



# Corporate governance report



**Eivor Andersson**  
Chairman of the Board

It is our aspiration for SkiStar to be a transparent, shareholder-friendly company that strives for sustainable growth with attractive dividend levels. Corporate governance is central to achieving this while at the same time maintaining external confidence in the company.

During the past financial year, the Board's work has focused partly on safeguarding the Company's financial position in light of the Covid-19 pandemic, and partly on other vital long-term issues such as further developing the Company's sustainability strategy. We have taken decisions on ambitious climate goals, and our objective is to focus on activity and recreation by enabling active holidays in the mountains all year round.

I would like to thank you, our shareholders, for your trust and support during the years I have been part of SkiStar's Board. After ten years on the Board, the most recent of which as Chairman, it is now time for me to move on after the AGM. However, I will eagerly continue to follow SkiStar closely and I am sure that the memorable mountain experiences it offers are more timely than ever.

SkiStar AB (publ), corporate identity number 556093-6949, is a Swedish limited company, whose B shares are admitted to trading on Nasdaq Stockholm, Mid Cap.

## CORPORATE GOVERNANCE

The purpose of corporate governance is to ensure that SkiStar complies with existing regulations and that the Company is managed in a manner that is efficient and sustainable for shareholders. Corporate governance also helps to systematise and create good order in the work of the Board and management.

SkiStar's corporate governance is based on the Articles of Association as well as internal policies and governance documents (see figure below), which are available to all employees on the SkiStar Hub intranet. Corporate governance is further adapted on the basis of external regulations such as the Swedish Companies Act, Nasdaq's Nordic Main Market Rulebook for Issuers of Shares (hereinafter Nasdaq's regulations)<sup>1</sup>, the Swedish Corporate Governance Code (hereinafter the Code)<sup>2</sup> and good stock market practice.

1) Nasdaq's regulations are available on the Nasdaq website.  
2) The Code is available on [bolagsstyrning.se](https://www.bolagsstyrning.se).

## SHARES AND VOTING RIGHTS

SkiStar's share capital at 31 August 2021 amounted to SEK 19,594,014. The number of Class A shares in the Company was 3,648,000 and the number of Class B shares 74,728,056. Class A shares entitle the holder to ten votes, while each Class B share entitles the holder to one vote each. All shares carry equal entitlement to a share of the Company's assets and profit, and equal rights to dividends. SkiStar's Articles of Association do not contain any restrictions on how many votes each shareholder may exercise at a general meeting.

## SHAREHOLDERS AND OWNERSHIP STRUCTURE

SkiStar had 51,843 shareholders at 31 August 2021 according to the register of shareholders kept by Euroclear Sweden AB. Together, the two largest owner groups by votes – Mats and Fredrik Paulsson with family and company and Erik Paulsson's family with company – accounted for approximately 63 percent of the votes and approximately 47 percent of the share capital. The shareholdings are shown in detail on page 48.

Shares held by Swedish private individuals, either directly or through companies, amounted to 70 percent, while Swedish institutional ownership represented 15 percent of the share capital. Foreign private individuals accounted for just under one percent of the share capital, while foreign legal entities and foreign institutional ownership represented 14 percent.

## CORPORATE GOVERNANCE STRUCTURE





## SHAREHOLDERS' MEETING

The shareholders' meeting is SkiStar's highest decision-making body. The Annual General Meeting shall be held within six months of the end of the financial year. All shareholders who are listed in the register of shareholders and who have notified the Company of their intention to attend within the prescribed time are entitled to participate and vote according to the total number of shares owned. Shareholders who are not able to attend in person may be represented by proxy.

A notice convening the Annual General Meeting shall be placed in Post- och Inrikes Tidningar (The Official Swedish Gazette) and on the Company's website, [skistar.com/en/corporate](http://skistar.com/en/corporate). The release of the notice shall be announced in Dagens Nyheter. Shareholders wishing to attend the Annual General Meeting must be listed in the full printout of the shareholders' register six banking days before the meeting and must notify the Company of their intention to attend no later than the date specified in the notice convening the meeting. This date may not be a Sunday, any other public holiday, a Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not fall earlier than the fifth working day prior to the meeting. The annual general meeting shall be held in Sälen, Åre or Stockholm, in accordance with the Articles of Association. Business to be dealt with at the general meeting is governed by the Swedish Companies Act and the Articles of Association and may also include any matters that shareholders have requested to be considered.

### 2020 Annual General Meeting

A total of 125 shareholders attended the Annual General Meeting held at Experium in Sälen on 12 December 2020 either personally, through a proxy or via postal vote. This represented 71 percent of the voting rights. At the Annual General Meeting, the Board was granted authorisation to purchase and sell the Company's own shares. The authorisation entitles the Board to adopt a resolution on the acquisition of the Company's Class B shares on one or more occasions in the period up to the next AGM. However, the Company's holding of its own shares shall not at any one time exceed ten percent of the Company's total shares. The purchase shall be conducted in a regulated market and may only occur at a price within the current registered price interval, which is the interval between the highest buying price and lowest selling price,

or through a purchase offer addressed to all shareholders. The authorisation also entitles the Board, on one or more occasions over the period until the next Annual General Meeting, to adopt a resolution on the sale of the Company's own shares in a regulated market or comparable marketplace in connection with the acquisition of a company or business. The authorisation includes the right to derogate from shareholders' preferential rights and to decide on whether payment will be in cash, in kind, by offsetting or subject to other conditions. The authorisation is aimed at giving the Board of Directors greater flexibility in optimising the Company's capital structure and, where appropriate, making acquisitions. The authorisation had not been used by the Board at the date of issue of this annual report.

### Extraordinary general meeting 2021

A total of 141 shareholders participated in the extraordinary general meeting on 22 June 2021 by postal vote. This represented 76 percent of the voting rights. The meeting resolved to approve certain related-party transactions.

### 2021 Annual General Meeting

The 2021 Annual General Meeting will be held at Experium in Lindvallen, Sälen, at 2.00 p.m. on 11 December. The shareholders will also be offered the chance to vote by post. The notice of the meeting, AGM documents and further information about the meeting are available at [skistar.com/en/corporate](http://skistar.com/en/corporate).

## NOMINATION COMMITTEE

The Nomination Committee is appointed in accordance with the instructions for the Nomination Committee adopted by the AGM. The Nomination Committee's duties are to prepare proposals concerning the AGM Chairman, Board members, Chairman of the Board, Board fees and, when applicable, to make proposals for the election of auditors and for auditors' fees, assisted by the Audit Committee. In addition, the Nomination Committee proposes principles for the appointment of its own members, including instructions for the Nomination Committee. The composition of the Nomination Committee prior to the 2021 Annual General Meeting has been as follows during the financial year: Anders Sundström, appointed by Fredrik and Mats Paulsson with companies and family, Lennart Mauritzson, appointed by Erik Paulsson family with compa-

nies, Niklas Johansson appointed by Handelsbanken Fonder and Marianne Nilsson appointed by Swedbank Robur Fonder. After the end of the financial year, Per Gullstrand replaced Anders Sundström on the Nomination Committee. The Nomination Committee has appointed Lennart Mauritzson as chairman. All shareholders have had the opportunity to submit nomination proposals to the Committee.

Prior to the 2021 Annual General Meeting, the Nomination Committee held the majority of its minuted meetings and related ongoing contacts by telephone and email. The Nomination Committee has received the results of the evaluation of its work conducted by the Board and has interviewed the President and CEO and half of the existing elected members of the Board with regard to their views of the Board's composition and working methods. The Board's need for skills, experience and diversity over the coming years was also discussed. The Nomination Committee has also discussed proposals for the election and remuneration of auditors with the Audit Committee.

## BOARD OF DIRECTORS

### Composition of the Board

The Board of Directors is appointed by the Annual General Meeting, in accordance with the Companies Act. Employee representatives are appointed by a local employee organisation that is bound by a collective agreement with a company within the Group, in accordance with the Board Representation (Private Sector Employees) Act. The Board shall consist of four to nine members, with a maximum of three deputies, in addition to members who may be appointed by other parties pursuant to Swedish law. Board members are elected until the end of the next Annual General Meeting after the year of the Board Member's election.

At the Annual General Meeting held on 12 December 2020, six members were elected to the Board: Eivor Andersson, Chairman, Lena Apler, Sara Karlsson, Fredrik Paulsson, Gunilla Rudebjer and Anders Sundström. One employee representative was also elected to the Board: Patrik Svärd, appointed by HRF. Further information about Board members can be found on page 125.

Through the Nomination Committee, SkiStar applies Rule 4.1 of the Code as its diversity policy when preparing nominations for the election of Board members. The rule requires the Board to have a



composition that is appropriate to the Company's business, development phase and other circumstances, and Board members elected by the shareholders' meeting must reflect diversity and breadth of qualifications, experience and background. The Company must also strive for gender balance on the Board. The aim of the policy is to satisfy the need for sufficient diversity on the Board in terms of gender, age and nationality, and also experience, occupational background and business areas. The Nomination Committee has concluded that SkiStar's Board has equal gender distribution, an appropriate composition in other respects and diversity in terms of, for example, experience and occupational background.

### Independence of the Board

Three of the directors are considered to have a connection to the Company's major shareholders: Sara Karlsson, Fredrik Paulsson and Anders Sundström. Two of the directors are considered to have a connection to the Company and its management: Fredrik Paulsson and Anders Sundström. Other elected Board members are independent of the Company, its management and major shareholders. The majority of the elected Board members are therefore independent of the Company and its management. In addition, in

accordance with the regulations of the Code, more than two of the members who are independent of the Company and its management are also independent of major shareholders.

### Work of the Board

The work of the Board of Directors is governed by the rules of procedure established by the Board each year. The Chairman of the Board directs the work and maintains continuous contact with the CEO regarding the Group's operations and development. The Board's main task is to ensure SkiStar's future development and safeguard the Company's and shareholders' interests. Furthermore, the Board is responsible for appointing the CEO and ensuring that the Company follows applicable rules. This work mainly involves long-term, strategic issues, such as sustainability, as well as financial reporting and major investments and transactions. The Board meets according to an annually established schedule. Extra meetings can also be arranged. The Board held 16 meetings during the 2020/21 financial year. Members' attendance, as well as the distribution of fees, is shown in the table on page 123.

The Board's work is evaluated regularly in order to develop the Board's working methods and efficiency. As part of the evaluation, the Board also conducted a digital survey during the financial year.

The survey showed members' views on how Board work is carried out, what could be improved and whether the Board is well-balanced and diverse in terms of expertise. The results of the survey have been discussed by the Board, and the Chairman has reported the results of the survey to the Nomination Committee. Half of the members have also had individual meetings with the Nomination Committee, where they also expressed their views on the Board's procedures and efficiency and desired expertise and experience for Board members. These discussions are used as a basis for the Nomination Committee's preparation of proposals for the Board prior to the AGM. The Board also evaluated the CEO's work by means of the Remuneration Committee's reports to the Board.

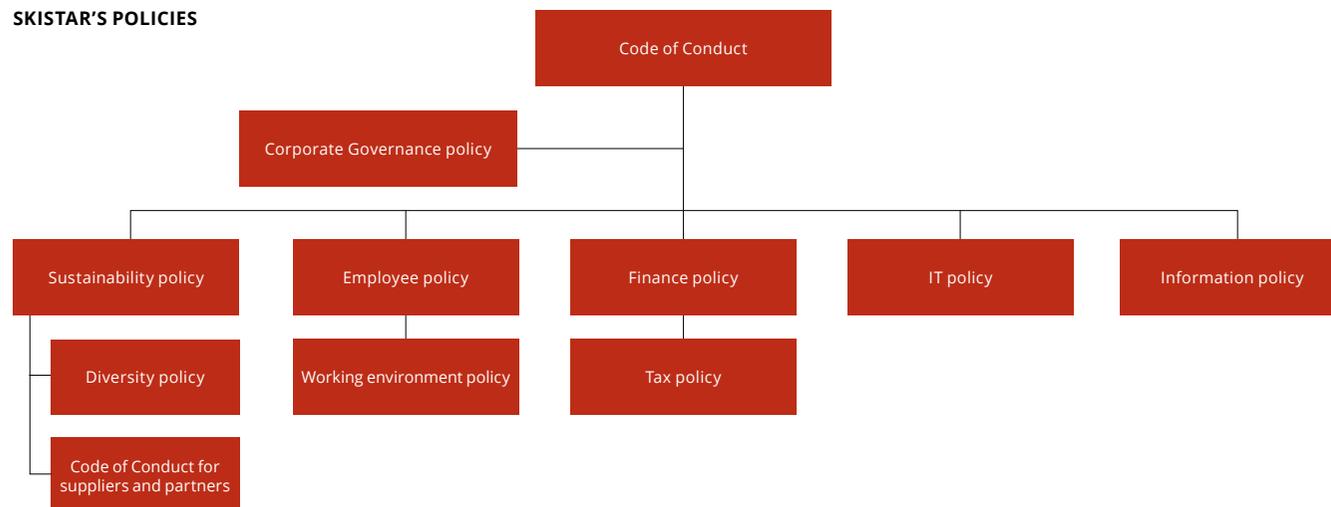
### Remuneration Committee

At the inaugural Board meeting on 12 December 2020, Eivor Andersson was reelected as Chairman of the Remuneration Committee and Sara Karlsson was elected as a member. The work of the Remuneration Committee is governed by the rules of procedure established by the Board each year. The Remuneration Committee prepares the Board's decisions on proposals to the Annual General Meeting regarding guidelines for management's remuneration and other terms of employment, and the Board's decisions on the CEO's remuneration and other terms of employment. The Remuneration Committee does not have decision-making power; it only prepares and reports on matters to the Board as a whole. The Remuneration Committee held three minuted meetings during the financial year. Board members' attendance is shown in the table on page 123.

### Audit Committee

At the inaugural Board meeting on 12 December 2020, Lena Apler was reelected as Chairman of the Audit Committee, and Fredrik Paulsson and Gunilla Rudebjer were elected as members. The work of the Audit Committee is governed by the rules of procedure established by the Board each year. The Audit Committee monitors and ensures that the financial reporting maintains a high standard and guarantees the efficiency of internal control and risk management. The Committee also maintains regular contact with the Company's auditors, produces guidelines on negotiating service contracts with the Group's auditing firm and evaluates auditing activities. In addition, the Committee assists the Nomination Committee in the election and remuneration of auditors. The

## SKISTAR'S POLICIES





Audit Committee does not have decision-making power, but prepares and reports on matters to the Board as a whole. The Audit Committee held six minuted meetings during the financial year. Board members' attendance is shown in the table on page 123.

## GOVERNANCE DOCUMENTS

### Articles of Association

SkiStar's Articles of Association were adopted at the 2020 Annual General Meeting and are available at [skistar.com/en/corporate](http://skistar.com/en/corporate). The Articles of Association do not contain any provisions for a special procedure for changing the Articles or on the appointment or dismissal of Board members.

### Other internal governance documents

In addition to the external and internal regulations above, there are a number of guiding policies in place to support the operations, see figure on page 121, and more detailed directives, procedures and work instructions.

## OPERATIONAL MANAGEMENT

### CEO

The CEO, who is also the Group President, is responsible for the day-to-day management of the Company in accordance with the Board's instructions. The rules of procedure adopted annually by the Board include instructions for the division of duties between the Board and the CEO and instructions for financial reporting to the Board. The CEO is responsible for ensuring the Board regularly receives the information and support material it needs to assess the Group's financial position and make appropriate decisions. Further information about the CEO can be found on page 126.

### SkiStar's Group management

During the 2020/21 financial year, SkiStar's Group Management consisted of seven people: the CEO, CFO, Head of PR and Communications, Commercial Director, Corporate Counsel/Head of IR, Operational Director and Property Development Director.

### Guidelines for remuneration of senior executives

The complete guidelines for remuneration of the CEO and other Group management, adopted at the 2020 Annual General Meeting, including results, are set out in Note 8 on pages 78–80 and are also available at [skistar.com/en/corporate](http://skistar.com/en/corporate).

The complete set of proposed guidelines for remuneration of the CEO and Group management for the 2021 AGM can be found in the Administration report on pages 52–56 and are also available at [skistar.com/en/corporate](http://skistar.com/en/corporate).

## EXTERNAL FINANCIAL REPORTING

The Board is responsible for internal control and financial reporting, in accordance with the Swedish Companies Act and the Code. SkiStar applies International Financial Reporting Standards (IFRS) in preparing the consolidated financial statements. The quality of the ongoing external financial reporting is ensured by internal measures and procedures. At each meeting, the Audit Committee highlights a special focus area within accounting and external reporting and reviews each interim report and the year-end report at special committee meetings. The auditors review the Company's nine-month report.

## DESCRIPTION OF INTERNAL CONTROL

### Control environment

The Board bears ultimate responsibility for internal control and risk management. A clear division of roles and responsibilities in the rules of procedure for the Board of Directors and its committees and in the CEO's instructions ensures effective management of operational risks. Together with the Group's policies and other governance documents, these contribute to a good control environment at Skistar.

Responsibility for routine work in this area rests with the CEO, who is responsible together with Group Management for the internal control required to manage significant risks in the day-to-day operations. Having a common business system for both external reporting and internal monitoring, budgeting and forecasts strengthens the control environment and the security of financial reporting. Management reports regularly to the Board – in the first instance via the Audit Committee – in accordance with defined procedures. During the year, management reported on the measures that have been implemented to strengthen internal control as well as those that are currently being implemented. The Audit Committee assists the Board in its continuous monitoring of internal control, which includes evaluating and discussing important technical accounting and reporting issues.

## Risk assessment

The Board ensures, through the Audit Committee, that management continuously assesses significant risks to which the Company may be exposed with regard to financial reporting. This includes identifying income statement and balance sheet items for which the risk of error is significant and designing control systems to prevent and detect such errors. This is mainly achieved by quickly identifying events in the operations or external environment that may affect the financial reporting and by monitoring changes in financial reporting regulations and recommendations that concern the Company's financial reporting. The operations' risk assessments are carried out at both central and local levels in the Group.

## Control activities

The Company works continuously to eliminate and reduce significant risks affecting internal control over financial reporting. Control activities aimed at managing risks include:

- The management group's monitoring and analysis.
- Special review of the Company's IT systems with an emphasis on the sales system.
- Continuous monitoring of compliance with authorisation instructions and structures.
- Annual adoption of control documents that describe risk management processes.
- Other ongoing forms of reconciliation and physical checks.

## Information and communication

To comply with the Company's policies, directives and instructions, information must be well documented and communicated within the Company. In order to ensure effective information and communication, the management group holds regular meetings at Group, function and resort level with representatives from the Company's destinations and staff functions. Policies and other governance documents are also available to all employees on the SkiStar Hub intranet. When new policies or changed procedures are introduced, internal online training is also provided. The way in which external communication, including financial reporting, is to take place is governed by the Company's overall information policy and the accompanying more detailed governance documents.



## Monitoring

The Board of Directors continuously evaluates the information provided by Group management and the Audit Committee and ensures that identified internal control deficiencies are addressed. The Audit Committee's work and the external auditors' reports are of particular importance to monitoring. SkiStar continuously strengthens its internal control environment by evaluating and further developing the formulation and efficiency of the work.

## Internal audit

After consideration of the matter in the Audit Committee, the Board has made the assessment that the control and monitoring described above is sufficient to ensure the efficiency of internal control without the need for a separate internal auditing function. The need for an internal auditing function is evaluated annually.

## AUDITOR

At the Annual General Meeting on 12 December 2020, the audit firm PricewaterhouseCoopers AB (PWC) was appointed as the Company's external auditor for a period of one year. The audit is led by Authorised Public Accountant Camilla Samuelsson. The results of the audit are reported regularly to Group Management and the Audit Committee during the year. At least once a year, the auditor meets with the Company's Board of Directors without the presence of the CEO or another person in management. The external auditor's independence is regulated under the Audit Committee's separate rules of procedure, adopted by the Board, which specify how decisions are made regarding areas in which the external auditor may be engaged in addition to the statutory audit. Fees to the auditor are paid continuously over the period on an approved current account basis – see Note 6.

## AUDITOR'S OPINION ON THE CORPORATE GOVERNANCE REPORT

The auditor's opinion on this Corporate Governance Report is presented on page 124.

## COMPLIANCE WITH THE SWEDISH CORPORATE GOVERNANCE CODE

SkiStar has complied with the Code during the 2020/21 financial year without any deviations.

4 November 2021

Board of Directors, SkiStar AB (publ)

## BOARD COMPOSITION, ATTENDANCE AND FEES IN 2020/21

	Elected	Independent the Company & its management	Independent major shareholders	Attendance Board of Directors	Attendance Audit Committee <sup>1)</sup>	Attendance Remuneration Committee <sup>1)</sup>	Fees <sup>2)</sup> Board of Directors	Fees <sup>2)</sup> Committee
<b>Elected Board Members</b>								
Eivor Andersson	2011	✓	✓	16/16	—	3/3	500,000 (1,100,000) <sup>3)</sup>	50,000 (50,000)
Lena Apler	2015	✓	✓	15/16	6/6	—	220,000 (220,000)	100,000 (100,000)
Sara Karlsson	2019	✓		16/16	—	3/3	220,000 (220,000)	25,000 (25,000)
Fredrik Paulsson	2017			16/16	6/6	—	220,000 (220,000)	50,000 (50,000)
Gunilla Rudebjer	2019	✓	✓	16/16	6/6	—	220,000 (220,000)	50,000 (50,000)
Anders Sundström	2019			14/16	—	—	220,000 (220,000)	—
<b>Employee representative</b>								
Patrik Svärd	2017	—	—	16/16	—	—	—	—

1) Presence relates to meetings during the financial year, 1 September 2020 – 31 August 2021.

2) Fee in accordance with decision of 2020 AGM.

3) Includes the Chairman's ordinary fee of SEK 500,000 and the extra fee of SEK 600,000 adopted by the 2019 AGM.



# The auditor's examination of the corporate governance statement

## **REVR 16 THE AUDITOR'S EXAMINATION OF THE CORPORATE GOVERNANCE REPORT**

To the general meeting of the shareholders of SkiStar AB (publ), corporate identity number 556093-6949

The Board of Directors is responsible for that the corporate governance statement on pages 119–123 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is 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.

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

Stockholm, 4 November 2021  
PricewaterhouseCoopers AB

Camilla Samuelsson  
Authorised Public Accountant