

CORPORATE GOVERNANCE REPORT

Rejlers is a Swedish public limited company and is regulated by Swedish legislation. The company's Class B shares are listed for trade on Nasdaq Stockholm, which is why the company applies Nasdaq Stockholm's rules.

Rejlers' corporate governance is based on the Swedish Companies Act, the articles of association as approved by the shareholders and obligations the company has undertaken through contracts such as the listing agreement with Nasdaq OMX. As a result of the listing contract, Rejlers has applied the Swedish Corporate Governance Code since 1 July 2008. In addition to this, Rejlers is required to comply with applicable Swedish and foreign laws and regulations. Rejlers' assessment is that the company follows the rules stated in the Swedish Corporate Governance Code (www.bolagsstyrning.se/koden/gallande-kod).

Shareholders

Rejlers' Class B shares have been noted on the NASDAQ OMX Nordic list, the regulated market for share trading, since 18 December 2006. Before then, the share had been listed on the Nordic Growth Market, NGM, since 8 May 2003. On 1 January 2021, Rejlers was moved up to Nasdaq's Mid Cap segment, which includes companies with a market capitalisation between EUR 150 million and EUR 1,000 million.

The total number of shares in the company amounts to 22,106,849, of which 1,749,250 are Class A shares and 20,357,599 Class B shares. The number of votes at Rejlers totals to 37,850,099. The share capital amounts to SEK 44,213,698. Upon request from the shareholder, Class A shares may be transformed into Class B shares. There is no limit to how many votes a shareholder may cast at the AGM. Class A shares confer 10 votes per share while Class B shares confer 1 vote per share. Shareholders with more than 10 per cent of the votes are Peter Rejler and Jangunnar AB (Rejler family).

Annual General Meeting

The General Meeting of shareholders is Rejlers' highest decision-making body in which all shareholders have the right to participate in the decisions. If an individual shareholder wishes to have a matter for resolution taken up at the AGM, it must be submitted in writing to the Board no later than seven weeks before the AGM. In accordance with the articles of association, notice to attend must be entered in the Official Swedish Gazette (Post- och Inrikes Tidningar) and posted on the company's website. Information regarding the promulgation of a notice to attend must be provided in an advertisement in Dagens Nyheter.

Rejlers' AGM for the 2022 financial year took place on 20 April 2023 in the company's offices at Lindhagensgatan 126 in Stockholm, Sweden. The AGM was attended by 53 shareholders who represented 72.8 per cent of the company's votes and 55.3 per cent of equity. The minutes from the Annual General Meeting are available on the company's website www.rejlers.com/se.

The AGM resolved, inter alia:

- In accordance with the Board's proposal, to appropriate the company's earnings such that of unappropriated earnings of SEK 610,498,859, a total of SEK 91,718,321 is to be paid to the shareholders in dividend, of which SEK 7,871,625 in total was paid to holders of Class A shares and SEK 83,846,696 was paid to holders of Class B shares in dividend and the remainder was carried forward. Accordingly, a dividend was decided on of SEK 4.50 per share, regardless

of class. The record date for receipt of the dividend was set at 24 April 2023.

- To adopt the income statement and balance sheet and consolidated income statement and consolidated balance sheet, in accordance with the Board's proposal.
- To discharge the members of the Board and CEO from liability as proposed by the auditor.
- To set the remuneration of the Board as per the Nomination Committee's proposal, and the remuneration of auditors as per approved invoice
- In accordance with the Nomination Committee's proposal, that the Board of Directors shall consist of six ordinary members without deputies for the period until the end of the next Annual General Meeting. This number does not include employee representatives.
- In accordance with the Nomination Committee's proposal, that the Board of Directors shall consist of the re-election of Peter Rejler, Jan Samuelsson, Helena Levander and Patrik Boman and the election of Lisa Rejler and Peter Johansson for the period until the next AGM.
- In accordance with the Nomination Committee's proposal, to elect the accounting firm Ernst & Young AB as the company's auditors until the end of the next Annual General Meeting.
- To authorise the Board of Directors to decide on acquisition and transfer of own shares. Acquisitions may take place of a maximum number of Class B shares such that the own holdings do not at any time exceed 10 per cent of all shares in the company and that the number of Class B shares that may be transferred shall amount to a maximum of 10 per cent of the total number of shares in the company.
- Authorising the Board of Directors to decide on a new share issue of a total of no more Class B shares than would be equivalent to a dilution of a maximum of 10 per cent.
- All resolutions at the Annual General Meeting were passed unanimously or by a required majority.

The 2024 AGM in respect of the 2023 financial year will be held on 25 April 2024 the company's offices in Stockholm.

Nomination Committee

The General Meeting adopts guidelines for the appointment of the Nomination Committee.

The Nomination Committee nominates members to Rejlers' Board who are then proposed to the AGM. The Nomination Committee's work begins with an evaluation of the incumbent Board. When making nominations to the future Board, the Nomination Committee takes into consideration the potential members' strategic skills, education and any other Board work.

The Nomination Committee also solicits points of view from the principal owners. The Nomination Committee submits proposals regarding remuneration of members of the Board at the AGM. The Nomination Committee also submits proposals regarding the election of auditors.

The Nomination Committee charged with preparing agenda items prior to the 2024 AGM consists of Martina Rejler (chair) representing Peter Rejler and Jangunnar AB, Mats Andersson representing Nordea Fonder samt Johan Lannebo representing Lannebo Fonder. The Nomination Committee must draft proposals regarding: the AGM chair, the number of Board members, fees to Board members, Board members, Chairman of the Board, Vice Chairman of the Board, the number of auditors, the auditors, how the Nomination Committee should be appointed before the 2025 AGM and the Nomination Committee's assignment. As the

basis for the Nomination Committee's work, the chairman of the Board and the CEO submitted a report on the work of the Board during the year. Furthermore, an annual evaluation of the Board was carried out on behalf of the Nomination Committee.

Diversity

All Board member contributions aim to maintain and improve the Board's overall effectiveness. In the election of Board members, Rejlers therefore strives to have adequate expertise within the company's operations, business areas, markets and development. To achieve this, a broad distribution of characteristics and competencies is strived for. In addition, diversity with regard to age, gender, geographic origins, education and professional background is important to take into account. Rejlers actively works for diversity on the Board.

Board of Directors

Rejlers Board and the Chairman of the Board are appointed by the General Meeting. The Board approves Rejlers strategy and objectives, issues steering documents, ensures effective evaluation of operations and monitors the company's development and financial situation. During the 2023 financial year, the Board consisted of six members, who are presented in greater detail on page 62. During the 2023 financial year, the Board held 13 recorded meetings, of which three were by letter or email minutes for a resolution on the convening notice for the Annual General Meeting and issues in connection with the acquisition and resolutions on the remuneration of the CEO for 2024. Representatives from Group management and other management personnel regularly participated in Board meetings during the year to discuss issues in their respective areas. The Board is also responsible for major acquisitions and divestments of operations, major investments and the appointment and remuneration of the CEO. The Board also approves business plans, the annual accounts and monitors the work of the President.

Peter Rejler was elected by the Annual General Meeting as the Chairman of the Board. Jan Samuelsson was elected the Vice Chairman. The Audit Committee consists of Jan Samuelsson (chair), Helena Levander and Peter Rejler. The Remuneration Committee consists of Peter Rejler (chair), Lisa Rejler and Patrik Boman. The union organisations appointed Björn Lauber and Tore Gregorsson as Board members.

CEO Viktor Svensson is not a member of the Board, but participates as a presenter in all the Board meetings. In addition, the CFO and other salaried employees from the organisation take part in all Board meetings to report on specific matters.

The Board's rules of procedure

The Board has not allocated any specific area of responsibility between its members, besides two committees, the Remuneration and Audit Committees. In addition to the allocation of responsibility that applies generally under the Swedish Companies Act, the Articles Of Association and the Swedish Corporate Governance Code, the Board's work is governed by its rules of procedure, which stipulate that the Board must:

- In addition to the statutory meeting, hold at least five ordinary meetings
- Establish the overarching objectives for the company's operations and decide on company's strategy
- Approve the budget and corresponding long-term plans including the investment budget
- Address and approve matters regarding tenders and projects with larger fixed-price amounts

- Decide on the purchase and sale of real estate, shares or the acquisition of another company's operations
 - Appoint an Audit Committee
 - Appoint a Remuneration Committee
 - Submit the annual accounts, administration report and interim reports
 - Approve the raising of loans
 - Initiate processes or settlements of disputes of material significance
 - Address other issues of material financial or other significance
- The following items must be taken up at every ordinary Board meeting:
- A report on the company's activities including its financial management
 - A report on exceptional measures taken or events occurring between Board meetings
 - A report on the development of on-going major projects and expected business events
 - A report on existing or potential disputes that may have a significant impact on the company's operations

Board composition

Name	Function	Independent	Elected	Present
Peter Rejler ¹⁾	Chairman	No	2010	13/13
Jan Samuelsson	Vice chairman	Yes	2010	13/13
Helena Levander	Board member	Yes	2018	13/13
Patrik Boman	Board member	Yes	2018	13/13
Martina Rejler ²⁾	Board member	Yes	2021	13/13
Lisa Rejler ²⁾	Board member	Yes	2023	9/9
Peter Johansson	Board member	Yes	2023	8/9
Björn Lauber	Employee representative	-	1998	13/13
Tore Gregorsson	Employee representative	-	2016	13/13

¹⁾ Dependent in relation to the company and to major shareholders.

²⁾ Independent in relation to major shareholders.

The Chairman of the Board is the link between Rejlers' CEO and other Board members.

The Chairman is tasked with directing the work of the Board and ensuring that the Board complies with applicable laws, rules and recommendations. The Board is evaluated on an ongoing basis, both in respect of the Board as a whole and its individual Board Members. During 2023, the evaluation was carried out in the form of a Board questionnaire under the direction of the Nomination Committee. The entire Board took part in the questionnaire and discussed the evaluation. On the same occasion the Board evaluated the CEO and the company's management in their absence, but with the company auditor present. The company auditor participated in one Board meeting in connection with closing the annual accounts. The company's interim report for the third quarter was reviewed by the company's auditor and reported to the Board's Audit Committee.

Sustainability

To meet the global sustainability challenges, today's society needs a rapid transition where infrastructure, industries and buildings must become smarter and more efficient. Today, the urgent, on-going climate crisis requires an absolute focus on measures to build a sustainable society that minimises carbon dioxide emissions. A strong focus on sustainability has thereby

become a prerequisite for success for an ambitious and value-generating company like Rejlers. It is in our customer assignments that we can make the greatest difference. Here, technical experts like Rejlers have the possibility of acting as a catalyst for our customers' journey of change.

To realise these intentions, we supplemented and strengthened our overall business strategy with a new sustainability strategy in 2023. As a basis for our sustainability strategy, we have four priorities: climate action, business ethics, an inclusive workplace and healthy people. These priorities are all crucial for us to be able to achieve the ambitious sustainability targets that both Rejlers and our customers have set. Each priority is linked to specific, measurable targets that we follow up carefully to ensure the practical implementation of our strategy.

This strategy entails a higher level of ambition and focus on the energy transition, the industrial transformation and future-proofing of our communities. For more information, refer to pages 16-48.

Governance of our sustainability work

As of December 2022, Rejlers expanded Group Management with a business-driven sustainability manager, whose newly established role is to lead Rejlers' strategic work in developing our sustainability offering and to ensure that the sustainability targets are a part of the overall corporate strategy. In 2023, Rejlers supplemented and strengthened the overall business strategy with a new sustainability strategy. The Board and the Audit Committee continuously monitor developments regarding the established framework and our targets. Our sustainability strategy shall ensure that all functions and divisions contribute in the best way to the sustainability goals. Broken-down, measurable targets that aim to achieve the overall goals shall be present at all levels in the organisation. Rejlers' management is responsible for and ensures that Rejlers continues to develop in line with the sustainability strategy and to meet the targets. During the year, Rejlers committed to setting new targets for reduced climate impact according to the Science Based Target Initiative (SBTi). Work is under way to set the new targets in 2024 for further validation by SBTi.

Internal control

At present, it is the Board's assessment that the company's size and complexity do not motivate a special internal audit unit, but rather that the accounting function will take care of the continuous follow-up and conduct improvement projects in financial management and control, which the Board finds satisfactory. Internally, follow-ups are done of the commissioned work, of outcomes and potential needs for changed procedures.

Audit committee

In connection with the statutory Board meeting after the 2023 AGM, the Board appointed an Audit Committee, comprising Jan Samuelsson (chair), Helena Levander and Peter Rejler. The Audit Committee held eight meetings during the year. The committee reporter is the company's CFO. The Audit Committee has the main task of ensuring that established principles for financial reporting and internal control are complied with and of following up sustainability reporting and the rule changes to be implemented in the coming years. The Audit Committee also monitors the company's continuous risk management, establishes supplemental instructions to the auditors for the audit effort, and monitors compliance to laws, ordinances, listing agreements and the Swedish Corporate Governance Code.

The Audit Committee also makes sure that other assignments in addition to audits carried out by the company's auditors are within the framework of approved policy. The Audit Committee

reviewed steering documents and policies during the year. In addition, the Audit Committee monitors changes to audit rules that may have an effect on the company's financial reporting and the external financial disclosures, and it also evaluates the need for an internal audit function.

Remuneration committee

In connection with the statutory Board meeting after the 2023 AGM, the Board appointed a Remuneration Committee, comprising Peter Rejler (chair), Lisa Rejler and Patrik Boman. The Remuneration Committee held five minuted meetings during the year. The committee prepares remuneration and employment issues mainly for the CEO and to some extent for other senior executives based on the guidelines adopted by the Annual General Meeting. The Remuneration Committee is represented by the Chairman of the Board in negotiations with the President.

Remuneration

Resolutions were made during the 2020 AGM regarding guidelines for remuneration of the CEO and senior executives in accordance with changed regulations. The guidelines follow new EU directives and expanded requirements in accordance with the Swedish Corporate Governance Code. The guidelines encompass senior executives and potential remuneration of Board members in addition to Board fees. The guidelines for remuneration of senior executives shall promote the company's business strategy, long-term interests and sustainability. The forms of remuneration are fixed and variable remuneration, which shall be competitive and variable salary shall be linked to one or more predetermined and measurable criteria. The guidelines also cover other terms, such as pension, other benefits and termination by the company and resignation by the employee. The Board of Directors may decide to deviate from the guidelines in part or in whole if there is reason to do so in an individual case. The guidelines are reviewed at the Annual General Meeting every four years and at the 2023 AGM, the Board presented, in accordance with the regulations, an annual report on remuneration of the CEO and Board members paid and due that is covered by the guidelines. For the complete guidelines, please refer to pages 58-59 in the administration report.

The AGM approved remuneration of the Board in amounts unchanged compared with the previous year, i.e. SEK 700,000 to the Chairman of the Board, SEK 400,000 to the Vice Chairman and SEK 300,000 each to the other members who are not Rejlers employees. In addition, a total of SEK 330,000 is allocated for committee work, which is unchanged compared with the previous year. See Note 8 to the annual accounts for remuneration of the Board.

CEO and Group management

The Chief Executive Officer (CEO) is appointed by the Board and is tasked with the day-to-day administration of the company in accordance with the guidelines and instructions contained in law, the articles of association and the internal work instructions. Day-to-day management includes all measures that, in consideration of the scope and nature of the company's operations, are of an unusual character or of great significance or are expressly defined as falling within the responsibility of the Board.

Viktor Svensson began as the President and CEO of Rejlers on 22 February 2018. The CEO directs the work of Group management and makes decisions in consultation with other members of the management team.

Group management holds regular meetings under the direction of the CEO. Between these meetings, the company made regular checks regarding the status of each operation. In 2019, the vision, strategy and financial targets were set, which

are guides for governance and continuous follow-up. Based on these, the respective segment has an approved annual business plan. The CEO writes a monthly CEO report to the Board where the follow-up is focused on growth, profitability, acquisitions, cost control and cash flow.

Group management comprised the CEO, the CFO, the Heads of Operations for Sweden, Finland and Norway, the CIO and the Sustainability Director, seven members in all. Information about the CEO and the members of the Group management team, their ages, education and shareholdings, is available in the Group Management section on page 63.

Audits

The AGM's tasks include selecting an auditor. The 2023 AGM resolved to re-elect the accounting firm Ernst & Young for a period of one year with Åsa Lundvall as the Auditor-in-Charge. After a recommendation from the Audit Committee, the Nomination Committee are proposing that the 2024 AGM re-elect the accounting firm Ernst & Young as the auditors.

Ernst & Young audited most of Rejlers' active companies in Sweden, Finland and Norway which were wholly owned by Rejlers during 2023.

The auditor works from an audit plan and reports her observations to the Audit Committee on an ongoing basis throughout the year. Reporting to the Board takes place in conjunction with the annual closing of accounts. A review of internal procedures and control systems is also carried out in conjunction with the audit review.

In addition to the audit review, Ernst & Young was also engaged for other assignments. Among other things, this concerned various accounting matters and extra examination of acquisitions. All of the assignments fall within the framework of policy laid down by the Audit Committee. Remuneration of the company auditors for 2023 is presented in Note 9 of the Annual Report.

Financial reporting and information

The company handles public announcements in accordance with the Market Abuse Regulation, and continuously provides information on the company's development and financial position. Information is provided regularly in the form of:

- Interim reports
- Annual Report
- Press releases about news and events that may materially affect the valuation and future prospects of the company. Rejlers' policy is to publish orders that are of strategic value
- Presentations for financial analysts, investors and media
- Rejlers' website – www.rejlers.com – where the information described above is available

The Board's description of the internal control system and risk management

Control environment

The control environment constitutes the basis of internal control. The control environment creates the culture upon which Rejlers operates and defines steering documents, standards and guidelines for the operation's actions. The control environment consists of policies, documented guidelines, manuals and instructions disseminated throughout the organisation.

The quality management system is supplemented by a series of documented directives, which include a financial manual containing guidelines for accounting and financial management together with the information policy.

Rejlers maintains a quality management system that includes procedures, instructions and templates for relevant processes. Rejlers is always busy developing and improving quality and processes in order to meet the standards customers, suppliers

and employees expect of a consultancy.

The organisational structure is transparent, with defined roles and responsibilities that are communicated through documented work instructions for the Board, Board committees, the CEO and managers in the Group.

There are rules of procedure for the Board and instructions for the CEO of each company in the Group, based on the same principles as those for Rejlers AB. Each company has a Board tasked with continuously ensuring compliance with the overall guidelines and policies and making regular assessments of the company's financial situation. The Boards each have at their disposal a president, who in the larger subsidiaries also has a management group.

In each of the countries concerned, the Rejlers organisation allows local units great independence. Managers at all levels have clearly delegated responsibilities and powers to develop their operations based on local conditions and their customers' needs.

Regular evaluations are conducted in the organisation at both function and departmental level in order to ensure relevant knowledge of financial reporting in the organisation. The aim is the ability to guarantee with reasonable certainty that Rejlers' short-term and long-term targets are achieved. The aim of risk management and internal controls in connection with financial reporting is the ability to guarantee with reasonable certainty that the external financial reporting is reliable with regard to interim reporting, annual reporting and the annual accounts, and to ensure that the external financial reporting is prepared in accordance with laws, applicable financial reporting standards and other requirements that must be met by listed companies.

Information and communication

The most important steering documents regarding the financial statements are continuously updated and communicated to relevant employees over the company's intranet, information letters, regular meetings, etc. Information channels are established to communicate to concerned employees in the organisation as effectively as possible. Rejlers also has an information policy in regard to both internal and external communication.

Control activities

The control structure is designed to manage the risks the Board and the senior management consider significant for operational activities, compliance with laws and regulations and financial reporting. Defined decision-making procedures, including an authorisation manual, are established e.g. for investments and signing of contracts. Where appropriate, automatic controls specifically related to financial reporting have been established. Most control activities are integrated into the company's key processes, such as order booking, revenue recognition, investments, supplier contracts and purchases. Rejlers has a limited proportion of fixed-price assignments. These are handled according to special decision-making procedure and the degree of completion is followed up monthly. The IT structure is designed to handle potential risks in the entire operation. Special controls are in IT systems related to the processes that affect the financial reporting.

Each unit head is responsible for ensuring adequate internal control in the unit concerned and for ensuring that the units comply with the Group's directives for financial reporting. To ensure compliance with the Group's procedures and guidelines for financial reporting, the Group's CFO annually carries out internal controls. Because the Board considers Rejlers' significant areas of risk to be covered by the reviews and controls conducted, it sees no current need to set up a separate function for internal audit at present.