

## Corporate Governance Report

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The Corporate Governance Report is a part of Coor's Annual Report 2021, which explains why it begins on page 50. 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.

# Corporate Governance Report 2021



**Mats Granryd**  
Chairman

The Corporate Governance Report of Coor Service Management Holding AB (corp. ID no. 556742-0806) refers to the 2021 financial year.

# “Coor has momentum”

A strong year doesn't happen by itself. On the contrary, Coor's successes were built on an enormous amount of hard work from all the company's employees, according to Mats Granryd, Chairman of Coor's Board of Directors.

## WHAT IS YOUR VIEW OF COOR'S PERFORMANCE IN 2021, WITH REGARD TO THE COMPANY'S GOALS AND STRATEGIES?

“Coor delivered a strong and stable performance in a challenging world. We have grown organically as well as through acquisitions. I am very pleased and proud of the company's performance and the fact that we are following our strategies, getting results and achieving our goals. It makes managing the company so much easier. A strong year doesn't happen by itself. Our successes were built on an enormous amount of hard work from all Coor employees and those of us on the Board are very grateful for that.”

## WHAT SETS COOR APART AS A COMPANY?

“I am very impressed that Coor always manages to deliver and always thinks about the value we are creating for the customer. Being professional and responsive to the market and seeing opportunities, even in a tough climate. I am also impressed by our attention to detail and professionalism, which are two of Coor'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?

“Our primary task is twofold – to support management with advice and insights in order to look after our many owners' interests, and to demand that management does its utmost, which requires a combination of prudence and courage.”

## ARE THERE ANY MATTERS THAT THE BOARD DEVOTED PARTICULAR ATTENTION TO THIS YEAR?

“This has been a year of intense activity at Coor. We have focused on sustainability and innovation and on integrating acquisitions and new contracts.

Growth is always important for Coor, and innovation is crucial to ensuring that our customers remain happy. There is strong demand, and what we need to do is to aim even higher in all areas. More innovation, more sustainability and ensuring a smooth integration of our acquisitions.”

## WHAT ROLE DO YOU SEE COOR'S FOCUS ON SUSTAINABILITY PLAYING TODAY AND IN THE FUTURE?

“Coor has a strong focus on sustainability. If you don't, you won't be around as a company in five years' time. During the year, we increased our ambition for sustainability and signed

the UN Global Compact (UNGC), joined the Science Based Targets initiative and increased the transparency of our reporting to the market. We also made several important decisions, including eliminating the use of fossil fuels in our vehicle fleet and adding sustainability goals to our incentive programme for senior executives and key personnel.

Coor also has a way of structuring sustainability issues based on a triple bottom line approach where Coor takes responsibility for financial, social and environmental sustainability, and where all aspects are important. Today, everyone is demanding a focus on sustainability, and if you don't take responsibility you will be shunned by employees, customers and investors.”

## HOW DO YOU SEE THE NEXT FEW YEARS FOR COOR?

“Coor has momentum – we have built a strong foundation and are ready to embark on an exciting growth journey in the Nordic region, organically and through acquisitions. In other words, it looks promising. We also have strong cash flow, which gives the company great freedom of action. It is not an easy journey of course, but I feel that we have an edge over our competitors. We work hard, with dedication and with a long-term view, and are always responsive to our customers' needs. 2022 will, like all other years, be a year of challenges. The most important thing is not to become complacent and rest on our laurels. Only dead fish follow the stream. At Coor, we have the strength to go our own way.

I and the rest of the Board look to the future with confidence. We have a dynamic journey ahead of us, and hope that you all – our employees, customers and shareholders – really feel it!”



*Only dead fish follow the stream.  
At Coor we have the strength to go  
our own way.*

# 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 2021. The report has been reviewed by Coor’s auditors, whose opinion is presented at the end of the report.

## CORPORATE GOVERNANCE AT COOR

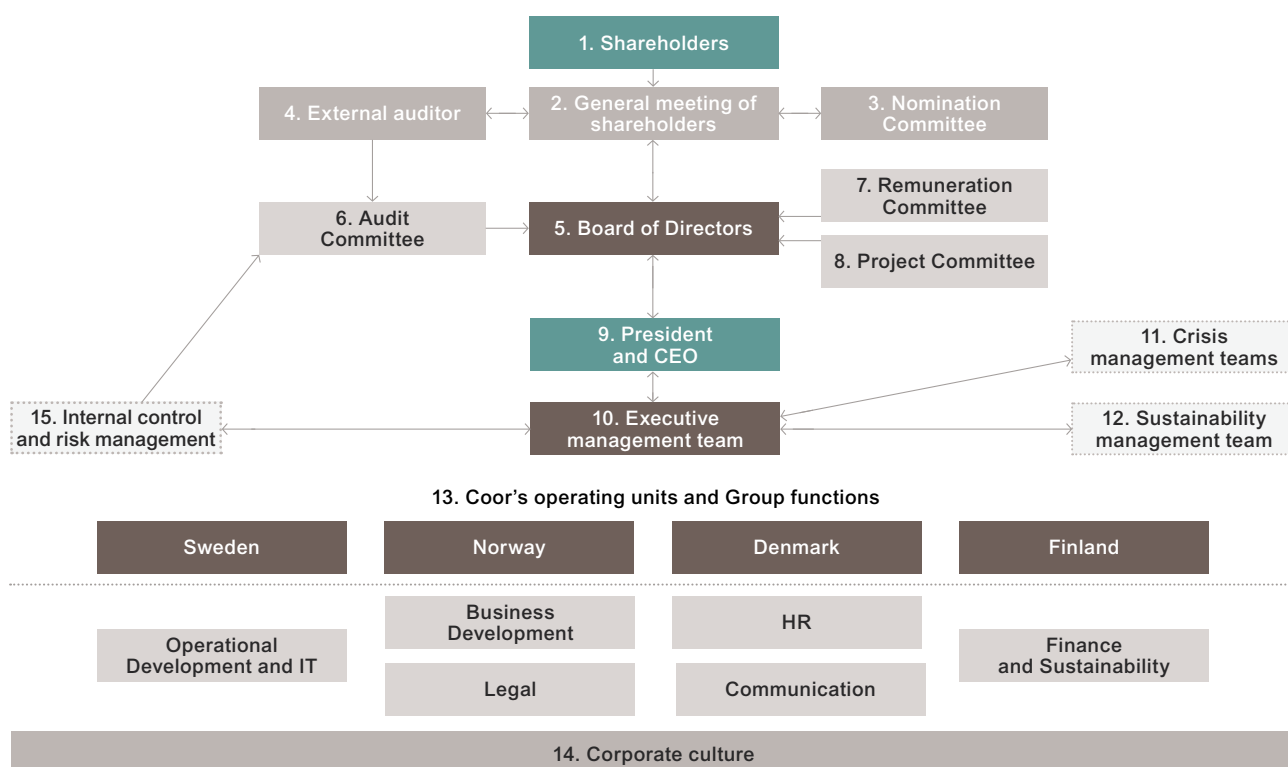
Coor is a public limited company with its registered office in Stockholm, whose shares were listed on the Nasdaq Stockholm exchange on 16 June 2015. For Coor, good corporate governance means that the company is managed in a sustainable, responsible and efficient manner in all dimensions, thereby creating 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



## 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 2021, Coor's share register listed approximately 12,200 shareholders. Of the total share capital, approximately 59 per cent was owned by investors outside Sweden. The three largest shareholders were Nordea Fonder with 6.9 per cent of the shares and voting rights, Capital Group with 6.0 per cent and the First Swedish National Pension Fund (AP1) with 5.8 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 2022 AGM

Prior to the 2022 AGM, the Nomination Committee consists of Ulrika Danielson (Second Swedish National Pension Fund), Henrik Didner (Didner & Gerge Fonder), Sophie Larsén (First Swedish National Pension Fund), Jan Särilvik (Nordea Funds) and Chairman of the Board Mats Granryd.

In preparation for the 2022 AGM, the committee met on four 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 2021 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 2022 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

## RESOLUTIONS ADOPTED AT THE 2021 AGM

### The main resolutions adopted at the 2021 AGM were as follows:

- That the Board of Directors should consist of seven 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 Anders Ehrling, Mats Jönsson, Monica Lindstedt, Kristina Schauman and Heidi Skaaret were re-elected to the Board. The election of Magnus Meyer as a new Director.
- To approve the payment of Directors' fees totalling SEK 3,495,000, as proposed by the Nomination Committee. The fees will be distributed as follows:
  - SEK 825,000 to the Chairman.
  - SEK 295,000 to each of the other AGM-elected Directors.
  - SEK 100,000 to Directors who are members of the Audit Committee.
- SEK 200,000 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 2021) 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.
- Resolution on minor amendments to the Articles of Association.

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 [www.coor.com](http://www.coor.com).



## Auditors

### Öhrlings PricewaterhouseCoopers AB (PwC)

*Auditor-in-charge:*  
Niklas Renström

*Other audit engagements:*  
Betsson, Bonnier, Nobina and Note.

### 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*.

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 circumstances 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 2021 are presented in *Note 8 Audit fees* in the *statutory annual report*.

## 5. BOARD OF DIRECTORS

The Board of Directors has ultimate responsibility for the company's organisation and operations, and continually assesses the financial situation of the company and the Group.

### Composition and activities in 2021

As of 31 December 2021, 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.

In 2021, the Board met on 14 occasions. The Board addressed strategic matters, financial performance and matters relating to customers, employees, sustainability and risk management over the course of the year. Important matters addressed in 2021 included matters relating to the impact of COVID-19 on the company, new deals and potential acquisitions. Senior executives gave presentations on specific issues to the Board on an ongoing basis.

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 committees reported on their meetings to the Board on a regular basis.

## 6. AUDIT COMMITTEE

Consists of two Board-appointed members: Kristina Schauman (Chairman) and Heidi Skaaret. Anders Ehrling was a member until his resignation from the Board in October 2021. 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), Monica Lindstedt 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: Mats Granryd (Chairman), Magnus Meyer and Mats Jönsson. Anders Ehrling was a member until his resignation from the Board in October 2021. 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 <sup>5)</sup>
<b>Total number of meetings</b>	<b>14</b>	<b>5</b>	<b>9</b>	<b>4</b>			
<b>AGM-elected Directors</b>							
Anders Ehrling <sup>1)</sup>	11	3	9	–	Yes	Yes	470
Mats Granryd, Chairman	14	–	9	4	Yes	Yes	1,000
Mats Jönsson	13	–	9	–	Yes	Yes	370
Monica Lindstedt	11	–	–	3	Yes	Yes	345
Magnus Meyer <sup>2)</sup>	8	–	6	–	Yes	Yes	370
Kristina Schauman	14	5	–	4	Yes	Yes	545
Heidi Skaaret	12	5	–	–	Yes	Yes	395
<b>Union-appointed employee representatives</b>							
Glenn Evans	14	–	–	–	No	Yes	–
Linus Johansson <sup>3)</sup>	4	–	–	–	No	Yes	–
Rikard Milde	14	–	–	–	No	Yes	–
Urban Råäf <sup>4)</sup>	7	–	–	–	No	Yes	–

<sup>1)</sup> Stepped down as a Director and member of the Audit Committee and Project Committee on 19 October 2021. The approved fee was reduced proportionately on his departure from the Board.

<sup>2)</sup> Appointed as a Director on 26 April 2021.

<sup>3)</sup> Stepped down as a Director on 26 April 2021.

<sup>4)</sup> Appointed as a Director on 26 April 2021.

<sup>5)</sup> The fees for directors' and committee work were approved by the AGM on 26 April 2021 and apply until the next AGM on 29 April 2022. For information on fees that had an impact on earnings for 2021, see Note 7 Remuneration of senior executives in the statutory annual report.

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 above.

## Diversity policy

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 three women and three men. The members come from different sectors of industry and have varying professional backgrounds and expertise.

## 9. CHIEF EXECUTIVE OFFICER

The Board of Directors has delegated operational

## 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

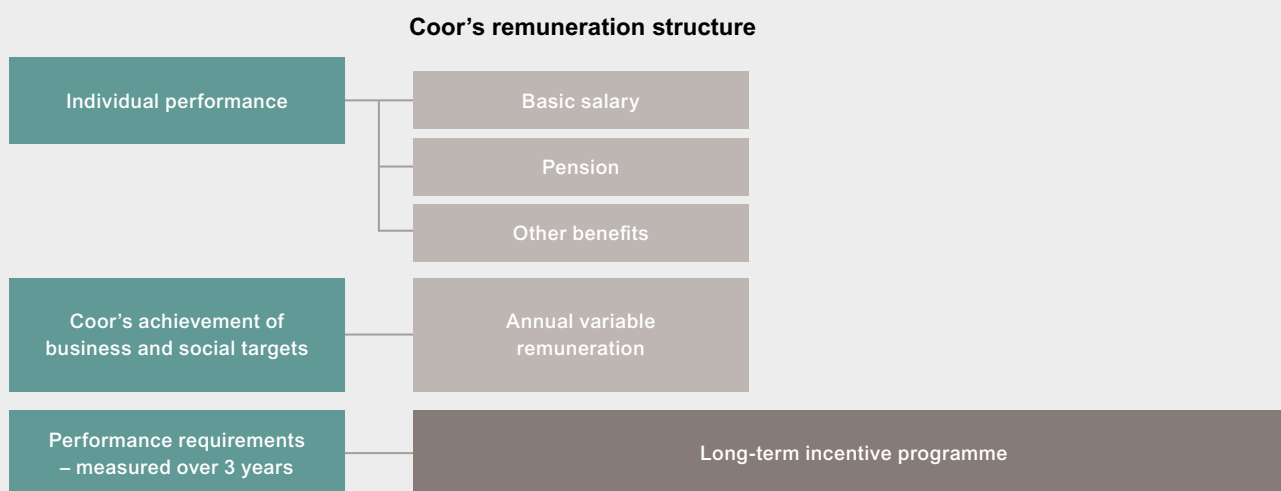
- Articles of Association
- Rules of procedure for the Board of Directors
- Rules of procedure for the Board committees
- Board of Directors' terms of reference for the CEO

## Policies and instructions

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

<sup>1)</sup> Policies adopted by the Board of Directors.

# 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 7 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 the achievement of Coor's targets for earnings, growth, cash flow, CSI, ESI and TRIFR. 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 requirements. Members of the executive management team also had the option, as part of LTIP 2018, to purchase call options.

For information on LTIP 2018, 2019 and 2021, see *Note 6 Employees and employee benefit expenses* and *Note 7 Remuneration of senior executives* in the statutory annual report.

## RETIREMENT BENEFITS

Retirement benefits for senior executives must take the form of defined contribution benefits 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.

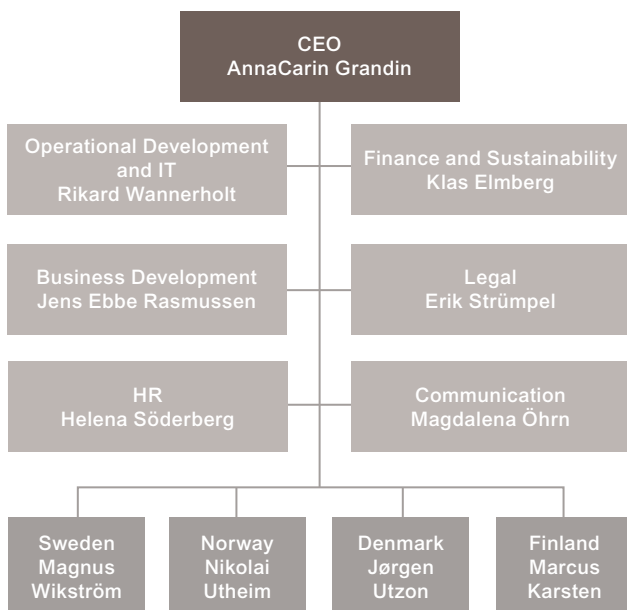
responsibility for the company and its management to the company's President and Chief Executive Officer (CEO), who manages the business within the limits and guidelines established by the Board. The division of responsibilities between the Board and CEO is set out in written terms of reference, which 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.

**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 met 26 times in person or by video conference. Matters addressed included the impact of COVID-19 on the company, 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 and the country management teams. The Group's roughly 130 senior executives gather annually at a special forum (Management Days) to network, exchange experience, be inspired and discuss matters of common interest.

**Coor's executive management team**



**Evaluation of the Board and CEO**

The annual evaluation of the Board, including the Board committees, took the form of an online questionnaire. The evaluation covered Board practices and the composition and expertise of the Board, including the Directors' backgrounds, experience and diversity. The results of the evaluation were presented to the Nomination Committee and the Board of Directors.

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

**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 teams (CCT, Coor Crisis Teams) are convened. The CCTs are organised as a Group crisis management team and national crisis management teams.

In order to deal with the COVID-19 pandemic, crisis management teams were activated in Coor's countries in the past year based on the pandemic situation in each country. The focus has consistently been on the health and safety of Coor's employees and our customers' employees. Throughout the pandemic, commercial matters were handled in the company's regular management structure.

**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 – financial, 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 12,000-strong workforce is a reflection of society at large, in

terms of culture, background, age and gender. We are convinced that all 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 and develop at Coor.

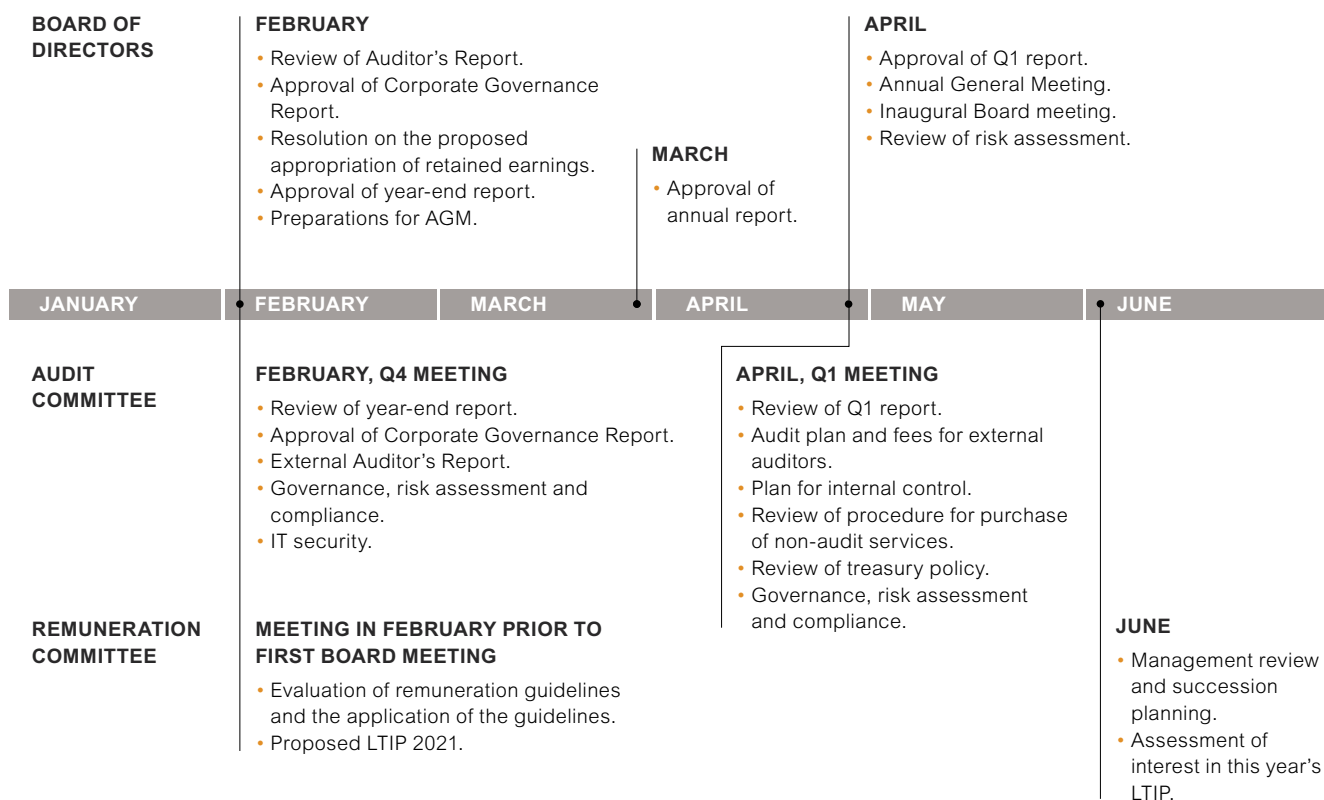
These values are a fundamental reason why Coor has committed and competent employees who in turn ensure effective corporate governance and risk management.

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.

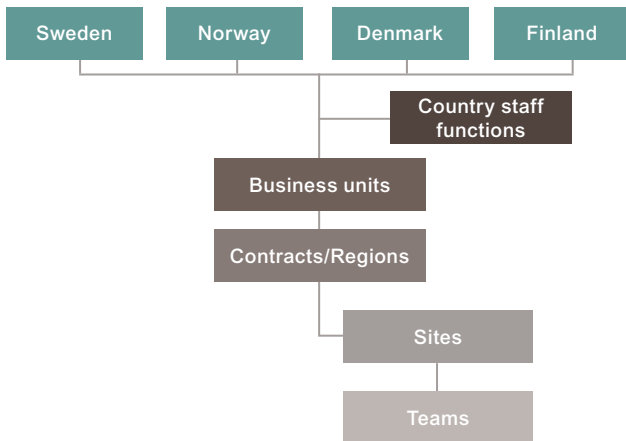
#### 15. INTERNAL CONTROL AND RISK MANAGEMENT IN RESPECT OF FINANCIAL REPORTING

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.

## Annual calendar 2021



**Coor's Group functions**



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 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.

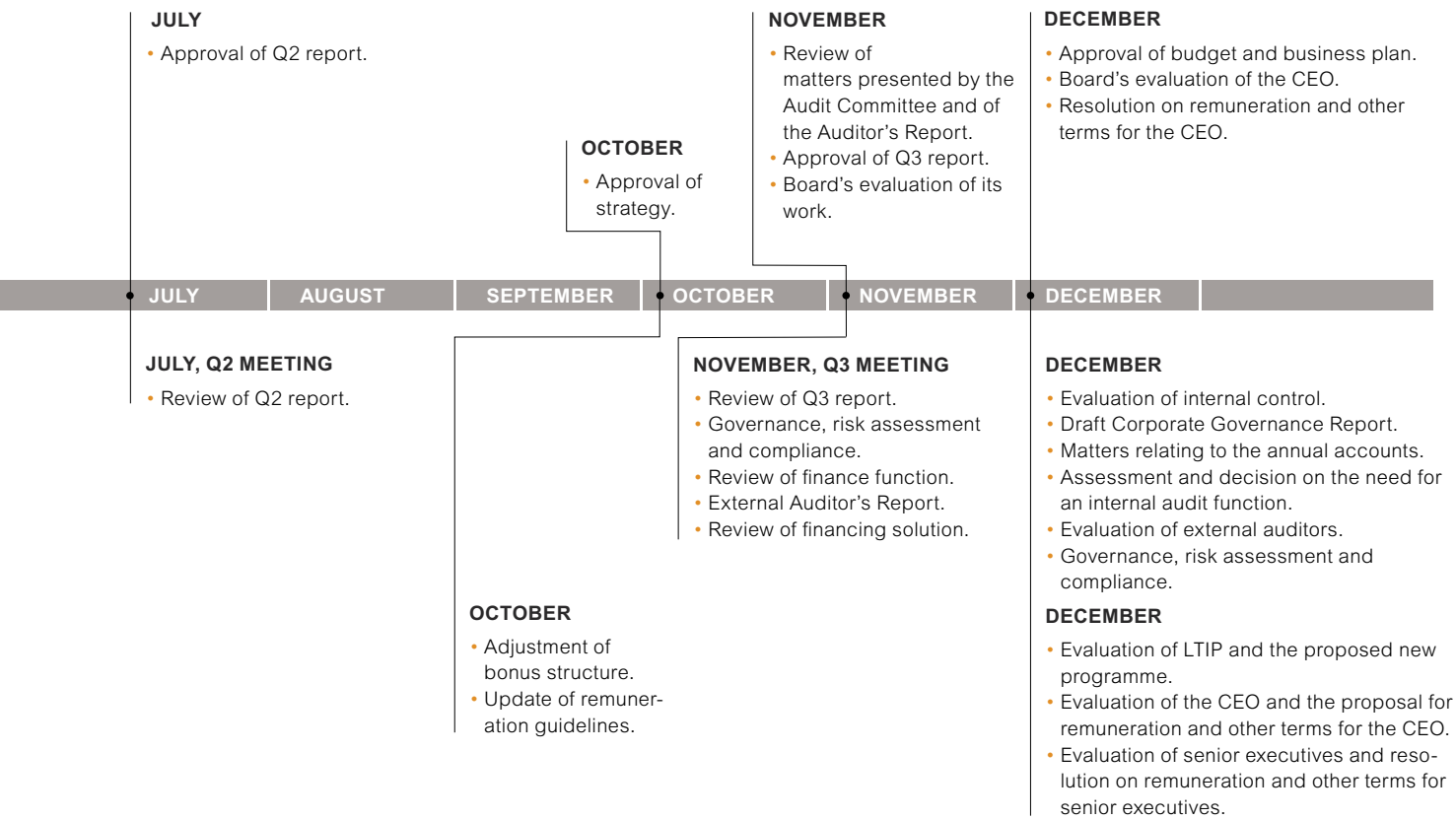
The intention behind Coor's internal control framework is to create effective processes and integrate internal control in the company's day-to-day activities as far as possible.

**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](http://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. Internal control activities are conducted in the same way in all of Coor's main countries of operation.

### 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

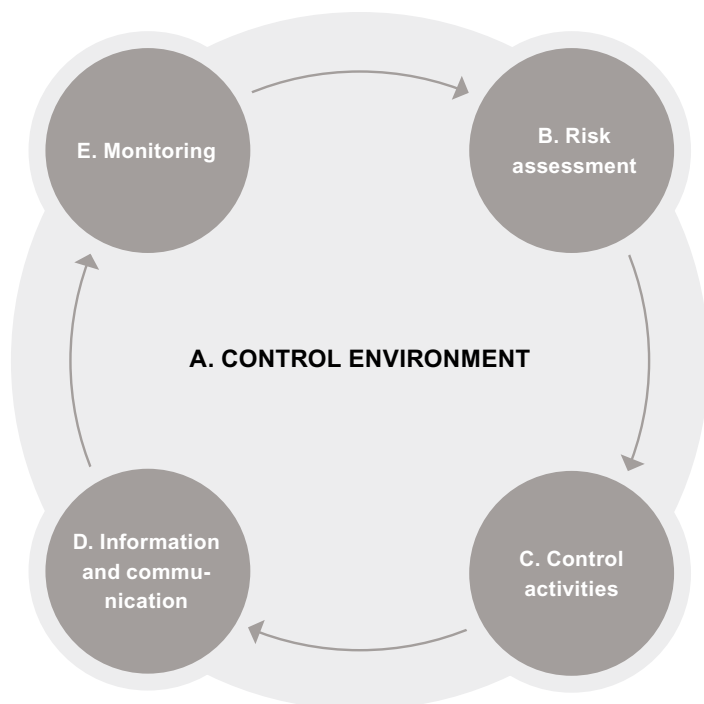
- Control matrix – overview of risks and control activities for all processes.
- Structure and classification – a common system with clear traceability for execution and monitoring of control activities.

### 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 opinion on the Corporate Governance Report

To the shareholders' meeting of Coor Service  
Management Holding AB, corp. ID no. 556742-0806

## **Engagement and division of responsibility**

Responsibility for the Corporate Governance Report for 2021 on pages 50–62 and for ensuring that it has been prepared in compliance with the Swedish Annual Accounts Act rests with the Board of Directors.

## **Scope and focus of review**

Our review has been conducted in accordance with Statement RevR 16 *The Auditor's Review of the Corporate Governance Report* issued by FAR, the professional institute for accountants in Sweden.

Our review of the Corporate Governance Report has a different focus and significantly narrower scope than a full audit conducted in accordance with the International Standards on Auditing and generally accepted auditing standards in Sweden. We believe this review gives us a sufficient basis for our opinion.

## **Opinion**

A corporate governance report has been prepared. Disclosures pursuant to Ch. 6 § 6 second para. items 2–6 of the Annual Accounts Act and Ch. 7 § 31 second para. of the same Act are consistent with the annual report and consolidated financial statements and comply with the Annual Accounts Act.

Stockholm, 31 March 2022  
Öhrlings PricewaterhouseCoopers AB

Niklas Renström  
Authorised Public Accountant

# Board of Directors



## Mats Granryd

Director since 2016 and Chairman of the Board since 2017. Chairman of the Project Committee and 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:** CEO of Tele2. Various senior positions at Ericsson.

**Other current directorships:** CEO and Director of GSMA. Director of Vattenfall and Sveriges Television AB.

**Shareholding at closing date:** 30,000 shares.



## Mats Jönsson

Director since 2000 and member of the Project Committee. Independent of the company and management and of the company's major shareholders.

**Born:** 1957

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

**Professional experience:** President and CEO of Coor Service Management. Various positions at Skanska including President and CEO of Skanska Services. CEO of Monberg & Thorsen A/S.

**Other current directorships:** Chairman of Bonava, Tengbomgruppen AB and Lekolar. Director of NCC AB and Assemblin.

**Shareholding at closing date:** 329,155 shares.



## Monica Lindstedt

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

**Born:** 1953

**Education:** M.Sc. and Ph.D. in Business Administration, Stockholm School of Economics.

**Professional experience:** CEO and founder of Hemfrid i Sverige AB and co-founder of Tidnings AB Metro. CEO of local newspaper Folket Eskilstuna, Bonniers Fackpressförlag, Eductus AB and Previa AB.

**Other current directorships:** Chairman of Hemfrid i Sverige AB. Director of Apotea AB, Studieförbundet Näringsliv och Samhälle, the German-Swedish Chamber of Commerce and Sveriges Television AB.

**Shareholding at closing date:** 16,300 shares.



## Magnus Meyer

Director since 2021 and member of the Project 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 AB. Director of Vasakronan AB, Kinnarps AB, Slättö Förvaltning AB and Good-bye Kansas AB.

**Shareholding at closing date:** 2,866 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



## Heidi Skaaret

Director since 2016 and 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:** CEO of Lindorff AS and IKANO Bank Norge. Senior Vice President of DNB ASA. Director of Storebrand ASA.

**Other current directorships:** Group Executive Vice President of Personmarked Storebrand ASA. Chairman of Storebrand Bank ASA and Storebrand Forsikring AS.

**Shareholding at closing date:** 2,500 shares.

## Employee representatives

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**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 Sweden and Norway, Veolia (formerly Dalkia) and the Swedish Association of Local Authorities and Regions (SKR).

**Shareholding at closing date:** 49,489 shares and 27,500 call options.



**Klas Elmerg**

CFO and IR Director since 2019.

**Born:** 1974

**Education:** M.Sc. in International Business and Trade, Gothenburg School of Business, Economics and Law.

**Professional experience:** Several roles at Coor, including Vice President and CFO of Coor Sweden, President of Coor Norway and Head of Business Unit at Coor Sweden. Management Consultant, Accenture. Controller, Saab Automobile.

**Shareholding at closing date:** 35,053 shares.



**Marcus Karsten**

President of Coor 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:** 10,285 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, McKinsey & Company. Fixed Income Department, Unibank Markets (Nordea). Consultant/External Advisor, Fruktbudet.

**Shareholding at closing date:** 66,598 shares.



**Erik Strümpel**

Chief Legal Counsel since 2006.

**Born:** 1970

**Education:** LL.M., 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:** 1,000 shares.



**Nikolai Utheim**

President of Coor 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:** PwC, transaction-related work, Statoil Norge AS, Chief Controlling and Strategy Projects, Deputy CFO.

**Shareholding at closing date:** 22,785 shares.



**Jørgen Utzon**

President of Coor 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 Danmark. Various management functions, Rockwool.

**Other current directorships:** Member of the Executive Committee of the Confederation of Danish Industry (DI). Chairman of DI Service (Confederation of Danish Industry). Director of Nordomatic AB and Nordomatic A/S.

**Shareholding at closing date:** 50,000 shares



### Rikard Wannerholt

Senior Vice President Operations since 2013.

**Born:** 1962

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

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

**Shareholding at closing date:** 37,531 shares and 27,500 call options.



### Magnus Wikström

President of Coor Sweden since 2020.

**Born:** 1965

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

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

**Shareholding at closing date:** 24,073 shares.



### Magdalena Öhrn

Communications Director since 2018.

**Born:** 1966

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

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

**Shareholding at closing date:** 8,065 shares.