

# Corporate governance report

Corporate governance defines the decision-making systems through which shareholders, directly or indirectly, control the Company. The purpose of corporate governance is to guarantee the Group's commitments to its stakeholders, such as shareholders, clients, suppliers, creditors, society, and employees.

## Legislation and regulations

Knowit AB is a publicly listed limited liability company and its corporate governance is based on both external and internal regulations. The external regulations include the Swedish Companies Act, the Nasdaq Nordic Main Market Rulebook for Issuers of Shares, the Swedish Code for Corporate Governance (the "Code"), and other applicable Swedish statutes and regulations. The Company's internal framework encompasses the articles of association, the rules and guidelines for corporate governance, the working order of the Board, the instruction to the CEO, and the policy documents adopted by the Company, as well as delegation of these approaches to the various companies within the Group. The articles of association are the fundamental governing document for the Company, setting out the type of operations that the Company shall perform, the size of the share capital and the number of shares, the shareholders' rights to participate at meetings, election and dismissal of Directors, and what should be discussed at the Annual General Meeting. The Company observes the Code without deviation.

Knowit is a group with a large number of subsidiaries divided across four business areas. The Group has chosen a decentralized governance model, where the responsibilities are largely

distributed downwards in the corporate structure. This selected governance model enables greater flexibility in the organization, as the affected parties are closer to the operations and can thus make more tailored and relevant decisions. Each company has its own management team and Board, which acts mostly autonomously, within the framework of predetermined routines and instructions.

## Shareholders

Knowit's share is listed on Nasdaq Stockholm. At the end of 2024, the share capital was SEK 27.4 million, divided over 27,408,600 shares with a quota value of SEK 1, of which 102,000 shares were held by the company itself. There is one type of share in Knowit. The number of shareholders was 11,292. The proportion of foreign shareholders was 53 percent. At year-end, 35 percent of shares were owned by financial, institutional shareholders. The ten largest shareholders had 55 percent of the votes. Formica Capital AB was the Company's largest shareholder, with holdings corresponding to 12.95 percent. There was no other shareholder in the Company who directly or indirectly held shares and votes representing a tenth or more of the votes for all shares in the Company. For further information on Knowit's share and the ownership structure, see the section on the share, pages 131–132.

## General Meeting

The highest decision-making body is the General Meeting, and it is here that shareholders can exercise their influence on the Company. The General Meeting shall be held within six months of the end of the financial year. All shareholders that are registered in the share register, and have given notice

of their participation in due time, have the right to participate at the General Meeting. Shareholders can vote for the total number of shares they hold and may be accompanied by two advisors. Shareholders that cannot participate may be represented by a proxy.

The General Meeting covers matters including election of the Board, election of an auditor, dividend, adoption of income statement and balance sheet, and discharge of liability for the Directors and the CEO. Shareholders have the right to have matters raised at the General Meeting if an appropriate notification has been made to the Company in due time before notice to the General Meeting is sent out. Any matter that has been received no later than seven weeks before the General Meeting is considered to have arrived in due time.

Information, including the notice and proposals for the Annual General Meeting, as well as minutes from previous Annual General Meetings are available on Knowit's website, knowit.eu.

The Annual General Meeting 2024 was held at Knowit's offices on Sveavägen 20, Stockholm, Sweden, on May 3, 2024. During the meeting, the shareholders were given the opportunity to ask the Chairman of the Board and the Chief Executive Officer questions, which were answered. A total of 131 shareholders, representing 16,038,914 shares or 59 percent of the capital and votes. At the Annual General Meeting, the shareholders decided, among other things, that dividends of SEK 5.20 per share would be paid out, totaling SEK 142 million. Further, the Annual General Meeting decided to authorize the Board to decide on one or more new share issues of at most ten percent

of the total number of outstanding shares in the Company as per the day that the notice of the Annual General Meeting was published, under certain circumstances. The decision was also made to implement a long-term share-based incentive program and to authorize the Board to decide on acquisition and disposal of own shares. For more information, see the minutes from the Annual General Meeting 2024 on Knowit's website, knowit.eu.

The Annual General Meeting 2025 will take place on April 29, 2025 at 1 PM in the Company's offices at Sveavägen 20, Stockholm. Information regarding the Annual General Meeting will be published on the website, www.knowit.eu.

## Nomination committee

In accordance with the instruction to the nomination committee, the nomination committee shall consist of one representative from each of Knowit's three largest registered shareholders on September 30, if they wish to participate, and the Chairman of the Board, who shall convene the committee to its first meeting.

The nomination committee for the Annual General Meeting 2024 consisted of Jonas Backman, Protector Forsikring ASA, Margareta Alestig, JCE Group, Teresa Enander, Formica Capital and Chairman of the nomination committee, and Jon Risfelt, Chairman of the Board of Knowit AB.

The nomination committee for the Annual General Meeting 2025 was announced on Knowit's website and published in a press release on October 11, 2024. The nomination committee consists of Jonas Backman, Protector Forsikring ASA, Niklas Flyborg, JCE Group, Teresa Enander, Formica

Capital, Chairman of the nomination committee, and Jon Risfelt, Chairman of the Board of Knowit AB. The nomination committee represents around 28 percent of the shares in the Company.

The duties of the nomination committee are to propose, during the Annual General Meeting, the Chairman of the Annual General Meeting, the Directors to be elected by the Annual General Meeting, the Chairman of the Board, Directors' fees, auditors' fees and the nomination committee's procedures.

Shareholders who want to make proposals to the nomination committee can do so by email to [valberedning@knowit.se](mailto:valberedning@knowit.se).

No fees have been paid to the members of the nomination committee for their work.

Board of Directors

During 2024, the Board consisted of Jon Risfelt (Chairman), Camilla Monefeldt Kirstein, Stefan Gardefjord, Kia Orback Pettersson, Olof Cato, and Sofia Sahlberg. All Directors were re-elected at the Annual General Meeting 2024. According to Knowit's Articles of Association, the Board of Directors shall consist of at least three and at most eight Directors, elected each year at the Annual General Meeting to serve until the end of the next Annual General Meeting. There is no rule on the maximum time a Director may serve on the Board. Under the Swedish Code of Corporate Governance, its operations, developmental stage and other

which Knowit observes, the Board should, given conditions, have a suitable composition, characterized by diversity and breadth regarding the competence, experience and background of the elected Directors. Under the Code, the Company should strive for an even gender distribution.

Board work

During the financial year, the Board convened thirteen meetings at which the minutes were recorded: seven ordinary meetings, one inaugural meeting, one for approval of the Annual Report and documents for the Annual General Meeting, and four extraordinary Board meetings. The Board meetings have had a regular structure with a predetermined main agenda. An important theme during the year was the Company's profitability and management of a weakening market. Other matters discussed by the Board included valuations, strategic direction, and financing.

At its ordinary meetings, the Board discussed the fixed items on the agenda in compliance with its plan for the year and rules of procedure, such as business conditions, orders, forecasts, financial outcomes, liquidity, annual accounts and interim reports. Further, general questions regarding strategic orientation, structure, and the Group's risk-related and sustainability efforts, have also been dealt with. During the year, the Board focused on preparation for the implementation of the CSRD (Corporate Sustainability Reporting Directive). This included review of sustainability data,

processes, and strategies to ensure compliance with the new reporting requirements, including double materiality.

During the year, the Board also performed a review of the Group's governance model, which resulted in an updated reporting structure and a new model for strategy work based on OKR (Objectives and Key Results). This method of governance, based on objectives, clarified the Company's priorities and created a more focused follow-up of the Company's objectives and results. The review included adaptations of governance processes to improve efficiency and create better conditions for meeting future requirements on transparency and sustainability.

Most of the Board meetings also related to follow-up of implemented measures and their effects, mainly pertaining to downsizing of staff and costs, and the effects of sales measures taken. The top priority was to create the conditions for continued profitability in both the short and long term. This discussion also generated several extraordinary Board meetings. In addition to the above meetings, two special meetings were held, dedicated to an in-depth discussion of strategy, mission, vision, and business concept. At one of the meetings, the Board met the auditors without the Corporate Management Team being present. The discussions also generated a number of extraordinary Board meetings, to discuss the financial situation, follow-up, and governance, among other things.

Prior to Board meetings, the Directors received written materials regarding the issues to be discussed. Part of this material was the CEO's written report on operations.

The CEO and the CFO of Knowit took part in Board Meetings to submit reports. During 2024, the Group's head of legal served as secretary for the Board. When necessary, other officials presented reports for the Board. These officials were

then present during the discussion of the matters they presented reports on. The Board decided on written rules of procedure for its own work as well as CEO instructions including reporting instructions for the CEO. The rules of procedure determine the work that is required over and above the Companies Act and Articles of Association.

The Chairman's role

The Chairman organizes and manages the Board's work so that is conducted in accordance with the Swedish Companies Act, other legal acts and regulations, current regulations for listed companies (including the Code) and the Board's internal governance documents.

The Chairman monitors operations through continuous contact with the CEO and is in charge of ensuring that other Directors get sufficient information and decision support. The Chairman also ensures that the Board's and CEO's work is evaluated annually and that the Nomination Committee is informed about the results of the evaluation. The Chairman represents the Company in ownership matters.

Evaluation of the Board's work

The Chairman of the Board evaluates the Board's work in connection with each ordinary meeting. Once a year, the Chairman of the Board initiates a more comprehensive supplementary and focused evaluation of the Board's work, in conversations with the Board in full and individual conversations with each of the Directors. The questions relate to internal climate, breadth of knowledge, and how Board work is carried out. The purpose is to find out how the Directors feel the Board is run and what actions can be taken to make Board work more efficient. The results are presented to the Board and the nomination committee by the Chairman.

The composition of the Board	Year of election	Independence relative to the Company	Independence relative to shareholders	Remuneration committee meetings	Audit committee meetings	Board meetings
Jon Risfelt	2013	Yes	Yes	4/4	7/7	13/13
Camilla Monefeldt Kirstein	2014	Yes	Yes	4/4	-	13/13
Stefan Gardefjord	2018	Yes	Yes	-	7/7	13/13
Kia Orback Pettersson	2018	Yes	Yes	-	7/7	13/13
Olof Cato	2021	Yes	No	4/4	-	13/13
Sofia Sahlberg	2021	Yes	Yes	-	-	13/13

The Board continuously evaluates the work of the CEO in a similar manner.

### Remuneration and remuneration committee

Remuneration to the Board of Directors is determined for the next year during the Annual General Meeting.

In accordance with the Swedish Code of Corporate Governance, the Board has established a remuneration committee, consisting of Jon Risfelt (chairman), Camilla Monefeldt Kirstein, and Olof Cato. The committee has both a consultative (follow-up and evaluation) and a preparatory function ahead of discussions and decisions in Knowit's Board. The Remuneration committee has a delegated decision-making mandate to manage annual adjustments of salaries and any current variable incentive systems.

The committee has during the year had four meetings at which minutes were kept, as well as having a series of informal interactions, to discuss remuneration, incentives, as well as employment conditions for the Corporate Management Team. Beyond this, the focus during the year has been general incentive matters, employee satisfaction, and recruitment matters. A long-term share-based incentive program was adopted at the Annual General Meeting 2024. During the year, the committee discussed the participation in this program and the design of any new program in the next year. Another new long-term share-based incentive program has been proposed to the Annual General Meeting 2025. Further, the committee has reviewed the Remuneration report published ahead of the Annual General Meeting.

The committee and Board propose that the guidelines on remuneration to executives shall, in accordance with the rules adopted at the Annual General Meeting 2020, include a basic salary, a variable performance remuneration, and pen-

sion and other benefits. The total remuneration package shall be market-based and competitive, reflecting the employee's area of responsibility and the complexity of the position.

### Audit committee and external auditing

The Board has instated an audit committee, which consists of Kia Orback Pettersson (chairman), Jon Risfelt, and Stefan Gardefjord. The committee has both a consultative (follow-up and evaluation) and a preparatory function ahead of discussions and decisions in Knowit's Board. The Audit committee has held seven meetings during the year and has discussed, among other things, internal governance and review, the auditors' review and reporting, internal financial reporting, depreciation tests of goodwill, valuation of shares in subsidiaries, the status of implementation of a new economy system, and made an inventory of company risks.

At four of the meetings, the committee has discussed the interim reports, for further discussion at Board meetings. The committee has also assisted the Company's nomination committee with drafting a suggestion for the Annual General Meeting's decision on electing an auditor.

During the year, the committee has continued to focus on internal control, policies, guidelines, and follow-up of this. The decentralized governance model used by the Group requires clear rules and guidelines to facilitate governance of the subsidiaries. These matters continued to be high on the agenda, to further clarify the distribution of responsibilities and mandates within the Group.

An auditor is elected by the General Meeting, for a term running up until the end of the General Meeting during the financial year after the election.

The auditor is assigned to review Knowit's Annual Report, accounting records and the administration performed by the Board and CEO. The auditor delivers a report to the Annual General Meeting. Shareholders have the opportunity to ask the auditor questions during the General Meeting.

The Annual General Meeting 2024 elected the accounting firm of KPMG AB as auditor until the end of the Annual General Meeting 2025. The auditor-in-charge is Jonas Eriksson. KPMG AB has conducted the audit of Knowit AB and its subsidiaries. In exceptional cases, other agencies performed audits of individual subsidiaries. They then reported to KPMG AB.

During the year, the auditors have, in addition to reviewing the Company's books, performed brief audits of the Company's third interim report. The auditors have participated at all seven of the Audit committee's meetings. On two occasions, they presented reports on significant observations – in connection with the third interim report and the finalization of the administrative audit, and in connection with the year-end report. Following the review of the Annual Report, the auditors present an audit report.

The auditors' written reports were distributed to the entire Board and the chairman of the Audit committee presented the most significant parts from the reports.

### Internal control and risk assessment regarding financial reporting

The Board is charged with ensuring the Company's internal control and review and that financial reporting follows the legislation and rules applicable to companies traded on NASDAQ OMX Nordic in Stockholm. In addition, there are internal instructions, routines, systems and a system for delegating roles and responsibility, to ensure good internal control.

### Control environment

Knowit's operations are organized in independent subsidiaries. Each subsidiary appoints a board, with a chairman in charge of the Company's governance, development and management. The CEO of the subsidiary is in charge of day-to-day operations and operative management in line with group-wide policies, the articles of association, instructions to the board, and applicable legislation. The subsidiaries are grouped into four business areas, with one head for each business area, who is usually the Chairman or a Director in the associated subsidiaries. The heads of the business areas govern and develop the subsidiaries in their business area, in some cases with the help of a management team for the business area. Decision-making in the organization is, thanks to the decentralized governance model, often close to operations and decisions can thus be made quickly and by the most relevant people. The decentralized model thus also places demands on the management teams and boards of subsidiaries, their competence, values, and understanding and respect for the roles delegated.

The heads of the business areas are part of Knowit's Corporate Management Team. Knowit's decentralized organization, with many subsidiaries, entails demanding requirements on the Board's and management teams of subsidiaries, as well as their competence, common values and ethics. Further, this requires understanding and respect for delegation of roles. This also requires that the division of responsibility within and between the Corporate Management Team, the management team of the business area, and the management teams and boards of the subsidiaries is well-defined and that the communication between all these units works well, as the internal control is strongly connected to each respective subsidiary.

Rules of procedure and authorization instructions for subsidiary boards and CEO instructions for subsidiaries are reviewed and determined at the first constitutive meeting in each subsidiary. Instructions on governing documents, accounting principles, guidelines and routines are regularly distributed to affected employees.

The authorization instructions in Knowit AB and all its subsidiaries regulate the decision process for important contracts, larger investments, and other significant decisions, thus becoming an important part of the Group's control environment.

### Risk management

Knowit's operations are affected by a number of risk factors that cannot be fully controlled by the Company. The Board and Corporate Management Team continuously work with risk assessment and management of these factors. Each year, the Corporate Management Team of Knowit performs a risk review, where significant risks to both the Group as a whole and its companies are discussed. Risks are identified and evaluated based on likelihood and consequences.

The review has a broad approach, where relevant operative risks and sustainability risks, as well as legal and financial risks, are to be included. A summary of the work is presented and discussed annually in the Audit committee and the Board. With this material as a basis, the Company's management can identify the need for expansion or development in some areas and identify areas that need to be reinforced or that require centralized increased focus. The continuous work, combined with the annual reviews, also results in an assessment of the need for any additional targeted efforts and serves as decision support for later audit prioritizations.

For a detailed description of the financial and share-related risks, please refer to Note 2 in the Annual Report.

The Board is responsible for identifying and managing significant financial risks and risks of errors in the financial reports. The focus is on significant income and balance items, transactions with high complexity and/or where the effects of any errors could be significant. The decentralized governance model places a large responsibility on each individual subsidiary, to ensure that risk management is at an acceptable level.

The risks in each respective subsidiary are to be identified and discussed at an appropriate level in the organization, in a company-specific process. Knowit's CFO annually reviews the Company's minimum requirements for internal control and routines for financial reporting. These minimum requirements serve to prevent, uncover and correct errors and deviations in the financial reporting. Reviews include, i.e., approval of significant agreements, follow-up of risk exposure, checking account balances and analyzing results. The Board annually reviews the work done and is informed of any deviations or observations made.

### Follow-up

The subsidiaries' observance of Knowit's minimum requirements of internal review and processes for financial reporting is monitored continuously by the CFO and/or the head of accounting during visits to subsidiaries, which are selected based on particular needs and timed depending on internal reviews already performed. Observations made through internal control are reported to the Audit committee.

The Group's subsidiaries report income and balance sheets in a monthly basis, as well as relevant performance measures. The monthly reports of the subsidiaries and the consolidated monthly report of the Group are analyzed by Corporate Management Team. The Group's financial development is then discussed at each Board meeting and the Board usually gets a detailed report each month from the Chief Executive Officer regarding the financial position and the operations' development. During the year, new formats and reports were developed to facilitate follow-up.

### Internal review

Given the Group's structure and processes for internal review of financial reporting, the Board has not assessed it as relevant to instate a special function for internal review.

### Information

Financial reporting is governed by Knowit's financial manual, which is updated annually. Economists within the Group meet regularly to discuss matters related to financial reporting.

The Company's information releases follow the information policy for the Knowit Group established by the Board. The policy states what should be communicated, by whom and in what manner – to ensure that both external and internal information is correct and complete.

Knowit provides information to shareholders and other stakeholders through published press releases, interim and year-end reports, the Annual Report and the Company's website ([www.knowit.eu](http://www.knowit.eu)). The press releases, financial reports and presentation materials for the past few years are all published on the website, along with information on corporate governance. Interim reports, annual reports and press releases are translated into English and published on the Company website.

## The Corporate Management Team

The Chief Executive Officer has designated a Corporate Management Team. During 2024, the Corporate Management Team has consisted of the Group's CEO, the CFO, the Head of Communications, the Head of Business Support, and the Head of People & Culture. In addition to these functions, the heads of the business areas Solutions, Experience, Connectivity, and Insight are also represented in the Corporate Management Team. The Corporate Management Team meets every fourteenth day, on average, but also works very closely, with nearly daily contact. During the year, matters of an operative and strategic matter have been managed continually. When necessary, larger meetings have been held where senior executives from Knowit's subsidiaries and the heads of the departments for administration, IT, and communication have also participated.

Information on the Chief Executive Officer and Corporate Management Team can be found on page 80 in the Annual Report.