

Corporate governance report

This corporate governance report, which has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Corporate Governance Code (the Code), provides key information concerning compliance with the Code, about our shareholders, the Annual General Meeting, the Nomination Committee, the Board of Directors and their work, including committees, remuneration and the division of responsibilities throughout the governance structure. This section also covers Securitas' system of internal control and risk

management, which is the responsibility of the Board of Directors according to the Swedish Companies Act and the Code. This description does not form part of the Annual Report.

In the Internal control section pertaining to risk, we have opted to widen the scope of our description and explain how enterprise risk management works in the broader perspective regardless of the type of risk, which means that our focus is not confined to risk related to internal controls over financial reporting. Fulfilling

our strategies and objectives while maintaining an appropriate risk level is imperative, which is why risk management procedures span all levels of the organization.

Securitas has published its principles for corporate governance in previous Annual Reports. A separate section on the Group website contains the Articles of Association and other key company documents.

Read more at www.securitas.com/en/corporate-governance.

CORPORATE GOVERNANCE REPORT

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Governance in Securitas

Securitas' structure for corporate governance aims to ensure that the Securitas Group is run sustainably, ethically, responsibly and as efficiently as possible with the shareholders of Securitas' best interests at heart. Securitas believes that good corporate governance is a prerequisite to ensure continued organic sales growth, improvement of operating margins and a successful integration of companies in the Group.

Securitas is a purpose-driven company with high ethical standards driven by our core values – Integrity, Vigilance and Helpfulness. We are committed to maintaining a high standard of integrity and compliance with applicable laws, regulations and any codes of conduct in the jurisdictions where we operate. Securitas complies with the Swedish Corporate Governance Code principle of “comply or explain” and has no deviations for 2022.

The highest decision-making body of the company is the shareholders' meeting, which resolves on the composition of the Board and the election of auditors. The election of the Board and the auditors is prepared by the Nomination Committee. The Board has formed an Audit Committee and a Remuneration Committee. The Board appoints the President and CEO, who in turn appoints the Group Management.

The Group is exposed to various risks and challenges and has established a Three Lines Model to handle its risks. The first line includes the operational management owning and managing local risks. The second line is the various risk and compliance oversight functions throughout different levels of the Group. The third line is the internal audit function, which is independent from management with direct reporting to the Board. Each of these three “lines” plays a distinct role within the organization's wider governance framework.

Securitas believes in a decentralized model where decisions are made by the person closest to the issue who can address the issue efficiently. The ability to make decisions and act within a set framework without having to seek approvals for daily tasks is an essential part of Securitas' DNA and central to our ability to be an agile, highly flexible, client-centric company. Yet, delegation of authority in a decentralized model has to be coupled with satisfactory controls and frameworks. Certain matters, for example strategy, policies, financial planning and compliance need centralized leadership, ownership and control for decentralization to work efficiently and effectively.

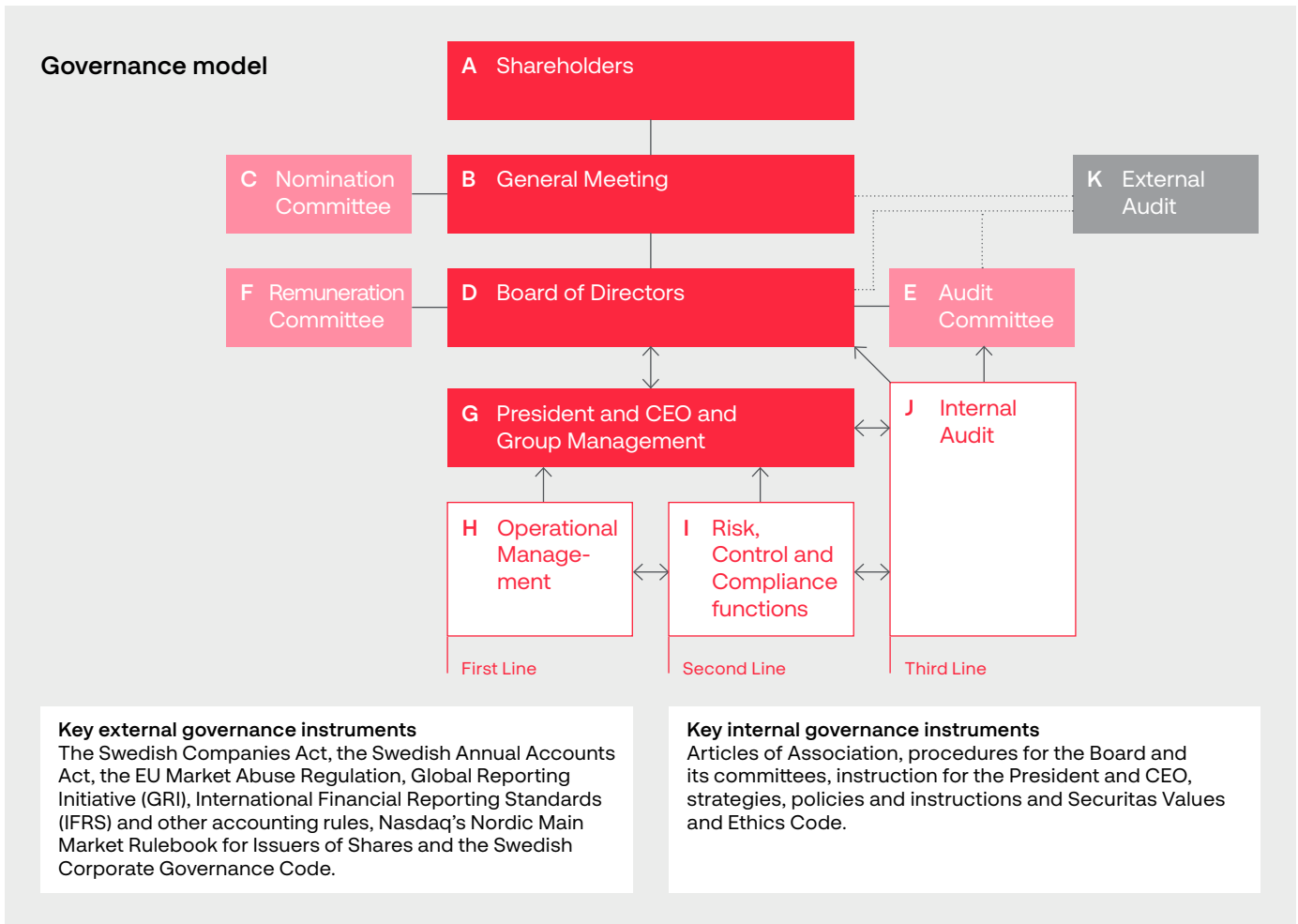
As part of our decentralized management approach, Securitas has to set strict financial targets and follow up the targets by continuously measuring and monitoring the Group's performance from the branch offices to Group level. The financial model makes it possible to monitor a number of key figures that can be understood by all managers. Each branch has its own statement of income, for which it is fully responsible. It also helps managers to understand the connection between risks and opportunities, and how various factors impact their areas of responsibility as well as how we can monitor and control these factors. Refer to pages 48–49 for more information.

Securitas Toolbox

Securitas' management model, “The Securitas Toolbox”, is strongly linked to our values – Integrity, Vigilance and Helpfulness. During 2022, an updated version of the Toolbox was released, which builds on the previous version with added specialist knowledge from hundreds of contributors across the business. A key function of the Toolbox is to convey our corporate culture and create a shared platform through our

values. Securitas' Toolbox management model has a methodical structure that includes several well-defined areas or “tools” that serve as a framework at all levels. The different areas of the model describe how Securitas' managers are to conduct themselves in various aspects and stages of the company's operations. The model also describes the approach we are expected to take with regard to the market, our clients and employees.





A SHAREHOLDERS

Securitas is listed on Nasdaq Stockholm in the Large Cap segment since 1991. The shareholders influence the overall direction of the company at the top of the governance structure. Strong principal shareholders provide considerable attention and interest in our business and establish commitment to the success of the business.

On December 31, 2022, the principal shareholders in Securitas were Carl and Eric Douglas who, through family and Investment AB Latour, held 10.9 percent (10.9) of the capital and 29.6

percent (29.6) of the votes, and Märta and Sofia Schörling who, through family and Melker Schörling AB, held 4.5 percent (4.5) of the capital and 10.9 percent (10.9) of the votes. For more detailed information about shareholders, see the table on page 157.

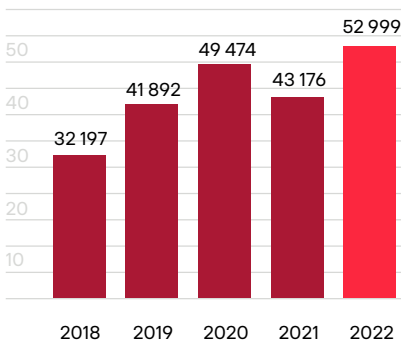
B GENERAL MEETING

The General Meeting is the company’s highest decision-making body and the forum for shareholders to exercise their influence. The General Meeting decides on changes to the Articles of Association. The Articles of Association contain no limitation on

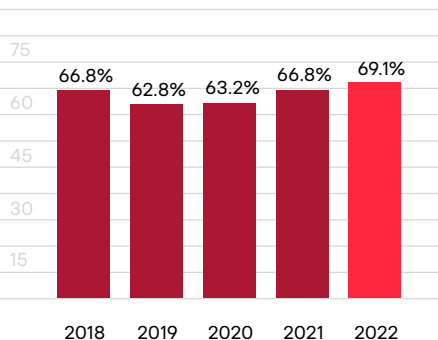
the number of votes that each shareholder may exercise at a shareholders’ meeting. Each shareholder may thus vote for all shares held at the shareholders’ meeting.

The Annual General Meeting of Securitas AB was held on May 5, 2022. Shareholders representing 56.1 percent (52.7) of the capital and 69.1 percent (66.8) of the total number of votes in the company participated. One of resolutions passed in 2022 was the authorization for the Board to resolve upon acquisition of the company’s own shares. The Annual General Meeting also resolved on an authorization for the Board to resolve on new issue of shares with preferential rights for the company’s shareholders, for the purpose of refinancing the bridge facilities that finance Securitas’ acquisition of STANLEY Security. In light of the rights issue, it was also resolved to adjust the limits of the share capital and number of shares in the Articles of Association. The minutes from the meeting are available at www.securitas.com. For information about election and remuneration of Board members, see section Board of Directors below.

Number of shareholders 2018–2022



Attendance 2018–2022 (% of voting rights)



C NOMINATION COMMITTEE

The Nomination Committee is a body established by the Annual General Meeting with the task of preparing proposals regarding the election of Chair of the General Meeting, members of the Board, Chair, auditor, fees for the members of the Board including division between the Chair and the other Board members, as well as fees for committee work, fees to the auditor and, if necessary, changes of the instructions for the Nomination Committee.

As a basis for its proposals, the Nomination Committee takes into account the complete outcome of the evaluation of the Board and its work as well as the competence needed in the future. The Nomination Committee applies rule 4.1 of the Swedish Corporate Governance Code as its diversity policy and the committee has endeavored to establish a Board composition characterized by diversity and breadth regarding the qualifications, gender, experience and background of the Board members. The 2022 Annual General Meeting resolved to appoint Board members in accordance with the Nomination Committee's proposal.

Of the directors appointed by the Annual General Meeting, the Board consists of three women and five men. The percentage of women on the Board is 37.5 percent, which is slightly below the target level stipulated by the Swedish Corporate Governance Board. It is the ambition of the Nomination Committee to continuously

work to create and maintain an equal gender distribution on the Board.

Before each Annual General Meeting, during which the election of auditors takes place, the Nomination Committee also prepares motions regarding the election of auditors in consultation with the Board of Directors and the Audit Committee.

The Annual General Meeting 2022 adopted an instruction for the Nomination Committee, which includes a procedure for appointing the Nomination Committee, valid until a General Meeting resolves in a change. In accordance to this instruction the Nomination Committee shall be composed of representatives of the five largest shareholders in terms of voting rights registered in the shareholders' register as of August 31 in the year prior to the Annual General Meeting. Should a shareholder decline to appoint a representative to the Nomination Committee, a representative from the largest shareholder in turn shall be appointed.

However, provided that the Nomination Committee is composed by at least three members, the procedure shall only continue until eight shareholders have been asked in total.

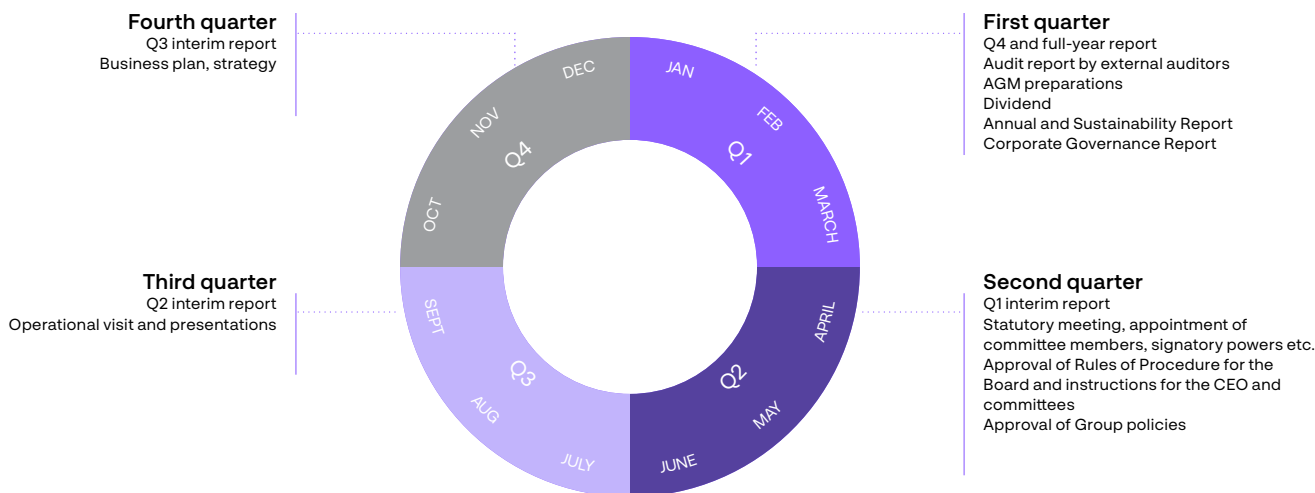
Refer to www.securitas.com for more information on the procedure for replacing members of the Nomination Committee who leave before its work is concluded or due to changes in the shareholder structure. The Chair of the Board shall convene the first meeting of the Nomination Committee and shall also be co-opted to the Nomination Committee. Based on these principles, the Nomination Committee consists of the members listed in the table below.

The Nomination Committee is to hold meetings as often as necessary to fulfil its duties, but at least one meeting annually. The Nomination Committee prior to the Annual General Meeting 2022 held three meetings.

Nomination Committee prior to AGM 2023

Elected members	Share of votes as of August 31, 2022
Johan Hjertonsson, Investment AB Latour, Chair	29.6%
Mikael Ekdahl, Melker Schörling AB	10.9%
Fredrik Åtting, EQT AB	2.1%
Henrik Didner, Didner & Gerge Fonder	1.9%
Share of votes represented in the Nomination Committee	44.5%

Overview of the work of the Board of Directors



In addition to the topics listed, other areas are discussed continuously, such as operational performance, updates from divisions, strategy, market and competition, sustainability matters, acquisitions, insurance, credit risk, tax matters, legal matters and funding. Further, there are continuously updates from the Audit Committee and Remuneration Committee.

D BOARD OF DIRECTORS

The Board of Directors has the overall responsibility for Securitas’ organization and administration.

Composition of the Board of Directors

According to the Articles of Association, the Board of Directors should have between five and ten Board members elected by the Annual General Meeting, with no more than two Deputy Directors. The Directors and Deputy Directors are elected by the Annual General Meeting for the period up to and including the first Annual General Meeting to be held in the year after the Director or Deputy Director was elected. Securitas’ Board of Directors has eight members elected by the Annual General Meeting, three employee representatives and one deputy employee representative.

The Annual General Meeting elected Jan Svensson as Chair of the Board. The Board has formed an Audit Committee and a Remuneration Committee.

For further information about the members of the Board of Directors and committees, including remuneration, see pages 40–41.

Responsibilities of the Board of Directors

The Board is responsible for the Group’s organization and the man-

agement of the Group’s business. The Board shall manage the Group’s affairs in the interests of the Group and all its shareholders and ensure and promote a good company culture. The Board appoints the President and CEO.

The Board has adopted a number of Group policies. In addition to the Group policies, there are also divisional and local policies. Policies are critical for the Group as they establish boundaries for individuals as well as processes, relationships and transactions and implement relevant control procedures.

The Board ensures the quality of financial reporting through Group policies, procedures and frameworks, clear structures with defined responsibilities and through documented delegation of authority, which is further described in the enterprise risk management and internal control report, beginning on page 44.

The work of the Board of Directors

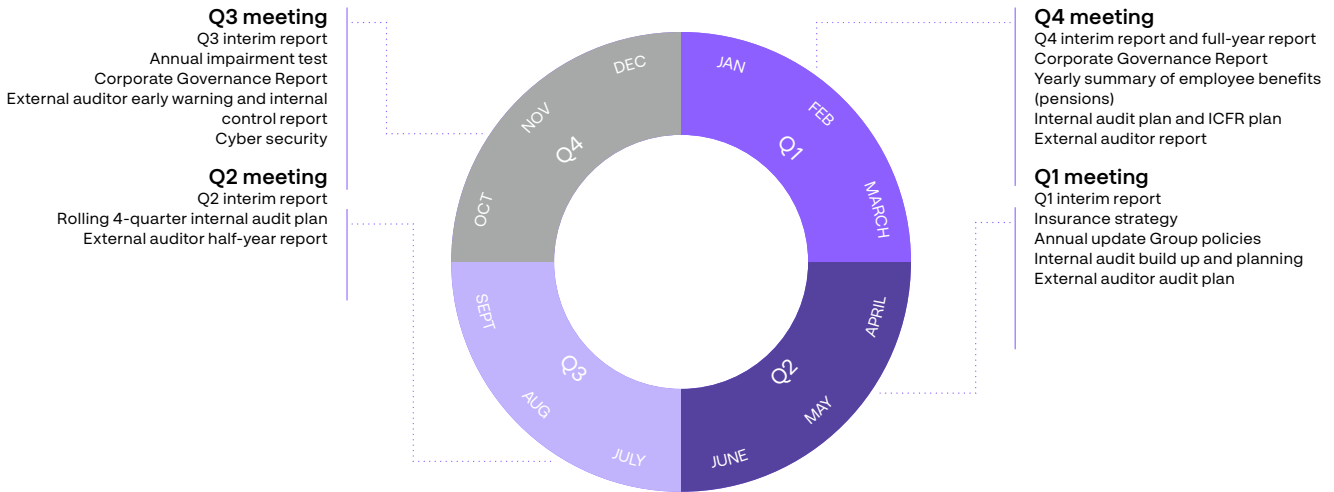
The activities of the Board and the division of responsibility between the Board and the President and CEO are governed by formal procedures documented in a written instruction, which is adopted by the Board each year after the Annual General Meeting. According to these procedures, the Board should determine, among

other things, the Group’s overall strategy, definition of goals (including business, profitability and sustainability related goals), corporate acquisitions and property investments above a certain level, and establish a framework for the Group’s operations through the Group’s business plan. The Board also plays an important role in the ongoing process of identifying and evaluating significant risks faced by the Group.

The procedures include a work instruction for the President and CEO, as well as instructions for financial reporting. The procedures also prescribe that an annual evaluation of the work of the Board of Directors should be carried out. On a yearly basis, all Board members submit their answers to a questionnaire issued by the Nomination Committee about the quality of the work in the Board. Based on this report, an evaluation is made in the Board and in the Nomination Committee.

The Board meets a minimum of six times annually. The Board held 14 meetings in 2022, of which four were held per capsulam. The auditors participated in the Board meeting that was held in conjunction with the yearly closing of the books, where they presented the audit.

Overview of the work of the Audit Committee



In addition to the topics listed, the meetings include a set rolling agenda with updates on accounting, treasury, acquisitions, risk/insurance, legal, tax, internal control, sustainability, enterprise risk management, IT/IS, follow-up of on-site visits, audit/consultancy costs and auditor independence.

E AUDIT COMMITTEE

The Board has formed an Audit Committee, which operates under the instructions for the Audit Committee and meets with Securitas’ auditors at least four times per year.

The Committee monitors the financial reporting, the effectiveness of internal control over financial reporting, internal audit activities and the risk management system to support the Board’s quality control work. The Committee also stays informed about annual statutory audits. It assesses the external auditor’s independence and receives information of, and approves the performance of, significant non-audit services.

The Committee presents its findings and proposals to the Board, prior to the Board’s decision. The Committee met four times during 2022.

F REMUNERATION COMMITTEE

The Board has also formed a Remuneration Committee to prepare decisions related to salaries, bonuses, share-based incentive schemes and other forms of compensation for Group Management, as well as other management levels if the Board of Directors so decides. The Committee presents its proposals, including a proposal of the Remuneration Report,

to the Board, for the Board’s decision. The Committee held two meetings during 2022.

Guidelines for remuneration

The guidelines for remuneration to Group Management that were adopted at the Annual General Meeting 2021 are still in force. The guidelines entail that remuneration to Group Management and their terms of employment should be competitive and comply with market conditions, to ensure that Securitas is able to attract and keep competent Group Management employees. The total remuneration to Group Management should consist of a fixed basic salary, variable remuneration, pensions and other benefits.

Thus, in addition to a fixed annual salary, Group Management may also receive variable remuneration, which shall be based on the outcome in relation to financial goals within the individual area of responsibility (Group or division) and which shall be aligned with the interest of the shareholders.

The complete guidelines for remuneration can be found at www.securitas.com.

Additional information on remuneration to the Board of Directors and

Group Management and share-based incentive schemes to top managers and certain other key employees, including the outcome, see note 9.

G PRESIDENT AND CEO AND GROUP MANAGEMENT

The President and CEO and Group Management are charged with overall responsibility for conducting the business of the Securitas Group in line with the strategy and long-term goals adopted by the Board of Directors. Among other tools and frameworks, the financial framework and the financial model is one important tool used by the President and CEO and Group Management to measure the execution of strategies and to guide the employees and organization toward achieving its objectives. For further information on Group Management, see pages 42–43.

H OPERATIONAL MANAGEMENT (THE FIRST LINE)

The first line includes the country operational management which owns and manages local risks. Securitas’ philosophy is to work in a decentralized environment where country operational management is primarily responsible for monitoring and ensuring compliance by local units with local laws and regulations and the Group policies and guidelines,

including any division-specific policies and guidelines. Local management is responsible for the establishment and continued operations of a system of procedures and controls that ensures the reliability of the company's management and financial reporting information in the most economical and efficient manner possible. This includes ensuring a minimum of key controls in order to mitigate relevant risks. Country operational management reports to Group Management through divisional management on operational matters and country controllers report through divisional controllers on financial reporting matters.

I RISK, CONTROL AND COMPLIANCE FUNCTIONS (THE SECOND LINE)

Within the second line, the Group has established a structure of compliance areas, with clear accountabilities for monitoring and supporting compliance in relation to each such compliance area, or "Vertical". Each Group policy belongs to a compliance area and each compliance area shall have a clearly documented owner and/or driver.

In addition, the Group has defined "horizontals" for supporting harmonization and coordination of common processes applicable to all or several compliance areas.

The Group has established a number of committees and work groups, including the functions for Finance/Tax and ICFR, Corporate Finance/Treasury and Legal, Risk, Business Ethics and Insurance. Quarterly meetings are held with the President and CEO, the CFO, Senior Vice President Finance and Senior Vice President General Counsel, at which topics that will be reported to the Audit Committee are discussed. There is also a separate IT Board, Digital Security Steering Committee, Enterprise Risk Management Committee, Compliance working group, Ethics and Sustainability Board, Sustainability Council, Insider Committee, and an ICFR Board.

J INTERNAL AUDIT (THE THIRD LINE)

During 2020 the Audit Committee decided to formalize a new and independent Group Internal Audit. The Group Internal Audit is part of the integrated assurance agenda, executing a risk based audit plan in concurrence with second line assurance functions and external audit. All noted internal

audit findings, with mitigating action plans, are systematically monitored and followed up to ensure apt risk mitigation in the operation. All executed audit assignments are reported quarterly to the Audit Committee, Group Management and Business Management. Group Internal Audit reports directly and independently to the Audit Committee.

K EXTERNAL AUDIT

The Annual General Meeting 2022 elected Ernst & Young AB (EY) as the Parent company's and the Group's audit firm, with authorized public accountant Rickard Andersson as auditor in charge, for a period of one year.

The auditors' work is based on an audit plan, which is agreed upon in consultation with the Audit Committee and the Board of Directors. The auditors participate in all meetings of the Audit Committee and present their findings from the annual audit at the Board meeting held in February. In addition, the auditors should inform the Audit Committee on an annual basis of any services rendered, other than audit assignments, and any auditing fees received for such services or other circumstances that might affect the evaluation of the auditors' independence. The auditors should also participate in the Annual General Meeting to present the audit report and its conclusions.

The audit is performed in compliance with the Swedish Companies Act, generally accepted auditing standards in Sweden and International Standards on Auditing (ISA).

For audit fees and reimbursement to auditors, see note 11 and 45.

AUDITOR IN CHARGE

Rickard Andersson, born 1973, Authorized Public Accountant, Auditor in charge, Ernst & Young AB. Rickard Andersson has been the auditor in charge since 2021. Other audit assignments: Elekta AB (publ), Munters Group AB (publ) and SSAB AB (publ). Member of FAR.



Board of Directors



JAN SVENSSON
 Chair, born 1956
 Chair of Securitas AB since 2021
 Principal education: Degree in Mechanical Engineering and Master of Science in Business and Economics
 Other assignments: Chair of AB Fagerhult, Billerud AB and Nobia AB. Director of Herenco Holding AB
 Previously: President and CEO of Investment AB Latour 2003–2019 and CEO of AB Sigfrid Stenberg
 Shares in Securitas: 78 728 Series B shares



INGRID BONDE
 Born 1959
 Director of Securitas AB since 2017
 Principal education: BSc in Business and Economics
 Other assignments: Chair of Alecta, Apoteket AB and tbd30 AB, Vice-Chair of Telia Company AB, Director of Husqvarna AB
 Previously: CFO and Deputy CEO Vattenfall AB, CEO AMF, Chair of Hoist Finance AB, Swedish Climate Policy Council, Director General Swedish Financial Supervisory Authority, Director Loomis AB and Swedish Corporate Governance Board
 Shares in Securitas: 5 342 Series B shares



JOHN BRANDON
 Born 1956
 Director of Securitas AB since 2017
 Principal education: Bachelor of Arts in History
 Other assignments: Director of Hexagon AB
 Previously: Vice President of Apple International, Vice President of Apple Americas and Asia, and President and CEO of Academic Systems
 Shares in Securitas: 10 000 Series B shares



FREDRIK CAPPELEN
 Born 1957
 Director of Securitas AB since 2008
 Principal education: BSc in Business Administration
 Other assignments: Chair of Dometic Group AB, Rossignol SA, Laedi TopCo AB (parent company of the iDeal of Sweden group), Transcom AB and Zacco A/S. Member of the ICC Executive Board
 Previously: President and Group Chief Executive of Nobia, Chair of Dustin Group AB, Byggmax Group AB, Terveystalo Oy, KonfiDents GmbH and Sanitec Oy, Vice-Chair of Munksjö AB
 Shares in Securitas: 32 885 Series B shares



GUNILLA FRANSSON
 Born 1960
 Director of Securitas AB since 2021
 Principal education: MSc in Engineering and Licentiate in Nuclear Science
 Other assignments: Chair of Net Insight AB and Director of Eltel AB, Trelleborg AB, Nederman AB, Weibel Scientific A/S and Dunkerintressena
 Previously: Part of Group Management team in Saab AB and different management positions in Ericsson AB
 Shares in Securitas: 3 142 Series B shares



SOFIA SCHÖRLING HÖGBERG
 Born 1978
 Director of Securitas AB since 2005
 Principal education: BSc in Economics and Business Administration
 Other assignments: Vice-Chair Melker Schörling AB, Director Hexagon AB and Assa Abloy AB
 Shares in Securitas: 7 071 428 Series A shares and 18 561 146 Series B shares¹

¹ Through family and Melker Schörling AB.
 All figures refer to own holdings and holdings of related persons and affiliated companies as of December 31, 2022.

**HARRY KLAGSBRUN**

Born 1954

Director of Securitas AB since 2021

Principal education: BA in Journalism, MSc in Business and an MBA

Other assignments: Chair of Harmar AB and Senior Advisor at EQT AB

Previously: Partner at EQT AB, Director of Duni AB, Securitas Direct AB, Academedia AB, Gambro AB, Dako A/S, ISS A/S, Dometic Group AB, Piab AB and Press Ganey Inc

Shares in Securitas: 157 142 Series B shares

**JOHAN MENCKEL**

Born 1971

Director of Securitas AB since 2021

Principal education: MSc in Engineering

Other assignments: Executive Vice President and Chief Investment Officer at Investment AB Latour.

Chair of Bemsig AB, Nederman Holding AB, and Nord Lock Group. Director of Latour Industries AB, Saab AB and World Materials Forum France

Previously: CEO at Gränges AB and Sapa Heat Transfer, Consultant at Accenture and founder of addnature.com

Shares in Securitas: 15 714 Series B shares



Employee representative

ÅSE HJELM

Born 1962

Director of Securitas AB since 2008

Employee Representative, Vice-Chair of Salaried Employees' Union local branch, Norrland, Chair of the Securitas Council for Salaried Employees

Shares in Securitas: 120 Series B shares



Employee representative

JAN PRANG

Born 1959

Director of Securitas AB since 2008

Employee Representative, Chair of Swedish Transport Workers' Union local branch, Securitas Göteborg

Shares in Securitas: 1 100 Series B shares



Employee representative

MIKAEL PERSSON

Born 1966

Director of Securitas AB since 2021

Chair of Swedish Transport Workers' Union local branch, Securitas Värmland

Shares in Securitas: 0 Series B shares

Composition of the board and attendance in 2022

	Position			Attendance			Total fee ¹ , SEK	Independent to company (8)	Independent to shareholders (5)
	Board of Directors	Audit Committee	Remuneration Committee	Board meetings	Audit Committee meetings	Remuneration Committee meetings			
Board member									
Jan Svensson	Chair	–	Chair	14/14	–	2/2	2 655 000	Yes	No
Ingrid Bonde	Director	Member	–	14/14	4/4	–	1 090 000	Yes	Yes
John Brandon	Director	–	–	14/14	–	–	840 000	Yes	Yes
Fredrik Cappelen	Director	Chair	–	13/14	4/4	–	1 230 000	Yes	Yes
Gunilla Fransson	Director	–	Member	14/14	–	2/2	893 000	Yes	Yes
Sofia Schörling Högberg	Director	–	–	14/14	–	–	840 000	Yes	No
Harry Klagsbrun	Director	–	–	12/14	–	–	840 000	Yes	Yes
Johan Menckel	Director	Member	–	14/14	4/4	–	1 090 000	Yes	No
Åse Hjelm ²	Director	–	–	13/14	–	–	0	–	–
Jan Prang ²	Director	–	–	14/14	–	–	0	–	–
Mikael Persson ²	Director	–	–	9/14	–	–	0	–	–

¹ Total fee resolved by the AGM 2022. The fee includes fees for committee work amounting to SEK 1 048 000, of which SEK 158 000 for Remuneration Committee work and SEK 890 000 for Audit Committee work.

For more details, refer to the minutes of the Annual General Meeting 2022 at Securitas' website: www.securitas.com.

² Employee representatives. Deputy employee representative is Thomas Fanberg (b. 1961), who has been Deputy Director of Securitas AB since 2008.

For comparative information about remuneration to the Board of Directors and senior management, see note 9.

Group management



MAGNUS AHLQVIST

President and CEO of Securitas AB*

Born: 1974

Employed: 2015

Shares in Securitas: 339 651 Series B shares,
100 000 share options¹



ANDREAS LINDBACK

Chief Financial Officer

Born: 1982

Employed: 2011

Shares in Securitas: 19 910 Series B shares



HILLEVI AGRANIUS

Chief Information Officer

Born: 1971

Employed: 2019

Shares in Securitas: 7 648 Series B Shares



MARTIN ALTHÉN

President, Securitas Digital

Born: 1968

Employed: 2016

Shares in Securitas: 31 535 Series B shares



GREG ANDERSON

Divisional President Security Services North
America

Born: 1967

Employed: 2010

Shares in Securitas: 49 459 Series B shares



HELENA ANDREAS

Senior Vice President, Group
Communications & People

Born: 1975

Employed: 2019

Shares in Securitas: 11 314 Series B shares



TONY BYERLY
Global President, Securitas Technology
Born: 1966
Employed: 2016
Shares in Securitas: 37 513 Series B shares



JOSÉ CASTEJON
Chief Operating Officer, North American
Guarding, Security Services North America
Born: 1968
Employed: 2007
Shares in Securitas: 20 943 Series B shares



JORGE COUTO
Divisional President, Security Services
Ibero-America
Born: 1970
Employed: 1998
Shares in Securitas: 25 520 Series B shares



JAN LINDSTRÖM
Senior Vice President, Finance
Born: 1966
Employed: 1999
Shares in Securitas: 37 734 Series B shares



BRIAN RIIS NIELSEN
President Global Clients
Born: 1966
Employed: 2002
Shares in Securitas: 14 270 Series B shares



FRIDA ROSENHOLM
Senior Vice President, General Counsel, Group
Legal, Risk & Business Ethics
Born: 1974
Employed: 2018
Shares in Securitas: 16 102 Series B shares



AXEL SUNDÉN
Divisional President, AMEA
Born: 1982
Employed: 2012
Shares in Securitas: 4 712 Series B shares



HENRIK ZETTERBERG
Divisional President, Security Services Europe
Born: 1976
Employed: 2014
Shares in Securitas: 31 787 Series B shares

All figures refer to own holdings and holdings of related persons and affiliated companies as of December 31, 2022.

* Magnus Ahlqvist holds a Master of Science in Economics and Business Administration from the Stockholm School of Economics, and a leadership exam from Harvard Business School. Previously he has held various management positions in Motorola Mobility - a Google owned company, Sony and Sony Ericsson Mobile Communications. He is the Chair of the International Security Ligue.

The following changes in Group Management took place during 2022:

- Greg Anderson, President, North American Guarding Security Services North America, since 2020, was appointed Divisional President, Security Services North America from January 1, 2022.
- Axel Sundén was appointed Divisional President, AMEA, and became a member of Group Management from September 1, 2022, replacing Brett Pickens.
- Martin Althén, Chief Information Officer (CIO) since 2016, was appointed President, Securitas Digital. Hillevi Agranius took over the role as CIO and added as a new member of the Group Management team. The changes were effective from July 1, 2022.
- Henrik Zetterberg, Chief Operating Officer, Security Services Europe, and member of Group Management since 2014, took over the role as Divisional President, Security Services Europe, from October 18, 2022, replacing Peter Karlströmer.

For more information about Group Management, visit www.securitas.com/en/about-us/group-management

¹ Share options regarding acquisition of Securitas Series B shares, issued by Melker Schörling AB and Investment AB Latour.

Proactive risk management and internal control

Securitas' internal control system is designed to manage, rather than eliminate, the risk of failing to achieve business objectives. The system provides reasonable, but not absolute, assurance against material misstatement or loss, as well as compliance with the main policies.

Internal control over financial reporting is included as a part of the overall internal control of Securitas and constitutes a central part of the Group's corporate governance. The description below covers a broader perspective on how Securitas' internal control is organized, using a structure based on the COSO model, but also makes specific reference to items pertaining directly to internal control over financial reporting. On page 46, we describe Securitas' enterprise risk management process (ERM process), which sets the overall process for Securitas' proactive and continuous work with risk management and internal control. Securitas' insurance and claims strategy is to "act as if uninsured". Refer to page 45 for more information about insurance as a risk management tool.

CONTROL ENVIRONMENT

The key features of Securitas' control environment include: the Board's rules of procedure which ensure clear terms of reference for the Board and each of its committees, a clear organizational structure with delegation of authority documented in a Group Approval Policy and Matrix, from the Board to the President and CEO and further to the Group Management. The Group Approval Policy also sets the boundary for all divisional and country approval policies. The control environment also includes the competence of employees and a series of Group policies, procedures and frameworks.

Emphasis lies on the competence and abilities of the Group's employees, with continuous training and development actively encouraged through

a wide variety of training programs and clear processes and routines to ensure employees can act quickly within the defined framework.

The Group has three fundamental values – Integrity, Vigilance and Helpfulness – to help the employees exercise good judgment and make decisions on a consistent basis. The Securitas Values and Ethics Code, and the Securitas' Business Partner Code of Conduct, set the high ethical standards that are a vital part of Securitas' operations and provides guidance for employees and business partners on how to act in an ethical and compliant way.

Policies and frameworks that apply to internal control over financial reporting are described in Securitas' Group policies, which include the company's model for financial control, the Group Internal Control over Financial Reporting Policy and in the Securitas Reporting Manual, which specifically focuses on reporting matters to ensure compliance with reporting requirements and rules. This creates an environment that supports reliable and accurate reporting.

RISK ASSESSMENT

At the highest level, the Board considers where future strategic opportunities and risks lie and helps shape the corporate strategy. Balanced and focused risk management is necessary for the fulfilment of Securitas' strategies and the achievement of its corporate objectives.

Enterprise risk management (ERM) is an integral component of Securitas'

operations, and risk awareness is part of the company culture. Risk assessments are conducted within the framework of the Securitas ERM process, regardless whether the assessments pertain to operational, financial or strategic risks. Risk assessment is a dynamic process that aims to identify and analyze risks in relation to Securitas' objectives. It serves as the basis for implementing mitigating actions (reduce, transfer/share or accept the risk in question) after considering the controls in place.

GROUP-WIDE CONTROL ACTIVITIES

Internal control activities are established by frameworks, policies and processes, which help ensure that all management directives to manage risks are executed. The Group has a dedicated Internal Control function related to financial reporting (Group ICFR), which regularly informs the Audit Committee of the work performed. Controls are performed on several levels within the organization and are established based on the process concerned. One example is Securitas' internal control framework and the financial control activities specifically aimed at managing risks related to financial reporting. This includes methods and activities for securing assets, controlling the accuracy and reliability of internal and external financial reports, and ensuring compliance with defined guidelines. Control self-assessments are utilized within the ICFR domain. In 2022 a themed control self-assessment on master data management for key processes was run.

INFORMATION AND COMMUNICATION

Securitas' channels for information and communication are constantly developed to ensure that all employees are given clear objectives and are made aware of the parameters that constitute acceptable business practices, as well as the expectations of the Board in managing risks. This provides a clear definition of the Group's purpose and goals, accountabilities and the scope of permitted activities of employees.

Systems and procedures have been implemented that support complete, accurate and timely financial report-

ing and provide management with the necessary reports on business performance relative to the established objectives. The Group reporting department regularly issues guidance on reporting matters and the reporting manual is available in a Group-wide database. Reporting units regularly prepare financial and management reports that are discussed at review meetings at different levels. These include an analysis of financial performance and risks for the organization to understand its responsibility with regard to internal control and its impact in relation to risks, goals and objectives.

MONITORING

Monitoring is performed at different levels and by different functions within the organization depending on whether it is related to operational or financial reporting matters. Key functions include the Board of Directors, the Audit Committee, Group Management, Internal audit, committees and work groups, Group ICFR, the Group Legal function, the Business Ethics compliance function, the Digital Security function, the Group Risk function, and other compliance functions as well as local and divisional management.



Insurance as a risk management tool

Securitas' insurance and claims strategy is to "act as if uninsured." This means that while external insurance is used to protect the balance sheet and minimize fluctuations in earnings, our day-to-day task is to perform our assignment as if we do not have any insurance in place.

IMPORTANCE OF ACTIVE CLAIMS MANAGEMENT

Important parts of our risk management work involves taking a proactive approach to the risk Securitas takes on when entering into client contracts as well as ensuring that assignment instructions correctly reflect services provided to client with the aim to prevent claims from occurring. Another significant part of Securitas' risk management work involves active claims management, as well as ongoing claims analysis of losses with the aim of identifying the underlying driving forces in order to set up measures to mitigate future claims and thereby reduce the total cost of risk.

PROCUREMENT STRATEGY

Insurance programs are procured with the objective of creating a balanced and cost-efficient protection against negative financial impact. Securitas seeks to achieve economies of scale through coordinated insurance programs.

BENEFITS FOR OUR CLIENTS

An important advantage of our Global insurance programs is that our clients can be confident that Securitas' high-quality insurance cover is consistent in all markets.

Securitas' four-step process to manage enterprise risk

Securitas is exposed to various types of risks in its daily business. When providing security services, Securitas manages not only its own risks, but also risks on behalf of its clients. A well working risk management is a key objective for all parts of the Group. Securitas' process for enterprise risk management (ERM) is well integrated into in the business and seeks to identify, prioritize and manage the major risks to our operations at all levels and in all parts of the organization.

More information on each step of the process is to be found at www.securitas.com



INPUT AND RISK IDENTIFICATION

The risk management process starts with risk identification and prioritization during the ERM planning process. Securitas' risks have been classified into three main categories: Operational Risks, Financial Risks, and Strategic Risks and Opportunities.

The major risk focus areas for the coming year are decided by the ERM Committee which includes representatives from Group Management. These risks will have a special focus by the Group Management team the coming year including monitoring of risk mitigation actions. Additionally, a number of other risks are identified for which the company assigns special focus the coming year, but which are treated on a continuous basis by the divisions and countries and are monitored as part of the overall ERM process. The yearly risk assessment process is coordinated by the risk organization led by the Group Risk function. The Group Risk function is also responsible for maintenance of the risk register, which is updated annually primarily based on input from all levels of the internal organization but also based on the external factors such as macro-economic factors.

POLICY DEVELOPMENT

The next step in the process is to assess whether new policies need to be issued or existing policies need to be updated. Securitas' Group policies, which is one of the cornerstones of Securitas' ERM process, establish the framework for all policies and compliance monitoring in the Group.

The Group policies are developed by management and key policies are approved by the Board of Directors. A general policy update is released after the statutory Board meeting in May every year, but specific policies are also issued or updated when necessary throughout the year. Some of the key policies that are relevant for governance perspectives are Corporate Governance policy, Group Contract policy, Securitas Values and Ethics Code, Whistleblowing policy, Communication policy, Anti-Bribery and Anti-Corruption policy, Fair competition and Anti-trust policy, Privacy policy and Insider policy.

RISK MANAGEMENT ACTIVITIES

The third step of the process is the risk management activities. The Board of Directors has the ultimate responsibility for governance of risk

management while the accountability for managing risks and for implementing and maintaining control systems in accordance with Group policies is clearly assigned to management at Group, divisional and local level. Specifically, divisional management are responsible for all aspects of the operations in their divisions, including operational risk management and risk minimization as well as creating risk awareness throughout the division. Operating unit managers and country risk managers are responsible for ensuring that risk management is part of the local corporate culture at all levels within a country.

RISK-BASED MONITORING

The identified risks and adopted policies set the structure for the fourth step of the process – Risk-based monitoring. Major risks are monitored utilizing various tools and methods best suited for the respective risk domains such as; self-assessments, audits, risk and control diagnostics, and/or are subject to other monitoring activities throughout the year. Monitoring permeates all levels throughout the organization and is performed by different functions.

Signatures of the Board of Directors

Stockholm, March 30, 2023

Jan Svensson
Chair

Ingrid Bonde
Director

Fredrik Cappelen
Director

Sofia Schörling Högberg
Director

Johan Menckel
Director

Jan Prang
Director
Employee Representative

Magnus Ahlqvist
President and
Chief Executive Officer

John Brandon
Director

Gunilla Fransson
Director

Harry Klagsbrun
Director

Åse Hjelm
Director
Employee Representative

Mikael Persson
Director
Employee Representative

Auditor's report on the corporate governance statement

(translation of the Swedish original)

To the general meeting of the shareholders of Securitas AB (publ), corporate identity number 556302-7241.

ENGAGEMENT AND RESPONSIBILITY

It is the Board of Directors who is responsible for the corporate governance statement for the year 2022 on pages 32–46 and that it has been prepared in accordance with the Annual Accounts Act.

THE SCOPE OF THE AUDIT

Our examination has been conducted in accordance with FAR's 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.

OPINIONS

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

Stockholm, March 30, 2023
Ernst & Young AB

Rickard Andersson
Authorized Public Accountant