

CORPORATE GOVERNANCE



“Elekta has grown to become essential to cancer care globally, as the only major company fully focused on radiotherapy and neurosurgery.”

This year, it has been 50 years since Elekta was founded. While our expansion did not begin in earnest until the early 1980s, our focus has remained unchanged: to make a meaningful impact on health-care providers and their patients around the world by delivering the best and safest clinical solutions.

Staying close to our customers and really understanding their needs has enabled us to push the boundaries of cancer care. We have pioneered technologies in neurosurgery with Leksell Gamma Knife, and in radiation therapy with onboard imaging and advanced treatment modalities such as IMRT and VMAT, among others. Our latest breakthrough, the Elekta Unity MR-Linac, continues to gain ground thanks to its superior MR image quality, providing exquisite images of targets and surrounding healthy tissue.

Building on our Swedish heritage, our systematic approach to internationalization began early. We had a simultaneous strategy of reaching out to both the largest healthcare markets and emerging markets. Today, we are diversified with product development and clinical research activities in all major global markets. Since we work with advanced technology in a very complex clinical area, this footprint helps us gain an insight into the differing needs of cancer care around the world.

We have come a long way in 50 years, having grown from a small Swedish company specializing in stereotactic radiosurgery, to a broad global radiation therapy leader with sales in more than 120 countries, around 40 of which we have direct representation.

Elekta has grown to become essential to cancer care globally, as the only major company fully focused on radiotherapy and neurosurgery.

I know that my father, Professor Lars Leksell, would have been proud to see us carry out his legacy, and excited to see us continue to develop clinical solutions, software systems, and services to ensure that our customers and their patients get access to best treatment possible.

But we could not have done it alone. Close cooperation with our customers has been, and will continue to be, essential for our ability to develop technology that makes a difference for patients. I would therefore like to extend my sincere gratitude to our customers, employees, and many others and thank them for their support and contribution throughout the years.

We saw geopolitical tensions rising and the outbreak of a large war in Europe in February 2022, when Russia invaded Ukraine. This will exacerbate the trend of regionalization of supply chains that arguably started with Covid. To ensure we comply with sanctions, and to secure our supply chains, we have strengthened our focus on risk management and compliance.

While the situation in the world might affect the short-term supply chains, it will not affect the elevated post-covid need for cancer care, nor the long-term growing cancer burden. In addition, the shortage and uneven distribution of treatment capacity in the world remains a persistent challenge. Elekta has both a responsibility and a great opportunity to respond to these challenges and strengthen access to cancer care. This is also our key strategic priority in the coming years – ACCESS 2025.

This means continuing to bring imaging into the radiotherapy process and to help clinicians manage the ever-increasing complexity – due to growth in both treatment options and available data – by integrating and systemizing treatment workflows with more efficient software systems. Our knowledge of the disease continues to develop. As we better understand the tumors’ genetics, and with support of other pathological information sources, the personalization of treatment will improve. Going forward, more interplay can be expected with immunotherapy. In addition, we have launched new solutions and programs to strengthen access, particularly in low-income countries, which is the key priority of our social sustainability strategy. The establishment of the Elekta Foundation in 2021 is an important element of this strategy.

Creating value for patients and cancer care demands perseverance and focus. We will continue to think and plan for the long term. This starts by securing efficiency and good governance in our own operations, while addressing our sustainability, environmental and social responsibilities. Using our financial resources wisely ensures that we can provide a return to our financial stakeholders, without whom we would not have been able to get to where we are, and where we need to go.

We will keep pushing the boundaries for many years to come. We are here to continue to provide hope and help for everyone dealing with cancer.

Laurent Leksell
Chairman of the Board

Corporate Governance Report 2021/22

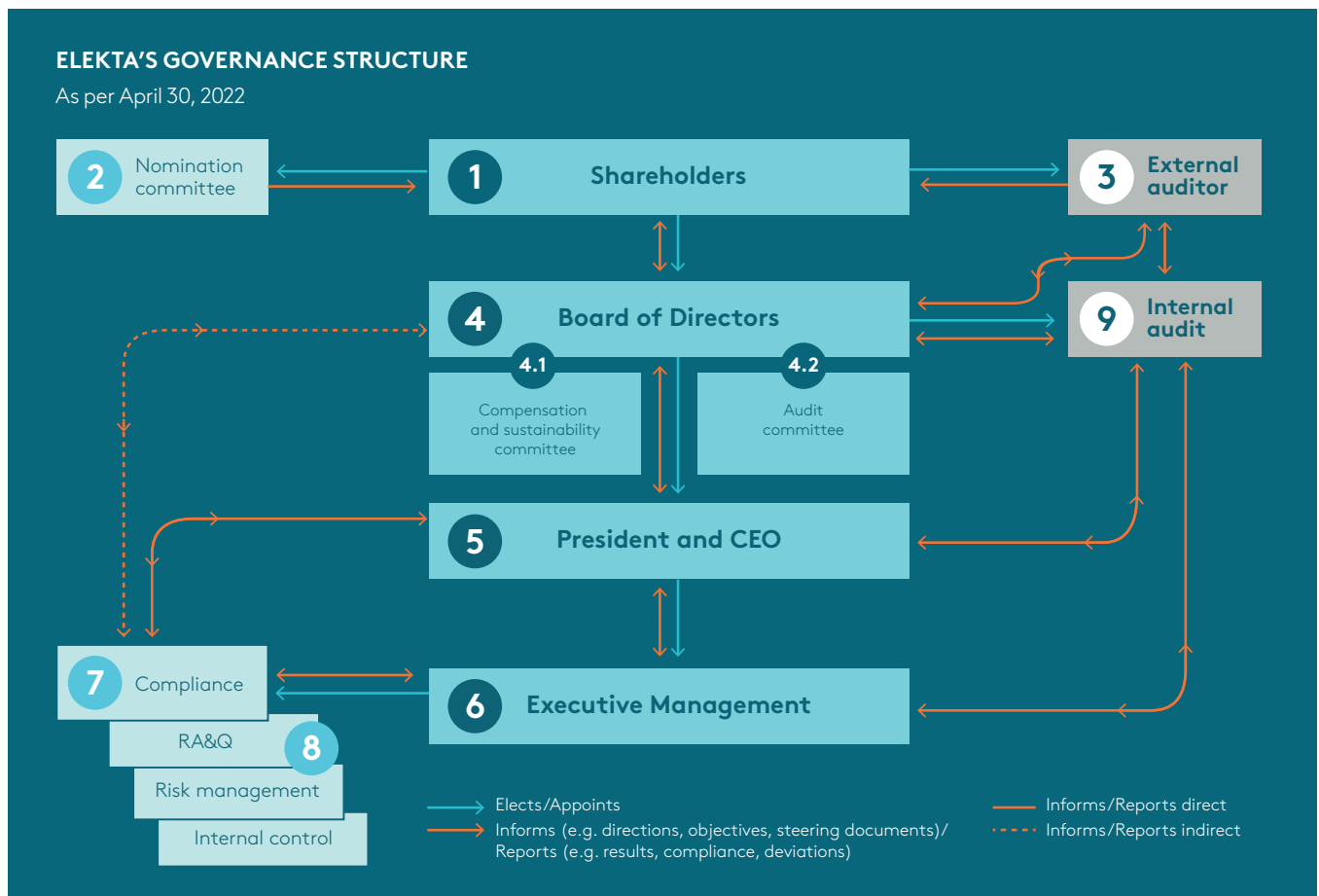
Elekta AB (publ)¹⁾ is a Swedish public limited liability company listed on Nasdaq Stockholm. Elekta considers good corporate governance, including risk management and internal control, to be an important element of successful business operations as it provides opportunities for maintaining confidence among customers, patients, shareholders, authorities and other stakeholders. Elekta's Corporate Governance Report 2021/22 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 below. The different corporate bodies that are included in the structure are described in more detail in this report in the order specified below.

Elekta has implemented and complied with the Swedish corporate governance code (the Code)²⁾ with one exception during the -fiscal year of 2021/22. 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, 2022, 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, 2022, holdings representing 30.4 percent of the votes.

Read more about the share, the shareholders and Elekta's dividend policy on [page 41](#).

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

➤ www.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 41](#).

AGM 2021

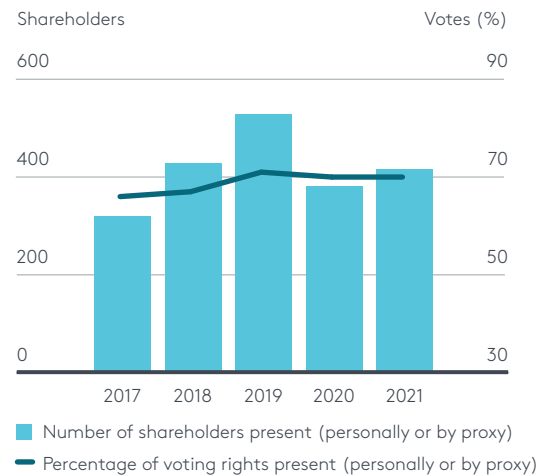
The AGM 2021 was held on August 25, 2021. As a result of the Covid-19 pandemic, the AGM was held through advance voting. 417 shareholders voted in advance, either personally or by proxy, corresponding to approximately 70 percent of the votes in the Company. The main resolution items of the AGM 2021 are set out in the column to the right.

Further information regarding the AGM 2021, including the minutes, is available at www.elekta.com. No other general meetings of shareholders were held during the fiscal year 2021/22.

AGM 2022

The AGM 2022 will be held on August 25, 2022. More information regarding this AGM is found on [page 160](#).

SHAREHOLDERS' PRESENCE AT AGM:S



The main resolution items of the AGM 2021:

- A dividend payment of SEK 2.20 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 2020/21 fiscal year
- Adoption of fees to the Board totaling SEK 5,040,000 (4,580,000), of which SEK 1,410,000 (1,280,000) to the Chairman of the Board and SEK 605,000 (550,000) to each of the other external members of the Board, as well as remuneration for board committee work of SEK 135,000 (115,000) to the chairman of the compensation and sustainability committee and SEK 90,000 (80,000) to each of the other members of the committee, and SEK 250,000 (240,000) to the chairman of the audit committee and SEK 160,000 (150,000) 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 members of the Board. Laurent Leksell was re-elected as Chairman of the Board
- 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 2021, to be offered to Executive Management and certain key employees
- Authority for the Board for acquisition and transfer of own shares
- Contribution for establishing a philanthropic foundation

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 2022 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 2022

- Laurent Leksell (chairman) – represents his own and related parties' holdings and is also the Chairman of the Board
- Jesper Bergström – Handelsbanken Funds
- Per Colleen – The Fourth Swedish National Pension Fund
- Filippa Gerstätt – Nordea Funds
- Javiera Ragnartz – SEB Funds

Preparation for the AGM 2022

The nomination committee held five meetings prior to the AGM 2022. 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 2021/22 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 2022 are presented in the notice convening the AGM 2022. A reasoned statement explaining the nomination committee's proposal for the Board's composition is posted on Elekta's website www.elekta.com in connection with the issuance of the notice of the AGM 2022.

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 2021 elected Ernst & Young AB (EY) as external auditor with Rickard Andersson as auditor in charge.

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 2021/22 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 148](#).

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 2021/22 fiscal year adhered to the guidelines established and comprised mainly of tax consultancy and other audit-related services.

The fees to the external auditor for the 2021/22 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 seven members, which are presented on **page 86**. There are neither deputy board members nor employee representatives on the Board. The General Counsel, EVP and Chief Compliance Officer (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 Management. In addition, at least two of the directors, who are independent of Elekta AB and the Executive Management, shall also be independent of major shareholders. The composition of the Board meets the independence requirements as five of the seven members of the board have been deemed independent in relation to Elekta AB, the Executive Management and major shareholders. These five members are Johan Malmquist,

THE WORK OF THE BOARD OF DIRECTORS INCLUDING SOME IMPORTANT AGENDA ITEMS IN 2021/22

2021	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER
	Board meeting <ul style="list-style-type: none"> • Adoption of year-end and Q4 report 2020/21 • Meeting with auditor and review of external audit report for the full year • Review and approval of budget for fiscal year 2021/22 incl. financial targets • Report from the audit committee and the compensation and sustainability committee • Adoption of updated prospectus for MTN-program 		Board meeting <ul style="list-style-type: none"> • Adoption of annual report 2020/21 (including all reports therein) • Adoption of notice and final proposals to the AGM 		Two board meetings <ul style="list-style-type: none"> • Inaugural board meeting • Adoption of interim report Q1 2021/22 • Report from the audit committee and the compensation and sustainability committee 	Board meeting <ul style="list-style-type: none"> • Presentations by an investor, an analyst and customers on the external view of Elekta • Review of strategic initiatives
						Board meeting <ul style="list-style-type: none"> • Review of strategic initiatives

Examples of the Board's focus areas:

1 New external environment

Supervision of pandemic related headwinds remained on the Board of Directors' agenda throughout the year. Elekta's Resilience and Excellence program was accelerated as geopolitical uncertainties emerged from the war in Ukraine next to persistent pandemic challenges. The Board has focused on foreseeing and mitigating the impact from the new macroeconomic environment with continued higher costs in the supply chain and rising inflation.

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 providing good return on the investments through innovations that will drive Elekta's future growth and improve profitability.

Wolfgang Reim, Jan Secher, Birgitta Stymne Göransson and Cecilia Wikström.

The independence of each board member is shown on [page 86](#). Remuneration to the Board is set out in [Note 7](#) and on [page 86](#).

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 2021/22, the Board held ten minuted 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 have during this fiscal year to some extent been held through telephone and video conferences as a result of the pandemic. Representatives from the Executive Management 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 86](#).

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 Management. In relation to sustainability,

NOVEMBER	DECEMBER	2022	JANUARY	FEBRUARY	MARCH	APRIL
Board meeting <ul style="list-style-type: none"> • Adoption of interim report Q2 2021/22 • Adoption of working instructions for board, committees and CEO • Meeting with auditor and review of mid-term audit report • Report from the audit committee and the compensation and sustainability committee 		Board meeting <ul style="list-style-type: none"> • Investment review 		Board meeting <ul style="list-style-type: none"> • Adoption of interim report Q3 2021/22 • Report from the audit committee and the compensation and sustainability committee • Review of long-term financial plan 		Board meeting <ul style="list-style-type: none"> • Review of draft budget for fiscal year 2022/23



3 M&A and partnerships

Complementing Elekta's own R&D pipeline through mergers and acquisitions is permanently on the Board of Director's agenda. Since the competitive landscape of the radiotherapy market shifted, building partnerships has been on top of the agenda. During the year Elekta has entered new partnerships with both industry peers as well as customers. The Board has been closely involved in building these collaborations that will broaden Elekta's offering while ensuring the Company's vendor agnostic position is kept intact.

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 Executive Vice President Human Resources, the Vice President of Compensation & Benefits, the Group Sustainability Director as well as Vice President Group Strategy & Sustainability attend the committee's meetings. The General Counsel serves as secretary for the committee.

The compensation and sustainability committee

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

Work during the year

During the fiscal year 2021/22, the compensation and sustainability committee held four minuted meetings. At these meetings, the committee has, inter alia, reviewed the remuneration of the Executive Management, prepared a proposal for a new long-term incentive program for 2022/23 for Executive Management 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 a succession planning and reviewing management succession plans for senior management levels and other Group-critical positions. 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 86](#).

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 auditor. Furthermore, the committee provides proposal to Elekta AB's nomination committee concerning the appointment of auditor for the following mandate period.

Johan Malmquist

Member, Elekta's audit committee

“ Good corporate governance includes an audit committee that monitors both the internal and external reporting. ”

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. The Deputy General Counsel serves as secretary for the committee.

The audit committee

- Birgitta Stymne Göransson (chairman)
- Johan Malmquist
- Jan Secher

Work during the year

During the fiscal year 2021/22, the audit committee held six minuted meetings. During such meetings, the committee has reviewed the year-end report and annual report for the fiscal year 2020/21 as well as interim reports for 2021/22. 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 86](#).

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 Management and makes decisions in consultation with the members of the Executive Management.



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 Management on [page 88](#).

Remuneration to the President and CEO is described in [Note 7](#). The guidelines, proposed by the Board for approval by the AGM 2022, for remuneration to the Executive Management are described on [page 102](#) and in the Remuneration report 2021/22 on [page 92](#).

6 Executive Management

Appointment and responsibility

The President and CEO appoints the members of the Executive Management. The President and CEO is responsible for and leads the work and meetings of the Executive Management. The Executive Management 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 Management is provided on [page 88](#). As of April 30, 2022, Elekta's Executive Management comprised the President and CEO, the CFO, the four Solutions presidents, four region EVPs as well as the heads of Product, Global Services, HR and Legal & Compliance.

Remuneration to the Executive Management is described in [Note 7](#). The guidelines, proposed by the Board for approval by the AGM 2022, for remuneration to Executive Management are described on [page 102](#).

Work during the year

The Executive Management meets on a regular basis. During the fiscal year, the meetings have partly been carried out through telephone and video conferences due to the pandemic.

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 function's responsibilities are to review and evaluate compliance issues within the organization to ensure that management and employees of the Group are in compliance with rules and ethical regulations relating to, inter alia, anti-bribery and corruption, trade compliance as well as competition and antitrust laws.

The General Counsel 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 function is headed by the General Counsel.

Work during the year

The compliance function was partly reorganized during the fiscal year, inter alia, to increase regional focus. Two regional compliance heads, who report directly to the General Counsel, were appointed. During the year, focus has remained on the third-party management program, which involves activities such as risk assessment, monitoring and training of business partners such as distributors and sales agents.

Elekta's compliance program has been further strengthened through an update of the training and awareness program. This includes a review of the automated Code of Conduct training which is given to all employees as well as the in-depth individual training adapted to specific risks deemed relevant for the employees respective role and duties.

More information about the compliance function, the compliance and business ethics program as well as the activities during the year is provided on [page 54](#).

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 Management, 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.

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 an efficient control of 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 Management, 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 will represent the first level of 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 Management 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 next stage of control environment lays within the support functions such as finance, IT, HR, compliance, regulatory affairs and quality as well as legal that support and monitor the first level of controls.

The final stage of 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 83**. A description of how other risks are being managed can be found in the risks and risk management section on **page 36**.



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 in order 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 risks identified to achieve 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 policy 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 turn inform the audit committee and the Board, respectively, of the results of the monitoring in order for them to be able to fulfill their oversight responsibility. 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

See information, including reports, press releases and presentations, on the Elekta website 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 five components of risk management and internal control are present and functioning: control environment, risk assessment, control activities, information and communication, as well as monitoring.

Jonny Lövgren
Chief Audit Executive, Elekta

“ Elekta's Internal Control Framework brings a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. ”

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



Activities performed in the fiscal year 2021/22

During the fiscal year 2021/22, 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 2022/23

During the fiscal year 2022/23, 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.

Board of Directors



1 Laurent Leksell

First elected: 1972

■ Board chairman ■ Chairman of the compensation and sustainability committee

Attendance: ■ 10/10 ■ 4/4

Total fees (SEK): ■ 1,410,000 ■ 135,000

Year of birth: 1952

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

Independence: ✓

Other board assignments: Board chairman: Leksell Social Ventures 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.

4 Wolfgang Reim

First elected: 2011

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

Attendance: ■ 10/10 ■ 4/4

Total fees (SEK): ■ 605,000 ■ 90,000

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: Nord A/S, LAP GmbH and Audeering GmbH

Holdings¹⁾: 17,500 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).

2 Caroline Leksell Cooke

First elected: 2017

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

Attendance: ■ 10/10 ■ 4/4

Total fees (SEK): ■ 605,000 ■ 90,000

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. Board member: Leksell Social Ventures' investment committee

Holdings¹⁾: 182,308 B-shares

Principal work experience: Extensive experience in the areas of digital strategy, communication and technology. Currently responsible for major international business in the role as industry manager at Google.

5 Jan Secher

First elected: 2010

■ Member of the board ■ Member of the audit committee

Attendance: ■ 9/10 ■ 6/6

Total fees (SEK): ■ 605,000 ■ 160,000

Year of birth: 1957

Education: MSc in Industrial Engineering and Management, Linköping University

Independence: ■

Other board assignments: Board chairman: Peak Management AG. 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).

7 Cecilia Wikström

First elected: 2018

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

Attendance: ■ 10/10 ■ 4/4

Total fees (SEK): ■ 605,000 ■ 90,000

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⁾: 4,000 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).

3 Johan Malmquist

First elected: 2015

■ Member of the board ■ Member of the audit committee

Attendance: ■ 10/10 ■ 6/6

Total fees (SEK): ■ 605,000 ■ 160,000

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.

6 Birgitta Stymne Göransson

First elected: 2005

■ Member of the board ■ Chairman of the audit committee

Attendance: ■ 10/10 ■ 6/6

Total fees (SEK): ■ 605,000 ■ 250,000

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, BCB Medical Oy 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 Telefos (2001–2005). Before that various management positions, including McKinsey, Gambro and Åhléns.

Independence:

- Independent of the Company and the executive management and **independent** of the major shareholders.
- ✓ Independent of the Company and the executive management, **not independent** of the major shareholders.

¹⁾ Own and closely related parties' holdings in Elekta AB as per April 30, 2022. For current holdings see www.elekta.com

Executive Management



1

1 Gustaf Salford

President and CEO

Employed since: 2009

Holdings¹⁾: 39,000 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.

3 Andrew Wilson

President Oncology Informatics Solutions

Employed since: 2006

Holdings¹⁾: –

Year of birth: 1970

Education: BSc in Health Science, University of Sydney.



2

2 Tobias Hägglov

CFO

Employed since: 2022

Holdings¹⁾: –

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.

4 Lionel Hadjadjeba

President Linac Solutions

Employed since: 2019

Holdings¹⁾: 8,787 B-shares

Year of birth: 1958

Education: Medical Doctor in Internal Medicine and Haemato-Oncology, Nancy-Université in Lorraine; MBA, Business School HEC Paris.



5

5 John Lapré

President Brachy Solutions

Employed since: 2011

Holdings¹⁾: 17,300 B-shares

Year of birth: 1964

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



6

6 Verena Schiller

President Neuro Solutions

Employed since: 2008–2010 and since 2012

Holdings¹⁾: 8,581 B-shares

Year of birth: 1980

Education: Radiation Therapist, Munich.



7

7 Paul Bergström

EVP Global Services

Employed since: 2017

Holdings¹⁾: 5,800 B-shares

Year of birth: 1974

Education: MSc in Electrical Engineering, Royal Institute of Technology (KTH) in Stockholm.



8



9

8 Maurits Wolleswinkel

Chief Product Officer

Employed since: 2011

Holdings¹⁾: 22,716 B-shares

Year of birth: 1971

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

9 Ardie Ermers

EVP Region Europe

Employed since: 2021

Holdings¹⁾: 8,700 B-shares

Year of birth: 1975

Education: MSc in Industrial Engineering and Management Science, Eindhoven University of Technology.

¹⁾ Own and closely related parties' holdings in Elekta AB as per April 30, 2022. For current holdings see www.elekta.com

Koncernledning, forts.



10



11



12



13



14

10 Carlos Castilleja²⁾

Acting EVP Region Americas

Employed since: 2007

Holdings¹⁾: –

Year of birth: 1974

Education: BSc in Business Administration, Baylor University, Texas.

11 Habib Nehme

EVP Region Turkey, India, Middle East, Africa, APAC & Japan

Employed since: 2018

Holdings¹⁾: 2,000 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.

12 Anming Gong

EVP Region China

Employed since: 2009

Holdings¹⁾: –

Year of birth: 1964

Education: MSc in Biomedical Engineering, Huazhong University of Science and Technology in Wuhan.

13 Karin Svenske Nyberg

EVP Human Resources

Employed since: 2017

Holdings¹⁾: 7,120 B-shares

Year of birth: 1966

Education: MSc in Chemical Engineering, Royal Institute of Technology (KTH) in Stockholm; Behavioural Science, Stockholm University.

14 Jonas Bolander

General Counsel and EVP

Employed since: 2001

Holdings¹⁾: 17,000 B-shares

Year of birth: 1966

Education: Master of Laws, Stockholm University.

¹⁾ Own and closely related parties' holdings in Elekta AB as per April 30, 2022. For current holdings see www.elekta.com

²⁾ Larry Biscotti was EVP Region Americas until May 2022.

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 2021-05-01 – 2022-04-30 on pages 73–90 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, 8 July 2022

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.