

Corporate governance





Chairman's comment

The integration of imaging and diagnostics in radiation therapy is becoming increasingly important to ensure precision, reduce complications and enhance patient safety. Elekta was a pioneer in image integration, being the first to integrate CT in radiation therapy, neuro and brachytherapy solutions and, most recently, integrating MRI into the delivery of radiation therapy. We expect this trend will continue and have therefore deepening our strategic partnerships to be able to provide the best-of-breed solutions across the cancer care continuum.

The havoc that Covid brought on healthcare still lingers, resulting in delayed cancer diagnoses and treatments. This adds to the already growing global cancer burden where demographics contribute to increased cancer incidence and prevalence. To manage this burden, an expansion of treatment capacity, improved treatment efficiency, and reduction of costs are needed.

This was the background for the Board's decision in 2019 to launch our largest R&D investment program in Elekta's 50-year history. It has three prongs. The first is to continue Elekta's tradition of pioneering advances in treatment quality by improving clinical results and increasing patient safety. The second is to increase the efficiency in cancer care by streamlining treatment processes and clinical pathways including automation throughout the course of treatment through machine learning and AI. The third is to reduce treatment times and costs as well as providing more cost-efficient solutions. The program also includes an expansion of our extensive service and support business and geographical footprint. The Board is monitoring the program, which will greatly strengthen Elekta's competitiveness, growth, and profitability going forward.

Throughout the fiscal year, the Board has had a strong focus on risk management, in relation to both geopolitical developments such as growing protectionism and the war

in Ukraine, as well as de-risking our supply chains. Elekta's profitability has suffered due to the turbulence of the last few years. We have met inflation and higher supply costs with price increases and cost reductions, among other actions.

Elekta has a powerful sustainability agenda concerning environmental, social and governance issues. The Board's Compensation and sustainability committee oversees and governs our sustainability programs and priorities. We are fortunate to be in a position where growing also means increasing our positive social sustainability impact.

The Elekta Foundation has an important role in this effort to help build the infrastructure for early detection, treatment, and training, as well as to set up cancer care programs in the most underserved markets. Cervical cancer in sub-Saharan Africa has been identified as an important disease to address initially, as it is the most frequent cancer associated with very high mortality in many low-income countries. During this past year, the Foundation has successfully worked on a pilot project in Rwanda where more than 20,000 women have been tested and a few thousand subsequently diagnosed and treated. Elekta drives and supports the program, which will now be expanded within Rwanda and launched in other African countries.

We will continue to drive our growth strategy forward. After the turbulent years of Covid and post-Covid challenges and disruptions, the Board's focus and priority now is to drive shareholder value and support management to deliver profitable growth while continuing to strengthen Elekta's resilience.

Laurent Leksell
Chairman of the Board

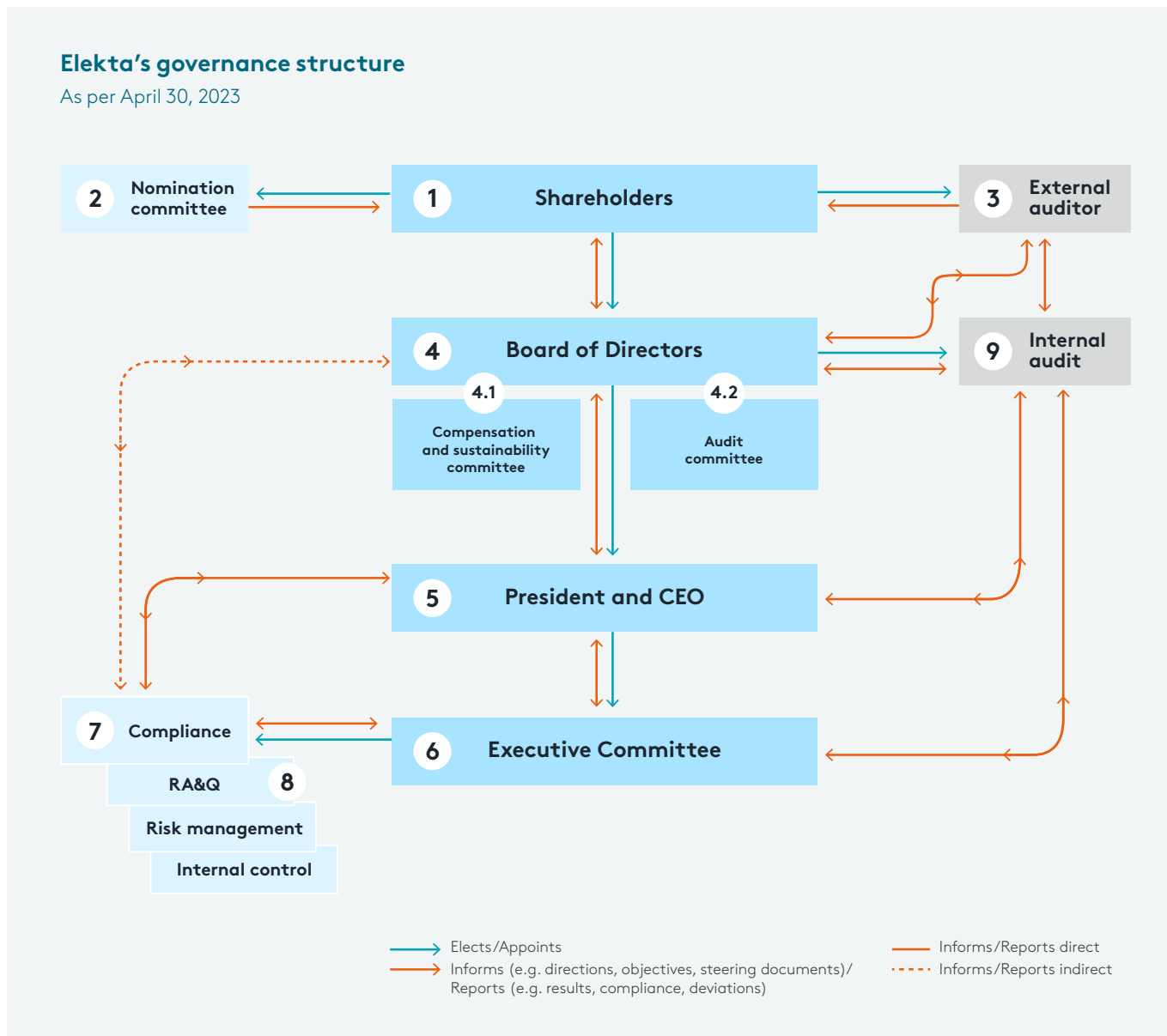
Corporate Governance Report 2022/23

Elekta AB (publ)¹⁾ is a Swedish public limited liability company listed on Nasdaq Stockholm. Elekta considers good corporate governance, including risk management and internal control, to be an important element of successful business operations as it provides opportunities for maintaining confidence among customers, patients, shareholders, authorities and other stakeholders. Elekta’s Corporate Governance Report 2022/23 has been prepared by Elekta AB’s Board of Directors, in accordance with the Annual Accounts Act and the Swedish Corporate Governance Code, as a separate report from the Board of Directors’ report, and it has been reviewed by Elekta AB’s external auditor.

Elekta’s structure for corporate governance

An overview of Elekta’s corporate governance structure is set out in the illustration to the right. The different corporate bodies that are included in the structure are described in more detail in this report in the order specified in the structure to the right.

Elekta has implemented and complied with the Swedish corporate governance code (the Code)²⁾ with one exception during the fiscal year of 2022/23. According to point 2.4 of the Code, the chairman of the Board of Directors is not to be the chairman of the nomination committee. Elekta’s nomination committee resolved to appoint the Chairman of the Board, Laurent Leksell, as chairman of the nomination committee. This was motivated by the fact that Laurent Leksell, in his capacity as the major shareholder, is well suited to effectively lead the work of the nomination committee in order to achieve the best result for Elekta AB’s shareholders.



¹⁾ “Elekta” or the “Group” refers to the Elekta Group which includes Elekta AB (publ) and its subsidiaries, and “Elekta AB” and the “Company” or the “Parent Company” refers to Elekta AB (publ).

²⁾ The Code can be found at www.corporategovernanceboard.se

1 Shareholders

Shares and votes

Elekta AB's B share is, since 1994, listed on Nasdaq Stockholm. On April 30, 2023, the total number of registered shares in Elekta AB was 383,568,409 divided between 14,980,769 Series A shares and 368,587,640 Series B shares. At the general meetings of shareholders, which are the forum in which shareholders may exercise influence, Series A shares entitle the holder to ten votes each, while Series B shares carry one vote each.

Laurent Leksell has been the largest shareholder of Elekta AB in terms of voting rights since the listing on Nasdaq Stockholm and controlled through own and related parties as per 30 April, 2023, holdings representing 30.4 percent of the votes.

Read more about the share, the shareholders and Elekta's dividend policy on [page 27](#).

General meeting of shareholders

The general meeting of shareholders is Elekta AB's highest decision-making body at which the shareholders can exercise their right to make decisions in certain company matters. In addition to the annual general meeting (AGM) of shareholders, extraordinary general meetings (EGM) of shareholders may be held at the discretion of the Board of Directors or if requested by the external auditor or by shareholders holding at least ten percent of the shares.

The AGM is held in Stockholm, Sweden. The date and venue for the meeting will be announced on Elekta's website, see [elekta.com](#), not later than in connection with the third interim report for the period May–January. Notification of the AGM is published, according to the rules of the Swedish Companies Act, not earlier than six weeks and not later than four weeks in advance of the meeting.

Disclosures on direct or indirect shareholdings in Elekta AB representing at least one-tenth of the voting rights, and information about authorizations by the general meeting of shareholders for the Board of Directors to decide upon acquisition of own shares, are set out on [page 27](#).

AGM 2022

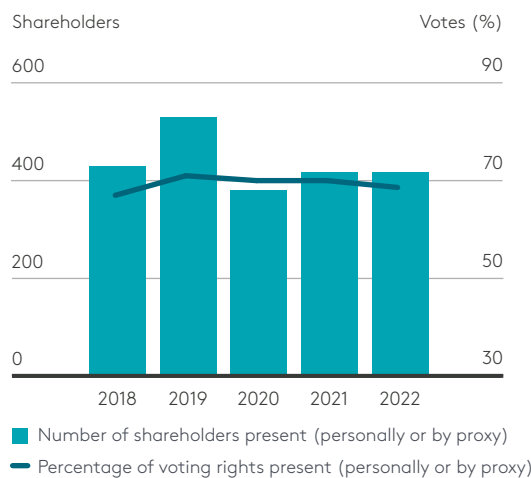
The AGM 2022 was held on August 25, 2022 through advance voting. 418 shareholders voted in advance, either personally or by proxy, corresponding to approximately 68,6 percent of the votes in the Company. The main resolution items of the AGM 2022 are set out in the column to the right.

Further information regarding the AGM 2022, including the minutes, is available at [elekta.com](#). No other general meetings of shareholders were held during the fiscal year 2022/23.

AGM 2023

The AGM 2023 will be held on August 24, 2023. More information regarding this AGM is found on [page 122](#).

Shareholders' presence at AGMs



The main resolution items of the AGM 2022:

- A dividend payment of SEK 2.40 per share to shareholders
- Discharge from liability of the members of the Board as well as the President and CEO for management of Elekta AB in the 2021/22 fiscal year
- Adoption of fees to the Board totaling SEK 6,015,000 (5,040,000), of which SEK 1,500,000 (1,410,000) to the Chairman of the Board and SEK 645,000 (605,000) to each of the other external members of the Board, as well as remuneration for board committee work of SEK 140,000 (135,000) to the chairman of the compensation and sustainability committee and SEK 95,000 (90,000) to each of the other members of the committee, and SEK 265,000 (250,000) to the chairman of the audit committee and SEK 170,000 (160,000) to each of the other members of the committee
- Re-election of Laurent Leksell, Caroline Leksell Cooke, Johan Malmquist, Wolfgang Reim, Jan Secher, Birgitta Stymne Göransson and Cecilia Wikström as well as election of Kelly Londy as members of the Board. Laurent Leksell was re-elected as Chairman of the Board
- Re-election of Ernst & Young AB as external auditor, with authorized public accountant Rickard Andersson as the auditor in charge
- Approval of the Board's remuneration report
- Adoption of the share-based long-term incentive program, Performance Share Plan 2022, to be offered to Executive Committee and certain key employees
- Authority for the Board for acquisition and transfer of own shares

2 Nomination committee

Responsibilities of the nomination committee

The main responsibility of the nomination committee is to prepare proposals for adoption at the AGM with respect to election and remuneration matters, as for instance election of chairman of the general meeting, directors and external auditor as well as remuneration to the directors and the external auditor.

Appointment of nomination committee

The instruction for the nomination committee, adopted by the AGM 2020, sets out a procedure for how the nomination committee for an AGM shall be appointed. According to such procedure, the Chairman of the Board shall contact the four largest shareholders in terms of voting rights, besides the shareholder or shareholders the Chairman of the Board may represent. The assessment of which shareholders that are the largest shall be based on Euroclear Sweden's shareholder statistics as of the last banking day in September. These shareholders will be given the opportunity to appoint one person each who, together with the Chairman of the Board, will constitute the nomination committee. The chairman of the nomination committee will, unless the nomination committee unanimously decides otherwise, be the member of the nomination committee appointed by the largest shareholder in terms of voting rights. No remuneration will be paid to the members of the nomination committee.

The composition of the nomination committee for the AGM 2023 is set out below. The assignment for the nomination committee is valid until the end of the next AGM or, where applicable, until a new nomination committee has been appointed.

The nomination committee for the AGM 2023

- Laurent Leksell (chairman) – represents his own and related parties' holdings and is also the Chairman of the Board
- Henrik Didner – Didner & Gerge Funds
- Patrik Jönsson – SEB Funds
- Filippa Gerstädt – Nordea Funds
- Thomas Wuolikainen – the Fourth Swedish National Pension Fund

Preparation for the AGM 2023

The nomination committee held five meetings prior to the AGM 2023. An evaluation of the Board's work, competences, composition and independence of its members is performed annually and initiated by the Chairman of the Board, partly to assess the preceding year, partly to identify areas for development for the Board. During the fiscal year 2022/23 a digital evaluation was performed with support from an external company. The conclusion is presented to the nomination committee by the Chairman of the Board. In addition, individual interviews have been held by the committee with each director. The nomination committee has, through the audit committee's chairman, obtained the audit committee's recommendation as regards election of auditor.

When preparing its proposal for board composition, the nomination committee has applied the Code, section 4.1, as diversity policy. The aim with the policy is to have a composition appropriate to Elekta AB's operations, phase of development and other relevant circumstances. The members of the Board are collectively to exhibit diversity and breadth of qualifications, experience and background. Gender balance on the Board is to be strived for. The view of the nomination committee is that the current board composition meets the requirements of the policy. One of the focus areas for the committee has been to increase gender balance on the Board. The nomination committee's proposals for the AGM 2023 are presented in the notice convening the AGM 2023. A reasoned statement explaining the nomination committee's proposal for the Board's composition is posted on Elekta's website, see [👉 elekta.com](https://www.elekta.com) in connection with the issuance of the notice of the AGM 2023.

3 External auditor

External auditor and auditor in charge

The external auditor of Elekta AB is appointed by the AGM for a period lasting until the end of the next AGM. The AGM 2022 re-elected Ernst & Young AB (EY) as external auditor with Rickard Andersson as auditor in charge. EY has been the external auditor of Elekta AB since the AGM 2019.

Rickard Andersson was born in 1973 and is an authorized public accountant as well as member of FAR. During the year, he was also the elected auditor in charge of Munters, Securitas, SSAB and Volati. He has no assignments in any other company that affects his independence as the auditor in charge of Elekta AB.

EY has performed the audit of Elekta for the 2022/23 fiscal year, in accordance with a risk-based external audit plan, resulting in the unqualified auditor's report and statement, which are available on [👉 page 70](#).

Services and fees

According to the audit committee's guidelines, services in addition to audit services, known as permissible non-audit services, that Elekta may procure from the external auditor in order to assure that the impartiality and independence of the external auditor is not put at risk, may not exceed 70 percent of the cost for audit services measured over a three-year period. The audit committee may decide to make exceptions under certain circumstances.

Non-audit services procured from EY during the 2022/23 fiscal year adhered to the guidelines established and comprised mainly of other audit-related services.

The fees to the external auditor for the 2022/23 fiscal year are reported in [👉 Note 9](#).

4 Board of Directors

Responsibilities of the Board of Directors

The work of the Board of Directors is regulated by the Swedish Companies Act, Elekta AB's articles of association, the Code and the working instructions for the Board. The Board is responsible for the organization of Elekta AB and the management of its operations in the interest of the Company and all shareholders. This includes appointing a President and CEO who is responsible for managing the day-to-day operations in accordance with instructions from the Board. The responsibilities for the Board also include:

- Establishing overall goals and strategy
- Defining guidelines to govern ethical conduct with the purpose of ensuring the long-term ability to create value
- Ensuring an effective system for follow-up and control on Elekta AB's operations and risks that Elekta AB and its operations are exposed to
- Ensuring a satisfactory process for monitoring compliance with laws and regulations and other regulatory compliance requirements applicable for Elekta AB as well as compliance with internal company regulations
- Ensuring that external information and communications are characterized by openness, and that they are accurate, reliable and relevant

Appointment of the Board of Directors

The Board of Elekta AB is elected by the AGM for a period lasting until the end of the next AGM.

According to the articles of association of Elekta AB, the Board is to have between three and ten members with no more than five deputy members.

There are no specific rules in the articles of association concerning the appointment or removal of members of the Board, nor concerning amendment of the articles of association.

Composition and independence of the Board of Directors

The Board comprises eight members, which are presented on [page 115](#). There are neither deputy board members nor employee representatives on the Board. The EVP Group Functions & General Counsel (the General Counsel) serves as secretary for the Board.

According to the Code, the majority of the directors appointed by the general meeting of shareholders shall be independent of Elekta AB and the Executive Committee. In addition, at least two of the directors, who are independent of Elekta AB and the Executive Committee, shall also be independent of major shareholders. The composition of the Board meets the independence requirements as six of the eight members of the board have been deemed independent in relation to Elekta AB, the Executive Committee and major shareholders. These six members are Kelly Londy, Johan Malmquist, Wolfgang Reim, Jan Secher, Birgitta Stymne Göransson and Cecilia Wikström.

The independence of each board member is shown on [page 115](#). Remuneration to the Board is set out in [Note 7](#) and on [page 115](#).

The work of the Board of Directors

The working instructions for the Board establish that the Board is to:

- Hold at least seven ordinary meetings per year
- Adopt finance and foreign exchange policies
- Adopt a code of conduct
- Approve a long-term plan and budget, including an investment budget
- Approve investments and similar decisions where the amount of the transaction exceeds SEK 10 million if such a transaction falls outside the approved investment budget

- Decide on acquisition or sale of real estates or shares, or acquisition or sale of the assets of, or a major part of the assets of, another company
- Decide on the establishment and liquidation of subsidiaries
- Adopt guidelines for remuneration of senior executives to be approved by the AGM
- Decide on terms of employment for the President and CEO according to guidelines for remuneration of senior executives approved by the AGM
- Adopt the annual report, year-end report and interim reports

Within the Board, there is no special distribution of responsibilities among the members of the Board in addition to the duties that the Board has delegated to the compensation and sustainability committee and to the audit committee, respectively.

During the fiscal year 2022/23, the Board held seven meetings. Board meetings are normally held at Elekta's head office in Stockholm, or at other locations where Elekta has offices or other facilities, but can also be held through telephone and video conferences. Representatives from the Executive Committee and other senior managers regularly attend board meetings to report on matters within their respective area of responsibility. For ordinary board meetings, an agenda with decision supporting material is available ahead of the meetings. The board members' attendance at board meetings is shown on [page 115](#).

The work of the board of directors including some important agenda items in 2022/23



Examples of the Board's focus areas:

1. Cost-reduction Initiative

The Board continued to focus on the adaptation to the new macroeconomic environment with high inflation and global supply chain issues. To mitigate these effects and defend the long-term sustainable performance, Elekta's Resilience & Excellence Program was accelerated with an additional Cost-reduction Initiative. Throughout the year the Initiative has increased productivity in business line and the service organization operations, optimized the innovation pipeline and driven efficiencies in the selling and administration functions.

2. Innovation

The accelerated investments in innovation during the year highlights the importance of R&D for Elekta and these activities are monitored closely by the Board of Directors. The R&D pipeline focuses on personal precision, elevated productivity and integrated informatics within oncology care. The Board's aim is to ensure Elekta's competitive edge and provide good return on the investments through innovations that will drive Elekta's future growth and improve profitability.

3. Science-based sustainability targets

During the fiscal year, Elekta has elevated its ambition within environmental sustainability by setting and achieving validation of our science-based emissions reduction targets to align the operations with the Paris Agreement. In addition to scope 1 and 2 the Board of Directors has signed up for two objectives within scope 3. One involves reduced emission through the use of, and the end-of-life treatment of Elekta's products. The other objective by engaging selected suppliers to have science-based sustainability targets.

BOARD COMMITTEES

To improve the efficiency of the board work, the Board has appointed a compensation and sustainability committee and an audit committee. The committees work in accordance with directives adopted by the Board and prepare recommendations and proposals for the Board.

4.1 Compensation and sustainability committee The committee and its responsibilities

The compensation and sustainability committee shall prepare the Board's motions on issues relating to remuneration principles, remuneration and other terms and conditions of employment for the Executive Committee. In relation to sustainability, the committee shall, inter alia, monitor the measures to strengthen corporate culture with respect to corporate social responsibility in the light of Elekta's code of conduct as well as advise the President and CEO on proposals for targets and vision for sustainability.

Composition

The compensation and sustainability committee consists of four members appointed by the Board, at the first board meeting following the election of the Board by the AGM, for a term of one year. In addition to the committee members, the President and CEO, the EVP & Chief People Officer, the VP Compensation & Benefits, the Group Sustainability Director as well as the VP Group Strategy, Sustainability & Transformation attend the committee's meetings. The General Counsel serves as secretary for the committee.

The compensation and sustainability committee

- Laurent Leksell (chairman)
- Wolfgang Reim
- Cecilia Wikström

Work during the year

During the fiscal year 2022/23, the compensation and sustainability committee held four meetings. At these meetings, the committee has, inter alia, reviewed the remuneration of the Executive Committee, prepared a proposal for a new long-term incentive program for 2023/24 for Executive Committee and other key individuals as well as prepared the Board's recommendations regarding guidelines for remuneration of senior executives for the next AGM. In addition, the work has included conducting and reviewing management succession plans for senior management levels and other Group-critical positions as well as setting plans to strengthen diversity in Elekta. The committee has further, in line with instructions from the Board of Directors, worked with the Elekta's sustainability matters, with a special focus on human rights, corporate philanthropy and environment.

The members' attendance at committee meetings and independence are shown on [page 115](#).

4.2 Audit committee

The audit committee and its responsibilities

The Board shall appoint an audit committee with the responsibility to monitor Elekta AB's financial reporting and provide recommendations and proposals to ensure the reliability of the reporting. The committee shall, with regard to the financial reporting, monitor the effectiveness of Elekta's internal control, internal audit and risk management. The committee's responsibilities also include being continually informed about the audit of the annual report and consolidated financial statements. In addition, the committee shall inform the Board about the result of the audit and how the audit contributed to the reliability of the reporting as well as the role of the committee during the audit. The audit committee also examines and monitors the impartiality and independence of the external auditor. Furthermore, the committee provides proposal to Elekta AB's nomination committee concerning the appointment of the external auditor for the following mandate period.

Composition

The members of the audit committee cannot be employed by the Company and at least one member shall have accounting or audit competency. Elekta's audit committee has three members who were appointed by the Board at the first board meeting following the election of the Board by the AGM, for a term of one year.

In addition to the committee members, the CFO, the Head of Group Accounting and the Chief Audit Executive also attend the committee's meetings as well as the external auditor, if needed. One of the deputy general counsels serves as secretary for the committee.

The audit committee

- Birgitta Stymne Göransson (chairman)
- Johan Malmquist
- Jan Secher
- Caroline Leksell Cooke

Work during the year

During the fiscal year 2022/23, the audit committee held five meetings. During such meetings, the committee has reviewed the year-end report and annual report for the fiscal year 2021/22 as well as interim reports for 2022/23. Further, part of the work has been to monitor the performance of the global internal control framework, approve the internal audit plan as well as review and follow up of internal audit reports. Another task, among others, that has been dealt with is to review the external audit plan and external audit reports. At every meeting, in-depth reviews are carried out on the financial management of selected business areas.

The members' participation at committee meetings is shown on [page 115](#).

5 President and CEO

Responsibility

The President and CEO is responsible for the day-to-day management of Elekta AB in accordance with applicable laws and regulations as well as internal steering documents. These include the working instructions for the CEO adopted by the Board and other instructions from the Board. The President and CEO also represents the Group in various contexts, leads the work of the Executive Committee and makes decisions in consultation with the members of the Executive Committee.

Appointment of the President and CEO

The Board appoints Elekta AB's President and CEO.

Gustaf Salford is the President and CEO of Elekta AB. More information about Gustaf Salford is provided in the presentation of the current Executive Committee on [page 117](#).

Remuneration to the President and CEO is described in [Note 7](#). The guidelines for remuneration to the Executive Committee, adopted by the AGM 2020, are presented on [page 28](#) and the Remuneration Report 2022/23 is on [page 120](#).

6 Executive Committee

Appointment and responsibility

The President and CEO appoints the members of the Executive Committee. The President and CEO is responsible for and leads the work and meetings of the Executive Committee. The Executive Committee supports the President and CEO in his work and makes joint decisions following consultation with various parts of the Group.

Composition

A presentation of Elekta's current Executive Committee is provided on [page 117](#). As of April 30, 2023, Elekta's Executive Committee (then called Executive Management) comprised the President and CEO, the CFO, two Solutions presidents, four region EVPs as well as the heads of Product, Global Services and Group Functions.

Remuneration to the Executive Committee is described in [Note 7](#). The guidelines for remuneration to Executive Committee, adopted by the AGM 2020, are presented on [page 28](#).

Work during the year

The Executive Committee meets on a regular basis, both in person at the Group's various offices and facilities as well as through telephone and video conferences.

The most important agenda items at the meetings during the fiscal year were strategic and operational matters such as product development, acquisitions/divestments, investments, market development, organization, long-term plans and budget, and monthly and quarterly business and financial reviews.

7 Compliance

Responsibility

The compliance department is responsible for ensuring that Elekta is operating in accordance with applicable laws, regulations, and industry ethical standards. Some of the key responsibilities of the department include:

- Developing and implementing compliance policies and procedures that are in line with applicable laws and regulations
- Monitoring and assessing compliance risks and identifying areas where the company may be at risk of non-compliance
- Conducting internal investigations to identify potential compliance violations
- Developing and delivering training programs to educate employees on compliance policies and procedures

The compliance department plays a critical role in promoting a culture of ethical and legal behavior within Elekta and protecting the Company from compliance and reputational risks.

A representative of the compliance department presents on a quarterly basis for the audit committee the progress of the risk-based compliance program and reports on any incidents and on-going investigations. A written compliance report is submitted at every meeting.

The department is headed by the General Counsel.

Work during the year

During the year, one of the focus areas has been communication and employee training through an updated training and awareness program. This includes an automated Code of Conduct training which is assigned to all employees through Elekta's new learning management system and continued compliance focused communications from the President and CEO as well as the Executive Committee.

More information about the compliance function, the compliance and business ethics program as well as the activities during the year is provided on [page 90](#).

8 Regulatory affairs and quality

Responsibility

The regulatory affairs and quality function's responsibilities include supporting management to comply with regulatory requirements for products, quality systems and market entry. Interaction with, and to provide transparency to, external regulatory bodies is another key responsibility. The function is furthermore responsible for the quality system's infrastructure and compliance, product clearances and approvals as well as post market vigilance and recall reporting.

The heads of the function, Senior Vice President Regulatory Affairs & Quality and Vice President Regulatory Affairs & Quality, both report to the General Counsel.

Work during the year

The most important tasks during the fiscal year have encompassed ensuring product approval for regulatory market entry as well as to manage inspections from different authorities and organizations to ensure continued certification. In addition, the work of the function has included completing the implementation of the Medical Device Regulation (MDR) in Europe. The quality management system and the main part of the product portfolio are MDR certified.

9 Internal audit

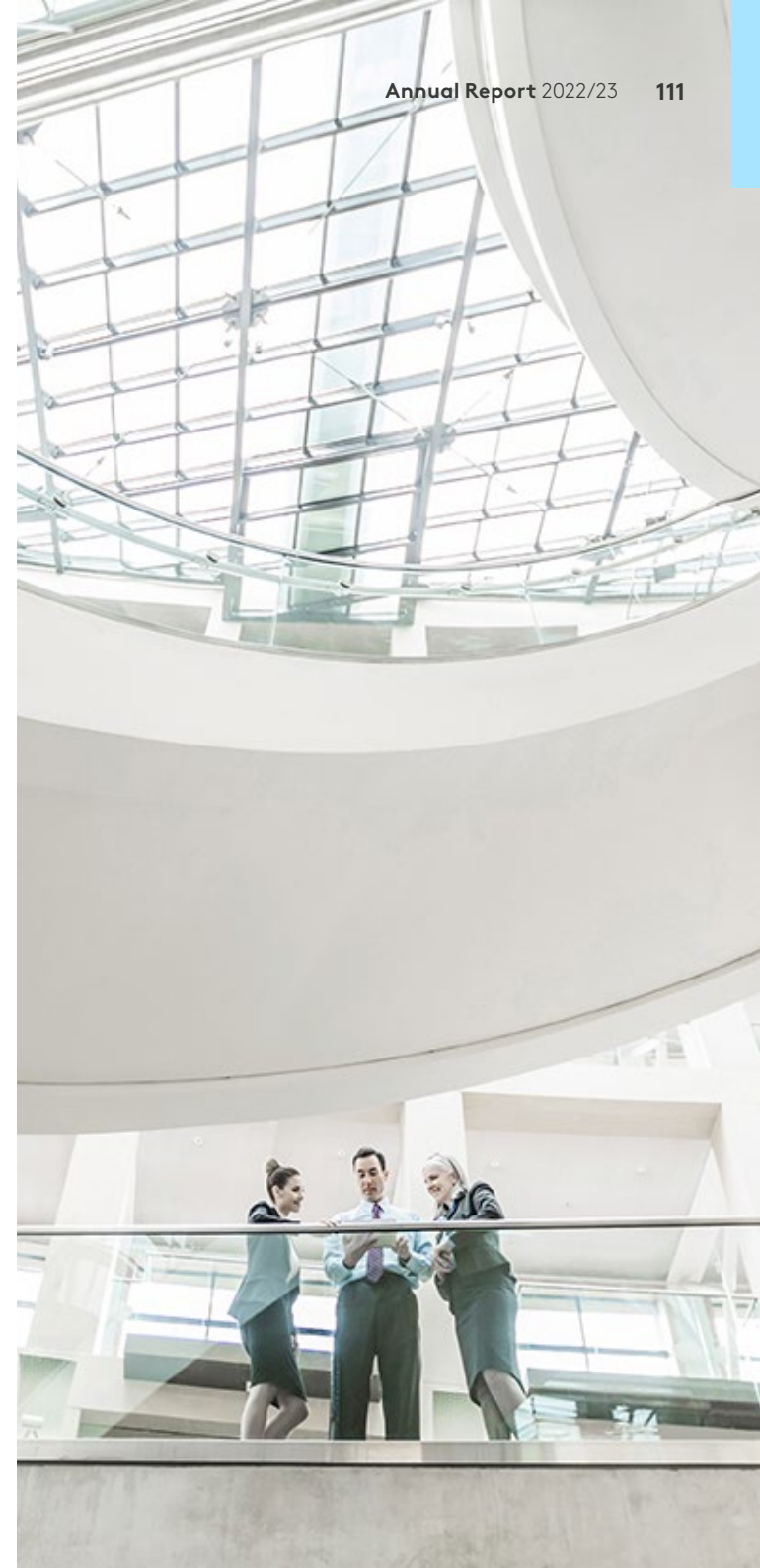
Responsibility

Internal audit is an independent function that conducts independent and objective assurance, review, investigation and consulting activities. The scope of the internal audit function encompasses the examination and evaluation of the adequacy and effectiveness of Elekta's governance, process steering, risk management and internal control processes, as well as the quality of performance in carrying out assigned responsibilities to achieve the Group's objectives as part of the assurance activity. The work also encompasses consulting activities and advisory support in the same areas. The internal audit function works in accordance with the guidelines for the internal audit function adopted by the Board.

The internal audit function is appointed by, and reports to, the audit committee and the Board. The Chief Audit Executive, who functionally reports to the audit committee and administratively to the CFO, supervises the internal audit function.

Work during the year

The work of the internal audit function, based on an internal audit plan established and approved by the audit committee, has included internal audits and investigations of subsidiaries. In addition, their work included quality reviews of processes encompassed by the global internal control program. Furthermore, statistical follow-up reporting of the internal control program to Executive Committee, the audit committee and the Board has been carried out as well as consulting in connection with the update of the internal control program. The internal audit function has during the year coordinated the external audit as well as managed the audit committee meetings.



Report on risk management and internal control over financial reporting

≥3 years
strategic perspective

The Board of Directors' report on risk management and internal control over financial reporting has been prepared in accordance with the Annual Accounts Act and the Swedish corporate governance code, and constitutes an integral part of the corporate governance report. The external financial reporting has been prepared in accordance with laws and regulations and applicable accounting standards, namely the International Financial Reporting Standards (IFRS), and other requirements on listed companies, such as the Nasdaq Stockholm Rule Book for Issuers. Elekta's work on risk management and internal control over financial reporting is based on the 2013 updated internal control integrated framework (the "framework"), established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The COSO framework is based on 17 fundamental principles linked to five components: control environment, risk assessment, control activities, information and communication, as well as monitoring.

Objective

The Elekta Group is governed and controlled based on the distribution of rights and responsibilities, including decision-making, among different corporate bodies according to laws and regulations as well as internal steering documents. A structure is provided through which Elekta's objectives and the means of attaining these objectives and monitoring performance are set. The objectives reflect choices made on how the Group seeks to create, preserve and realize value for its stakeholders. Governance is twofold; it concerns both effectiveness and accountability. Effectiveness is measured by performance, and accountability includes all issues surrounding disclosure and transparency.

Objective setting is a prerequisite necessary to internal control and a key part of the Elekta strategy and management processes. Therefore, Elekta's corporate governance encompasses both the strategy and management processes, outlining the establishment of both long-term objectives and strategies with at least a three-year perspective and short-term objectives and plans with a one-year perspective, and the risk management and internal control process.

Control environment

Important elements of the control environment applicable for Elekta's financial reporting are the financial guide, including the accounting policy, reporting instructions, authorization policy and finance policy. In addition, there are other important elements of the control environment for financial reporting such as the communication policy and processes and work instructions to be found in group-wide steering documents and in the Elekta business management system.

Risk assessment is carried out continuously throughout the year to identify risks that can affect the possibility to reach targets set in relation to the strategy, the business, reporting and compliance.

Risk assessment

Risk assessment includes identifying any risk that the qualitative characteristics of useful financial information, according to IFRS, may not be fulfilled or the financial reporting assertions may not be supported. Risk assessment criteria include occurrence, completeness, accuracy, cut-off, classification, existence, rights and obligations, and valuation for profit and loss and balance sheet items in the financial reporting as applicable, but also information processing relating to input, processing and recording of data. A risk assessment regarding internal control over financial reporting is performed once a year and covers profit and loss and balance sheet items in the financial reporting and related areas and processes. The work is documented in a risk map and included in risk and control matrices (RACMs) per area and process.

Control activities

Control activities mitigate the identified risks for not achieving set objectives through adherence to risk tolerance levels in terms of globally defined minimum internal control requirements over financial reporting. The control activities are documented in RACMs per area, process and risk.

Control activities are aimed at preventing errors and irregularities from occurring and/or detecting errors and irregularities that may have occurred. Control activities can be manual or automated,

such as authorizations and approvals, verifications, reconciliations, and business performance reviews, or a combination of two.

Control activities comprise the following areas and processes:

- Entity-level controls – over the control environment
- General IT controls – over IT system components, processes and data for a given IT environment including logical access, program change management, back-up and recovery
- Process controls – over processes such as order recognition, order to cash, revenue recognition, purchase to pay, inventory, payroll and financial statement close

The globally defined minimum internal control requirements over financial reporting comprise entity level controls that are regulated through Elekta's steering documents at Group-wide level, the business management system and internal control frameworks of standard controls that include general IT controls and uniform process controls for all Elekta companies and locally defined controls where necessary. The controls included in the internal control framework are documented in RACMs as standard models for all entities and then specifically for each individual entity. All controls in the internal control framework are based on risk assessments of financial flows that impact the financial reporting in general and more specifically for the individual entities.

Information and communication

Information and communication regarding risk management and internal control over financial reporting relates to both internal and external information and communication.

Internal information about important internal steering documents for risk management and internal control over financial reporting, including RACMs, as well as the communication of policies and processes, work instructions and other relevant information in the Elekta business management system, are channeled down the organization and communicated to relevant personnel on the Group's intranet. Internal information regarding the status of the effective design and operating effectiveness of risk

management and internal control over financial reporting are channeled up the organization, based on the result of the monitoring, in order for management at different levels to be able to take corrective actions as necessary. The President and CEO and the Chief Audit Executive in inform the audit committee who in turn informs the Board of the results of the monitoring. This communication normally takes place at the ordinary audit committee meetings and board meetings, respectively.

Elekta provides the financial markets and other stakeholders with continuous external information and communication regarding the Group's and Elekta AB's financial performance and position in accordance with the communication policy.

External information and communication regarding financial reporting is provided in the form of:

- Interim reports, year-end reports and annual reports
- Press releases on news and events that may significantly affect the Group's valuation and future prospects
- Presentations and telephone conferences for financial analysts, investors and media representatives on a regular basis
- Capital market days arranged to inform the capital market about strategic changes or in depth information when needed

See information, including reports, press releases and presentations, on [👉 elekta.com](https://www.elekta.com). Elekta observes a silent period prior to each interim and year-end report.

Monitoring

Monitoring of internal control over financial reporting is carried out through ongoing evaluations, separate evaluations, or some combination of the two, to ascertain whether the other four components of risk management and internal control are present and functioning: control environment, risk assessment, control activities and information and communication.

Ongoing evaluations are routine operations, built into processes. Monitoring takes place on a real-time basis by operational manag-

ers and personnel and periodically by management at different levels of the Group, and the audit committee and the Board, and includes, for example, monitoring of the following:

- Business and financial performance
- Order bookings and revenue recognition
- Compliance reports from the compliance function
- Internal audit reports from the RA&Q functions related to, for example, the quality system and regulatory compliance
- Internal audit planning
- Internal audit reports from the internal audit function
- External audit reports from the external auditor

Special evaluations may be performed through:

- Periodic reviews of whether risk management and internal control are operating as intended by financial managers and general management at local, regional, business area and Group level as applicable
- Internal control compliance confirmation questionnaire, a tool for local management to report on the status of effective design and operating effectiveness of the globally defined minimum internal control requirements over financial reporting documented in RACMs as well as identification of additional local risks over financial reporting
- Internal audit according to the internal audit plan

Instructions and budget approvals of internal control for financial reporting are conducted by the audit committee on behalf of the Board and require supporting documentation in the form of presentation of status, progress and solutions, as well as supporting appendices such as internal audit reports and internal control reports. Status, progress and solutions for internal control over financial reporting are discussed at the audit committee meeting and instructions are documented and, where approvals are required, approvals are performed and documented accordingly. The audit committee subsequently briefs the Board of Directors at the next board meeting and provides supporting documentation for discussion and approval.

ELEKTA'S PROCESS FOR INTERNAL CONTROL

Risk management, governance and internal control are key components of Elekta's strategy and management processes. Elekta's Board of Directors assumes the overall responsibility for establishing a efficient and effective control over risk management, governance and internal control. The responsibility for maintaining the control systems is delegated to the President and CEO, who is assisted by the Executive Committee, other operational managers and coworkers. Functions responsible for risk management, governance and internal control continuously report the current status directly to the Board and/or the audit committee.

Elekta's personnel represents the first level of defense within the control environment in their day-to-day work and in their management teams. To facilitate the work, there are policies, guidelines and boundaries set by the Executive Committee on behalf of the Board. The boundaries should ensure that no individual employee accepts a disproportionate portion of risk or to little risk which may result in missed opportunities and ultimately Elekta not achieving the strategic goals. All employees have the obligation to obtain an appropriate level of understanding within their roles and responsibilities and carry out their responsibilities correctly and completely. Employees are the owners of all risks related to their business operations and are expected to manage these by maintaining good internal control and follow risk and control procedures. Every employee is expected to comply with internal policies, procedures and applicable laws and regulations.

The second level of defense within the control environment lays within the support functions such as finance, IT, HR, compliance, regulatory affairs and quality as well as legal and designated roles in the internal control framework that support and monitor the first level of controls.

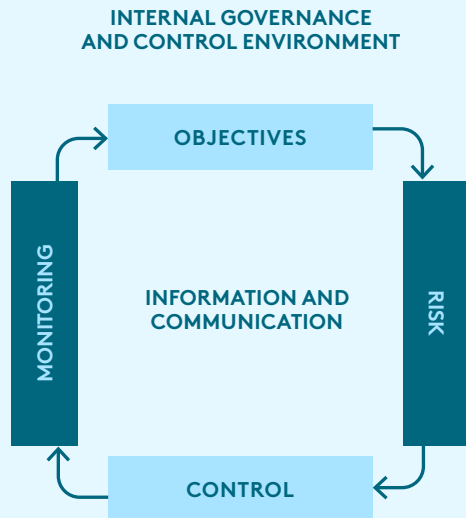
The third and final level of defense within the control environment is the internal audit function that provides independent and objective audits, assurance and advisory support to the management on governance, preparation of decisions, risk management and internal control.

The process for risk management and internal control applies for the entire Group, including business lines, regions, functions,

management, coworkers, processes and technology. The Elekta risk work is focused on identifying and managing strategic risks, operational risks, legal and regulatory risks, external risks and market- and financial risks. Risk assessments are being completed and updated continuously in order to identify risks that can impact the achievement of strategy goals, legal compliance and regulations and financial reporting.

The Board also continuously manages decisions that include risk management, for example, within the Elekta strategy and management processes and business management. Find out more about risk management in the Board's report on risk management and internal control over financial reporting on [page 112](#). A description of how other risks are being managed can be found on [elekta.com](https://www.elekta.com).

Risk management and internal control



Activities performed in the fiscal year 2022/23

During the fiscal year 2022/23, the performed activities have primarily focused on review of timeliness and quality of internal control performance, improvement of management reporting regarding adherence to the internal control framework as well as ongoing internal control improvements. In addition, the implementation of the internal control framework in some small-sized new group companies has continued as planned. Risk-based reviews on the quality of financial reporting, underlying processes and control points in smaller and/or new entities have been carried out. Annual update of the internal control framework has been performed according to plan as well as annual sign-off by management. Information relating to the results of the independent reviews were addressed at the meetings of the audit committee and subsequently followed up by the Board.

Planned activities for the fiscal year 2023/24

During the fiscal year 2023/24, focus will be on reviews of timeliness and quality of internal control performance and also increase efficiency and centralization of control performance. Furthermore, on-going implementation of internal control framework in new entities will be continued and any new entities will be included continuously. Also, additional risk-based reviews on the quality of financial reporting, underlying processes and control points in smaller and/or new entities will continue.



Laurent Leksell

First elected: 1972

■ Board chairman ■ Chairman of the compensation and sustainability committee

Attendance: ■ 7/7 ■ 4/4

Total fees (SEK): ■ 1,500,000 ■ 140,000

Year of birth: 1952

Education: MBA and PhD in Economics, Stockholm School of Economics

Independence: ▽

Other board assignments: Board chairman: Leksell Social Ventures, Bonit Goup and Stockholm School of Economics. Board member: International Chamber of Commerce (ICC) and Elekta Foundation

Holdings¹⁾: 14,980,769 A-shares and 7,756,624 B-shares

Principal work experience: Founder of Elekta and Executive Director (2005–2013), President and CEO (1972–2005). Founder and partner of Nordic Management AB (1980–1986). Among others, Assistant Professor and Faculty member of Stockholm School of Economics, IFL and INSEAD Fontainebleau, and Visiting Scholar at Harvard Business School.



Caroline Leksell Cooke

First elected: 2017

■ Member of the board
■ Member of the audit committee

Attendance: ■ 7/7 ■ 5/5

Total fees (SEK): ■ 645,000 ■ 170,000

Year of birth: 1981

Education: BSc in Business Administration, Stockholm University; Marketing studies at Wharton School at the University of Pennsylvania and at Columbia Business School

Independence: ▽

Other board assignments: Board chairman: Bonit Invest S.A./N.V.

Holdings¹⁾: 182,308 B-shares

Principal work experience: Extensive experience in the areas of digital strategy, communication and technology. Previously responsible for major international business in the role as industry manager at Google. Now MD for Impala Collective Ltd an advisory and consultancy for software commercialization.



Kelly Londy

First elected: 2022

■ Member of the board

Attendance: ■ 4/4

Total Fees (SEK): ■ 645,000

Year of birth: 1966

Education: BBA, Clearly University, Michigan

Independence: ■

Other board assignments: CMR Surgical Ltd, Cambridge, UK, Non-Executive Director and Chairman Remuneration & Sustainability Committee

Holdings¹⁾: 3,000 B-shares

Principle work experience: Extensive experience in Healthcare with leadership and board roles. Currently CEO Nuvo Group and previous roles as CEO and Board Executive Director of Lumicell and CEO and Board Executive Director of Innobative Designs. Among other roles, she has held senior management positions at Accury, GE Healthcare and Philips Healthcare.



Johan Malmquist

First elected: 2015

■ Member of the board
■ Member of the audit committee

Attendance: ■ 7/7 ■ 5/5

Total fees (SEK): ■ 645,000 ■ 170,000

Year of birth: 1961

Education: BSc in Business Administration, Stockholm School of Economics

Independence: ■

Other board assignments: Board chairman: Getinge AB and Arjo AB. Board member: Mölnlycke Health Care AB, The Dunker Foundations, Chalmers University of Technology Foundation, Trelleborg AB and Stena Adactum AB

Holdings¹⁾: 30,000 B-shares

Principal work experience: Extensive experience from the medical technology industry, among others as president and CEO of Getinge AB (1997–2015). Before that various positions within the Getinge Group and Electrolux Group.

¹⁾ Own and closely related parties' holdings in Elekta AB as per April 30, 2023. For current holdings, see [elekta.com](https://www.elekta.com)



Wolfgang Reim

First elected: 2011

■ Member of the board ■ Member of the compensation and sustainability committee

Attendance: ■ 7/7 ■ 4/4

Total fees (SEK): ■ 645,000 ■ 95,000

Year of birth: 1956

Education: MSc and Doctor of Physics, Federal Institute of Technology ETH in Zurich

Independence: ■

Other board assignments: Board chairman: Ondal Medical Systems GmbH. Board member: LAP GmbH

Holdings¹⁾: 25,680 B-shares

Principal work experience: CEO of Amann Girschbach AG. Independent consultant focusing on the medical technology industry and interim CEO at DORC BV (2016) and Ondal Medical Systems (2013). Before that, CEO of Dräger Medical AG (2000–2006). At Siemens from 1986 until 2000, as CEO of the Ultrasound Division (1998–2000) and President of the Special Products Division (1995–1998).



Jan Secher

First elected: 2010

■ Member of the board ■ Member of the audit committee

Attendance: ■ 5/7 ■ 5/5

Total fees (SEK): ■ 645,000 ■ 170,000

Year of birth: 1957

Education: MSc in Industrial Engineering and Management, Linköping University

Independence: ■

Other board assignments: Board chairman: Peak Management AG and Agilyx ASA. Board Member: IKEM (Innovation and Chemical Industries in Sweden) and CEFIC (the European Chemical Industry Council)

Holdings¹⁾ in Elekta AB: 38,800 B-shares

Principal work experience: President and CEO of Perstorp Holding AB. Previously President and CEO of Ferrostal AG (2010–2012). Operating partner of the US private equity fund Apollo in London (2009–2010). CEO of Clariant AG in Basel (2006–2008). CEO of SICPA in Lausanne (2003–2005). Various leading positions in the ABB Group (1982–2002).



Birgitta Stymne Göransson

First elected: 2005

■ Member of the board ■ Chairman of the audit committee

Attendance: ■ 7/7 ■ 5/5

Total fees (SEK): ■ 645,000 ■ 265,000

Year of birth: 1957

Education: MBA, Harvard Business School; MSc in Chemical Engineering and Biotechnology, Royal Institute of Technology (KTH) in Stockholm

Independence: ■

Other board assignments: Board chairman: Industrifonden and Min Doktor. Board member: Bure Equity AB, Pandora AS, Asker Healthcare AB and Rhenman & Partners Asset Management

Holdings¹⁾: 8,100 B-shares

Principal work experience: President and CEO of Memira Group (2010–2013). CEO of Semantix Group (2005–2009). COO/CFO of Telefonos (2001–2005). Before that various management positions, including McKinsey, Gambio and Ähléns.



Cecilia Wikström

First elected: 2018

■ Member of the board ■ Member of the compensation and sustainability committee

Attendance: ■ 7/7 ■ 4/4

Total fees (SEK): ■ 645,000 ■ 95,000

Year of birth: 1965

Education: Master of Divinity, Uppsala University

Independence: ■

Other board assignments: Board chairman: Elekta Foundation, European Institute of Public Administration (EIPA), NL, and Uppsala University Alva Myrdal Center for Nuclear Disarmament. Board member: Integrum AB, The Royal Swedish Library (KB)

Holdings¹⁾: 7,500 B-shares

Principal work experience: CEO of the Beijer Foundation and Anders Wall Foundation. Member of the European Parliament (2009–2019). M.P. in the Swedish Parliament (2002–2009). Priest within the Swedish Church (since 1994).

Independence:

■ Independent of the Company and the executive committee and **independent** of the major shareholders.

■ Independent of the Company and the executive committee, **not independent** of the major shareholders.

¹⁾ Own and closely related parties' holdings in Elekta AB as per April 30, 2023. For current holdings, see [elekta.com](https://www.elekta.com)



Gustaf Salford

President and CEO

Employed since: 2009

Holdings¹⁾: 59,000 B-shares

Year of birth: 1977

Education: MSc in Business Administration, Stockholm School of Economics

Principal work experience: CFO at Elekta during 2017–2020 and several different leadership roles at Elekta since 2009. Prior to Elekta experience from management consulting firms BCG and Booz Allen Hamilton.



Tobias Hägglöv

CFO

Employed since: 2022

Holdings¹⁾: 10,005 B-shares

Year of birth: 1978

Education: MSc in Industrial Engineering and Business Management, Royal Institute of Technology (KTH) in Stockholm; MSc in Business Administration and Economics, Stockholm University

Principal work experience: CFO at Recipharm during 2018–2021. Before that experience from senior management positions at LEAX, Electrolux, SAS and Accenture.



Jonas Bolander

Executive Vice President Group Functions & General Counsel

Employed since: 2001

Holdings¹⁾: 23,500 B-shares

Year of birth: 1966

Education: Master of Laws, Stockholm University.



Anna Conneryd Lundgren

Executive Vice President & Chief People Officer

Employed since: 2020

Holdings¹⁾: –

Year of birth: 1985

Education: MSc in Business Administration, Stockholm School of Economics; Master in International Management, CEMS

¹⁾ Own and closely related parties' holdings in Elekta AB as per April 30, 2023. For current holdings, see [👉 elekta.com](https://www.elekta.com)



Habib Nehme

Chief Commercial Officer

Employed since: 2018

Holdings¹⁾: 5,000 B-shares

Year of birth: 1964

Education: MSc in Biomedical Engineering, University of Technology of Compiègne; Electrical Engineering degree, Jesuits Saint Joseph University of Beirut; Marketing degree, Business School HEC Paris.



Maurits Wolleswinkel

President, Linac & Software Solutions

Employed since: 2011

Holdings¹⁾: 36,716 B-shares

Year of birth: 1971

Education: MSc in Mechanical Engineering, Delft University of Technology; MSc in General Management, Nyenrode Business Universiteit in Breukelen.



John Lapré

President Brachy & Neuro Solutions

Employed since: 2011

Holdings¹⁾: 28,325 B-shares

Year of birth: 1964

Education: MSc in Human Nutrition and Physiology, and PhD in Toxicology, Wageningen University & Research.

As of April 30, 2023 the Executive Committee (then called Executive Management) consisted of Lionel Hadjadjeba (President Linac Solutions), Bridie Norman (Acting EVP Global Services), Ardie Ermers (EVP Region Europe), Carlos Castilleja (EVP Region Americas), Anming Gong (EVP Region China) in addition to the current Executive Committee members presented herein. Anna Conneryd Lundgren (EVP & Chief People Officer) was at that time not in the Executive Management team.

¹⁾ Own and closely related parties' holdings in Elekta AB as per April 30, 2023. For current holdings, see [elekta.com](https://www.elekta.com)

Auditor's report on the corporate governance statement

To the general meeting of the shareholders of Elekta AB (publ), corporate identity number 556170-4015

Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the year 2022-05-01 – 2023-04-30 on [pages 104–111](#) 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 RevU 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, 7 July 2023

Ernst & Young AB
Signature on original auditors' report in Swedish¹⁾

Rickard Andersson
Authorized Public Accountant

¹⁾ This is a translation of the original auditors' report in Swedish. In the event of any differences between the translation and the original statement in Swedish, the Swedish version shall prevail.