

Board Meetings

In connection with every quarterly report, the Managing Director presented the market and financial outlook and reported on operations and important current events. The Board of Directors dealt with long-term strategies, structural organisational issues, approval of the budget for the following year, the annual evaluation of the Board of Directors, risk assessment, human resources and succession planning. Individual Board Members also assisted the Group Management in various strategic and operational matters. The Work Programme defines the Board's work during the year.

Managing Director

The SinterCast Board appointed Steve Dawson as the Managing Director for SinterCast AB (publ) and President & CEO for the Group. The Managing Director, as responsible for the operational and strategic management of the company, has managed the company in accordance with the Board of Directors' instructions and guidelines. The Managing Director assisted the Chairman with the preparation for each Board and Audit Committee Meeting and distributed information, according to the Work Programme, to be decided upon by the Board. In addition, the Managing Director provided the Board with monthly reports including significant events and financial information.

The Managing Director established, as the President & CEO for the SinterCast Group, the Group Management during 2021 including the Operations Director and the Finance Director. The Operations Director left the company on 31 December 2021 and will not be replaced. More detailed information of the Group Management is presented on page 18.

Compensation Committee

The Compensation Committee, elected by the Board, consists of Jan Åke Jonsson and Åsa Källenius. The tasks and responsibilities of the Compensation Committee are defined in the Board's Work Programme. During the year, the Compensation Committee has evaluated variable remuneration programmes, special remuneration given for extraordinary efforts and the remuneration policy approved by the AGM. The Committee has also reviewed the remuneration for the Managing Director and the Group Management.

Since the AGM 2021, the Compensation Committee carried out two minuted meetings. The Board was informed of the Compensation Committee's activities and ratified its proposals.

Remuneration Policy and Remuneration Report for Group Management 2021 and 2020

The Annual General Meeting 2020 decided upon a remuneration policy (guidelines) to contribute to the company's business strategy, long-term interest and sustainability in respect of the Managing Director, other members of the Group Management, other employees and Board Members. The policy needs to be re-approved at the AGM 2024, at the latest. The following italic text was approved by the 2020 AGM:

Remuneration etc. in relation to the Managing Director and other members of the Group Management

Remuneration, pension and benefits

The remuneration to members of the Group Management shall consist of a balanced combination of fixed remuneration, variable remuneration, pension and other benefits. The total remuneration shall be in accordance with market practice and shall be based on performance. The fixed remuneration shall be individually determined and shall be based on each individual's responsibility, role, competence and position. Variable remuneration shall be based on predetermined targets on the Group level and the individual level, considering the effect on the long-term result. In extraordinary situations a special compensation may be paid out to attract and retain key competence. Variable remuneration and special compensation may not exceed an amount corresponding to 75 percent of the fixed annual salary. Pension benefits are in the form of defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the entity does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Variable remuneration and special compensation in extraordinary situations shall not constitute a basis for pension as far as this does not conflict with applicable collective agreement. Pension contributions may not exceed an amount corresponding to 30 percent of the fixed annual salary. Other benefits may include, for example, life insurance, medical insurance and company car. Costs for

such benefits may not amount to more than 10 percent of the base salary.

Termination of employment

Upon termination by the company, the notice period for the Managing Director is nine months, and six months for the other members of the Group Management. Upon termination of the Managing Director by the company the Managing Director is entitled to a severance payment corresponding to nine months compensation. Deduction shall not be made for remuneration paid by another employer. No severance payments have been agreed with the other members of the Group Management.

Remuneration etc. in relation to Board Members

Remuneration to Board Members (aside from Board Fee) shall only be paid in case Board Members (either personally or through a company) perform work for the company in addition to their ordinary board work. Such remuneration (consultancy fee) may not exceed, on a yearly basis, the Board Fee. The remuneration shall be based on current market rates and be proportionate to the benefit for the company and to the extent to which such work contributes to the development of SinterCast. Consultancy agreements with Board Members may be terminated by the company at any time by giving two months' notice.

Salary and employment terms for other employees of the company

When preparing the Board's proposed guidelines for remuneration to senior executives, consideration was given to the salary and employment terms of the company's other employees. The Board considered the total remuneration, the components of the remuneration, and the increase and rate of increase of the remuneration over time as part of the basis upon which the Board assessed whether the guidelines and the resulting limitations were reasonable.

Decision-making process for adopting, reviewing and implementing the guidelines

The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the General Meeting for decision. The Compensation Committee established by the Board shall continuously review and assess the guidelines and the implementation of the guidelines. To avoid conflicts of interests, no member of the Group Management shall participate in discussions or decisions which may affect their own remuneration or terms of employment. Further, the Board shall decide on the

remuneration (consultancy fees) to any individual Board Member in the absence of the concerned Member.

Description of significant changes in the guidelines and how shareholders' views are taken into account.

The proposed guidelines do not entail any significant changes in relation to existing compensation guidelines at SinterCast. SinterCast has not received any direct input from the shareholders.

Deviation from the guidelines

The Board of Directors and, on behalf of the Board of Directors, the Compensation Committee, shall be entitled to deviate from the above guidelines if, in an individual case, there are specific reasons for this and a deviation is necessary to meet the long-term interests and sustainability of SinterCast or to secure financial viability of SinterCast.

The main conditions for remuneration to the Group Management in the current employment agreements are described in Note 5 in this Annual Report.

There were no material transactions between the company and any of the Board Members during the year, with the exception of the ordinary Board fees.

The remuneration policy (guidelines) in respect of the Managing Director, other members of the Group Management, other employees and Board Members is proposed to be unchanged in 2022. The AGM decided to approve the Board of Director's remuneration report for 2020.

Audit Committee

During the Statutory Board Meeting, all Board Members were elected to the Audit Committee. During the year, the Audit Committee has ensured that the company has adequate internal controls and formal routines to ensure that approved principles for financial reporting and internal controls have been applied, and that the company's financial reports have been produced in accordance with legislation, applicable accounting standards and other requirements for listed companies.

The Audit Committee met the Auditor during the year to discuss the Audit Report and the audit plan. The Audit Committee also met the Auditor in the absence of the Group Management. The Audit Committee evaluated the Auditors' work and provided feedback

to the Nomination Committee in preparation for the election of the Auditor during the Annual General Meeting 2022. The Audit Committee also determined and identified risks to be handled in order to ensure good internal control and risk management. The Audit Committee prepared and approved the Corporate Governance Report for 2021.

External Auditor

At the AGM 2021, KPMG was re-appointed as Auditor and Jonas Eriksson was appointed as Auditor in charge by KPMG. The Auditor in charge has had three Auditors assisting in the audit work during the year. The audit follows an audit schedule, based on the Auditor's risk assessment, in agreement with the Audit Committee.

Prior to the AGM 2021, in conjunction with the approval of the Annual Report 2020, the auditor met with the Audit Committee. The Auditor met with the Board of Directors at the Board meeting in May, where the Auditor reported observations directly to the Board of Directors both with and without the presence of the Group Management. The Auditor reported on the audit of the company's annual accounts and consolidated accounts and accounting practices and reported observations directly to the Audit Committee. The Auditor audited the company's annual accounts and accounting practices and reviewed the Board's and the Managing Director's management of the company. The Auditor presented the annual Audit Report at the AGM 2021. The Audit Report contained a statement that the Annual Report has been compiled in accordance with the relevant legislation and recommended that the Directors and the Managing Director be discharged from liability.

After at the AGM 2021, at the Statutory Board Meeting, the Auditor presented the Audit Plan for 2021 and provided a follow-up of the Audit Plan during the November and March Audit Committee meetings. In November he presented the result from the review of the financial report for the period January–September 2021 and gave audit feedback from the interim audit procedures that were conducted during the third quarter of 2021. The Auditor also had separate discussions and meetings with the Chairman and company management during the year.

In conjunction with the approval of this Annual Report 2021 the Auditor met with the Audit Committee. The Auditor reported on the audit of the company's annual accounts and consolidated accounts and accounting practices and reported observations directly to the Audit Committee. The Auditor audited the company's annual accounts and accounting practices and reviewed the Board's and the Managing Director's management of the company.



Nomination Committee

Nomination Committee after the AGM 2021

At the AGM 2021, Victoria Skoglund (Chairman), Jan Åke Jonsson, Andrea Fessler, Aage Figenschou, and Carina Andersson were elected to the Nomination Committee.

The Nomination Committee is judged to be independent of the company and the largest shareholders.

The Chairman of the Board has described to the Nomination Committee the process applied for the annual evaluation of the Board of Directors and Managing Director and has provided information regarding the results of these evaluations to the Nomination Committee. The Nomination Committee's proposals to the AGM 2022 are to be presented in the notice of the AGM and on the company website. During the AGM 2022 the Nomination Committee will also present how it conducted its work and will explain its proposals. Since the AGM 2021 the Nomination Committee of SinterCast carried out several informal meetings and two minuted meetings. According to rules regarding equal gender representation, the Nomination Committee intends to report to the upcoming AGM how it has fulfilled its work regarding gender representation in the Board. The Nomination

Committee can be contacted at the following e-mail address: nomination.committee@sintercast.com.

Information

SinterCast must comply with the EU Market Abuse Regulation nr 596/2014 (MAR), which includes strict requirements of how SinterCast shall manage inside information. The MAR rules address how insider information shall be disclosed; under which conditions the disclosure may be postponed; and when SinterCast is obliged to keep a list of persons having access to inside information (a so-called Logbook).

During 2021, the company has used a digital Logbook to ensure compliance under the EU market abuse regulation and the insider policy of the company; from the decision to postpone the disclosure of insider information; up to the mandatory message including the closure of the Logbook and the disclosure date, to the Swedish Finansinspektionen. Only authorised personnel have access to the Logbook.

Summary

According to the Swedish Companies Act, the Board is responsible for ensuring that the company's organisation is designed in such a way that the bookkeeping, financial management and the company's financial conditions are controlled in a satisfactory manner. The Swedish Code of Corporate Governance clarifies and prescribes that the Board shall ensure that the company has adequate policies, internal controls and formal routines to ensure that approved principles for financial reporting and internal controls are applied, and that the company's financial reports comply with legislation, applicable accounting standards, policies and other requirements for listed companies.

The Board has decided that SinterCast shall comply with the Swedish Code of Corporate Governance and present a Corporate Governance Report in accordance with the Code including the Board of Directors' Report on internal control of financial reporting. The procedure and routines of SinterCast are compliant with the Corporate Governance code and this Corporate Governance Report does not indicate any significant deviations from the code.



Following a difficult start to 2021 for international travel and customer installations, December marked the successful commissioning of two new installations and two functionality upgrades. With more than 65 man-days at customer sites from late-November to mid-December, the heightened activity increased the installation revenue from SEK 1.7 million at the half-year point to SEK 8.5 million at year-end, surpassing the historical full-year average.