

# Corporate Governance

**CellaVision is a Swedish public limited liability company with its registered office in Lund. Apart from the parent company, the Group consists of five wholly-owned subsidiaries in Sweden, the USA, Canada, Japan, and France, as well as offices for local market support in the USA, Canada, Brazil, China, Japan, Sweden, United Arab Emirates, France, Germany, Singapore, Spain and Italy. The company's share is listed on NASDAQ Stockholm Mid Cap. CellaVision applies the Swedish Code of Corporate Governance (the Code) since its shares were admitted to trading in May 2010 and reports no deviations from the Code for 2024.**

The term corporate governance refers to the rules and structure built up to govern and direct a limited liability company in an effective and controlled manner. Governance and control of CellaVision is divided between the shareholders at the Annual General Meeting, the Board of Directors and the President/ CEO, and is regulated in legislation (including the Companies Act), the Articles of Association, the Nasdaq Stockholm rule book for issuers and the Swedish Code of Corporate Governance. The code is available at [www.bolagsstyrning.se](http://www.bolagsstyrning.se). In addition to legal control and governance principles, CellaVision is also influenced by several internal policy documents, including instructions and rules of procedure for the President/CEO and Board of Directors, as well as internal policies and guidelines.

## Shareholders

The share capital on December 31, 2024 was SEK 3,577,732 distributed among 23,851,547 shares. Each share entitles the holder to one vote and each person entitled to vote at a general meeting of shareholders may vote for the full number of shares owned and represented by her or him without limit to the voting right. All shares confer an equal right to share in the company's assets and profits. CellaVision had 6,862 (7,432) shareholders on the closing date. Of these, two shareholders have direct and indirect holdings constituting 10 percent or more of the votes and capital: William Demant Invest A/S and Grenlunden CEVI AB. No shares are held by the company itself. For further information about the CellaVision share and shareholders please refer to pages 10-11 and CellaVision's website.

## Articles of Association

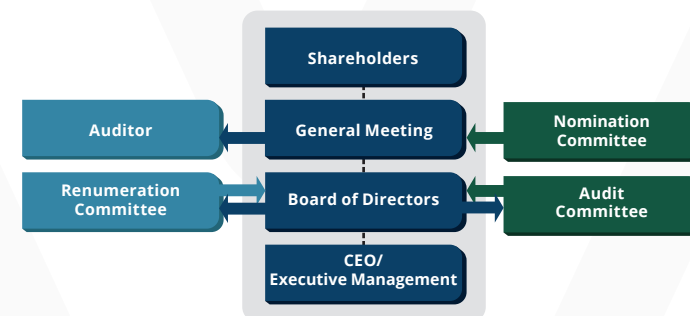
The Articles of Association of CellaVision stipulate that the company shall develop, markets, and sell products in sample preparation and systems for automated digital microscopy, specializing in software applications for the medical market. The registered office of the Board is in Lund and the company's financial year is a calendar year. In other respects the Articles of Association contain provisions concerning the number of shares, number of board members and auditor, and the Annual General Meeting. The Articles of Association contain no separate provisions concerning the appointment or removal of Members of the Board or concerning amendments to the Articles of Association. The complete Articles of Association can be downloaded from [www.cellavision.com](http://www.cellavision.com).

## General Meeting of Shareholders

Shareholders exercise their influence over CellaVision at the General Meeting of Shareholders, which is the highest decision-making body in CellaVision. The General Meeting is called at least once a year and, among other things passes resolutions on the treatment of the company's and Group's balance sheet and income statement including the appropriation of the company's profits, discharge from liability of the Board of Directors and President/CEO, election of the Board of Directors and auditor, fees to the Board of Directors and auditor, and appointment of the Nomination Committee. Amendments to the Articles of Association require a resolution by the General Meeting of Shareholders. To participate in the General Meeting the shareholder must be entered under his or her own name

in the register of shareholders at least five business days before the Meeting and notify the intention to attend to the company at the latest on the date specified in the notice to attend. At the General Meeting the shareholder must in normal cases attend either in person or via a representative.

The Annual General Meeting is held in Lund during the first half of every year. In connection with the third interim report, CellaVision's shareholders are informed of the time and place of the Annual General Meeting and of their right to bring a matter before the Meeting. A notice to attend the Annual General Meeting is published no earlier than six and no later than four weeks before the Meeting. An extraordinary general meeting may be held if the Board of Directors considers it necessary or if the company's auditors or shareholders holding at least 10 percent of the shares so request.



## Annual General Meeting 2024

CellaVision's Annual General Meeting was held on Friday, May 3, 2024. Essentially, the following resolutions were passed:

- The parent company and consolidated income statements and balance sheets were adopted. It was further resolved to distribute SEK 2.25 per share for the 2023 financial year.
- Discharge from liability of the members of the Board of Directors and the President.
- Re-election of Mikael Worning, Christer Fåhræus, Stefan Wolf, Ann-Charlotte Jarleryd and Louise Armstrong-Denby as board members. Re-election of KPMG AB as auditor.
- Fee to the Board of Directors, presented in the table on page 45 and in Note B6 of the Annual report.
- Principles for appointing Nomination Committee that were adopted at the 2020 Annual General Meeting shall also apply before the 2025 Annual General Meeting.
- Remuneration report for 2023.

## Nomination Committee

The main task of the Nomination Committee is to propose to the Annual General Meeting the composition of the Board of Directors, which is then decided by the Annual General Meeting. The work of the Nomination Committee starts by studying the evaluation of the work of the Board of Directors commissioned by the Board of Directors. The work of the Nomination Committee is characterized by transparency and discussion to achieve a well-balanced Board. The Nomination Committee then nominates members to the Board for the next term of office and submits proposals for remuneration to the Board of Directors and auditors and, where applicable, also for election of auditor.

## Nomination Committee for the Annual General Meeting in 2025

In accordance with a resolution of the 2024 Annual General Meeting, CellaVision's Nomination Committee, ahead of the 2025 Annual General Meeting, shall consist of one representative of each of the four largest shareholders in terms of voting rights at the end of July 2024. The Chair

of the Board convenes the first meeting of the Nomination Committee and is co-opted to the meetings of the Nomination Committee.

The composition of the Nomination Committee was announced through press release on October 30, 2024. The members of the Nomination Committee and the shareholders who appointed them are presented in the table to the right. The chair of the Nomination Committee is Emil Hjalmarsson. Ahead of the 2025 Annual General Meeting, the Nomination Committee has held three meetings during 2024 and interacted by a number of email and telephone contacts. The Nomination Committee proposals will be presented in the notice to attend the 2025 Annual General Meeting and are also available on the company's website together with an explanatory statement concerning the proposed Board of Directors.

The Nomination Committee has applied Rule 4.1 in the Swedish Code of Corporate Governance as a policy, which sets the principles for diversity on the Board. All nominations of board members are based on merit, the main purpose being to maintain and improve the board's overall efficiency. It is CellaVision's goal to have a fair, equal and balanced representation of different genders and other diversifying factors on the board as a collective. Furthermore, the board members appointed by the general meeting as a group must present diversity and breadth in terms of opinions, qualifications, and experience. The assessment is that the board as a whole possesses the necessary knowledge and experience of the social and business conditions that prevail where the company's main operations are conducted, and that it exhibits sufficient diversity and breadth in terms of characteristics and competence.

## Board of Directors

The Board of Directors and ultimately the President/CEO administers the affairs of the company on behalf of the shareholders. The Board of Directors appoints the President/CEO, who is responsible for the day-to-day management of the company. The division of duties and responsibilities between the Board of Directors and the President/CEO is clarified in the Board's Rules of Procedure and the Instructions to the President/CEO. The

## Composition of the Nomination Committee

Shareholder spread	Voting share (%) 12/31/24
Mikael Worning, Chair. Co-opted	
Nicklas Hansen, William Demant Invest A/S	19.9 %
Emil Hjalmarsson, Grenlundens CEVI AB	10.0 %
Anette Andersson, SEB Funds	9.5 %
Christer Fåhræus, Christer Fåhræus comp.	6.8 %
<b>Total</b>	<b>46.2 %</b>

Board of Directors is appointed by the shareholders at the Annual General Meeting with a term of office up to and including the next Annual General Meeting. The Board of Directors manages the company on behalf of the owners by establishing goals and strategy, evaluating the operative management, and ensuring that there is an effective system for follow-up and control of the established goals. It is also the responsibility of the Board to ensure that the company's information provision is correct, relevant, and reliable. The Board of Directors forms a quorum when more than half of its members are present. Under CellaVision's Articles of Association the Board of Directors must consist of a minimum of three and a maximum of nine members with a maximum of two alternates. The Board holds an inaugural meeting directly after the Annual General Meeting.

## Chair of the Board

CellaVision's Board of Directors has been chaired since 2021 by Mikael Worning. The Chair of the Board is appointed by the Annual General Meeting. The Chair of the Board organizes and leads the work of the Board, ensures that the Board regularly develops its knowledge of the company, communicates shareholders' views to the Board, and is a support to the President/CEO. The Chair of the Board and the President/CEO prepare proposed agendas for the Notice of AGM. It is the responsibility of the Chair of the Board to verify that the Board's decisions are effectively implemented and that the work of the Board is evaluated annually and that

the Nomination Committee is informed of the results of this evaluation.

## The Board's Rules of Procedure

The Board of Directors adopts rules of procedure for its work annually. The current rules of procedure were adopted on May 3, 2024. In addition to that, the Rules of Procedure are revised as necessary. The Rules of Procedure include a description of the responsibilities and duties of the Board, the duties of the Chair of the Board, audit issues, and specify the reports and financial information that the Board must receive before each ordinary Board meeting.

## Evaluation of the Work of the Board

Under the leadership of the Chair, the Board conducts an annual evaluation of its work. The evaluation refers to forms of work and work climate, emphasis of the Board's work, and access to and need for special competence in the Board. The evaluation is used as an aid for developing the work of the Board. In accordance with the Swedish Code of Corporate Governance, relevant parts of the results are made available to the Nomination Committee.

## Composition of the Board of Directors in 2024

In 2024 the Board of Directors consisted of seven members, of which two were employee representatives (not elected by the AGM), with no alternates. At the 2024 Annual General Meeting Mikael Worning, Christer Fåhraeus, Stefan Wolf, Ann-Charlotte Jarleryd and Louise Armstrong-Denby were re-elected as Board Members. Mikael Worning was re-elected as Chair of the Board. Gunnar Brun Hansen and Kent Stråhlen were appointed as board members by the unions. The members of the Board have great experience and

competence in medicine and technology as well as business and international operations. The composition of the Board complies with the requirements of the Code regarding independent members. The information that is to be provided under point 10.2 of the Code concerning members of the Board can be found on page 41.

## Work of the Board in 2024

In 2024 the Board of Directors of CellaVision held a total of ten minutes meetings, all of which were conducted as a combination of physical and digital. Four of the meetings were held in connection with the approval of the year-end bulletin and the interim reports. On occasions when any member has been prevented from attending, the Chair of the Board has obtained views concerning the decision in advance. Important questions during the year included: partnerships, strategy, market assessments and significant risks. The company's President/CEO and CFO participate regularly



in the Board meetings. Other senior executives participate in the Board meetings as necessary. The company's auditor participated in February when the Year-end Report for 2023 was approved and in the October Board meeting when the interim report for January-September 2024 was approved.

## Audit Committee

Risks concerning CellaVision's financial reporting are monitored and evaluated by the Board's Audit Committee, whose main task is to support the Board in quality assurance of the financial reporting. The Audit Committee has no decision-making authority, it prepares and reports matters to the Board as a whole. As of May 2023, the Audit Committee consists of two members who are both independent in relation to the company and Executive Management as well as being independent in relation to the company's major shareholders: Mikael Worning, and Ann-Charlotte Jarleryd, where Ann-Charlotte Jarleryd chairs the Committee. During the year, the Committee met seven times. Other questions dealt with were mainly internal control, risks, audit planning, governance, follow-up of operations, and adaptation to new regulatory requirements. The company's CEO, CFO, and auditor participate regularly at the Audit Committee meetings.

## Remuneration Committee

The Board of Directors also has a Remuneration Committee, whose main task is to propose principles for remuneration and other conditions of employment for the President/CEO and other senior management in the Group. Ahead of each Annual General Meeting the Committee submits its proposals in accordance with Chapter 8, Section 51 of the Swedish Companies Act. As of May 2023, the Remuneration

Name	Independent of the company	Independent of major shareholders	Audit committee	Remuneration committee	Board fees SEK t	Attendance at board meetings
Mikael Worning, Chair of the Board	Yes	Yes	Member	Chairman	800	10/10
Louise Armstrong-Denby	Yes	Yes			260	10/10
Christer Fåhraeus	Yes	No		Member	285	10/10
Ann-Charlotte Jarleryd	Yes	Yes	Chairman	Member	385	10/10
Stefan Wolf	Yes	Yes			260	9/10
Kent Stråhlen*	Yes	Yes			-	10/10
Gunnar Brun Hansen*	Yes	Yes			-	10/10
<b>Total</b>					<b>1,990</b>	

\* Non-paid employee representative. A more detailed presentation of the Board members can be found on page 41 and on the company's website [www.cellavision.com](http://www.cellavision.com)



Committee consisted of members of the Board Mikael Worning, Christer Fåhræus and Ann-Charlotte Jarleryd, who are all independent of the company and Executive Management. Mikael Worning chairs the Committee. During the year the Committee held one minuted meeting, and conducted several telephone and email contacts. In addition to guidelines and principles of remuneration to the President/CEO and other senior management during the year the Committee discussed the company's incentive program for the President/CEO, Executive Management, and other staff.

### **President/CEO and Executive Management**

The President/CEO is appointed by and receives instructions from the Board of Directors. The President and Chief Executive Officer of CellaVision, Simon Østergaard is responsible for the day-to-day management of the company as well as strategic and operative issues, in accordance with the Board's guidelines and directions. The current Instruction to the President/CEO was adopted by the Board on May 3, 2024. The President/CEO prepares information and decision-making data for the Board meetings and is presenter at the meetings. The Board of Directors continuously evaluates the work of the President/ CEO through monitoring against goals set. Once a year a formal evaluation is made, which is discussed with the President/CEO.

#### ***Composition of Executive Management in 2024***

The President/CEO has appointed Executive Management to be responsible for various parts of the CellaVision business. At the end of the year, Executive Management consisted of six people besides the President/CEO:

- Chief Financial Officer (CFO)
- VP Global Sales
- VP Global Marketing & Business Development
- VP HR
- VP Devices & Software
- VP Reagents

Apart from VP Reagents, all the members of the Executive Management are at the company's head office in Lund, Sweden. Executive Management holds minuted meetings at which operative issues are discussed. Executive Management

draws a business plan annually, which is adopted by the Board. A more detailed presentation of the President/CEO and Executive Management team can be found on page 42. The information about the President/CEO stipulated in item 10.2 of the Code can also be found there.

### **Auditor**

The administration of the Board of Directors and the President/ CEO and financial reporting is examined by the external auditor elected by the Annual General Meeting. The auditor is proposed by the Nomination Committee and elected by the Meeting for one year. At the 2024 Annual General Meeting, KPMG was re-elected as auditor up to and including the 2025 Annual General Meeting. The auditor in charge is authorized public accountant Jonas Nihlberg. The task of the auditor is to audit CellaVision's annual accounts, accounting records, and the administration by the Board of Directors and President/CEO on behalf of the shareholders. Besides the annual audit, the auditor reviews at least one interim report per year. Remuneration to the auditor is payable in accordance with the approved invoice. For amounts, please see Note B7.

### **Remuneration**

#### ***Remuneration of senior management***

Salaries, remuneration and other benefits to the Board of Directors, President/CEO and other senior management are reported in Note B6 in the annual report. Remuneration to the Board of Directors can also be followed in the table on page 45.

#### ***Guidelines for remuneration to senior management***

The Annual General Meeting 2023 resolved to approve the Board's proposal with guidelines for remuneration to senior executives in CellaVision. The guidelines apply until the Annual General Meeting in 2027 at the latest.

A successful implementation of CellaVision's business strategy presumes that CellaVision can recruit and retain proficient employees with the right competence. In order to achieve this, it is required that CellaVision can offer a market conformant total compensation which is made possible by the guidelines. The part of the total compensation which pertains to variable remuneration shall strive to promote CellaVision's business strategy and long-term interests, including sustainability.

The guidelines do not cover remuneration decisions made by the General Meeting, such as stock-related incentive programs and fees to the Board.

The board of directors may decide to temporarily depart from the guidelines entirely or partly if in a specific case there are special reasons for a departure, and it is necessary for CellaVision's long-term interests, including its sustainability or to safeguard CellaVision's economic soundness

#### ***Forms of remuneration***

CellaVision shall offer a market-conforming total compensation. Remuneration may consist of salary, benefits in kind, variable remuneration and pension. Together, salary plus variable remuneration constitutes the target compensation of the employee. In addition, and notwithstanding these guidelines, the general meeting is able to make resolutions on for example share-related remunerations.

#### ***Fixed salary***

Fixed salary shall take into account the individual's areas of responsibility and experience. The salary shall be revised yearly. The distribution between salary and variable remuneration shall be in proportion to the responsibility and authority of the person holding the position. No separate board fee is payable to a member of management holding a position as member or alternate in a group company board of directors

#### ***Variable remuneration***

Potential variable remuneration to the members of the senior management shall always be limited to a maximum amount which for a period of one year may not exceed 75 percent of each individual's fixed salary or equivalent for one year. The remuneration shall be linked to predetermined and measurable criteria with the purpose to promote the company's long-term value-adding, business strategy and long-term interests, including sustainability. The ratio between salary and variable remuneration shall be in proportion to the responsibility and authority of the person holding the position. Variable remuneration shall be based on the fulfilment of individual targets, which are determined by the board of directors by proposal from the remuneration

committee. Such targets shall for the CEO be linked to the company's general targets including earnings, turnover and/or cash flow. For other members of the senior management, the variable remuneration shall be based on equivalent targets and targets within its own area of responsibility.

- **Short-term bonus program**

CellaVision's senior management have the right to a certain bonus, given that some goals pertaining to operating profit and turnover as well as certain individual target are fulfilled during the fiscal year.

- **Long-term cash-based incentive program**

The long-term cash-based incentive program for CellaVision's senior management is linked to financial performance targets reflecting the company's value growth over a three-year period. The outcome is dependent on progress of the average yearly growth of the company's profit per share.

**Pension and other benefits**

Pension conditions must be in line with market conditions applicable to others holding equivalent positions and must be based on solutions that are reported as defined contribution. The retirement age is to be 65 years. For all members of the senior management the pension benefits can amount to at most 30 percent of the yearly fixed salary or based on collective agreements. Other benefits must be in line with market conditions applicable to others holding equivalent positions. Such benefits can in total amount to at the most ten (10) percent of the yearly fixed salary.

**Conditions at cessation of employment**

Severance pay for a member of the senior management can be payable in an amount equivalent to a maximum of twelve months' salary. The total of the fixed salary during the period of notice and severance pay may not exceed an amount equivalent to two years' fixed salary for the member of the senior management. For notice of termination of a member of the senior management the company shall observe a notice period of three to twelve months and the employee a notice period of three to six months.

## **The Board's Report on Internal Controls and Risk Management Referring to Financial Reporting**

This report on internal control referring to financial reporting is submitted by the Board of CellaVision and has been drawn up in accordance with the Swedish Code of Corporate Governance.

**Background**

Under the Companies Act and the Swedish Code of Corporate Governance the Board is responsible for internal control.

**Control environment**

The basis of internal control is the overall control environment. A good control environment builds on an organization with clear decision lines where responsibility and authority are clearly defined. In CellaVision there are policies, guidelines and process descriptions for the different parts of the business flow. In the company's financial and accounting manual, Administrative Guidelines, which is updated annually, these process descriptions are presented in all essentials. The company's financial policy, established by the Board, includes, among other things, instructions regarding the management of financial risks such as currency risk, interest rate risk, and the placement of surplus liquidity.

**Risk assessment**

The Board and the Audit Committee continuously assess risks related to financial reporting to ensure controls are in place, ensuring that financial reporting is appropriate and accurate, as well as identify and address any errors in external reporting. At present neither the size of the company nor its risk exposure warrants a separate internal audit function. The Board assesses that with the procedures in place for follow-up and control there is currently no necessity for this.

**Control activities**

The main purpose of control activities is to prevent and discover errors as soon as possible in order to rectify any deficiencies. Procedures and activities have been designed to discover and deal with the most material risks related to financial reporting. Group companies are followed up by the CFO through regular reports and personal meetings with the management of the respective subsidiary. The Board

receives monthly reports in which the CEO and CFO give an account of the past period regarding the Group's result and financial position. The work on monthly closings and annual accounts is well-defined and reporting is in accordance with standardized reporting templates, including comments regarding all material income and balance sheet items. There are CFOs and controllers with functional responsibility for accounting, reporting and analysis at both parent company and subsidiaries. In this way the company's financial reports are checked several times, which reduces the risk of error.

**Information and communication**

CellaVision's procedures and systems for provision of information are aimed at supplying the market with relevant, reliable, correct and current information about the company's development and financial position. The Board has adopted an information policy that specifies what is to be communicated, by whom, and in what way the information is to be published, to ensure that external information is correct and complete. Financial information is published regularly in the form of interim reports, annual report, and press releases on price sensitive news. The material is published in Swedish and English on the company's website.

**Follow-up**

Compliance and effectiveness of internal controls are followed up regularly. The Group's financial results and position is dealt with at each Board meeting, when the Board receives detailed monthly reports regarding the financial position and development of operations. Each interim report is analyzed by the Audit Committee, discussed with the CEO and CFO, and then approved by the Board before publication.

**Activities in 2024**

CellaVision works constantly to minimize risks by removing superfluous manual steps from the company's processes. In 2024, the process of risk analysis, controls, and self-assessment regarding financial reporting has been further developed and strengthened. Through expansion and refinement of processes and controls, precision and reliability have increased. This effort has not only resulted in reduced risk of potential errors and deficiencies in financial reporting but has also enhanced the ability to identify and address risks at an early stage.

# Auditor's Report on the Corporate Governance Statement

**To the Annual General Meeting of CellaVision AB (publ),  
Corporate Identity Number 556500-0998**

## **Engagement and responsibility**

It is the board of directors who is responsible for the corporate governance statement for the year 2024 on pages 43-47 and that it has been prepared in accordance with the Annual Accounts Act.

## **The scope of the audit**

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

## **Opinions**

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

Malmö April 9 2025  
KPMG AB

**Jonas Nihlberg**  
Authorized Public Accountant