

Corporate governance report

Governance of Enzymatica takes place through the General Meeting, the Board of Directors, the CEO and senior management in accordance with the Swedish Companies Act, the Articles of Association, Enzymatica’s internal policy documents and the current rules and recommendations for companies that are listed on Nasdaq First North Growth Market. In 2023, 12 Board meetings were held that addressed topics such as the strategy, financing, the budget and the Company’s financial targets.

General Meetings

The General Meeting is the highest decision-making body and the forum through which shareholders exercise their influence over the Company. The General Meeting resolves on how to address a number of central issues for the Company – including disposition of the Company’s profit or loss, adoption of the income statement and balance sheet, discharge from liability for the Board of Directors and the CEO, election of the Board of Directors and the auditor, as well as fee-related issues. The General Meeting also chooses the Chair of the Board of Directors. An Extraordinary General Meeting may be held if the Board considers that there is a need to do so, or if the Company’s auditors or owners of at least 10 percent of the shares should so request.

Board of Directors

In 2023, the Board of Directors consisted of six members who are elected for one year by the General Meeting. According to the Articles of Association, the Board of Directors is to consist of at least three and a maximum of ten members, as well as a maximum of ten deputies. The Board of Directors elects its officers at a meeting held immediately after the Annual General Meeting. The 2023 General Meeting resolved that a total of SEK 1,625,000 shall be paid in board fees, excluding committee fees, with SEK 500,000 paid to the chair of the Board and SEK 225,000 paid to each of the other Board Members who are not employed by the company. The Meeting also resolved that SEK 175,000 will be paid to the Chair of the Audit Committee and

SEK 50,000 will be paid to each of the other members of the Audit Committee, but no remuneration will be paid for work in the Remuneration Committee. The table on this page shows the Board Members’ shareholdings and meeting attendance. A more detailed description of the Board of Directors can be found on pages 31-32.

Board Chair

In addition to leading Board meetings, the Chairman of the Board is responsible for ongoing contact with the CEO, monitoring the development of the Company and consulting with the CEO on strategic matters. The Chairman of the Board shall, in consultation with the CEO, be responsible for notice to attend Board meetings and the agenda, as well as for ensuring that matters are not handled in violation of regulations. Once a year, the work of the Board of Directors is evaluated under the direction of the Chairman of the Board.

Committees

The Board has established an Audit Committee and a Remuneration Committee. The Audit Committee shall, without prejudice to the Board’s responsibilities and tasks in general, monitor the company’s financial reporting and the effectiveness of its internal control, stay informed about the audit of the annual accounts and consolidated accounts, review and monitor the impartiality and independence of the auditor while paying

Name	Number of shares	Attendance board meetings	Attendance Remuneration Committee	Attendance Audit Committee	Independent in relation to the principal owners/ Independent in relation to the company
Bengt Baron, Chairman of the Board	3,507,859	12/12			Yes/Yes
Mats Andersson	36,398,195	12/12			No/Yes
Helene Willberg	228,753	12/12		5/5	Yes/Yes
Louise Nicolin	100,000	11/12		5/5	Yes/Yes
Gudmundur Palmason	6,545,837	12/12			Yes/Yes
Moa Fransson	0	12/12			Yes/Yes



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special attention to whether the auditor provides the company with services other than auditing services, and assist in the preparation of proposals for the AGM's decision on the election of an auditor. In 2023, the Audit Committee consisted of Louise Nicolin and Helene Willberg (Chair). The committee held five meetings in 2023.

The Remuneration Committee addresses matters concerning remuneration and benefits for senior executives. The committee consists of Bengt Baron, Mats Andersson and Gudmundur Palmason. Mats Andersson is chairman of the Remuneration Committee. The Committee held one meeting during the year to discuss proposals for a salary review and a bonus model for 2024.

Board meetings

During the year, the Board of Directors held 12 meetings at which the minutes were recorded, 3 of which were digital and 2 per capsulam. Topics addressed by the meetings include interim reports, strategy, financial targets, organization and regulatory issues. The CEO and CFO participate regularly at Board meetings and other executives participate as needed. The company's auditor participates in at least one of the Board's regular meetings during the year, which took place in connection with the year-end report when the Board also met with the auditor without the presence of the company's management.

Auditor

Deloitte was re-elected as the company's auditor at the 2023 Annual General Meeting, for the period until the next Annual General Meeting. In addition to the annual audit, the auditor reviews the interim report for the third quarter each year. Deloitte has been the company's auditor since 2017 and Jeanette Roosberg, authorized public accountant, has been the principal auditor since 2021.

CEO and senior management

The CEO is appointed by the Board of Directors and leads the Company in accordance with the guidelines and instructions adopted by the Board. The CEO appoints a Management Group. At the end of 2023, this group consisted of five people in addition to the CEO, as well as an adjunct Communication Manager. A more detailed description of the Management Group can be found on pages 33-34.

Remuneration to senior executives

Remuneration to the CEO and other senior executives comprises basic salary and car benefit. In addition, individual bonus agreements provide extra compensation as a percentage on top of the basic salary if certain targets are achieved. These targets are set by the CEO in consultation with the Board of Directors. The CEO prepares proposals for decisions on remuneration and benefits for senior executives and presents these to the Board. Decisions on remuneration and benefits to the CEO have been taken by Enzymatica's Board of Directors.

The CEO's employment agreement cites a period of notice from the Company of six months during which the level of salary and other benefits paid remains unchanged. For termination of employment initiated by the CEO the notice period is six months. No special severance package is paid. For termination of employment initiated by other senior executives, the period of notice is between three and six months, and if initiated by the Company, the period of notice is between three and nine months. No special severance package is paid.

Salaries, remuneration and other benefits to the Board, the CEO and other senior executives are presented in the annual report, which is available in Swedish on www.enzymatica.com.

Nomination Committee

In accordance with the principles for the Nomination Committee adopted at the Annual General Meeting 2019, the Nomination Committee for the next Annual General Meeting shall consist of representatives of the four largest shareholders registered in the register of shareholders held by Euroclear Sweden AB as of September 30 each year, together with the Chairman of the Board, who shall also convene the Nomination Committee for its first meeting.

Internal control

Internal control in the Company follows the procedures and principles established in the Company using various systems, controls and ongoing reporting. The Board of Directors is responsible for compliance with these procedures and principles. Each individual entity in the Company is followed up with reporting according to a set schedule and scope. Authorization guidelines and rules of procedure regulate who and how decisions are made regarding length of contract, costs or risk for the Company. Signing on behalf of the Parent Company and subsidiaries, as well as managing cash and cash equivalents, are handled by several people to create good control. The Board's assessment is that no internal audit function is needed in the company since this is not justified based on the scope and risk exposure of the company.

