Coor’s management system, which also describes the company’s main processes and common work methods.

Coor’s corporate governance structure is well defined and is illustrated schematically below.

Coor’s corporate governance structure



13. Coor’s operating units and Group functions



1. Shares and ownership structure

At year-end, Coor had a share capital of SEK 383,248,088, represented by 95,812,022 shares. Each share carries one vote at general meetings. As at 31 December 2022, Coor's share register listed approximately 15,000 shareholders. Of the total share capital, approximately 52 per cent was owned by investors outside Sweden. The three largest shareholders were Första AP-Fonden with 7.7 per cent of the shares and voting rights, Mawer Investment Management with 6.6 per cent and Nordea Fonder with 5.6 per cent. More information about Coor's shares and ownership structure is available on the company's website under *Investors* and in the section *Share information*.

2. General meeting of shareholders

In accordance with the Swedish Companies Act, the general meeting of shareholders is the company's highest decision-making body. All shareholders are entitled to participate and vote at the ordinary general meeting (Annual General Meeting). At the Annual General Meeting (AGM), shareholders discuss the annual report, payment of dividends, election of Directors and auditors, fees and principles of remuneration as well as other matters. The resolutions adopted at a general meeting are announced in a press release after the meeting. More information on the convening of and participation in general meetings is available on the company's website under *Who we are/Corporate Governance*.

3. Nomination Committee

The composition and activities of the Nomination Committee are governed by the terms of reference adopted by the AGM and are described on the company's website under *Who we are/Corporate Governance/Annual General Meetings*.

Composition and activities in preparation for the 2023 AGM

Prior to the 2023 AGM, the Nomination Committee consists of Ulrika Danielson (Andra AP-Fonden), Henrik Didner (Didner & Gerge Fonder), Sophie Larsén (Första AP-Fonden), Richard

Torgerson (Nordea Funds) and Chairman of the Board Mats Granryd.

In preparation for the 2023 AGM, the committee met on three occasions. Through the Chairman of the Board and the company's President and Chief Executive Officer, the Nomination Committee received information about the operations, development and other circumstances of the company. The Nomination Committee also interviewed individual Board Directors. It also discussed the main requirements that should be applied for Directors, including the requirement for independent Directors, and looked at the number of directorships of other companies held by the Directors. The committee placed a strong emphasis on ensuring a balanced representation of men and women, diversity and breadth.

Shareholders have been welcome to submit proposals and views to the Nomination Committee. No separate fee was paid to any of the members of the Nomination Committee.

4. External auditors

The company's auditors are appointed by the AGM. At the 2022 AGM, Öhrlings PricewaterhouseCoopers AB (PwC), with Niklas Renström as auditor-in-charge, were re-elected to serve as the company's external auditors until the 2023 AGM. PwC have been Coor's auditors since 2004. Niklas Renström has been Coor's auditor-in-charge since 2018.

The external audit of Coor's financial statements is conducted in accordance with the Swedish Companies Act, the International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. The auditors are tasked with auditing the annual accounts, annual report and consolidated accounts as well as the Board of Directors' and executive management team's management of the company. The auditors also review the interim financial statements as at 30 September and the company's internal control.

The auditors are required to keep the Board updated on the planning, scope and content of the annual audit and to inform the Board of any services in addition to audit services that have been provided, the fees for such services and other circum-

Resolutions adopted at the 2022 AGM

The main resolutions adopted at the 2022 AGM were as follows:

- That the Board of Directors should consist of six Directors with no deputies.
- The election of the Chairman of the Board and Directors in accordance with the Nomination Committee's proposal:
 - Mats Granryd was re-elected to the Board as a Director and as Chairman of the Board.
 - The Directors Magnus Meyer, Kristina Schauman and Heidi Skaaret were re-elected to the Board. The election of Karin Jarl Månsson and Linda Wikström as new Directors.
- To approve the payment of Directors' fees totalling SEK 3,245,000, as proposed by the Nomination Committee. The fees will be distributed as follows:
 - SEK 855,000 to the Chairman.
 - SEK 305,000 to each of the other AGM-elected Directors.
 - SEK 110,000 to Directors who are members of the Audit Committee.
 - SEK 220,000 to the Chairman of the Audit Committee.
- SEK 50,000 to Directors who are members of the Remuneration Committee.
- SEK 75,000 to the Chairman of the Remuneration Committee.
- SEK 75,000 to Directors who are members of the Project Committee.
- SEK 100,000 to the Chairman of the Project Committee.
- Resolution on a long-term share-based incentive programme (LTIP 2022) for the executive management team (EMT) and top management team (TMT).
- To authorise the repurchase and transfer of shares.
- To authorise the issuance of new shares.

The audit firm PwC notified Coor that Niklas Renström will be appointed as auditor-in-charge for the audit.

The full minutes of the AGM are available at coor.com.



Auditors

Öhrlings PricewaterhouseCoopers AB (PwC)

Auditor-in-charge:
Niklas Renström

Other audit engagements:
Bonnier, Nobina and Vestum.

DNV – Environmental and quality auditors

Coor's business has been globally certified under the international ISO 45001-2018 occupational health and safety, ISO 14001-2015 environment and ISO 9001-2015 quality standards. This means that the business is audited twice a year by an independent party. Det Norske Veritas (DNV) is in charge of the external audit with regard to compliance with the standards. The results of these audits are reported to the executive management team.

More information about this audit is presented in the section *Sustainability notes*.

stances that could affect the auditors' independence. To meet the Board's need for information and to ensure that all areas are addressed in a structured manner, Coor's auditors participate at the meetings of the Audit Committee and attend at least one Board meeting a year. On at least one occasion, the auditors meet the Board without the presence of management. The fees paid to the auditors for 2022 are presented in *Note 7 Audit fees* in the *statutory annual report*.

5. Board of Directors

Under the Articles of Association, Coor's Board of Directors must consist of at least three and not more than ten ordinary Directors elected by the general meeting of shareholders. The Board of Directors is elected annually at the AGM. The Articles

of Association contain no other provisions on the appointment or dismissal of Directors. The Board is responsible for ensuring that the company's organisation is appropriate and that the operations are conducted in accordance with the Articles of Association, the Swedish Companies Act and other applicable laws and regulations. The Board is required to perform its duties jointly under the leadership of the Chairman. Rules of procedure are adopted annually that set out the duties and decision-making process of the Board. The rules of procedure also describe the procedures for the notice, agenda and minutes of Board meetings as well as the duties of the Board in respect of accounting, auditing and remuneration matters. They furthermore regulate how the Board should receive information and documentation as a basis for its work in order to be able to make well-founded decisions. An inaugural meeting is held after the Annual General Meeting. Thereafter, the Board is required to hold at least six meetings per calendar year. At each regular meeting, the Board follows the agenda prescribed in the rules of procedure, which includes a report from the CEO, financial reports, investments and strategic matters. Prior to each meeting, the Directors receive written material on the matters to be discussed. The Board also annually adopts terms of reference for the CEO.

Composition and activities in 2022

As of 31 December 2022, Coor's Board of Directors consists of six ordinary Directors elected by the general meeting of shareholders and three employee representatives. The composition of the Board meets the requirements for independent Directors provided for in the Swedish Corporate Governance Code. Information on the independence of the Directors is presented in a table on the next page.

The Board of Directors is presented at the end of the Corporate Governance Report along with information about the Directors' directorships outside the Group and their holdings of Coor shares. The Board has appointed Coor's Chief Legal Counsel to act as its secretary.

6. Audit Committee

Consists of three Board-appointed members: Kristina Schauman (Chairman), Heidi Skaaret and Magnus Meyer. Coor's CFO and external auditors attend all meetings. Follows up and monitors internal control, audit, risk management, accounting and financial reporting activities.

7. Remuneration Committee

Consists of three Board-appointed members: Mats Granryd (Chairman), Karin Jarl Månsson and Kristina Schauman. Submits proposals on remuneration to the Board, and monitors and evaluates remuneration structures and levels for the executive management team.

8. Project Committee

Consists of three Board-appointed members: Magnus Meyer (Chairman), Mats Granryd and Linda Wikström. Assists the Board by submitting proposals for and providing decision guidance on major customer contracts, acquisitions and other important agreements.

Directors' attendance, independence and fees

	Meeting attendance				Independence		Fees
	Board of Directors	Audit Committee	Project Committee	Remuneration Committee	Independent of the company	Independent of major shareholders	Approved Directors' and committee fees, SEK '000 ⁶⁾
Total number of meetings	10	6	9	3			
AGM-elected Directors							
Mats Granryd, Chairman	10	–	8	2	Yes	Yes	1,005
Karin Jarl Månsson ¹⁾	8	–	–	2	Yes	Yes	355
Mats Jönsson ²⁾	2	–	6	–	Yes	Yes	–
Monica Lindstedt ³⁾	2	–	–	1	Yes	Yes	–
Magnus Meyer ⁴⁾	10	3	9	–	Yes	Yes	515
Kristina Schauman	8	6	–	3	Yes	Yes	575
Heidi Skaaret	10	6	–	–	Yes	Yes	415
Linda Wikström ⁵⁾	8	–	2	–	Yes	Yes	380
Union-appointed employee representatives							
Glenn Evans	10	–	–	–	No	Yes	–
Rikard Milde	10	–	–	–	No	Yes	–
Urban Råäf	10	–	–	–	No	Yes	–

¹⁾ Appointed as a Director and member of the Remuneration Committee on 29 April 2022.

²⁾ Stepped down as a Director and member of the Project Committee on 29 April 2022.

³⁾ Stepped down as a Director and member of the Remuneration Committee on 29 April 2022.

⁴⁾ Appointed as a member of the Audit Committee on 29 April 2022.

⁵⁾ Appointed as a Director and member of the Project Committee on 29 April 2022.

⁶⁾ The fees for Directors' and committee work were approved by the AGM on 29 April 2022 and apply until the next AGM on 27 April 2023. For information on fees that had an impact on earnings for 2022, see Note 6 Remuneration of senior executives in the statutory annual report.

As its diversity policy, Coor applies Rule 4.1 of the Swedish Corporate Governance Code, which means that the Board should have a composition that is appropriate in view of the company's operations, stage of development and other circumstances, and is diverse and broad with regard to the skills, experience and backgrounds of its AGM-elected members, and that a balanced representation of men and women should be aimed for. Coor considers that the company's Board of Directors meets the requirements of its diversity

policy. The Board consists of four women and two men. The members come from different sectors of industry and have varying professional backgrounds and expertise.

In 2022, the Board met on ten occasions. The Board addressed strategic matters, financial performance and matters relating to customers, employees, sustainability and risk management over the course of the year. Each year, the Board holds a strategy meeting at which the company's strategic agenda is addressed from all three dimensions –

Sustainability management

All companies have a big responsibility for the activities in which they are engaged, and for how these activities affect the environment and society at large, in the short and long term. Coor takes a structured, long-term approach to those sustainability aspects that are considered to have the biggest external impact. The purpose of Coor's sustainability management is to ensure that the company grows in a stable and profitable manner by delivering sustainable services to our customers based on sound business ethics while minimising its environmental impact, and that the company makes a positive contribution to society. For more information on Coor's sustainability management and governance, see the section *Sustainability notes*.

Key external and internal governing documents

External regulations

- Swedish laws and regulations
- Laws and regulations in other countries of operation
- Nasdaq Stockholm's rules for issuers
- Swedish Corporate Governance Code
- International Financial Reporting Standards (IFRS)

Internal governing documents

- Articles of Association
- Rules of procedure for the Board of Directors
- Rules of procedure for the Board committees
- Board of Directors' terms of reference for the CEO

¹⁾ Policies adopted by the Board of Directors.

Policies and instructions

- Code of Conduct ¹⁾
- Anti-corruption policy ¹⁾
- Insider policy ¹⁾
- Treasury policy ¹⁾
- Financial targets and dividend policy ¹⁾
- Tax policy ¹⁾
- Procurement policy
- Sustainability policy including risk management
- Diversity and inclusion policy
- IT policy
- Information security policy
- Internal control framework
- Accounting manual
- Authorisation manual
- Data protection policy

business, social and environmental sustainability. In order to give all Directors a deeper understanding of the company's sustainability management, the company's specialists in various fields are regularly invited to Board meetings to present specific issues. The Directors bring their experience from other directorships and constantly challenge the executive management team to ensure sustainable development in line with the company's strategy. The Board is also involved in preparing the company's materiality analysis. Important matters addressed during the year included matters relating to the impact of COVID-19 on the company, sanctions in response to the war in Ukraine, inflation, energy prices, new deals and potential acquisitions.

To handle matters that need to be discussed separately, the Board has established three committees: the Remuneration Committee, the Audit Committee and the Project Committee. The composition of the committees is proposed by the Chairman of the Board and is based on the Directors' knowledge and experience. The composition is then decided by the Board. The committees reported on their meetings to the Board on a regular basis.

Attendance at the year's Board meetings was good. Information on Directors' attendance at meetings of the Board and its committees and on the fees paid for this work is presented in the table on the preceding page.

Independence requirements

Coor's Board of Directors is subject to the independence requirements set forth in the Swedish Corporate Governance Code. In preparation for the 2022 AGM, the Nomination Committee presented the following assessment regarding the independence of the Directors elected at the 2022 AGM: Mats Granryd, Linda Wikström, Karin Jarl Månsson, Magnus Meyer, Heidi Skaaret and Kristina Schauman were all considered to be independent of the company and management and of the company's major shareholders.

Coor's executive management team



Evaluation of the Board

In 2022, the Board carried out the annual evaluation of its work in the previous year. The purpose of the evaluation is to further improve the Board's efficiency and practices and to determine the main focus of the Board's activities going forward. The evaluation also serves as a tool for determining the requirements for the expertise needed on the Board, and to assess the expertise represented by the Board's existing members. The evaluation thus also serves as a basis for the Nomination Committee's work of nominating Directors. In carrying out the annual evaluation, the Directors were asked, based on their own perspective, to fill in questionnaires and assess various areas related to the work of the Board, including the Chairman of the Board. The areas evaluated for 2022 included the composition of the Board, its handling of and the focus of Board meetings as well as the Board's handling of matters relating to strategy and strategic priorities, sustainability, financial and non-financial goals and potential risks. The results of the evaluations regarding the Board as a whole and the Chairman of the Board are discussed by the Board. The results of the evaluations are also shared with the Nomination Committee.

In preparing nominations for new Directors, the Nomination Committee takes into account the views on the composition of the Board presented in the Board evaluation. Other conclusions from the Board evaluation that led to actions were to ensure that the Board has a greater involvement in addressing strategic risks, to publish non-financial goals and to increase the number of visits by the Board to various parts of the business.

9. Chief Executive Officer

The Board of Directors has delegated operational responsibility for the company and its management to the company's President and Chief Executive Officer (CEO), who manages the business within the limits and guidelines established by the Board. The division of responsibilities between the Board and CEO is set out in written terms of reference, which are adopted annually by the Board. On 1 August 2020, AnnaCarin Grandin took over as Group President. The CEO appoints the executive management team, who together with the CEO are in charge of managing the company's day-to-day operations. This responsibility includes setting goals for the company's operational activities, allocating resources and monitoring performance as well as preparing proposals for investments, acquisitions and divestments in accordance with the Board's written instructions.

The evaluation of the CEO was discussed at a Board meeting without the presence of management.

10. Executive management team

In addition to the CEO, the Group's executive management team consists of the Presidents of each country and the heads of the Group functions. During the year, the executive management team convened 26 times in person or by video conference. Matters addressed included the impact of COVID-19 on the company, sanctions in response to the war in Ukraine, inflation, energy prices, performance monitoring and forecasts, targets and target monitoring, the market situation, ongoing deals, the status of Group-wide projects, strategy work, recruitment and other important matters.

The Group also has an expanded management forum – the top management team – which consists of the executive management team, specialists and the country management teams. The Group's roughly 170 senior executives gather annually at a special forum (Management Days) to network, exchange experience, be inspired and discuss matters of common interest.

11. Crisis management teams

Coor's continuity management and continuity planning are integrated into the company's regular management structure. In more extreme situations, the Group's crisis management team (CCT, Coor Crisis Team) is convened. The CCT is organised as a Group crisis management team and national crisis management teams.

During the past year, crisis management teams in a couple of Coor's countries were activated in connection with a serious workplace accident and due to the unrest in the world as a result of the war in Ukraine and the Nord Stream gas leaks.

12. Sustainability Management Team

The Board continuously discusses the company's strategic focus for sustainability. It also defines the framework for the Group's operational activities through the executive management team (EMT) and the Sustainability Management Team (SuMT), which reports directly to the EMT. SuMT is responsible for managing and monitoring the company's sustainability management activities, deciding on focus areas for sustainability within the framework of the EMT's strategic focus and assigning priorities to strategic sustainability initiatives. SuMT has a mandate to make executive decisions to ensure compliance with the sustainability strategy. SuMT also drafts decisions on sustainability-related matters that will be made by the executive management team, and is responsible for monitoring compliance with Coor's sustainability policy. The team meets at least once a quarter.

For the composition of SuMT, see the section *Sustainability notes*.

13. Coor's operating units and Group functions

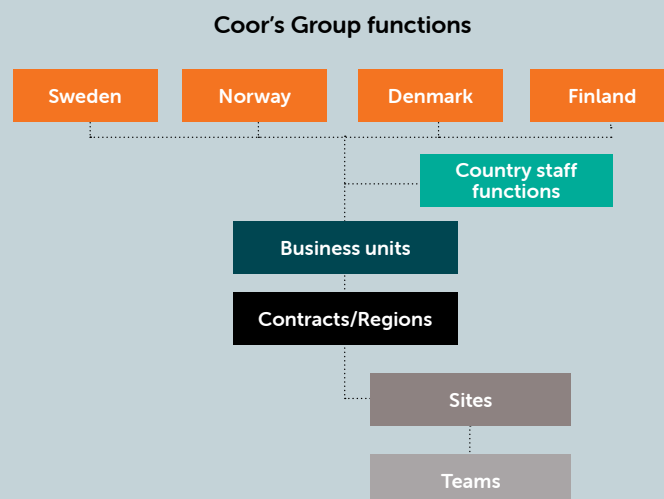
Coor has an explicitly Nordic strategy and conducts operations primarily in Sweden, Norway, Denmark and Finland. The country structure is the primary basis of segmentation for monitoring and reporting.

Coor has a decentralised organisation in which local managers are required to assume a high degree of responsibility for their business in all three dimensions – business, social and environmental sustainability. There is a well-defined responsibility structure with regular reporting and monitoring in all dimensions at different organisational levels. Each unit is responsible for maintaining good internal control and for identifying and managing risks in its area.

The Group functions support the operational side of the business and the executive management team in various areas and ensure that effective risk management and internal control processes have been implemented.

14. Coor's corporate culture

A healthy corporate culture is of great importance to ensuring



systematic risk management and sustainable value creation for shareholders. Coor's corporate culture is inspired by the vision of creating the happiest, healthiest and most prosperous workplace environments in the Nordic region. Coor creates value by executing, developing and streamlining our customers' service activities. This enables our customers to do what they do best.

The most important thing for Coor is the people. Coor's 13,000-strong workforce is a reflection of society at large, in terms of culture, background, age and gender. These differences strengthen us as a company. Respect for the equal value and rights of all people is fundamental to Coor. We are convinced that a diversity of personalities, experiences and knowledge is enriching and that each employee should be treated respectfully and fairly regardless of gender, background or identity. It is also essential to ensure that all employees continuously have opportunities for development – to grow within Coor.

These values are a fundamental reason why Coor has committed and competent employees who in turn ensure effective corporate governance and risk management.

All employees have a responsibility to ensure that the company follows external and internal rules and to take action if the company fails in any way to act in accordance with the established rules. There is an online whistleblower channel through which employees, suppliers and customers can anonymously report irregularities at the company through encrypted messages.

15. Internal control and risk management in respect of financial reporting

Coor's framework for internal control and risk management has been designed to ensure reliable financial reporting as well as compliance with laws and requirements which Coor as a listed company is required to follow.

Ultimate responsibility for internal control of financial reporting rests with Coor's Board of Directors. The Board has established an Audit Committee from among its members which monitors issues relating to this in accordance with the committee's rules of procedure. The Audit Committee has tasked the Group finance function with developing and

Activities of the Board and committees



FOURTH QUARTER

Board of Directors

- Approval of strategy.
- Review of Auditor's Report.
- Approval of Q3 report.
- Resolution on share buybacks.
- Evaluation of the Board.
- Evaluation of LTIP and proposed new programme.
- Evaluation of CEO and senior executives, and proposed remuneration and other terms for the CEO and senior executives.
- Resolution on refinancing.
- Governance and compliance.
- Approval of budget and business plan.

Audit Committee

- Review of Q3 report.
- Review of finance function.
- External Auditor's Report.
- Review of refinancing.
- Evaluation of internal control.
- Draft Corporate Governance Report.
- Matters relating to the annual accounts.
- Assessment and decision on the need for an internal audit function.
- Evaluation of external auditors.
- Review of IT security.
- Governance, risk assessment and compliance.

Remuneration Committee

- Evaluation of CEO.
- Resolution on remuneration of CEO and rest of EMT.
- Review of LTIP 2023.

THIRD QUARTER

Board of Directors

- Approval of Q2 report.

Audit Committee

- Review of Q2 report.

Remuneration Committee

- Management review and succession planning.
- Assessment of interest in this year's LTIP.
- Employee survey 2022.

SECOND QUARTER

Board of Directors

- Approval of Q1 report.
- Inaugural Board meeting.
- Review of risk assessment.
- Governance and compliance.

Audit Committee

- Review of Q1 report.
- Audit plan and fees for external auditors.
- Plan for internal control.
- Review of procedure for purchase of non-audit services.
- Governance, risk assessment and compliance.

FIRST QUARTER

Board of Directors

- Review of Auditor's Report.
- Approval of Corporate Governance Report.
- Resolution on the proposed appropriation of retained earnings.
- Approval of year-end report.
- Approval of tax policy.
- Preparations for AGM.
- Approval of annual report.

Audit Committee

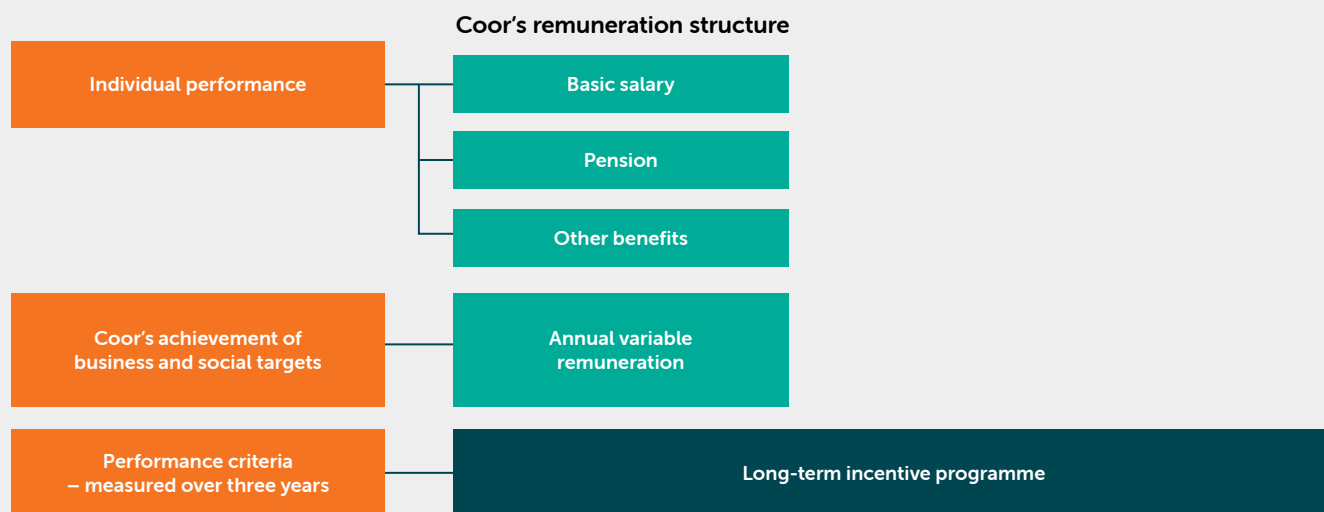
- Review of year-end report.
- Approval of Corporate Governance Report.
- Review of treasury policy.
- Review of tax policy.
- Review of terms of reference for Audit Committee.
- External Auditor's Report.
- Governance, risk assessment and compliance.

Remuneration Committee

- Review of Remuneration Report 2021.
- Evaluation of remuneration guidelines and the application of the guidelines.
- Proposed LTIP 2022.

In addition to the specific matters mentioned here, there are areas that are continuously discussed in the Board such as results and outcomes in business, social and environmental sustainability, updates from the various countries, investments and strategic issues. At each Board meeting, the various committees also present reports from their meetings.

Principles of remuneration of Directors and senior executives



Directors' fees are set by the AGM based on the Nomination Committee's proposal. Additional fees are paid to the chairmen and members of Board committees.

The AGM also determines the principles of remuneration of senior executives in the Group. These guidelines state that the total remuneration must be market-based, competitive and reflect the individual's performance and responsibilities.

Matters relating to senior executives are prepared by the Board's Remuneration Committee, which also monitors and evaluates remuneration structures and levels on an ongoing basis.

For complete information on levels of remuneration and guidelines for remuneration, see *Note 6 Remuneration of senior executives* in the statutory annual report.

Basic salary

Coor aims to ensure that members of the executive management team are paid a competitive market salary in the form of a fixed monthly salary. The basic salary is paid as remuneration for dedicated work performance at a high level that adds value for Coor's customers, shareholders and employees.

Variable remuneration

In addition to a basic salary, members of the executive management team are offered variable remuneration as well as a long-term incentive programme.

Annual variable remuneration

Annual variable remuneration is based on achievement of Coor's targets in three dimensions. In the business dimension, remuneration is based on target achievement for earnings, growth, cash flow and CSI, in the social dimension on target achievement for EMI and TRIF, and in the environmental dimension it is linked to targets for conversion to renewable energy in Scope 2. The remuneration is contingent on achievement of defined and measurable targets and is capped at 75 per cent of the fixed annual salary. In special cases, an

agreement on non-recurring remuneration may be concluded. Such remuneration is capped at 25 per cent of the fixed annual salary.

Long-term share-based incentive programmes (LTIP)

Coor's long-term incentive programmes (LTIP) are designed to increase and strengthen the company's ability to recruit and retain key individuals and to encourage participants to become long-term shareholders of Coor as a means of aligning the interests of participants and other shareholders. To participate in the programmes, participants are required to invest in Coor shares. The LTIP runs for three years and the outcome depends on the achievement of various performance criteria.

For information on LTIP 2019, 2021 and 2022, see *Note 5 Employees and employee benefit expenses* and *Note 6 Remuneration of senior executives* in the statutory annual report.

Retirement benefits

Retirement benefits for senior executives must take the form of defined contribution benefits (unless the executive is covered by a defined benefit pension plan under prevailing provisions of a collective bargaining agreement) and may not exceed 30 per cent of the fixed annual salary. The CEO and other senior executives are covered by an ITP supplementary pension plan solution (or an equivalent solution in other countries). The retirement age is not specified contractually, but is governed by local rules in each country.

Other benefits and severance pay

Other benefits mainly consist of normal company car and healthcare programmes. The contracts of members of the executive management team are terminable on no more than six months' notice and provide for severance pay of no more than 18 months' fixed salary. No severance pay is paid in case of voluntary resignation.



monitoring the company's internal control system for financial reporting.

Coor's internal control activities are based on the framework developed by COSO. Under this framework, internal control is viewed as consisting of a number of components – control environment, risk assessment, control activities, information and communication, and monitoring. These components are integrated and interact with each other to prevent and detect material misstatements in the financial statements.

The intention behind Coor's internal control framework is to create effective processes and integrate internal control in the company's day-to-day activities as far as possible.

A. Control environment

A good control environment is fundamental to the effectiveness of a company's internal control system. Coor's control environment is defined in governing documents in the form of policies, procedures and manuals, and is maintained through clearly defined and communicated lines of command, authorities and responsibilities in the organisation.

Coor has a control environment that is based on a well-defined structure of responsibilities as well as regular reporting and monitoring of financial results by contract, business unit and country, from site level up to Group level.

Coor has adopted a number of basic guidelines and policies which play an important role in maintaining an effective control environment. These include the Code of Conduct, guidelines for financial reporting and the authorisation manual.

B. Risk assessment

Based on the overall risk assessment produced by the executive management team (see the section *Risks and risk management*), a detailed risk assessment of financial reporting is made to identify and evaluate material risks in the financial processes as well as the risk of irregularities and fraud.

The risk assessment of financial reporting takes account of materiality, complexity and the risk of fraud in various income statement and balance sheet items as well as the risk of misstatements in underlying processes. Clear process descriptions have been prepared for each process in which identified risks are linked to control activities. The process descriptions are subject to a thorough review once a year and are updated when new risks arise or disappear. The risk assessment is used as a basis for the control activities that are used to manage the risks. Risk assessments are carried out jointly by process owners, representatives from each country and Coor's Group finance function.

C. Control activities

Based on the risks that have been identified in respect of financial reporting, control activities are designed to prevent and limit the identified risks and to help ensure correct and reliable financial reporting as well as process effectiveness.

In the various financial processes, Coor has identified a number of key controls which all large entities in the Group are required to apply. The key controls form part of the company's processes for accounting and financial reporting, and include reconciliation of balance sheet accounts, structured financial monitoring through standardised analytical controls at different levels of the organisation and automated integrated controls. All key controls are documented in a shared system, where the control activities are clearly described. The system enables clear traceability with controlled work flows for execution, approval and review of control activities.

In addition to the financial processes, IT is also included as a key area that has a significant impact on reliability in the financial processes. IT-related control activities include clear procedures for testing in connection with changes to key applications, regular monitoring of access rights to important systems as well as controls for ensuring correct transfers between pre-systems and accounting information systems.

D. Information and communication

To ensure that all employees in the organisation are able to fulfil their responsibility for internal governance and control, it is essential that they be aware of, and have access to, important internal governance instruments. A key element of internal control is therefore to ensure that important governance documents are kept up to date and are accessible to all employees on the Group's intranet, and that changes and updates are clearly communicated.

To ensure that the executive management team and the Board of Directors receive important information from the employees, Coor has established formal as well as informal information channels. These include a whistleblower function through which employees can report suspected irregularities.

For communication with external parties, there is a communication and IR policy which sets out guidelines for this communication and ensures that the Group meets the requirements for regular disclosure of correct information in the form of annual reports, interim reports, press releases and notices on the company's website, www.coor.com.

E. Monitoring

Monitoring of internal control is a part of Coor's natural improvement activities and is carried out to ensure that the Group's internal governance and control remain relevant and effective.

The Group's financial situation, financial strategies and objectives are discussed at every Board meeting. Between meetings, the Board also receives monthly reports on Coor's financial performance. The Board has tasked the Audit Committee with ensuring that the company's internal control system for financial reporting is monitored and evaluated. The Audit Committee is also charged with monitoring the quality

of the Group's internal control system and ensuring that any issues and proposed measures identified in the external audit are addressed. Each year, the Group's external auditors review the Group's internal control system and report their observations in a report to management and the Audit Committee. The Audit Committee then reports to the Board at the following Board meeting. The Audit Committee has tasked the Group finance function with developing and monitoring the company's internal control system for financial reporting. This is done proactively by continually analysing and updating the Group's internal control framework and by assessing the effectiveness of the internal control system. A key instrument for monitoring internal control is the self-assessment that is carried out annually in the Group. The purpose of the self-assessment is to ensure that all control activities have been carried out in a satisfactory manner, and to identify potential improvements in the framework. Internal control is monitored on a country and process basis. In addition to the self-assessment, the Group's finance function also reviews the Group's financial processes according to a rolling schedule. Conclusions and proposed improvements are reported to each country and process owner. A more detailed report on internal control is submitted to the Group's Audit Committee and to the Group's external auditors.

Internal auditing

In accordance with the Swedish Corporate Governance Code, the Board of Directors has assessed the need for a separate internal audit function. In view of the size of the Group, the Board's current assessment is that there is no need to establish a separate internal audit function. The internal audit activities have been carried out as part of the Group's finance function. The need for an internal audit function is reviewed annually.

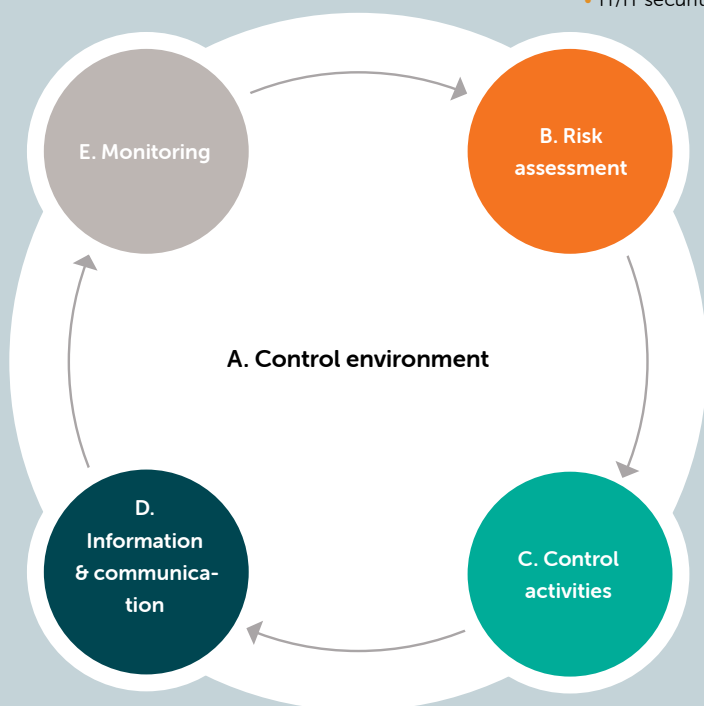


Internal governance and control at Coor

Internal control is an integral part of Coor’s day-to-day activities, and continuous efforts are made to improve internal control and minimise risks in financial processes. Through continuous monitoring, evaluation and updating of control activities, Coor creates an effective system of internal control.

Financial processes

- Financial close
- Tax
- Revenue and Receivables
- Purchase and Payables
- Payroll
- Investments
- IT/IT security



A. Control environment

- Governing policies, instructions and manuals.
- Defined and communicated lines of command, levels of authority and areas of responsibility.

B. Risk assessment

- Review of income statement and balance sheet items with regard to materiality, complexity and the risk of fraud.
- Process descriptions connect risks in underlying processes with control activities.

C. Control activities

- Control matrix – overview of risks and control activities for all processes.
- Structure and classification – a common system with clear traceability for execution and monitoring of control activities.

D. Information and communication

- Updated and clearly communicated policies, instructions and manuals.
- Whistleblower function.
- Communication with external stakeholders through press releases, financial reports and other publications.

E. Monitoring

- Self-assessment – the company assesses how well it is living up to the requirements of the internal control framework.
- The Group’s review of key controls in all processes according to a rolling schedule.
- Reporting of conclusions and suggested actions to process owners, management and the Audit Committee.



Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in Coor Service Management Holding ABs (Publ), corporate identity number 5566742-0806

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2022 on pages 56–73 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 *The auditor's examination of the corporate governance statement*. This means that our examination of the corporate

governance statement 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.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, 30 March 2023
Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorized Public Accountant

Board of Directors



Mats Granryd

Director since 2016.
Chairman of the Board since 2017.
Chairman of the Remuneration Committee. Independent of the company and management and of the company's major shareholders.

Born: 1962

Education: M.Sc. in Engineering, KTH Royal Institute of Technology in Stockholm.

Professional experience: President and CEO of Tele2 Group, Managing Director of Ericsson India, UK, Northern Europe & Central Asia and North Africa. Head of Supply & Logistics in the Ericsson Group. Consultant at Arrigo and Andersen Consulting.

Other current directorships: Director General GSMA, Chairman of Vattenfall, Director of Sveriges Television.

Shareholding at closing date: 50,000 shares.



Kristina Schauman

Director since 2015.
Chairman of the Audit Committee and member of the Remuneration Committee. Independent of the company and management and of the company's major shareholders.

Born: 1965

Education: M.Sc. in Economics and Business, Stockholm School of Economics.

Professional experience: Founder of consulting firm Calea AB. CFO of Apoteket AB, Carnegie Group and OMX AB. Group Treasurer, OMX AB. Vice President, Corporate Finance and Group Treasurer at Investor AB.

Other current directorships: CEO and Director of Calea AB. Director of Viaplay Group, Afry, Bewi ASA, Ellos Group, Danads International and Vionlabs. Member of NASDAQ OMX Stockholm's Disciplinary Committee.

Shareholding at closing date: 15,000 shares.



Heidi Skaaret

Director since 2016.
Member of the Audit Committee. Independent of the company and management and of the company's major shareholders.

Born: 1961

Education: MBA, University of Washington, USA.

Professional experience: President of Lindorff AS and EVP Lindorff Group AB, CEO of IKANO Bank Norway, Bank Executive at DNB ASA.

Other current directorships: Chief Operating Officer at Storebrand ASA. Chairman of Storebrand Bank ASA, Storebrand Forsikring AS, Storebrand Helseforsikring AS and Kron AS.

Shareholding at closing date: 2,500 shares.

Age distribution of Directors



● 40–49 years, 17 %
● 50–59 years, 50 %
● <60 years, 33 %

Gender distribution of Directors



● Men, 33 %
● Women, 67 %

Time on the Board



● <3 years, 50 %
● 4–7 years, 33 %
● <7 years, 17 %

Board attendance

97%

Independent of major shareholders

100%



Magnus Meyer

Director since 2021.
Chairman of the Project Committee and member of the Audit Committee.
Independent of the company and management and of the company's major shareholders.

Born: 1967

Education: M.Sc. in Engineering and Licentiate of Engineering, KTH Royal Institute of Technology in Stockholm.

Professional experience: President and CEO of WSP Europe and Tengbomgruppen AB. Various senior positions at GE Real Estate and Ljungberggruppen AB.

Other current directorships:

Chairman of HiQ International AB, Director of AB Fagerhult, Vasakronan AB, Slättö Förvaltning AB and Kinnarps AB as well as other companies.

Shareholding at closing date:
6,866 shares.



Linda Wikström

Director since 2022.
Member of the Project Committee.
Independent of the company and management and of the company's major shareholders.

Born: 1975

Education: M.Sc. in Engineering, University of Colorado, USA.

Professional experience: COO of Desenio Group AB and AniCura Group AB. Investment Professional at Triton Partners and Investment Banker JP Morgan.

Other current directorships:

COO and Deputy CEO of Cary Group AB, Director of Consilium Marine & Safety AB.

Shareholding at closing date:
0 shares.



Karin Jarl Månsson

Director since 2022.
Member of the Remuneration Committee.
Independent of the company and management and of the company's major shareholders.

Born: 1964

Education: M.Sc. in Industrial Engineering and Management, Institute of Technology at Linköping University.

Professional experience: Sales Director and Business Development Director at Siemens Smart Infrastructure Nordics, SVP of E.ON Nordic, CEO of E.ON Försäljning AB and E.ON Värme Sverige AB. Various senior positions at E.ON.

Other current directorships:

Director of Ellevio AB, Copenhagen Malmo Port AB, System Verification AB, Quantum Industries AB and FC Rosengård.

Shareholding at closing date:
1,800 shares.

Employee representatives



Glenn Evans

Director since 2013.

Born: 1959

Employee representative.



Rikard Milde

Director since 2019.

Born: 1967

Employee representative.



Urban Rääf

Director since 2021.

Born: 1958

Employee representative.

Executive management team



AnnaCarin Grandin
President and CEO since 2020.

Born: 1967

Education: M.Sc. in Economics and Business, Stockholm University/University of Gävle/Sandviken.

Professional experience: Several roles at Coor, including President of Coor in Sweden and Norway, Veolia (formerly Dalkia) and the Swedish Association of Local Authorities and Regions (SKR). Director of CRAMO.

Shareholding at closing date:
76,718 shares.



Andreas Engdahl
CFO & IR Director since 2022.

Born: 1978

Education: M.Sc. in Business and Economics, Linköping University.

Professional experience: Several roles and executive positions at Coor, including VP Group Finance and Head of Business Control.

Shareholding at closing date:
11,235 shares.



Erik Strümpel
Chief Legal Counsel since 2006.

Born: 1970

Education: M.Sc. in Economics and Business, Lund University. IFL Executive Education, Stockholm School of Economics.

Professional experience: Solicitor, Linklaters Advokatbyrå. Judicial Clerk, Handen District Court.

Shareholding at closing date:
8,250 shares.



Helena Söderberg
HR Director since 2020.

Born: 1967

Education: B.Sc. in Human Resource Management and Working Life, Uppsala University.

Professional experience: HR Director, JM. HR Director, Alstom and various HR positions at Skanska.

Shareholding at closing date:
3,000 shares.



Jens Ebbe Rasmussen
Senior Vice President, Business Development & Sales since 2009.

Born: 1968

Education: M.Sc. in Business Administration and Economics, Lund University. Finance, École supérieure de commerce de Paris. Cadet, Land Warfare Centre, Skövde.

Professional experience: Management Consultant at McKinsey & Company. Fixed Income Department at Unibank Markets. Consultant/External Advisor at Fruktbudet.

Shareholding at closing date:
71,327 shares.



Jørgen Utzon
President of Coor in Denmark since 2001.

Born: 1961

Education: M.Sc. in Business Administration, Copenhagen Business School. Executive Programme, International Institute for Management Development, Lausanne.

Professional experience: CEO of Strax Nordic, Logistics Manager and Service Director at Xerox Denmark. Various management functions at Rockwool.

Other current directorships: Member of the Committee on Business Policy of the Confederation of Danish Industry (DI). Director of Nordomatic AB and A/S.

Shareholding at closing date:
50,000 shares.



Magdalena Öhrn

Communications Director since 2018.

Born: 1966

Education: B.Sc. in Information Science, Uppsala University, and the Poppus School of Journalism.

Professional experience: Director of Communications at Ving, Head of Department, Account Manager and other roles at Prime PR, Project Manager at Rikta kommunikation, Public Relations Manager at TV3.

Shareholding at closing date: 8,065 shares.



Magnus Wikström

President of Coor in Sweden since 2020.

Born: 1965

Education: Masters degree in Civil engineering, KTH Royal Institute of Technology in Stockholm.

Professional experience: Several roles at Coor, including Vice President of Coor in Denmark, Skanska AB and Cap Gemini AB.

Shareholding at closing date: 29,442 shares.



Marcus Karsten

President of Coor in Finland since 2018.

Born: 1966

Education: M.Sc. in Business Administration and Economics, Åbo Akademi University.

Professional experience: CEO of Bravida Finland, CEO of Lemminkäinen Talotekniikka, CEO of Tekmanni Service, Head of Business Unit at Siemens.

Other current directorships: Director of Oy Hedengren AB.

Shareholding at closing date: 15,014 shares.



Nikolai Utheim

President of Coor in Norway since 2016.

Born: 1975

Education: M.Sc. in Economics and Business with a major in Finance, Norwegian School of Management (BI) and Copenhagen Business School.

Professional experience: Consultant at PwC Norway, Statoil Norge AS (Deputy CFO, Chief Controlling and Strategy Projects).

Shareholding at closing date: 37,514 shares.



Rikard Wannerholt

Senior Vice President Operations since 2013.

Born: 1962

Education: M.Sc. in Economics and Business, Lund University. Advanced Management Program, Stockholm School of Economics. International Executive Program, IESE Business School, Navarra, Barcelona.

Professional experience: CEO, Sun Microsystems Sweden. President and CEO of Addici. Executive Vice President of EDB Business Partner.

Shareholding at closing date: 52,260 shares.