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SkiStar AB (publ), corporate identity number 556093-6949, is a Swedish public limited company, whose B shares are traded 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, internal policies and governance documents (see figure on page 120), 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 rules)¹, the Swedish Corporate Governance Code (hereinafter the Code)² and good stock market practice.

SHARES AND VOTING RIGHTS

SkiStar's share capital at 31 August 2022 amounted to SEK 19,594,014. The number of Class A shares in the Company was 3,648,000 and the number of B shares 74,728,056. Class A shares entitle the holder to ten votes, while Class B shares entitle the holder to one vote. 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 57,317 shareholders at 31 August 2022 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 companies and ACapital SS Holding AB – held approximately 61 percent of the votes and approximately 44 percent of the share capital. The shareholdings are shown in detail on page 50. Ownership by Swedish residents, either privately or through companies, accounted for 71 percent of the share capital and Swedish institutional ownership accounted for 13 percent. Foreign private individuals accounted for less than one percent of the share capital, while foreign legal entities and foreign institutional ownership accounted for 16 percent.

¹ Nasdaq's rules are available on the Nasdaq website.

² The Code is available on [bolagsstyrning.se](https://www.bolagsstyrning.se).

A word from the Chairman



Anders Sundström
Chairman of the Board

The overall task for us on the Board is to manage the Company's affairs on behalf of the owners in a long-term sustainable manner. Our ambition is for the value of SkiStar to increase through sustainable growth. Corporate governance is central to achieving this, while maintaining external confidence in the Company.

During the year, the work of the Board has been characterised by straightforward cooperation, with all members contributing valuable perspectives and experience. It was particularly rewarding to be able to visit several of the destinations together and take part in the activities on site. Other Board work has been focused on ongoing reviews and support of management's work and decisions on business priorities and investments, with our all-year-round initiative in Stockholm Hammarbybacken as an example of how we are both further developing the business and enabling more people to take part in our offerings for a more active lifestyle. Sustainable development of our business is fundamental to protecting the mountain environment in which we mainly operate and it is also an important competitive factor that drives innovation. It is pleasing to see all the initiatives and activities that SkiStar is developing in order to achieve the defined sustainability goals.

We strive for transparency in SkiStar's reporting so that both shareholders and other stakeholders are able to continuously monitor the Group's development.



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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. 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 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.

2021 ANNUAL GENERAL MEETING

A total of 194 shareholders attended the Annual General Meeting held at Experium in Sälen on 11 December 2021, either in person, through a proxy or by postal voting. Those attending represented 72 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, on one or more occasions in the period up to the next AGM, to adopt a resolution to purchase the Company's Class B shares, provided the Company's holding of its own shares does not at any time exceed ten percent of the Company's total shares. Purchases shall be conducted in a regulated market and only at a price within the current registered price interval, which is the spread between the highest bid price and the lowest ask price, or through an offer made to all shareholders. The authorisation also entitles the Board, on one or more occasions in the period up to the next AGM, to adopt a resolution to sell the Company's own shares in a regulated

market or in some other manner in connection with the acquisition of companies or operations. The authorisation includes the right to derogate from shareholders' preferential rights and to decide whether payment will be in cash, in kind, by set-off or subject to conditions. The Board was also authorised, on one or more occasions in the period up to the next AGM, to decide on a new issue of Class B shares. New issues may be conducted with or without derogation from shareholders' preferential rights. The authorisation shall include the right to decide on an issue with payment in cash, in kind or by off-set and to make the issue subject to conditions. The total number of shares that may be issued under the authorisation may not exceed ten percent of the total number of shares outstanding in the Company at the time of the Annual General Meeting's decision on the authorisation. In the event of derogation from shareholders' preferential rights, shares shall be issued on market terms. The purpose of the authorisations is to give the Board greater flexibility in optimising the Company's capital structure and, where appropriate, making acquisitions or raising capital for such acquisitions or investments. The authorisations had not been used by the Board at the date of issue of this annual report.

2022 Annual General Meeting

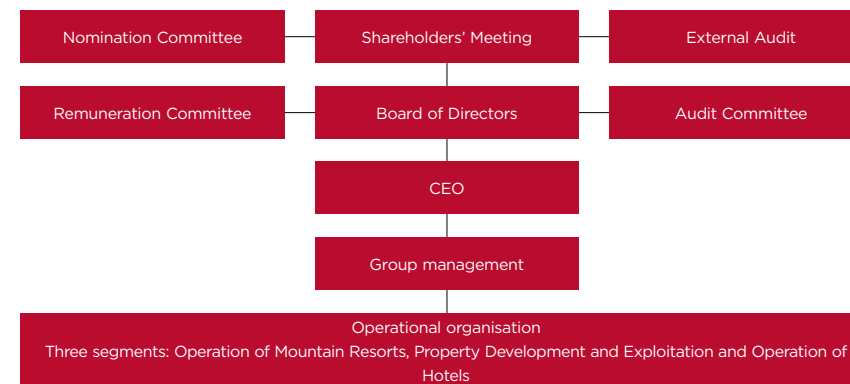
The 2022 Annual General Meeting will be held at Experium in Lindvallen, Sälen, at 2.00 p.m. on 10 December. Shareholders will also

be offered the opportunity of postal voting. The notice of the meeting, AGM documents and further information about the meeting are available at 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 2022 Annual General Meeting is as follows: Per Gullstrand, appointed by Fredrik and Mats Paulsson with company and family, Anders Moberg, appointed by ACapital SS Holding AB, Niklas Johansson, appointed by Handelsbanken Fonder, and Lennart Mauritzson, appointed by Erik Paulsson family with company. The Nomination Committee has appointed Per Gullstrand as its Chairman. Chairman of the Board Anders Sundström was co-opted onto the Nomination Committee for the majority of its meetings. All shareholders have had the opportunity to submit nomination proposals to the Committee.

CORPORATE GOVERNANCE STRUCTURE



INTERNAL REGULATIONS

- Articles of Association
- Board and Committee rules of procedure
- CEO instructions
- Policies
- Directives
- Procedures

EXTERNAL REGULATIONS

- Swedish Companies Act
- Swedish Annual Accounts Act
- MAR (Market Abuse Regulation)
- Nasdaq's rules
- Swedish Corporate Governance Code
- Other relevant legislation and regulations

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Prior to the 2022 Annual General Meeting, the Nomination Committee held several minuted meetings and related ongoing contact by telephone and e-mail. The Committee has received the results of the Board's evaluation of its own work and has interviewed the CEO and the majority 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 expertise, experience and diversity in the coming years was discussed. In the discussions, particular attention was paid to assessing the composition and competence of the Board in relation to the SkiStar Group's operations, strategies and objectives, including the Group's high ambitions in the area of sustainability, and the associated demands that are expected to be placed on the Board. The Nomination Committee 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 11 December 2021, seven members were elected to the Board: Anders Sundström, Chairman, Lena Apler, Sara Karlsson, Fredrik Paulsson, Gunilla Rudebjer, Anders Svensson and Vegard Söraunet. One employee representative has also been 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 including experience and occupational background.

Independence of the Board

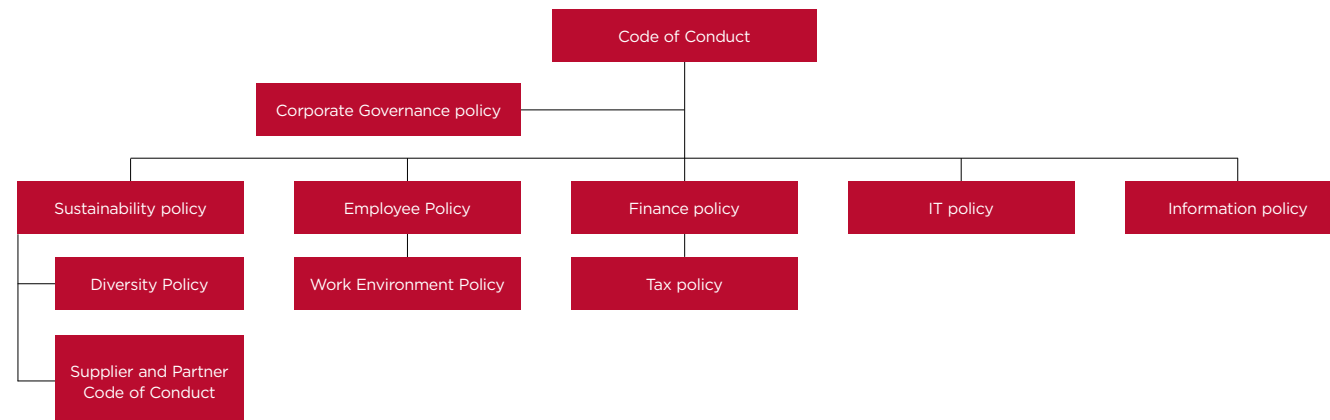
Three of the directors are considered to have a connection to the Company's major shareholders: Fredrik Paulsson, Anders Sundström and Vegard Söraunet. Two of the directors are considered to have a connection to the Company and its management: Fredrik Paulsson and Anders Sundström. Other elected Board 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. The Board is also responsible for appointing the CEO and ensuring that the Company follows applicable rules. Corporate governance is also described from a sustainability perspective on page 99–100.

The work of the Board is mainly related to long-term, strategic issues, such as sustainability, major investments and transactions and financial reporting. The Board meets according to an annually established schedule. Extra meetings may also be arranged. The Board held twelve meetings – seven regular and five extra – during the 2021/22 financial year. Members' attendance and the distribution of fees are 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, showing 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 Board evaluation have been discussed by the Board. The Chairman has reported the evaluation results to the Nomination Committee. A

SKISTAR'S POLICIES





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majority of the AGM-elected members also had individual meetings with the Nomination Committee, at which they expressed their views on the Board's procedures and efficiency and desired expertise and experience for Board members. The discussions are used as a basis for the 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 11 December 2021, Anders Sundström was elected as Chairman of the Remuneration Committee and Vegard Søråunet 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 remuneration and other terms of employment of senior executives and the Board's decisions on the CEO's remuneration and other terms of employment. The Remuneration Committee does not have decision-making power, but prepares and reports on matters to the full Board. The Remuneration Committee held five minuted meetings during the financial year. The Board members' attendance is shown in the table on page 123.

Audit Committee

At the inaugural Board meeting on 11 December 2021, Lena Apler was reelected as Chairman of the Audit Committee, and Fredrik Paulsson and Gunilla Rudebjer were reelected 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 both the financial reporting and sustainability reporting maintain 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 work with nomination and remuneration of auditors. The Audit Committee does not have decision-making power, but prepares and reports on matters to the full Board. The Audit Committee held six minuted meetings during the financial year. The Board members' attendance is shown in the table on page 123.

OPERATIONAL POLICY 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. The Articles of Association do not contain any provisions on a special procedure for amending the Articles or on the appointment or dismissal of Board members.

Other internal governance documents

In addition to the external and internal regulations mentioned above, there are a number of guiding policies in place to support the operations, see the 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 2021/22 financial year, SkiStar's Group Management consisted of eight individuals: the CEO, CFO, Communications and Sustainability Director, Commercial Director, General Counsel and Head of IR, Operational Director, HR Director and Property Development Director. Further information on Group management can be found on page 126.

Guidelines for remuneration of senior executives

The guidelines for remuneration of the CEO and other senior executives, adopted at the 2021 Annual General Meeting, including outcomes, are set out in Note 8 on page 79 and are also available in full at skistar.com/en/corporate. The complete set of proposed guidelines for remuneration of the CEO and other senior executives for the 2022 AGM can be found in the Administration report on pages 56–58 and are also available at 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 financial 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

Through the Audit Committee, the Board ensures 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



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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 governance 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, management group meetings are regularly held at Group, function and resort level with representatives from the Company's destinations and central 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.

BOARD COMPOSITION, ATTENDANCE AND FEES IN 2021/22

	Elected	Independent of Company & its management	Independent of major shareholders	Attendance, Board of Directors ¹⁾	Attendance, Audit Committee ¹⁾	Attendance, Remuneration Committee ¹⁾	Fees ²⁾ Board of Directors		Fees ²⁾ Committee	
Elected Board members										
Anders Sundström ³⁾	2019			12/12	—	1/1	550,000	(220,000)	60,000	(—)
Eivor Andersson ⁴⁾	2011	✓	✓	5/5	—	4/4	—	(500,000)	—	(50,000)
Lena Apler	2015	✓	✓	12/12	6/6	—	250,000	(220,000)	120,000	(100,000)
Sara Karlsson ⁵⁾	2019	✓	✓ ⁵⁾	12/12	—	4/4	250,000	(220,000)	—	(25,000)
Fredrik Paulsson	2017			12/12	6/6	—	250,000	(220,000)	60,000	(50,000)
Gunilla Rudebjer	2019	✓	✓	12/12	6/6	—	250,000	(220,000)	60,000	(50,000)
Anders Svensson ⁶⁾	2021	✓	✓	9/9	—	—	250,000	(—)	—	(—)
Vegard Søråunet ⁷⁾	2021	✓		9/9	—	1/1	250,000	(—)	30,000	(—)
Employee representative										
Patrik Svärd	2017	—	—	12/12	—	—	—	—	—	—

¹⁾ Attendance relates to meetings during the financial year 1 September 2021 – 31 August 2022.

²⁾ Fee in accordance with decision of 2021 AGM.

³⁾ Chairman of the Board and Chairman of the Remuneration Committee from 11 December 2021.

⁴⁾ Chairman of the Board and Chairman of the Remuneration Committee to 11 December 2021.

⁵⁾ Member of Remuneration Committee to 11 December 2021. Reassessment of independence in relation to major shareholders compared with the previous year as a result of the change in ownership that was announced on 11 November 2021.

⁶⁾ Board member from 11 December 2021.

⁷⁾ Board member and Remuneration Committee member from 11 December 2021.

Internal audit

After consideration of the matter in the Audit Committee, it is the Board's 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 11 December 2021, 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 the Company's Board of Directors without the presence of the CEO or another 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 2021/22 financial year without any derogations.

10 November 2022

Board of Directors, SkiStar AB (publ)



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

Assignment and responsibilities

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.

Scope of the examination

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.

Opinion

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, 10 November 2022

PricewaterhouseCoopers AB

Camilla Samuelsson

Authorised Public Accountant