

Corporate Governance report

Part of
Ericsson
Annual Report
2022



Annual Report 2022

Financial
report

Corporate
Governance
report

Remuneration
report

Sustainability
and Corporate
Responsibility
report



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This Corporate Governance report is rendered as a separate report added to the Financial Report in accordance with the Annual Accounts Act ((SFS 1995:1554) Chapter 6, Sections 6 and 8) and the Swedish Corporate Governance Code.

The report has been reviewed by Ericsson's auditor in accordance with the Annual Accounts Act.

A report from the auditor is appended hereto.

Forward-looking statements

This report may include forward-looking statements, including statements reflecting the Company's current views relating to the growth of the market, future market conditions, future events, financial condition, and expected operational and financial performance.

The words "believe", "expect", "foresee", "anticipate", "assume", "intend", "likely", "projects", "may", "could", "plan", "estimate", "forecast", "will", "should", "would", "predict", "aim", "ambition", "seek", "potential", "target", "might", "continue", or, in each case, their negative or variations, and similar words or expressions are used to identify forward-looking statements. Any statement that refers to the Company's strategy, future financial performance, expectations, projections or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Such statements are based on the Company's expectations as of the date of this report, unless an earlier date is specified, including expectations based on third-party information and projections that the Company believes to be reputable.

We caution investors that these statements are subject to risks and uncertainties many of which are difficult to predict and generally beyond our control that could cause actual results to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking

information and statements. Important factors that could affect whether and to what extent any of our forward-looking statements materialize include but are not limited to the factors described throughout the Company's Annual Report for the financial year 2022, including in the section Risk Factors of the Company's Annual Report for the financial year 2022. These forward-looking statements also represent our estimates and assumptions only as of the date that they were made, and to the extent they represent third-party data, we have not undertaken to independently verify such third-party data and do not intend to do so. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. We expressly disclaim a duty to provide updates to these forward-looking statements, and the estimates and assumptions associated with them, after the date of this report, to reflect events or changes in circumstances or changes in expectations or the occurrence of anticipated events, whether as a result of new information, future events or otherwise, except as required by applicable law or stock exchange regulation. We maintain website and external voluntary reports that may be referenced in this report. The information on our website and in our external voluntary reports is not incorporated by reference in, or otherwise to be regarded as part of, this report.

Corporate Governance report 2022

Ericsson is committed to maintaining the highest standards of corporate governance; this ensures effective decision-making, robust risk management, accountability, ownership, transparency and social responsibility at all levels of the organization. Strong oversight across the organization (by the Board, the CEO, the Executive Team and at all other levels) underpins our governance.

“For the Board, best-in-class governance and building a culture of compliance, ethics and integrity remain a top priority. The Board has continued to oversee and accelerate our cultural transformation, further embedding our sustainable program of compliance and controls, and revamping our global risk management approach. The Company and the Board are committed to continuously developing and improving its internal governance, risk management and oversight and controls.

The Board acknowledges the feedback from the shareholders and the vote against discharge from liability at the 2022 Annual General Meeting; and taking this into account, best-in-class governance and building a culture of compliance, ethics and integrity continue to be a top priority for the Board. Over the course of 2022, the Board worked closely with management to make enhancements to the

Company’s governance framework. Also, importantly, on March 2, 2023, we announced our resolution with the U.S. Department of Justice regarding non-criminal breaches under our 2019 Deferred Prosecution Agreement, and this allows us to focus more fully on our strategic opportunities.

In 2022, the Board witnessed with satisfaction Ericsson’s strong commitment to further developing and streamlining and clarifying internal processes, oversight and controls, as well as setting even higher expectations of performance and adherence to its integrity mandate for all personnel. Integrity and ethics will remain at the center of everything we do.”

Ronnie Leten
Chair of the Board

Regulation and compliance

Ericsson's Corporate Governance

Ericsson is committed to ensuring the highest standards of corporate governance: effective oversight across the organization (by the Board, the President and CEO and the Executive Team); effective decision making with clear accountabilities at all levels; a robust approach to risk management to effectively identify and control risks; compliance with law in everything we do; and an integrity-led culture.

The Company has adopted corporate governance practices and procedures that establish clear rules of governance, ranging from matters requiring approval of the Company's shareholders and members of its Board to conflict of interest policies, and director and management duties and obligations. More information can be found on our website at <https://www.ericsson.com/en/about-us/corporate-governance>.

Key Corporate Governance Developments in 2022

In the first quarter of 2022, the Board and Ericsson's President and CEO requested that the Executive Team, led by the Chief Legal Officer and working with the Audit and Compliance Committee, review the Company's corporate governance practices with a view to extending them beyond the standard and mandatory levels of compliance and introducing enhancements. The Company is pleased to report that good progress has been made and our governance enhancements will continue to be made throughout 2023. The priorities that were implemented in 2022 are as follows:

- introduction of an enhanced approach to risk management and establishment of a Group Business Risk Committee (BRC) comprising executives and co-chaired by the Chief Financial Officer and the Chief Legal Officer;
- enhancing disclosures on our corporate governance practices;
- formally introducing compliance and integrity performance indicators into executive remuneration;

- formally expanding the remit of the Audit and Compliance Committee to ensure enhanced oversight of the compliance program, high-risk investigations, and risk management;
- increasing the number of Audit and Compliance Committee meetings and enhancing the Audit and Compliance Committee's oversight of ongoing implementation of the Company's compliance and internal controls program; and
- substantially increasing the resources in the Compliance office and Corporate & Government Investigations team, and continuing to invest in transactional controls and analytics; and
- making enhancements to risk assessments, including expanded risk assessments to address country specific compliance risks, and continuing to tighten our vetting and oversight of third parties with whom we work, to choose parties who will meet our ethics and compliance expectations.

The Company has strengthened its executive oversight of risk management with the recruitment of highly-experienced executives, including a new Chief Legal Officer, and a new Head of Corporate & Government Investigations.

External rules

As a Swedish public limited liability company with securities traded on Nasdaq Stockholm as well as on Nasdaq New York, Ericsson is subject to a variety of rules that affect its governance. Relevant external rules applicable to Ericsson's governance include:

- The Swedish Companies Act
- Applicable EU regulations
- Swedish Corporate Governance Code (the Code)
- The Nasdaq Stock Market Rules, including The Nasdaq Nordic Main Market Rules for Issuers of Shares and applicable Nasdaq New York corporate governance requirements (subject to certain exemptions principally reflecting mandatory Swedish legal requirements)
- Applicable requirements of the U.S. Securities and Exchange Commission (SEC).

Internal rules and policies

The articles of association and the work procedure for the Board of Directors (and its respective Committees) establish the foundation for our internal corporate governance.

In addition, to ensure compliance with legal and regulatory requirements and the high standards that Ericsson has set, Ericsson has adopted a range of policies and procedures that include:

- The Code of Business Ethics
- Group Steering Documents, including Group policies and directives, instructions and business processes for approval, control and risk management
- The Code of Conduct for Business Partners
- Group Risk Protocol.

Sustainability and corporate responsibility governance

Sustainability and corporate responsibility are integral parts of Ericsson's strategy and culture. This embodies our values, and we have embedded this across our operations to create a more resilient business, to have a positive impact on our people and the communities in which we work, and to create long-term value for the Company's stakeholders. Within the Company, a dedicated Sustainability and Corporate Responsibility unit is responsible for developing and implementing relevant strategies, policies, steering documents, targets, and processes. Environmental, social, and economic performance is continuously measured and monitored, and is regularly subject to external assurance to ensure accuracy and reliability.

The Board of Directors oversees the Company's sustainability and corporate responsibility strategy, and the Executive Team provides strategic guidance through various steering boards and committees. The Board receives reports on risks and performance annually, or more often as needed. In accordance with the Swedish Annual Accounts Act, Ericsson has prepared a separate sustainability report titled "Sustainability and Corporate Responsibility Report 2022."

Ericsson interactions with U.S. authorities and other governmental authorities

On March 2, 2023, the Company reached a resolution (DOJ Plea Agreement) with the

Compliance with securities market regulations

Compliance with the Swedish Corporate Governance Code

The Code is based on the principle of "comply or explain" and is published on the website of the Swedish Corporate Governance Board, which administers the Code: www.corporategovernanceboard.se. Ericsson is committed to complying with best-practice corporate governance standards on a global level. Ericsson does not report any deviations from the rules of the Code in 2022.

Compliance with applicable stock exchange rules

There has been no infringement by Ericsson of applicable stock exchange rules and no breach of good practice on the securities market reported by the disciplinary committee of Nasdaq Stockholm or the Swedish Securities Council in 2022.

United States Department of Justice (DOJ) regarding non-criminal breaches under its deferred prosecution agreement (DPA). Under the DOJ Plea Agreement, Ericsson will plead guilty to previously deferred charges relating to conduct prior to 2017, as described below. In addition, Ericsson has agreed to pay a fine of USD 206,728,848. The entry of the DOJ Plea Agreement will bring the DPA to an end. As set forth in the DOJ Plea Agreement, Ericsson will have certain continuing obligations through June 2024, including cooperation, reporting evidence or allegations of potential FCPA violations, continuing to engage an independent compliance monitor and improving its compliance program.

Previously, on January 12, 2023, the Company announced that a provision in the fourth quarter of 2022 of SEK 2.3 billion (approx. USD 220 million) in relation to the DOJ Plea Agreement was made. The provision also included estimated expenses (SEK 0.1 billion) for the previously announced extended compliance monitorship.

Ericsson originally entered into a resolution with the DOJ resolving the DOJ's investigations into Ericsson's business dealings in Djibouti, China, Vietnam, Indonesia and Kuwait. The resolution included a DPA and a guilty plea by our Egyptian subsidiary to a criminal violation of the antibribery provisions of the US Foreign Corrupt Practices Act (FCPA). Under the DPA, the Company admitted to the conduct described in the DPA's statement of facts, and the DOJ agreed to defer prosecution of Ericsson for the DPA's three-year term if Ericsson did not violate the terms of the DPA. As part of the DPA with the DOJ and consent judgment with the U.S. Securities and Exchange Commission (SEC), Ericsson agreed to engage an independent

compliance monitor for three years while the Company continues to undertake significant reforms to strengthen its Ethics and Compliance Program. The monitor's primary responsibilities include reviewing and evaluating the Company's progress in implementing and operating its enhanced compliance program and accompanying controls, pursuant to the terms of the DPA, as well as providing recommendations for improvements.

In October 2021, the DOJ notified Ericsson of its determination that the Company breached its obligations under the DPA by failing to provide required information to the DOJ.

In February 2022, the Company publicly disclosed that an internal investigation in 2019 included a review of the conduct of Ericsson employees, vendors and suppliers in Iraq during the period 2011–2019. The investigation found serious breaches of compliance rules and the Company's Code of Business Ethics and identified evidence of corruption-related misconduct and other serious violations, including payments to intermediaries and the potential use of alternate transport routes in connection with circumventing Iraqi Customs, at a time when terrorist organizations, including ISIS, controlled some transport routes. The investigation also identified payment schemes and cash transactions that potentially created the risk of money laundering. The investigators could not determine the ultimate recipients of any payments, nor identify that any Ericsson employee was directly involved in financing terrorist organizations.

In March 2022, the DOJ informed Ericsson it had determined that, before entering into the DPA, the Company provided insufficient information to the DOJ about the Company's internal investigation into conduct in Iraq. The DOJ also determined the Company breached

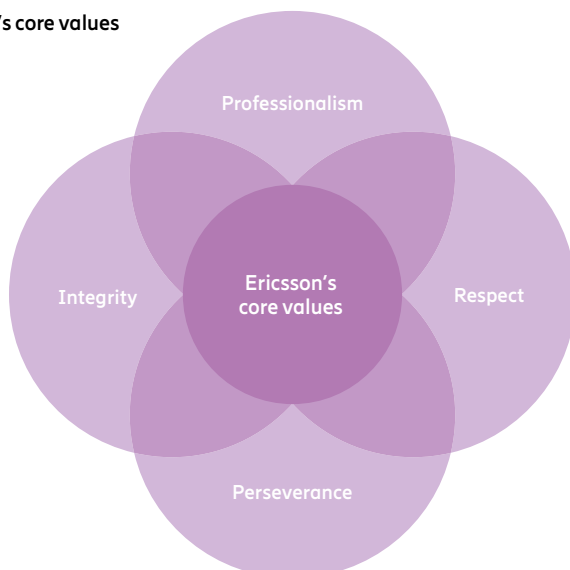
the DPA by failing to inform the DOJ about the investigation until after entering into the DPA.

In June 2022, the SEC informed Ericsson that it opened an investigation concerning matters described in the Company's 2019 Iraq investigation report. Under Ericsson's consent judgment with the SEC, we are permanently enjoined from violating the FCPA's antibribery, books and records and internal controls provisions. Violations of the injunction or consent judgment could subject us to new civil and criminal penalties as well as new enforcement actions.

In December 2022, prior to entering the DOJ Plea Agreement, the Company agreed with the DOJ and SEC to extend the term of the Company's independent compliance monitor for one year, to June 2024. The Company continues to face other negative consequences from these matters, including matters under review as part of our ongoing and future communications with governmental authorities to comply with our obligations under the DOJ Plea Agreement.

With respect to the matters described in the 2019 Iraq investigation report, the Company continues to thoroughly investigate the matters in full cooperation with the DOJ and the SEC. As previously disclosed, the Company's 2019 investigation did not conclude that Ericsson made or was responsible for any payments to any terrorist organization, and the Company's significant further investigation over the course of 2022 has not altered this conclusion. The Company's internal investigation and its cooperation with authorities in relation to the matters discussed in a 2019 Iraq-related internal investigation report remain open and ongoing and are not covered by the DOJ Plea Agreement.

Ericsson's core values



The Company's core values are the foundation of its culture. They guide employees' daily work, in how they relate to each other and the world around them and in the way the Company does business.

The Code of Business Ethics and the Code of Conduct for Business Partners can be found on Ericsson's website.

Ethics and Compliance Program

For several years, we have invested significant resources to strengthen our ethics and compliance (E&C) program. This is a continuous effort and has, importantly, been underpinned by work across the organization to embed a culture of integrity and ethics. This is bolstered by the continuous strengthening of the compliance function, together with the implementation and maintenance of strong systems, controls and policies to effectively prevent and detect wrongdoings.

During 2022, we advanced the company-wide and E&C-led program focused on prioritizing integrity as part of Ericsson's culture and way of working. This program serves to foster accountability and effective decision-making, while also furthering trust with our customers, business partners, and regulators.

The Company also promotes transparency through the maintenance of a dedicated communication channel for employees and other external stakeholders to report any compliance concerns – the Ericsson Compliance Line.

Progress in the speak-up culture is evidenced by the continuous and increasing engagement of our employees over the recent years in raising compliance questions as well as potential concerns to ensure we conduct business with integrity. The Company noted a modest increase in number of reported potential compliance concerns by 33 (approx. 3.12%). We treat this as an indicator of growing confidence by employees and third parties in the integrity of our allegation management and investigation processes and we take serious measures when we learn of any potential misconduct.

Also, in 2022 we revised and enhanced our Code of Business Ethics (CoBE), which outlines the Company's expectations for all employees and our fundamental ethical principles. CoBE is designed to ensure that the Company pursues business with a strong

sense of integrity and reflects the Company's commitment to conducting business responsibly, consistent with all internationally recognized human rights principles and the applicable laws and regulations where the Company operates. All employees and our Board of Directors are subject to CoBE, as are our consultants and contractors. CoBE is available in 43 languages used across our global operations, and all employees are required to confirm their understanding of CoBE on a regular basis. In addition, all employees shall participate in a mandatory Foundational Anti-Bribery and Corruption (ABC) training. Managers and employees exposed to increased risk are also required to participate in an expanded version of the ABC training.

In 2022, the Company also increased the number of employees within the compliance function, further strengthening the organization in this area. We continue to embed compliance employees throughout the organization, to partner with the business and advise on decisions. Moreover, the Company continued to invest in transactional controls and data analytics, a Compliance Help desk and additional compliance officers in-country, to help employees make integrity-driven decisions. In addition, the Company has embedded Ethics and Compliance guidance into its M&A processes.

We continue to make considerable investments in improving our E&C Program in accordance with our strategy and objectives, to remediate historical issues, including gaps in our compliance processes and internal controls, and to strengthen our internal investigations team.

On February 28, 2023, we announced that the Head of our Ethics and Compliance function was departing after almost four years in her role, and was being replaced on an interim basis by Jan Sprafke, who reports to the Chief Legal Officer and the Audit and Compliance

Committee. He will continue to lead the further embedding of our E&C Program into the organization.

Governance structure

Shareholders may exercise their decision-making rights in Telefonaktiebolaget LM Ericsson (the "Parent Company") at General Meetings of shareholders.

A Nomination Committee is appointed each year by the major shareholders in accordance with the Instruction for the Nomination Committee adopted by the Annual General Meeting of shareholders. The tasks of the Nomination Committee include the proposal of Board members and external auditor for election by the Annual General Meeting of shareholders and proposal of Board member and auditor remuneration.

In addition to the Board members elected by shareholders, the Board of Directors consists of employee representatives and their deputies, who the unions have the right to appoint under Swedish law. The Board of Directors is ultimately responsible for overseeing the strategy of Ericsson and the management of its operations.

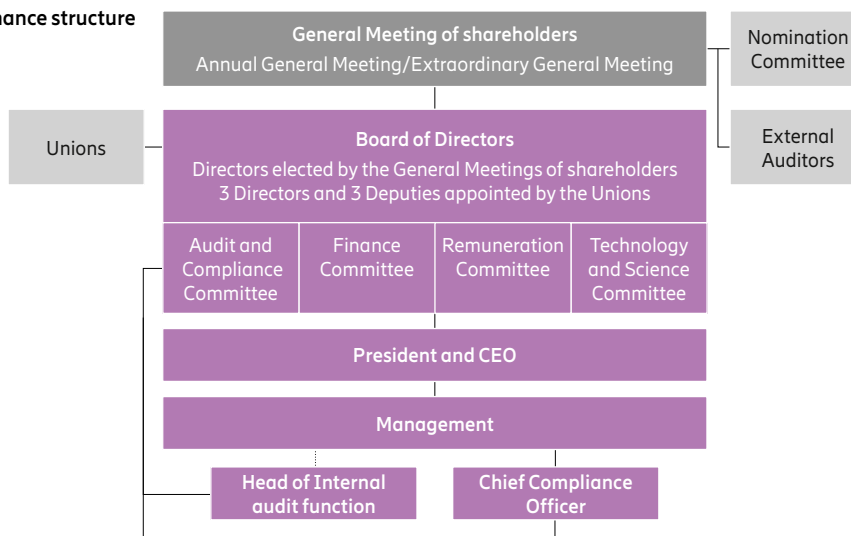
The President and CEO, appointed by the Board of Directors, is responsible for developing and executing the strategy and handling the day-to-day management of Ericsson in accordance with guidelines issued by the Board. The President and CEO is supported by the Executive Team.

The external auditor of Ericsson is appointed by the shareholders at the General Meeting of shareholders.

Ownership structure

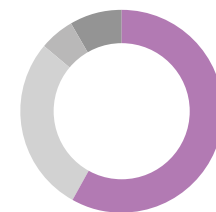
As of December 31, 2022, the Parent Company had 425,636 registered shareholders, of which 412,763 were resident or located in Sweden (according to the share register

Governance structure



Shareholders

Ownership percentage (voting rights)



Swedish institutions:	58.07%
Of which:	
– Investor AB	23.79%
– AB Industrivärden	15.14%
– AMF Tjänstepension and AMF Fonder	4.87%
Foreign institutions	28.28%
Swedish retail investors	5.41%
Others	8.24%

Source: Nasdaq

kept by Euroclear Sweden AB). Swedish institutions held approximately 58% of the votes. The largest shareholders as of December 31, 2022 were Investor AB with approximately 23.79% of the votes (8.00% of the shares) and AB Industrivärden with approximately 15.14% of the votes (2.61% of the shares) and AMF Tjänstepension and AMF Fonder with approximately 4.87% of the votes (2.74% of the shares).

A significant number of the shares held by foreign investors are nominee-registered, i.e., held of record by banks, brokers and/or nominees. This means that the actual shareholder is not displayed in the share register kept by Euroclear Sweden AB or included in the shareholding statistics.

More information on Ericsson's shareholders can be found in the chapter "The Ericsson share" in the Financial Report.

Shares and voting rights

The share capital of the Parent Company consists of two classes of shares listed on Nasdaq Stockholm: A and B shares. Each Class A share carries one vote, and each Class B share carries one tenth of one vote. Class A and B shares entitle the holder to the same proportion of assets and earnings and carry equal rights to dividends.

The Parent Company may also issue Class C shares, which are converted into Class B shares to create treasury stock to finance and hedge long-term variable compensation programs resolved by the General Meeting of shareholders.

In the US, the Ericsson Class B shares are listed on Nasdaq New York in the form of American Depositary Shares (ADS) evidenced by American Depositary Receipts (ADR). Each ADS represents one Class B share.

The members of the Board of Directors and the Executive Team have the same voting rights on shares as other shareholders holding the same class of shares.

General Meetings of shareholders

Decision-making at General Meetings

The decision-making rights of Ericsson's shareholders are exercised at General Meetings of shareholders. Most resolutions at General Meetings are passed by a simple majority. However, the Swedish Companies

Act requires qualified majorities in certain cases, for example in case of: amendment of the articles of association; and resolution to transfer treasury stock to employees participating in long-term variable compensation programs.

The Annual General Meeting of shareholders

The Annual General Meeting of shareholders (AGM) is held in Kista/Stockholm. The date and venue for the meeting are announced on the Ericsson website no later than at the time of release of the third-quarter interim financial report in the preceding year.

Shareholders who cannot participate in person may be represented by proxy. The Board of Directors may decide, in accordance with the articles of association, that the shareholders also shall be able to exercise their voting rights by post before the AGM pursuant to the procedure stated in the Swedish Companies Act. Only shareholders registered in the share register have voting rights. Nominee-registered shareholders who wish to vote must request to be entered into the share register by the record date for the AGM.

The AGM is held in Swedish and is simultaneously translated into English. Documentation provided by the Company is available in both Swedish and English.

The AGM gives attending shareholders the opportunity to raise questions relating to the operations of the Group. Normally, the majority of the members of the Board of Directors and the Executive Team is present to answer such questions.

The external auditor is present at the AGM.

Ericsson's AGM 2022

Including shareholders represented by proxy, 2,163 shareholders were represented at the AGM held on March 29, 2022 representing approximately 68% of the votes.

Due to the COVID-19 pandemic, the AGM 2022 was conducted without the physical presence of shareholders, representatives and third parties and the meeting was conducted as digital meeting with online participation. In addition, the shareholders were able to exercise their voting rights by post before the meeting. This was in line with section 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations, in force

until December 31, 2022. Shareholders who did not wish to vote or ask questions online and others who wanted to follow the discussions were able to follow the AGM via Lumi Global's website.

Decisions of the AGM 2022 included:

- Shareholders representing at least one tenth of all shares in the Company voted against discharge from liability of the Board members and the President and CEO for the financial year 2021
- Payment of a dividend of SEK 2.50 per share to be paid in two installments
- Re-election of Ronnie Leten as Chair of the Board of Directors
- Re-election of the following members of the Board of Directors: Jon Fredrik Baksaas, Jan Carlson, Eric A. Elzvik, Nora Denzel, Börje Ekholm, Kurt Jofs, Kristin S. Rinne, Helena Stjernholm and Jacob Wallenberg
- New election of the following member of the Board of Directors: Carolina Dybeck Happe
- Approval of Board of Directors' fees, in accordance with the Nomination Committee's proposal:
 - Chair: SEK 4,375,000 (previously SEK 4,225,000)
 - Other non-employee Board members: SEK 1,100,000 each (previously SEK 1,060,000)
 - Chair of the Audit and Compliance Committee: SEK 475,000 (previously SEK 420,000)
 - Other non-employee members of the Audit and Compliance Committee: SEK 275,000 each (previously SEK 270,000)
 - Chairs of the Finance Committee, the Remuneration Committee and the Technology and Science Committee: SEK 205,000 each (previously SEK 205,000)
 - Other non-employee members of the Finance Committee, the Remuneration Committee and the Technology and Science Committee: SEK 180,000 each (previously SEK 180,000)
- Approval for part of the Board members' fees to be paid in the form of synthetic shares
- Re-appointment of Deloitte AB as auditor for the period up until the end of the AGM 2023
- Implementation of a Long-Term Variable Compensation Program 2022 for the Executive Team. However, due to technical

Contact the Board of Directors

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Annual General Meeting 2023

Ericsson's AGM 2023 is expected to be held on March 29, 2023. Further information is available on Ericsson's website.

issues, the Company was unable to properly register and count all submitted votes, the Board of Directors therefore resolved to withdraw resolution item 16.2 (Transfer of treasury stock to employees and on an exchange, directed share issue and acquisition offer for the Long-Term Variable Compensation Program 2022) and item 17 (The Board of Directors' proposal for resolution on transfer of treasury stock to employees and on an exchange, directed share issue and acquisition offer in relation to the earlier resolution on the Long-Term Variable Compensation Program 2021).

The minutes from the AGM 2022 is available on Ericsson's website.

Nomination Committee

The AGM has adopted an Instruction for the Nomination Committee that includes the tasks of the Nomination Committee and the procedures for appointing its members. The Instruction applies until the General Meeting of shareholders resolves otherwise. Under the Instruction, the Nomination Committee shall consist of:

- representatives of the four largest shareholders by voting power by the end of the month in which the AGM was held, and
- the Chair of the Board of Directors.

The Committee may also include additional members following a request by a shareholder. The request must be justified by changes in the shareholder's ownership of shares and be received by the Nomination Committee no later than December 31 of each year. No fees are paid to the members of the Nomination Committee. However, the Company shall bear reasonable expenses related to the assignment of the Nomination Committee.

Members of the Nomination Committee

The current Nomination Committee members are:

- Johan Forssell (appointed by Investor AB), Chair of the Nomination Committee

- Karl Åberg (appointed by AB Industrivärden)
- Anders Oscarsson (appointed by AMF Tjänstepension and AMF Fonder)
- Niko Pakalén (replaced Jonas Synnergren on December 9, 2022) (appointed by Cevian Capital Partners Limited)
- Ronnie Leten (the Chair of the Board of Directors).

The tasks of the Nomination Committee

The main task of the Nomination Committee is to propose Board members for election by the AGM. As member of the Nomination Committee, the Chair of the Board of Directors fulfils an important role to inform the Committee of the Company's strategy and future challenges. Such insights are necessary for the Committee to be able to assess the competence and experience that is required by the Board. In addition, the Committee must consider independence rules applicable to the Board of Directors and its committees.

The Nomination Committee also makes the following proposals, for resolution by the AGM:

- Remuneration to non-employee Board members elected by the AGM and remuneration to the auditor
- Appointment of auditor, whereby candidates are selected in cooperation with the Audit and Compliance Committee of the Board
- Election of Chair at the AGM
- Changes to the Instruction for the Nomination Committee (if any).

Work of the Nomination Committee for the AGM 2023

The Nomination Committee started its work by going through a checklist of its duties under the Code and the Instruction for the Nomination Committee and by setting a timeline for its work ahead. The complete proposals of the Nomination Committee were presented in connection with the notice convening the AGM 2023.

A good understanding of Ericsson's business and strategy is important for the Nomination Committee. Therefore, the Chair of the Board presented his views to the

Committee on the Company's strategy and challenges. The Committee also met with Ericsson's President and CEO, Börje Ekholm, who presented his views in this respect.

The Committee has analysed the needs of competencies in the Board and has been informed of the results of the Board work evaluation led by the Chair of the Board. On this basis the Nomination Committee has assessed the competence and experience required by Ericsson's Board members and the need for improvement of the composition of the Board in terms of diversity in age, gender and cultural/geographic background. The Nomination Committee has applied the Swedish Corporate Governance Code, section 4.1, as diversity policy. The Nomination Committee aims to propose a composition of Board members with complementing experiences and competencies to make it possible for the Board to contribute to a positive development of Ericsson. The Nomination Committee searches for potential Board member candidates both with a long-term and a short-term perspective and always focuses on diversity to ensure that the Board is provided with different perspectives into the Board work and considerations. The Nomination Committee also considers the need for renewal and carefully assesses whether the proposed Board members have the capability to devote necessary time and care to the Board's work.

In 2022, the Committee met with the Chair of the Audit and Compliance Committee to acquaint itself with the assessments made by the Company and the Audit and Compliance Committee of the quality and efficiency of external auditor work. The Audit and Compliance Committee also provided its recommendations on external auditor and audit fees.

As of February 22, 2023, the Nomination Committee has held nine meetings.

Board of Directors

The Board of Directors is ultimately responsible for the organization of Ericsson and the management of Ericsson's operations. The Board appoints the President and CEO who

Contact the Nomination Committee

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Proposals to the Nomination Committee

Shareholders may submit proposals to the Nomination Committee at any time but should do so in due time before the AGM to ensure that the proposals can be considered by the Committee. Further information is available on Ericsson's website.

is responsible for managing the day-to-day operations in accordance with guidelines from the Board. The President and CEO ensures that the Board is updated regularly on issues of importance to Ericsson, including matters of business development, results, financial position and liquidity.

Board members serve from the close of one AGM to the close of the next, but can serve any number of consecutive terms.

The President and CEO may be elected a Director of the Board (and Börje Ekholm is currently a Director) but may not be elected Chair of the Board under the Swedish Companies Act.

Conflicts of interest

Ericsson maintains rules and regulations regarding conflicts of interest. Board members are disqualified from participating in any decision regarding agreements between themselves and Ericsson. The same applies to agreements between Ericsson and any third party or legal entity in which the Board member has an interest that may be contrary to the interests of Ericsson.

The Audit and Compliance Committee oversees the procedures for related-party transactions. The Committee has also implemented a pre-approval process for non-audit services carried out by the external auditor.

Composition of the Board of Directors and diversity

The current Board of Directors consists of eleven Board members elected by the shareholders at the AGM 2022 for the period until the close of the AGM 2023. The Board of Directors also consists of three employee

representatives and three deputies, appointed by the trade unions for the same period of time.

The Nomination Committee advised before the AGM 2022 that the Nomination Committee had applied the Swedish Corporate Governance Code, section 4.1, as diversity policy with the aim to propose a composition of Board members with complementing experiences and competencies that is also diverse in terms of age, gender and cultural/geographical background. The current Board composition is the result of the work of the Nomination Committee prior to the AGM 2022. The Board consists of Board members with experiences from different cultural/geographic areas, competencies from different industry sectors and, excluding the President and CEO, 40% of the shareholder-elected Board members are women.

Work procedure

In accordance with the Swedish Companies Act, the Board of Directors has adopted a work procedure for the Board and its Committees outlining rules for the distribution of tasks among the Board, its Committees and the President and CEO. This complements the rules in the Swedish Companies Act and in the articles of association of the Company. The work procedure is reviewed, evaluated and amended by the Board as required or appropriate, and is adopted by the Board at least once a year.

Independence

The Board of Directors and its Committees are subject to a variety of independence rules under applicable Swedish law, the Code and applicable U.S. securities laws, U.S. Securities and Exchange Commission (SEC) rules and the Nasdaq Stock Market Rules as a foreign

private issuer. Ericsson can rely on exemptions from certain U.S. and SEC requirements and may decide to follow Swedish practices in lieu of some Nasdaq Stock Market independence rules.

The composition of the Board of Directors meets all applicable independence criteria. The Nomination Committee concluded before the AGM 2022 that, for purposes of the Code, at least seven of the nominated Board members were independent from Ericsson, its senior management and its major shareholders. These were Jon Fredrik Baksaas, Jan Carlson, Nora Denzel, Carolina Dybeck Happe, Eric A. Elzvik, Kurt Jofs and Kristin S. Rinne.

At Board meetings where the Board members meet in person, a non-executive session is normally held without Ericsson management present.

Ahead of the AGM 2023, the Nomination Committee has proposed that current Board member Jan Carlson be elected as Chair of the Board (replacing Ronnie Leten) and that Jonas Synnergren and Christy Wyatt be elected as new Board members (replacing Kurt Jofs and Nora Denzel), all three are deemed independent from Ericsson, its Executive Management and its major shareholders.

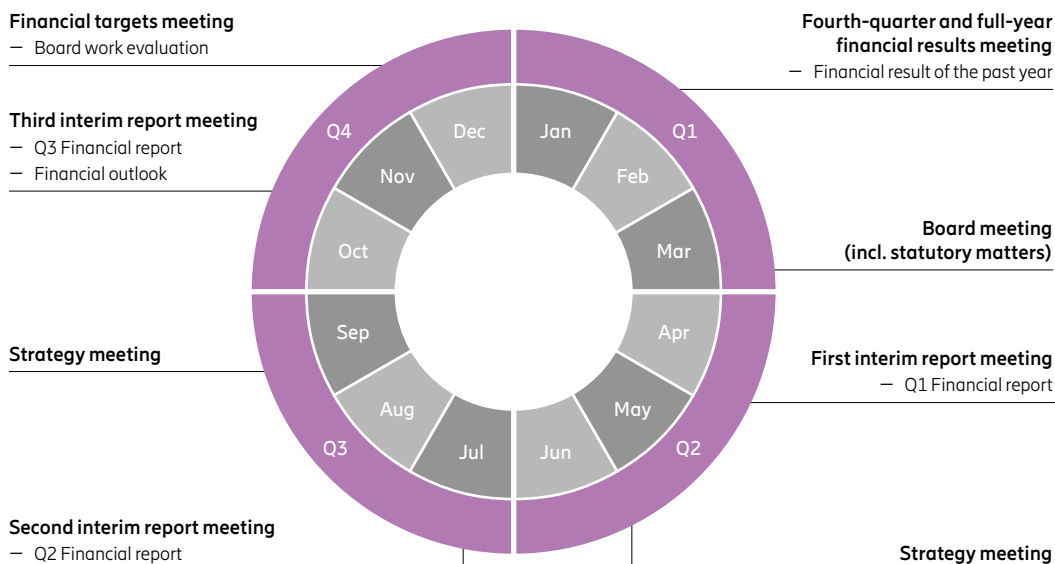
Structure of the work of the Board of Directors

The work of the Board follows a yearly cycle. This enables the Board to appropriately address each of its duties and to keep strategy, risk assessment and value creation high on the agenda.

As the Board is responsible for financial oversight, financial information is presented and evaluated at Board meetings.

The Board's annual work cycle 2022

The annual cycle applied to the Board's work allows the Board to appropriately address its duties during the year. It also facilitates the organization in aligning its global processes to allow appropriate Board involvement.



Furthermore, the Chair of each Committee reports on Committee work at Board meetings and minutes from the Committee meetings are made available to all Board members.

At Board meetings, the President and CEO reports on business and market developments as well as on the financial performance of the Group. Strategic issues and risks are also addressed at most Board meetings. The Board is regularly informed of developments in legal and regulatory matters of importance. Board and Committee meetings may, as appropriate, be held by way of telephone or video conference, and resolutions may be taken per consensus (unanimous written consent). Such resolutions are accounted for as Board/Committee meetings.

The 2022 annual work cycle of the Board

– Fourth-quarter and full-year financial results meeting

Following the end of the calendar year, the Board held a meeting which focused on the financial results of the entire year 2021 and handled the fourth-quarter financial report.

– Board meeting (incl. statutory matters)

A Board meeting was held in connection with the AGM 2022. Members of each of the Board Committees were appointed and the Board resolved on signatory powers.

– First interim report meeting

At the first interim report meeting, the Board addressed the interim financial report for the first quarter of the year.

– Strategy meeting

A Board meeting was held to address particular strategic matters in further detail.

– Second interim report meeting

At the second interim report meeting, the Board addressed the interim financial report for the second quarter of the year.

– Strategy meeting

A Board meeting was held, in essence dedicated to short-term and long-term strategies of the Group, with particular focus on merger and acquisitions.

– Third interim report meeting

At the third interim report meeting, the

Board addressed the interim financial report for the third quarter of the year and the financial outlook.

– Financial targets meeting

A Board meeting was held for the Board to address the financial targets. At this meeting, the results of the Board evaluation were presented to and discussed by the Board.

Training

New Board members receive training tailored to their individual needs. Introductory training typically includes meetings with heads of business areas and Group functions, as well as training required by Nasdaq Stockholm on listing issues and insider rules.

The Board's strategy discussions are usually combined with deep-dive sessions into issues of importance for the Ericsson Group, including business area and market area deep dives. Board members' knowledge in these fields is crucial to allow well-founded Board resolutions, and to ensure that the Company takes due advantage of the different competencies of the Board members.

Auditor involvement

At the AGM 2022, Deloitte AB was reappointed external auditor.

The Board meets with Ericsson's external auditor in closed sessions at least once a year to receive and consider the auditor's observations. The auditor provides reports to management on the accounting and financial reporting of the Group.

The Audit and Compliance Committee also meets regularly with the auditor to receive and consider observations on the interim reports and the Annual Report. The auditor reports on whether the accounts, the management of funds and the general financial position of the Group are presented fairly in all material respects.

In addition, the Board reviews and assesses the process for financial reporting, as described on page 26 under Internal control over financial reporting. Combined with other steps taken internally, the Board's and the

auditor's review of the interim and annual reports are deemed to give reasonable assurance of the effectiveness of the internal controls over financial reporting.

Work of the Board of Directors in 2022

In 2022, 29 Board meetings were held. For attendance at Board meetings, see the table on page 11. In addition to the Board meetings held as a part of the annual work cycle of the Board, the Board receives information updates, in writing or in telephone meetings, as deemed appropriate.

Business strategy, ethics and compliance, geopolitics and M&A, are among the matters that have been in focus within the Board during the year. Compliance, strategy and risk management are always high on the Board's agenda as well as sustainability and corporate responsibility, which are integrated into the business strategy. The Board continuously monitors international developments and their possible impact on Ericsson.

Board work evaluation

A key objective of the Board work evaluation is to ensure that the Board is functioning effectively. This includes gaining an understanding of the issues that the Board thinks warrant greater focus, as well as determining areas where additional competence is needed within the Board and whether the Board composition is appropriate. The evaluation also serves as guidance for the work of the Nomination Committee.

Each year, the Chair of the Board initiates and leads the evaluation of the Board and Committee work and procedures. Evaluation tools include detailed questionnaires and discussions. The services of an external corporate advisory firm have been retained by the Company to assist in developing questionnaires, carrying out surveys and summarizing responses.

In 2022, Board members responded to a written questionnaire covering the Board work in general as well as the work of the Chair of the Board, the Audit and Compliance

Organization of the Board work

Number of Committee members as of December 31, 2022

Board of Directors 14 Board members			
Audit and Compliance Committee (4 Board members) Oversight of financial reporting Oversight of internal control Oversight of auditing Oversight of the Group's Ethics and Compliance program	Finance Committee (4 Board members) Finance strategy	Remuneration Committee (4 Board members) Guidelines for remuneration to Group management Long-Term Variable Remuneration Executive remuneration	Technology and Science Committee (5 Board members) Technology strategy and planning Technology ecosystem and partnerships Science direction

Committee, the Finance Committee, the Remuneration Committee and the Technology and Science Committee. In addition, each Director responded to a questionnaire on the Director's individual performance. As part of the evaluation process, the Chair of the Board also had individual discussions with each of the Board members. The results from the evaluations were presented to the Board and were thoroughly discussed. The Nomination Committee was informed of the results of the Board work evaluation.

Committees of the Board of Directors

The Board of Directors has currently established four Committees: the Audit and Compliance Committee, the Finance Committee, the Remuneration Committee and the Technology and Science Committee. Members of each Committee are appointed for one year from among the Board members.

The main task of the Committees is, and the Board has authorized each Committee, to provide focused Board oversight on their relevant subject matters, and to review such matters prior to any resolution by the Board. The Board may also on occasion resolve on an extended authorization for one or several Committee(s) to resolve on additional specific matters outside of the ordinary authorization. If deemed appropriate, the Board of Directors and each Committee have the right to engage independent external expertise, either in general or with respect to specific matters.

The minutes from the Committee meetings are made available to all Board members and the Chair of the Committee reports on the work of the Committee at Board meetings.

Audit and Compliance Committee

On behalf of the Board, the Audit and Compliance Committee monitors the following:

- The scope and correctness of the financial statements
- Compliance with legal and regulatory requirements

- Internal control over financial reporting
- Risk management
- The effectiveness, appropriateness and implementation of the Group's compliance programs including the Ethics and Compliance (E&C) Program.

The Audit and Compliance Committee also reviews the annual and interim financial reports and oversees the external audit process. In order to ensure the auditor's independence, there are pre-approval policies and procedures in place for audit and non-audit related services to be performed by the external auditor. Pre-approval authority may not be delegated to management.

The Audit and Compliance Committee itself does not perform audit work. The Head of Ericsson's internal audit function reports directly to the Audit and Compliance Committee. The Head of Ericsson's internal audit function has in camera sessions with the Audit and Compliance Committee without the presence of anyone from the management and unrestricted access to the Audit and Compliance Committee in her discretion and at least quarterly.

Ericsson's external auditor is appointed by the shareholders at the Annual General Meeting (AGM). The Committee is involved in the preparatory work for the Nomination Committee to propose external auditor and auditor fees for resolution by the AGM. It also monitors the ongoing performance and independence of the auditor with the aim to avoid conflicts of interest.

The Audit and Compliance Committee oversees matters relating to compliance risk, and regularly receives reporting on compliance related matters from the Chief Legal Officer, the Chief Compliance Officer and the Head of Corporate and Government Investigations. The Chief Legal Officer has a direct reporting line to the Audit and Compliance Committee on compliance matters that fall outside the scope of the E&C Program, and on the holistic management of legal, compliance, ethical and associated reputational risks arising in the Company's operations. In addition to reporting to the Chief Legal Officer, the Chief Compliance Officer has a

further independent reporting line to the Audit and Compliance Committee on the areas of the Ethics and Compliance Program (defined as the areas of ethics, anti-bribery and -corruption, conflicts of interests, anti-money laundering and competition law). The Chief Compliance Officer regularly reports to the Committee on the effective operation of the E&C Program, including information of actual or suspected serious Code of Business Ethics (CoBE) violations, insights from investigations outcomes and remediation activities, the identification of patterns of failures, and emerging risks and changes in the legal and regulatory environment. Such reports enable proper oversight over the identification of emerging risks or risk patterns and the adequacy of corresponding activities to prevent, detect and remediate such risks in a risk appropriate manner. In addition to the above, the Chief Compliance Officer has in camera sessions with the Audit and Compliance Committee without the presence of anyone from the management and unrestricted access to the CEO as well as to the Audit and Compliance Committee in the Chief Compliance Officer's discretion and at least quarterly. However, in 2022 the frequency of meetings was increased. The Head of Corporate and Government Investigations has an extraordinary reporting line to the Committee in the event he/she is impeded or obstructed in fulfilling his/her duties.

The Audit and Compliance Committee also oversees Ericsson's process for reviewing transactions with related parties and Ericsson's whistleblower procedures. Further, the Audit and Compliance Committee reviews the Group's handling of information and cyber security as well as data privacy, and the Group's environmental, social and governance (ESG) reporting and performance.

On an annual basis, the Audit and Compliance Committee receives training on topics of special relevance to the Committee, within areas such as finance, legal, compliance and security. During 2022, the Committee received training on several topics including accounting principles, ESG reporting and anti-corruption and accurate books and records.

Members of the Committees as of December 31, 2022

Members of the Committees of the Board of Directors			
Audit and Compliance Committee Eric A. Elzvik (Chair) Jan Carlson Kurt Jofs Torbjörn Nyman	Finance Committee Ronnie Leten (Chair) Anders Ripa Helena Stjernholm Jacob Wallenberg	Remuneration Committee Jon Fredrik Baksaa (Chair) Kurt Jofs Ronnie Leten Kjell-Åke Sotिंग	Technology and Science Committee Kristin S. Rinne (Chair) Jan Carlson Nora Denzel Kurt Jofs Anders Ripa

Reporting Compliance Concerns

Ericsson provides employees and other external stakeholders a dedicated communication channel for reporting compliance concerns – the Ericsson Compliance Line. The Ericsson Compliance Line is operated by a third party and is available 24/7, 365 days per year, enabling people to report from multiple countries and in many languages. Employees and external stakeholders are encouraged to report conduct that could violate the law, Ericsson's policies including CoBE and related steering documents or the Ericsson Code of Conduct for Business Partners. Such conduct may relate to corruption, fraud, questionable accounting, deficiencies in the internal controls, auditing, human right matters, workplace respect and fairness or other matters that could constitute a breach of law, or that could harm the sustainability or reputation of Ericsson, its employees and shareholders.

Ericsson's Allegation Management Office is responsible for the overall management process from the time an allegation of a potential compliance violation is reported to the remediation of any such substantiated violation. Corporate and Government Investigations (CGI) team is responsible for ensuring that all plausible allegations of potential compliance violations assigned to CGI are appropriately investigated, and that investigations of higher risk are reported to the Audit and Compliance Committee as appropriate.

To respond to the coming into force of the European Union Directive on Whistleblower Protection, and its transposition into Swedish and other EU national laws, Ericsson has enhanced its internal processes and is further analyzing the impact on its current allegation management process to meet further requirements entering into force during 2022 particularly in relation to the implementation of local channels as a new option to reporters, in addition to the Compliance Line.

More information on reporting compliance concerns can be found on page 33–34 of the Sustainability and Corporate Responsibility report.

Members of the Audit and Compliance Committee

The Audit and Compliance Committee consists of four Board members appointed by the Board in connection with the AGM 2022: Eric A. Elzvik (Chair), Jan Carlson, Kurt Jofs, and Torbjörn Nyman (employee representative). The Board has appointed shareholder elected Board members with CFO or CEO experience to the Committee.

The composition of the Audit and Compliance Committee meets all applicable independence requirements, including the conditions for reliance on an exemption for employee representatives. The Board of

Directors has determined that each of Eric A. Elzvik, Jan Carlson and Kurt Jofs is an "audit committee financial expert", as defined under the U.S. Securities and Exchange Commission rules and regulations, and that each of them qualifies as financially sophisticated under the applicable Nasdaq listing rules and are familiar with the accounting practices of an international company, such as Ericsson.

Work of the Audit and Compliance Committee in 2022

The Audit and Compliance Committee held 15 meetings in 2022. Board members' attendance is reflected in the table on page 11. During the year, the Audit and Compliance Committee reviewed the scope and results of external financial audits and the independence of the external auditor. Prior to publishing, the Committee also reviewed and discussed each interim report and the annual report with the external auditor. The Committee also monitored the external audit fees and approved non-audit services performed by the external auditor in accordance with such policies and procedures.

The Committee approved the audit plan for the internal audit function based on among other things the annual risk assessment, and reviewed the reports of the internal audit function. The Committee also received and reviewed updates and reports to the Ericsson Compliance Line and from other internal reporting channels including updates on on-going investigations within the Group.

The Committee monitored the continued compliance with the Sarbanes-Oxley Act as well as the internal control and risk management process and monitored and evaluated the effectiveness and appropriateness of Ericsson's E&C Program.

Finance Committee

The Finance Committee is responsible for preparing for resolution by the Board, matters related to the finance strategy such as capital structure, capital targets, rating strategy and treasury operations.

Members of the Finance Committee

The Finance Committee consists of four Board members appointed by the Board in connection with the AGM 2022: Ronnie Leten (Chair), Anders Ripa (employee representative), Helena Stjernholm and Jacob Wallenberg. The Board has appointed shareholder elected Board members with extensive industrial and financial experience to the Committee.

Work of the Finance Committee in 2022

The Finance Committee held four meetings in 2022. Board members' attendance is reflected in the table on page 11. During 2022, the

Finance Committee assessed the Company's financial strength and balance-sheet as well as reviewed the finance strategy including capital structure, capital targets, rating strategy and treasury operations.

Remuneration Committee

The Remuneration Committee's responsibilities include:

- Reviewing and preparing, for resolution by the Board, proposals on salary and other remuneration, including retirement compensation, for the President and CEO
- Reviewing and preparing, for resolution by the Board, proposals to the AGM on Guidelines for remuneration to the Executive Team
- Reviewing and preparing, for resolution by the Board, proposals to the AGM on the Long-Term Variable Compensation Program (LTV) and similar equity arrangements
- Approving proposals on salary and other remuneration, including retirement compensation, for the members of the Executive Team (other than the President and CEO)
- Approving proposals on target levels for the short-term variable compensation (STV) for the members of the Executive Team (other than the President and CEO)
- Approving pay-out of the STV for the members of the Executive Team members (other than the President and CEO), based on achievements and performance.

In its work, the Remuneration Committee considers trends in remuneration, legislative changes, disclosure rules and the general global executive remuneration environment. It reviews salary survey data before preparing salary adjustment recommendations for the President and CEO for resolution by the Board and before approving any salary adjustments for the other members of the Executive Team.

Members of the Remuneration Committee

The Remuneration Committee appointed by the Board in connection with the AGM 2022 consists of four Board members: Jon Fredrik Baksas (Chair), Kurt Jofs, Ronnie Leten and Kjell-Åke Soting (employee representative). The Board has appointed shareholder elected Board members to the Committee with experiences from different markets of relevance to the Group.

During the year 2022, Peter Boreham from Mercer advised and assisted the Remuneration Committee as an independent expert.

Work of the Remuneration Committee in 2022

The Remuneration Committee held ten meetings in 2022. Director's attendance is reflected in the table on page 11.

The Remuneration Committee reviewed and prepared a proposal for LTV 2022 for the Executive Team, for resolution by the Board and further approval by the AGM 2022. It further resolved on salaries and STV 2022 for the members of the Executive Team (other than the President and CEO), reviewed the vesting results for LTV 2019 and result of the 2021 EBIT (Group operating income) performance condition for LTV 2021, and prepared proposals regarding remuneration to the President and CEO for resolution by the Board. It reviewed the implementation of Guidelines for remuneration to Group management in 2022 and proposed changes for resolution by the Board. It also proposed the Remuneration Report 2021 to be approved by the Board and subsequently referred to the AGM 2022 for adoption.

For further information on fixed and variable remuneration, please see Notes to the consolidated financial statements – note G2 Information regarding members of the Board of Directors and Group management and note G3 “Share-based compensation” in the Financial report and the Remuneration report.

Technology and Science Committee

The responsibilities of the Technology and Science Committee include:

- Reviewing and preparing for consideration and/or resolution by the Board, matters related to technology strategy and planning for the Group, monitoring the Group’s technology ecosystem, relationships and partnerships

- Reviewing and preparing for consideration and/or resolution by the Board, matters related to science direction and influence on a geopolitical level.

Members of the Technology and Science Committee

The Technology and Science Committee consists of five Board members appointed by the Board in connection with the AGM 2022: Kristin S. Rinne (Chair), Jan Carlson, Nora Denzel, Kurt Jofs and Anders Ripa (employee representative). The Board has appointed Board members to the Committee with extensive experience within technology.

Work of the Technology and Science Committee in 2022

The Technology and Science Committee held four meetings in 2022. Board members’ attendance is reflected in the table below. The Technology and Science Committee has during the year reviewed selected focus areas:

- Radio network evolution
- Network management and orchestration
- Enterprise network technologies
- Product security
- Virtual and augmented reality technology evolution
- Industry development in hardware and software.

Remuneration to Board members

Remuneration to Board members not employed by the Company is proposed by the Nomination Committee for resolution by the AGM.

The AGM 2022 approved the Nomination Committee’s proposal for fees to non-employee Board members for Board and Committee work. For further information on Board of Directors’ fees 2022, please refer to Notes to the consolidated financial statements – note G2 “Information regarding members of the Board of Directors and Group management” in the Financial Report.

The shareholders at the AGM 2022 also approved the Nomination Committee’s proposal that Board members may be paid part of their Board fee in the form of synthetic shares. A synthetic share gives the right to receive a future cash payment of an amount which corresponds to the market value of a Class B share in Ericsson at the time of payment. The Board members’ right to receive payment with regard to allocated synthetic shares occurs, as a general rule, after the publication of the Company’s year-end financial statement during the fifth year following the General Meeting that resolved on the allocation of the synthetic shares. The purpose of paying part of the Board of Directors’ fee in the form of synthetic shares is to further align the Board members’ interests with shareholder interests. For more information on the terms and conditions of the synthetic shares, please refer to the notice convening the AGM 2022 and to the minutes from the AGM 2022, which are available at Ericsson’s website.

Board members’ attendance and fees 2022

Board member	Fees resolved by the AGM 2022		Number of Board/Committee meetings attended in 2022				
	Board fees, SEK ¹⁾	Committee fees, SEK	Board	Audit and Compliance-Committee	Finance Committee	Remun. Committee	Tech. and Science Committee
Ronnie Leten	4,375,000	385,000	29		4	10	
Helena Stjernholm	1,100,000	180,000	29		4		
Jacob Wallenberg	1,100,000	180,000	29		4		
Jon Fredrik Baksaa	1,100,000	205,000	28			10	
Jan Carlson	1,100,000	455,000	29	15			4
Nora Denzel	1,100,000	180,000	28				4
Carolina Dybeck Happe ⁴⁾	1,100,000	–	19				
Börje Ekholm	– ²⁾	–	29				
Eric A. Elzvik	1,100,000	475,000	29	15			
Kurt Jofs	1,100,000	635,000	29	15		10	4
Kristin S. Rinne	1,100,000	205,000	27				4
Torbjörn Nyman	43,500 ³⁾	22,500 ³⁾	29	15			
Anders Ripa ⁴⁾	43,500 ³⁾	12,000 ³⁾	29		4		4
Kjell-Åke Soting	43,500 ³⁾	15,000 ³⁾	29			10	
Ulf Rosberg	43,500 ³⁾	–	29				
Loredana Roslund	43,500 ³⁾	–	29				
Annika Salomonsson ⁵⁾	28,500 ³⁾	–	19				
Total number of meetings			29	15	4	10	4

¹⁾ Non-employee Directors can choose to receive part of their Board fee (exclusive of Committee fees) in the form of synthetic shares.

²⁾ Board member remuneration resolved by the AGM is only for non-employee Directors elected by the shareholders.

³⁾ Employee representative Board members and their deputies are not entitled to a Board fee, but instead get paid compensation in the amount of SEK 1,500 per attended Board and Committee meeting.

⁴⁾ Elected member of the Board at the AGM held on March 29, 2022.

⁵⁾ Appointed deputy employee representative Board member as of March 29, 2022.

Members of the Board of Directors

Board members elected by the AGM 2022



Ronnie Leten

Chair of the Board of Directors, Chair of the Finance Committee, Member of the Remuneration Committee

First elected
2018

Born
1956

Education

Master of Science in Applied Economics, University of Hasselt, Belgium.

Nationality
Belgium

Board Chair
Epiroc AB and Ellimetal N.V.

Board Member
–

Holdings in Ericsson

100,000 Class B shares¹⁾, 128,452 call options²⁾ and 94,954 synthetic shares³⁾.

Principal work experience and other information

President and CEO of Atlas Copco AB (2009–2017) and various leadership positions within the Atlas Copco Group (1997–2009) and (1985–1995). Previous positions include plant manager of Tenneco Automotive Inc., Belgium, (1995–1997) and various positions within General Biscuits (1979–1985).



Helena Stjernholm

Deputy Chair of the Board of Directors, Member of the Finance Committee

First elected
2016

Born
1970

Education

Master of Business Administration, Stockholm School of Economics, Sweden.

Nationality
Sweden

Board Chair
–

Board Member
AB Industrivärden, AB Volvo and Sandvik AB

Holdings in Ericsson

20,060 Class B shares¹⁾ and 30,216 synthetic shares³⁾.

Principal work experience and other information

President and CEO of AB Industrivärden since 2015. Partner in the private equity firm IK Investment Partners (2008–2015). Investment Manager at IK Investment Partners (1998–2008). Previous experience as consultant for Bain & Company (1997–1998).



Jacob Wallenberg

Deputy Chair of the Board of Directors, Member of the Finance Committee

First elected
2011

Born
1956

Education

Bachelor of Science in Economics and Master of Business Administration, Wharton School, University of Pennsylvania, USA. Officer of the Reserve, Swedish Navy.

Nationality
Sweden

Board Chair
Investor AB and the Confederation of Swedish Enterprise

Deputy Board Chair
ABB Ltd., FAM, Patricia Industries and Wallenberg Investments AB

Board Member
The Knut and Alice Wallenberg Foundation

Holdings in Ericsson
427,703 Class B shares¹⁾ and 45,326 synthetic shares³⁾.

Principal work experience and other information

Chair of the Board of Investor AB since 2005. President and CEO of SEB in 1997 and Chair of SEB's Board of Directors (1998–2005). Executive Vice President and CFO of Investor AB (1990–1993). Honorary Chair of IBLAC (Mayor of Shanghai's International Business Leaders Advisory Council) and member of the steering committee of the European Round Table of Industrialists, Deputy Chair of the Swedish-American Chamber of Commerce US, member of the International Advisory Board of the Atlantic Council, Washington DC, member of the International Business Council of the World Economic Forum, Trilateral Commission and the Advisory Board of Tsinghua Management School.



Jon Fredrik Baksaas

Chair of the Remuneration Committee

First elected
2017

Born
1954

Education

Master of Science in Economics, NHH Norwegian School of Economics and Business Administration, Norway.

Nationality
Norway

Board Chair
DNV GL Group AS

Board Member
Svenska Handelsbanken AB.

Holdings in Ericsson
36,676 synthetic shares³⁾.

Principal work experience and other information

President and CEO of Telenor Group (2002–2015). Previous positions within the Telenor Group since 1989, including Deputy CEO, CFO and CEO of TBK AS. Positions before Telenor include CFO of Aker AS, finance director of Stolt Nielsen Seaway AS and controller at Det Norske Veritas, Norway and Japan. Member of the GSMA Board (2008–2016) and Chair of the GSMA Board (2014–2016).

The Board memberships and holdings in Ericsson reported above are as of December 31, 2022.

¹⁾ The number of shares and ADS includes holdings by related persons, if applicable.

²⁾ Call options issued by Investor AB entitling to purchase Ericsson Class B shares.

³⁾ Since 2008, the AGM has each year resolved that part of the Board fee may be received in the form of synthetic shares. A synthetic share is a right to receive in the future a payment corresponding to the value of the Class B share in Ericsson at the time of payment. Please see page 11 for further information.



Jan Carlson

Member of the Audit and Compliance Committee and the Technology and Science Committee

First elected
2017

Born
1960

Education

Master of Science degree in Engineering Physics and Electrical Engineering, Linköping University, Sweden.

Nationality
Sweden

Board Chair
Autoliv Inc.

Board Member
AB Volvo

Holdings in Ericsson
7,900 Class B shares¹⁾ and 45,326 synthetic shares²⁾.

Principal work experience and other information

Chair and President and CEO of Veoneer Inc. (2018–2022). President and CEO of Autoliv Inc. (2007–2018) and Chair of Autoliv Inc. since 2014. Previous positions within the Autoliv Group since 1999, including President Autoliv Europe, Vice President Engineering of Autoliv and President Autoliv Electronics. Previous positions include President of Saab Combitech and of Swedish Gate Array. Honorary Doctor at the Technical faculty of Linköping University.



Nora Denzel

Member of the Technology and Science Committee

First elected
2013

Born
1962

Education

Master of Business Administration, Santa Clara University, USA. Bachelor of Science in Computer Science, State University of New York, USA.

Nationality
USA and Ireland

Board Chair
–

Board Member
Advanced Micro Devices Inc., NortonLifeLock Inc. and SUSE

Holdings in Ericsson
3,850 ADS¹⁾ and 15,106 synthetic shares²⁾

Principal work experience and other information

CEO (interim) of Outerwall Inc. (January 2015–August 2015). Senior Vice President Big Data, Marketing and Social Product Design and General Manager QuickBooks Payroll Division (2008–2012). Previous positions include Senior Vice President and General Manager of HP's Global Software, Storage and Consulting Divisions (2000–2006), Senior Vice President Product Operations Legato Systems (bought by Dell EMC) and various engineering, marketing and executive positions at IBM. Non-Profit board member of the National Association of Corporate Directors.



Carolina Dybeck Happe

Member of the Board

First elected
2022

Born
1972

Education

Master of Science in Business and Economics, Uppsala University, Sweden.

Nationality
Sweden

Board Chair
–

Board Member
–

Holdings in Ericsson
36,100 Class B shares¹⁾ and 10,003 synthetic shares²⁾.

Principal work experience and other information

CFO of GE since 2020. Group CFO of A.P. Moller - Maersk A/S (2019–2020). Group CFO of ASSA ABLOY (2012–2018) as well as CFO for Europe, the Middle East and Africa (2007–2011) and CFO for Central Europe (2002–2006). Group CFO of Trelleborg Group (2011–2012). CFO of Establish (2000–2002). Various positions at EF Education First (1996–1999).



Börje Ekholm

President, CEO and Member of the Board

First elected
2006

Born
1963

Education

Master of Science in Electrical Engineering, KTH Royal Institute of Technology, Stockholm, Sweden. Master of Business Administration, INSEAD, France.

Nationality
Sweden and USA

Board Chair
–

Board Member
Trimble Inc.

Holdings in Ericsson
260,351 Class B shares, 1,009,000 ADS¹⁾ and 2,000,000 call options³⁾.

Principal work experience and other information

President and CEO of Telefonaktiebolaget LM Ericsson since 2017. CEO of Patricia Industries, a division within Investor AB (2015–2017). President and CEO of Investor AB (2005–2015). Formerly Head of Investor Growth Capital Inc. and New Investments. Previous positions at Novare Kapital AB and McKinsey & Co Inc. Holds honorary Doctorate at KTH Royal Institute of Technology, Sweden. Since 2017, member of the Steering Committee of the World Economic Forum Digital Communication Governors. Member of the Board of the Swedish-American Chamber of Commerce New York.

The Board memberships and holdings in Ericsson reported above are as of December 31, 2022.

¹⁾ The number of shares and ADS includes holdings by related persons, if applicable.

²⁾ Since 2008, the AGM has each year resolved that part of the Board fee may be received in the form of synthetic shares. A synthetic share is a right to receive in the future a payment corresponding to the value of the Class B share in Ericsson at the time of payment. Please see page 11 for further information.

³⁾ Call options issued by AB Industrivärden (1,000,000 call options) and Investor AB (1,000,000 call options), each entitling the purchase of one Ericsson B share from AB Industrivärden/Investor AB respectively (further information is available in the Notes to the consolidated financial statements – note G2 "Information regarding members of the Board of Directors and Group management" in the Financial Report).

Board members elected by the AGM 2022, cont'd.

**Eric A. Elzvik**

Chair of the Audit and Compliance Committee

First elected
2017

Born
1960

Education
Master of Business Administration, Stockholm School of Economics, Sweden.

Nationality
Sweden and Switzerland

Board Chair
Global Connect Group

Board Member
Landis+Gyr Group AG and AB Volvo

Holdings in Ericsson
10,000 Class B shares¹⁾ and 15,106 synthetic shares²⁾

Principal work experience and other information
CFO and member of the Group Executive Committee of ABB Ltd (2013–2017). Division CFO ABB Discrete Automation & Motion (2010–2012) and division CFO Automation Products Division (2006–2010). Previous positions within the ABB Group since 1984, including senior management positions within finance, M&A and new ventures. Currently, senior industrial advisor to EQT.

**Kurt Jofs**

Member of the Remuneration Committee, the Audit and Compliance Committee and the Technology and Science Committee

First elected
2018

Born
1958

Education
Master of Science in Engineering, Royal Institute of Technology, Stockholm, Sweden.

Nationality
Sweden

Board Chair
–

Board Member
AB Volvo, Feal AB and Arjeplog Hotel Silverhatten AB

Holdings in Ericsson
50,450 Class B shares¹⁾ and 22,712 synthetic shares²⁾.

Principal work experience and other information
Entrepreneur and investor with extensive experience in various industries. Previous positions include Executive Vice President and responsible for Ericsson's Networks business (2003–2008), CEO of Segerström & Svensson (1999–2001). CEO of Linjebuss (1996–1999), and various positions within ABB and Ericsson.

**Kristin S. Rinne**

Chair of the Technology and Science Committee

First elected
2016

Born
1954

Education
Bachelor of Arts, Washburn University, USA.

Nationality
USA

Board Chair
–

Board Member
Synchronoss

Holdings in Ericsson
20,674 synthetic shares²⁾.

Principal work experience and other information
Previously Senior Vice President, Network Technology, Network Architecture and Planning, at AT&T (2007–2014). CTO of Cingular Wireless (2005–2007) and VP Technology and New Product Development of Cingular Wireless (2000–2005). Previous positions within Southwestern Bell and SBC (1976–2000). Trustee of Washburn University Foundation. Member of the Advisory Board of Link Labs. Honorary Doctorate of Science, Washburn University, USA.

The Board memberships and holdings in Ericsson reported above are as of December 31, 2022.

¹⁾ The number of shares and ADS includes holdings by related person, if applicable.

²⁾ Since 2008, the AGM has each year resolved that part of the Board fee may be received in the form of synthetic shares. A synthetic share is a right to receive in the future a payment corresponding to the value of the Class B share in Ericsson at the time of payment. Please see page 11 for further information.

Board members and deputies appointed by the trade unions



Torbjörn Nyman
Employee representative, Member of the Audit and Compliance Committee

First appointed
2017

Born
1961

Appointed by
LO, the Swedish Trade Union Confederation

Nationality
Sweden

Holdings in Ericsson
34,675 Class B shares ¹⁾.

Employed since
1996
Working as ICT Strategic Product Manager within Business Area Networks.



Anders Ripa
Employee representative, Member of the Finance Committee and of the Technology and Science Committee

First appointed
2017

Born
1962

Appointed by
PTK

Nationality
Sweden

Holdings in Ericsson
2,560 Class B shares and 1,708 Class A shares ¹⁾.

Employed since
1998
Working as Security Advisor for Mission Critical Networks within Business Area Networks.



Kjell-Åke Soting
Employee representative, Member of the Remuneration Committee

First appointed
2016

Born
1963

Appointed by
PTK

Nationality
Sweden

Holdings in Ericsson
9,793 Class B shares ¹⁾.

Employed since
1996
Working as Global SQA Manager within Business Area Networks.



Ulf Rosberg
Employee representative – Deputy

First appointed
2021

Born
1964

Appointed by
PTK

Nationality
Sweden

Holdings in Ericsson
110 Class B shares ¹⁾.

Employed since
1985
Working as System Developer within R&D, Business Area Networks.



Loredana Roslund
Employee representative – Deputy

First appointed
2017

Born
1967

Appointed by
PTK

Nationality
Sweden

Holdings in Ericsson
2,271 Class B shares ¹⁾.

Employed since
1994
Working as Project Manager within R&D, Business Area Networks.



Annika Salomonsson
Employee representative – Deputy

First appointed
2022

Born
1972

Appointed by
LO

Nationality
Sweden

Holdings in Ericsson
1,832 Class B shares ¹⁾.

Employed since
1997–2003 and since 2005.
Working as Verification Engineer.

Börje Ekholm was the only Director who held an operational management position at Ericsson in 2022.

¹⁾ The number of shares and ADS reflects ownership as of December 31, 2022 and includes holdings by related persons, if applicable.

Management

The President and CEO and the Executive Team

The Board of Directors appoints the President and CEO and the Executive Vice President(s). The President and CEO is responsible for the management of day-to-day operations and is supported by the other members of the Executive Team.

The Executive Team members as of December 31, 2022, are presented on pages 20–25 together with the new Senior Vice President, Head of Market Area Europe and Latin America, appointed as of February 1, 2023.

- The role of the Executive Team is to:
- Define Group strategies and policies, drive corporate agenda and establish a strong corporate culture
 - Determine targets for operational units, allocate resources and monitor unit performance
 - Secure operational excellence and realize global synergies through efficient organization of the Group.

Organizational Structure

The organizational structure is comprised of: central corporate/group functions, five business areas, and five geographical market areas.

Central corporate/group functions are responsible for managing all corporate and group aspects of the organization, including corporate governance, financial reporting and capital markets, necessary corporate and risk management/controls, and for providing relevant expertise through the group (including on legal, finance, compliance, technology, communications, security and people matters).

Business areas are responsible for developing competitive product-led business solutions, including both products and services and for investing in research and development for technology and cost leadership.

Segments have been defined for financial reporting purposes based on the business areas. See further information in Note B1, “Segment Information” in the Financial Report.

Market areas are responsible for selling and delivering customer solutions. Resources are moved closer to the customers in order to establish leading positions in critical markets.

The Ericsson group is comprised of more than 200 legal entities, and 79 branch offices, with representation in approximately 150 countries.

Remuneration to the Executive Team

Guidelines for remuneration to Group management were approved by the AGM 2020. The Board of Directors proposes that new amended Guidelines for remuneration to Group management is resolved by the Annual General Meeting 2023, which are intended to remain in place for four years until the Annual General Meeting 2027. The proposed Guidelines are included on pages 25–27 of the Financial Report. For further information on fixed and variable remuneration, see the Remuneration Report and note G2, “Information regarding members of the Board of Directors and the Group management” in the Financial Report.

The Ericsson Group Management System

To provide employees with information associated with our corporate governance and other associated operational expectations and

requirements (including in relation to decision-making and risk management), Ericsson maintains a “management system”, referred to as the Ericsson Group Management System (EGMS). EGMS also allows us to ensure that selected ISO standards and certifications are effectively maintained and that the operations are evaluated and improved continually.

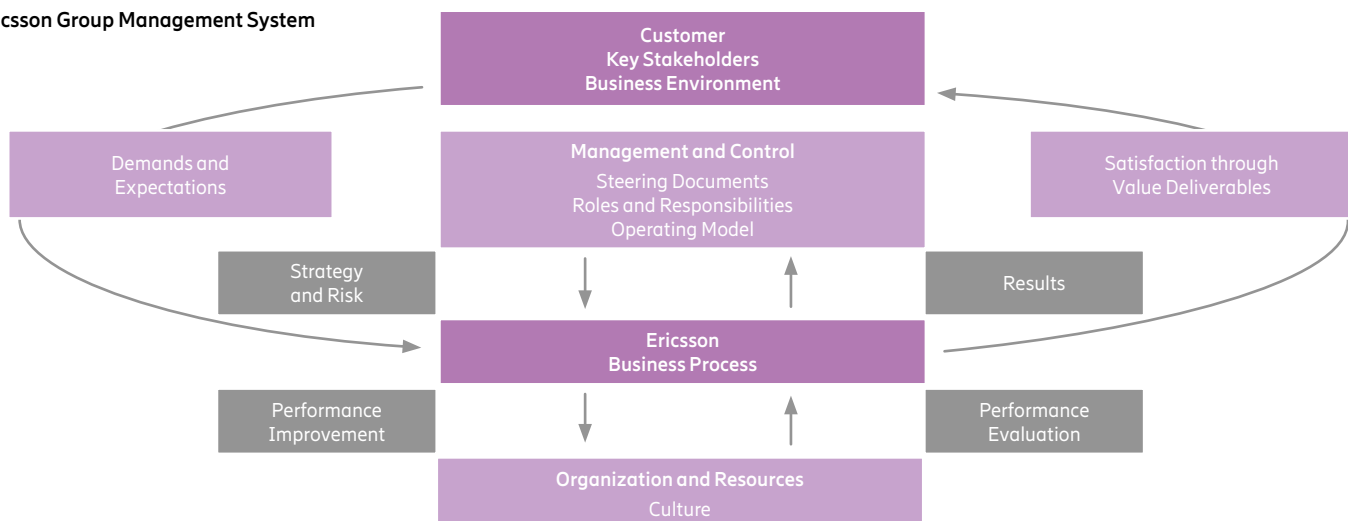
EGMS is founded on ISO 9001 (international standard for quality management systems) and is designed as a dynamic system to enable Ericsson to adapt to evolving demands and expectations, including new legislation as well as customers’ and other stakeholders’ requirements. Ericsson implements external requirements only after thorough analysis and after putting them into the Ericsson context.

Management and control

Our governance framework, as set out above, ensures effective management and control of our operations. As noted, group-wide policies, directives and instructions govern how the organization works, and our approach to risk management is summarized below in the section titled “Risk Management”. Further, we maintain specific accounting and reporting procedures to fulfill external reporting requirements.

To ensure that our governance policies are aligned and reflective of changing requirements and expectations, Ericsson maintains a Group Steering Documents Committee that regularly reviews our policies and directives against our Group strategies and values. Ericsson’s strategy process includes the whole chain from business intelligence and strategic forecasting to deployment of developed strategies into targets and programs in coor-

Ericsson Group Management System



minated cycles; capturing the overall strategic direction, market development and progress of strategy execution.

Ericsson business processes

Ericsson business processes are a set of defined Group-wide processes integrated in EGMS. They describe how Ericsson delivers value to customers, proactively and on-demand. Ericsson business processes offer capabilities to translate customer requirements into defined hardware, software, solutions, and services offered by Ericsson.

Insider Committee

Ericsson has established an Insider Committee to make assessments relating to the disclosure of inside information. The Insider Committee comprises the Chief Legal Officer, the Chief Financial Officer and the Chief Marketing and Communications Officer.

Audits, assessments, and certification

The purpose of assurance activities such as audits and assessments, is to determine the level of compliance and to provide valuable information for understanding, analyzing, and continually improving performance, to ensure that the EGMS is adequate and effective in managing Ericsson’s operations. Management monitors compliance with policies, directives, instructions, and processes through internal self-assessment activities within the respective units. This is complemented by internal and external audits and assessments.

To ensure fulfilment of demands and requirements from customers and other stakeholders, Ericsson takes conscious decisions on certification. Certification means

that Ericsson’s interpretation of standards or requirements are confirmed by a third party via an assessment activity.

ISO certificates are issued by a third-party certification body proving that the system is efficient throughout the operations as well as compliant to the ISO standards in scope. Ericsson’s operations are currently certified to ISO 9001 (Quality), ISO 14001 (Environment), ISO 45001 (Health and Safety) and ISO 27001 (Information Security). Selected Ericsson units are also certified to TL 9000 (telecom-specific standard). EGMS is also assessed within the scope of the audit plan of Ericsson’s internal audit function (Corporate Audit).

ISO/management system assessments were performed up to 2022 by BSI (British Standards Institution), and will in 2023 be done by DNV (Det Norske Veritas). Internal audits are performed by the Company’s internal audit function which reports to the Audit and Compliance Committee.

With a risk-based approach, Ericsson conducts audits of suppliers to secure compliance with Ericsson’s Code of Conduct for Business Partners, which includes rules that suppliers to the Ericsson Group must comply with. Ericsson’s external financial audits are performed by Deloitte AB.

Different types of assurance as described above have differing scope and rationale. All assurance providers have defined and established accountabilities and responsibilities.

Risk management

Ericsson is committed to a robust approach to risk management to effectively identify and control risks. A key initiative during 2022 is the

introduction of an enhanced approach to risk management and establishment of a Group Business Risk Committee (BRC) comprising executives and co-chaired by the Chief Financial Officer and the Chief Legal Officer. The purpose of these changes is to ensure that risks are identified, duly assessed, escalated as appropriate, and effectively addressed to ensure accountability of risk by executives at all levels of the organization. The BRC helps to consider Ericsson’s overall risk profile, review potential risk matters with high impact, and also serves as a forum to monitor and assess enterprise risk management on a regular basis.

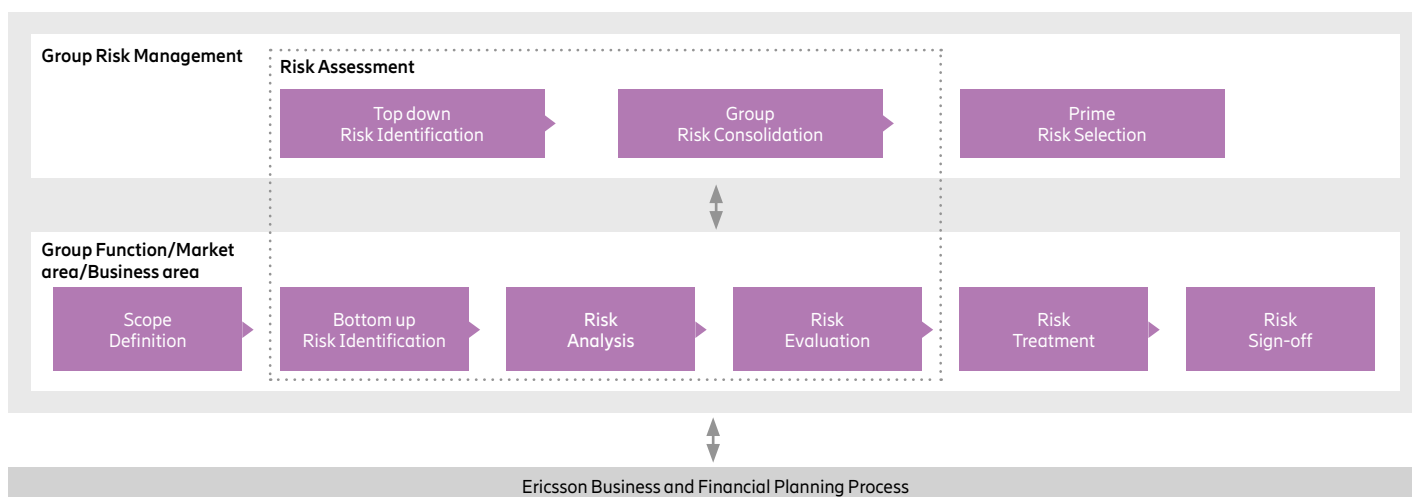
Financial risk management is overseen by the Finance function and governed by a Group policy. For further information on financial risk management, please see Notes to the consolidated financial statements – note F1 “Financial risk management” in the Financial Report.



The existing Ericsson Enterprise Risk Management (ERM) framework aims to ensure that the Board and management team at all times have a consolidated view of Group risk and that

ERM Process

Read more about Risk management on next page.



overall Group risk appetite is regularly assessed. The above described enhanced approach to risk management and the BRC are intended to complement the ERM framework.

The ERM framework is designed to establish an adequate and effective management of risk, i.e. the uncertainty in achieving the strategic objectives of the Company. The framework provides methods to assess and treat the risks, and to agree on and stay within the Company's risk appetite. The ERM framework is based on five elements (illustrated above and described in the following text). It is applied across Ericsson's operations and covers business areas, market areas and group functions. The framework comprises the minimum requirements that the units must meet to have a common basis for ERM to enable transparency and risk oversight.

Governance and Culture

Risk Governance

Each manager is responsible for effectively handling risk that emerges from their respective area of responsibility. The Group Risk Management function is responsible for driving the ERM strategy execution and the ERM operations at the Group level. The head of each group function, market area and business area, is accountable for appointing one or several enterprise risk manager(s) to drive risk management within the unit's area of responsibility, and for overseeing risk management of the respective unit; including ensuring that proper processes are in place to identify, duly assess and escalate risks as appropriate. The CFO and CLO are jointly accountable for performing oversight of ERM and they co-chair the BRC. The Board of Directors and the Audit and Compliance Committee are responsible for overseeing and reviewing the effectiveness of the Company's approach to risk management and the ERM.

Risk culture

Ericsson management continuously communicates to, and embeds within, the organization the importance of identification and attention to risk; ensuring that risk is properly assessed and transparently considered in decision making, and where appropriate, escalated within the organization for further consideration. The BRC provides an appropriate forum for, and support to accountable executives in, assessing management of material risks.

Strategy

Risk management is an important element of strategic decision making and value creation since it captures the opportunities and threats that are related to achieving our strategic objectives. Ericsson's risk management activities are interconnected with the development and deployment of Ericsson's business plans and functional strategies.

Assessment and Treatment

Assessment and treatment of risks are done in accordance with the ERM process (illustrated on page 17) that applies to the Group and to all roles with responsibilities with regards to risk management activities. It focuses on ensuring that group functions, market areas and business areas consider risk in relation to strategic objectives and decision making. In 2022, the Company has continued investing in transactional controls and data analytics, as well as increased monitoring of third-party relationships following enhanced initial due-diligence. In addition, the Company has expanded anti-corruption risk assessments to address country-specific compliance risks, developed a State-Owned Entities (SOE) Map to identify public officials and state-owned customers, expanded on-the-ground, in-country compliance officers and increased personnel in compliance and other gate-keeper functions.

Risk Assessment

The Risk Assessment approach includes the maintenance of a risk register for each business unit where the risks in each units' risk registers are assessed on regular base by the Group Risk Management function; in turn, the Group Risk Management function ensures that identified risks are escalated to the BRC as required. The Group Risk Management function maintains a consolidated Ericsson risk register which summaries Group risk.

Current risks within the scope of accountability for the group function, market area and business area are identified in a bottom-up risk identification process. The appropriate enterprise risk manager, together with the relevant business leadership team and other personnel in the unit, identify and consider risks. These may then be subject to escalation to the BRC according to our Group Risk Protocol. In the top-down risk identification, the Group Risk Management function collaborate with the Strategy Unit and conduct interviews with senior management, and external experts, to identify and refine the risks Ericsson faces.

The Risk Universe (illustrated below) is used to identify emerging risks and secure that all applicable risk categories are covered. Risk Descriptions cover event, cause and impact (illustrated below). For further information on risks related to Ericsson's business, see the chapter "Risk factors" in the Financial Report.

In the Risk Analysis process step, the impact of an identified risk is estimated considering four dimensions – financial impact, strategic impact, occupational health and safety impact, and reputational impact. The key risks in a unit are presented in a heat map (see example to the right). The heat map shows the impact and probability for each key risk and enables comparison for all kinds of risks supporting prioritization.

Risk Universe

Intellectual Property Rights	Competition	M&A	Cyber and information security	Security, safety and continuity	People
Governance, risk and control	Laws and regulations	Communication and marketing	Geopolitical	Customer	Accounting
Treasury	Technology	Supply and sourcing	Product and service	Project execution	Environment and climate

Risk Evaluation is done to define the risk appetite for each risk i.e., the accepted probability and impact rating. The risk appetite for an individual risk indicates the ambition with treatment plans, hence driving operational decisions.

The Group Risk Management function analyses the risks in Ericsson’s risk register to identify possibilities for consolidating risks cross units based on commonalities: e.g. similar treatment plans or root causes. Further, the Group Risk Management function confirms the consolidation with Enterprise Risk Managers for applicable units, who are responsible for further analysis and treatment.

Risk Treatment

For each risk in the units’ risk register, management options are considered, i.e. avoid or accept the risk, mitigate the probability or impact of the risk, transfer the risk management and part of the impact to a third party, or increase the risk in order to pursue an opportunity. Based on the selected option(s), a management plan for getting the probability and impact within the risk appetite is defined and described, including references to current or planned internal controls (illustrated below). Once the risk management plan is implemented, its effectiveness shall be assessed on an ongoing basis, and decisions shall be made where corrective actions are needed.

Prime Risk Selection

Ericsson’s prime risks are defined as the identified material risks in the Group. The responsibility for each prime risk is allocated to a member of the Executive Team and these risks are given additional attention in terms of analysis and reporting. The Group Risk Management function identifies potential prime risks in Ericsson’s risk register in collaboration with the responsible units and the Executive Team.

Communication and Reporting

Risk Communication

Effective communication is important to enable employees to share information, collaborate, and support each other in managing risks in the business. The enterprise risk management community has the mission to create awareness and, improve knowledge with respect to risk management issues and requirements. Ericsson has established a Group Risk Council to facilitate cross-Group alignment and improvements of the ERM framework as well as of the management of actual risks, chaired by the Head of Group Risk Management and in which all enterprise risk managers participate.

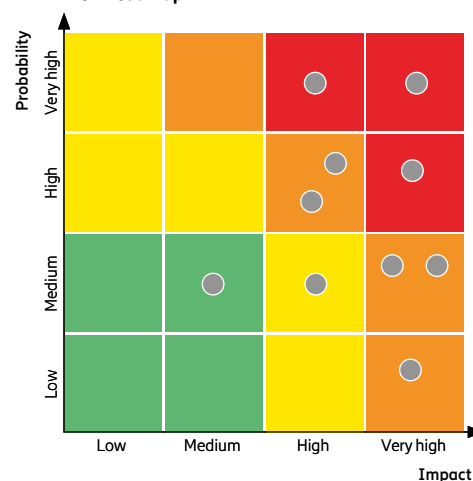
Risk Reporting

The enterprise risk managers coordinate the reporting of key risk status to the leadership teams within the respective unit on a regular basis. Each unit’s risk register is also reported to the Group Risk Management function.

The Heads of market areas and business areas are reporting on the material risks to their business on a quarterly basis to the BRC. Head of Group Risk Management function reports on the status of Ericsson’s risk register, and the efficiency and effectiveness of ERM, to the BRC twice per year.

The Head of the Group Risk Management function reports, in collaboration with the Prime Risk Owners, the status of the prime risks to the Executive Team and the Audit and Compliance Committee on a regular basis. These reports include a heat map overview and a more detailed reporting of prime risks and relevant treatment.

Risk Heat Map

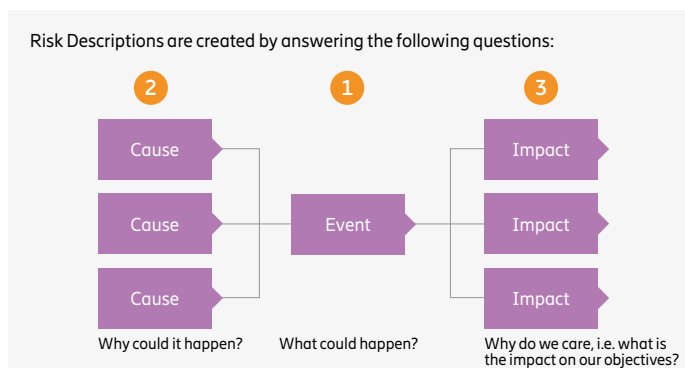


The illustration shows an example of the heat map used for presenting the key risks in a unit.

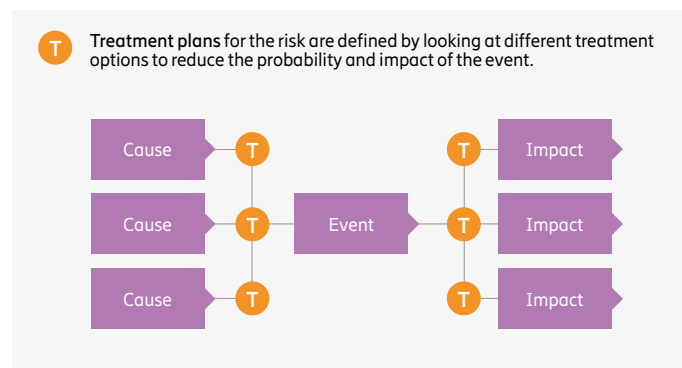
Monitoring

The Group Risk Management function monitors the efficiency and effectiveness of the ERM Framework. This is done through self-assessments but also by providing assessment requirements regarding risk management to the ISO 9001 internal assessment process and follow up on the internal assessment results. The Group Risk Management function also reviews internal and external audit results to address identified weaknesses as part of the continuous improvements of the ERM framework.

Risk Description



Treatment plan



Members of the Executive Team



Börje Ekholm
President and Chief Executive Officer (CEO) (since 2017)

Functions
President and CEO and
Head of Segment Enterprise

Born
1963

Education
Master of Science in Electrical
Engineering, KTH Royal Institute of
Technology, Stockholm, Sweden.
Master of Business Administration,
INSEAD, France.

Nationality
Sweden and USA

Board Member:
Telefonaktiebolaget LM Ericsson and
Trimble Inc.

Holdings in Ericsson¹⁾
260,351 Class B shares, 1,009,000
ADS and 2,000,000 call options²⁾.

Background
CEO of Patricia Industries, a division
within Investor AB (2015–2017).
President and CEO of Investor
AB (2005–2015). Formerly Head
of Investor Growth Capital Inc.
and New Investments. Previous
positions at Novare Kapital AB and
McKinsey & Co Inc. Since 2017,
member of the Steering Committee
of the World Economic Forum
Digital Communication Governors.
Member of the Board of the Swedish-
American Chamber of Commerce
New York.



Fredrik Jeydling
Executive Vice President, Business
Area Networks (since 2017)

Functions
Head of Business Area Networks and
Head of Segment Networks

Born
1969

Education
Master of Science in Economics and
Business Administration, Stockholm
School of Economics, Sweden.

Nationality
Sweden

Board Member
Teknikföretagen and the
Confederation of Swedish Enterprise

Holdings in Ericsson¹⁾
73,318 Class B shares.

Background
Senior Vice President and Head of
Business Unit Network Services
(2016–2017). Has held a variety of
positions in commercial operations
and financials, including Head of
Region Sub-Saharan Africa, Head
of Region India, and Head of Sales
and Finance for Business Unit Global
Services. Previous positions include
senior positions with LUX Asia Pacific
and Tele2 Group.



MajBritt Arfert
Senior Vice President, Chief People
Officer (CPO) (since 2017)

Functions
Head of Group Function People

Born
1963

Education
Bachelor of Human Resources,
University of Gothenburg, Sweden.

Nationality
Sweden

Board Member
–

Holdings in Ericsson¹⁾
51,912 Class B shares.

Background
Acting Head of Group
Function Human Resources
(November 2016–March 2017).
Previously Head of Human Resources
Ericsson Sweden (2015–2016) and
Vice President and Head of Human
Resources Business Unit Support
Solutions (2007–2015). Has held
various senior global positions in
Ericsson including Head of Human
Resources Business Unit Broadband
Networks, Head of Human Resources
Microwave Systems as well as a
position as Head of Human Resources
and Internal Communications at Sony
Ericsson Germany.

Changes in the Executive Team

Effective February 1, 2023, Jenny Lindqvist was appointed new Senior Vice President and Head of Northern and Central Europe within Ericsson's Market Area Europe and Latin America and replacing Stefan Koetz, who assumed the role as acting on June 1, 2022, after Arun Bansal left his position on May 31, 2022. **Effective July 21, 2022**, Rory Read was appointed new Senior Vice President and Head of Business Area Global Communications Platform after the acquisition of Vonage Holdings Corp. (Vonage) and due to that Vonage formed the separate business area Business Area Global Communications Platform of Ericsson. **On May 18, 2022**, Ericsson announced changes to the Group structure and Executive Team introducing the new Business Areas; Cloud Software and Services, Enterprise Wireless Solutions, Group Function Global Operations. **Effective June 1, 2022**, Per Narvinger was appointed Senior Vice President and Head of Business Area Cloud Software and Services, Moti Gyamlani was appointed Senior Vice President and Head of Group Function Global Operations and George Mulhern was appointed Senior Vice President and Head of Business Area Enterprise Wireless Solutions and replaced Jan Karlsson, former Head of Business Area Digital Services, and Peter Laurin, former Head of Business Area Managed Services (Peter Laurin announced his resignation on April 7, 2022). **Effective March 21, 2022**, Scott Dresser was appointed new Chief Legal Officer and Head of Group Function Legal Affairs and Compliance replacing Xavier Dedullen, who assumed the role on April 1, 2018.

The Board memberships and Ericsson holdings reported above are as of December 31, 2022.

¹⁾ The number of shares and ADS includes holdings by related persons, if applicable.

²⁾ Call options issued by AB Industrivärden (1,000,000 call options) and Investor AB (1,000,000 call options), each entitling the purchase of one Ericsson B share from AB Industrivärden/Investor AB respectively (further information is available in the Notes to the consolidated financial statements – note G2 "Information regarding members of the Board of Directors and the Group management" in the Financial Report).



Scott Dresser

Senior Vice President, Chief Legal Officer, and secretary of the Board of Directors of Telefonaktiebolaget LM Ericsson (since 2022)

Functions

Head of Group Function Legal Affairs and Compliance

Born

1967

Education

Juris Doctorate, Vanderbilt University Law School, Bachelor of Science Business Administration and Finance, University of Hampshire.

Nationality

USA

Board Member

Birdlife International, Cambridge UK; member of Advisory Board.

Holdings in Ericsson ¹⁾

–

Background

Previously Group General Counsel at VEON and General Counsel of Virgin Media. Has held senior leadership positions with BirdLife International, White Mountains Re and Conservation International. Started his career in New York in private practice with law firms Lord Day & Lord and Morgan Lewis, where he specialized in corporate law, governance, and M&A.



Erik Ekudden

Senior Vice President, Chief Technology Officer (CTO) (since 2018)

Functions

Head of Group Function Technology

Born

1968

Education

Master of Science in Electrical Engineering, KTH Royal Institute of Technology, Stockholm, Sweden.

Nationality

Sweden

Board Member

ASSA ABLOY AB.

Holdings in Ericsson ¹⁾

31,888 Class B shares and 9,417 ADS.

Background

Group Chief Technology Officer and Head of Technology and Architecture within Group Function Technology and Emerging Business (July 2017–March 2018). Joined Ericsson in 1993 and has held various management positions in the company, including Head of Technology Strategy, Chief Technology Officer Americas in Santa Clara US, and Head of Standardization and Industry. Member of the Royal Swedish Academy of Engineering Sciences (IVA). Since 2020, member of the Broadband Commission for Sustainable Development and vice chairman of IVA's Näringslivsråd.



Moti Gyamlani

Senior Vice President, Group Function Global Operations (since 2022)

Functions

Head of Group Function Global Operations

Born

1973

Education

Master of Business Administration, Arizona State University, USA, and Bachelor of Mechanical engineering, MIT, India.

Nationality

USA

Board Member

–

Holdings in Ericsson ¹⁾

4,873 Class B Shares

Background

Most recently, Head of Group Sourcing (2019–2022). Previous position as Chief Procurement and Supply Chain Officer and a Chief Cost Transformation Officer of Airtel (2012–2019). Leadership positions include Group Vice President Global Supply Chain and Sourcing at General Electric Power Conversion, Vice President Global Sourcing at Honeywell, and Executive Director at General Motors. Lived and worked in across multiple countries and markets, including US, France, Mexico, and India.

The Board memberships and Ericsson holdings reported above are as of December 31, 2022.

¹⁾ The number of shares and ADS includes holdings by related persons, if applicable.

Members of the Executive Team, cont'd.

**Niklas Heuveldop**

Senior Vice President, Market Area North America (since 2017)

Functions

Head of Market Area North America

Born

1968

Education

Master of Science in Industrial Engineering and Management, the Linköping Institute of Technology, Sweden.

Nationality

Sweden

Board Member

The Swedish-American Chamber of Commerce New York and CTIA – US wireless industry trade association.

Holdings in Ericsson¹⁾

82,435 Class B shares and 14,249 ADS.

Background

Senior Vice President, Chief Strategy Officer and Head of Group Function Technology and Emerging Business (April 2017–March 2018). Previous positions include Chief Customer Officer and Head of Group Function Sales (2016–2017) and senior leadership positions across Europe and the Americas, including Head of Global Customer Unit AT&T and Head of Market Unit Central America and Caribbean. Previous positions outside Ericsson include CEO of ServiceFactory and COO of WaterCove Networks.

**Chris Houghton**

Senior Vice President, Market Area North East Asia (since 2017)

Functions

Head of Market Area North East Asia

Born

1966

Education

Bachelor of Law, Huddersfield Polytechnic, United Kingdom.

Nationality

United Kingdom and Sweden

Board Member

–

Holdings in Ericsson¹⁾

96,963 Class B shares.

Background

Head of Region North East Asia (2015–2017). Has also previously held management positions within Ericsson, including Head of Region India, Head of Customer Unit UK and Ireland and various management positions within Ericsson in China, Hungary, India, Ireland, Japan, Sweden and the UK.

**Stefan Koetz**

Acting Head of Market Area Europe and Latin America (since June 1, 2022 until February 1, 2023)
(Not a member of Executive Team)

Functions

Acting Head of Market Area Europe and Latin America

Born

1962

Education

Master of Science in Telecommunications, University Kaiserslautern, Germany.

Nationality

Germany

Board Member

–

Holdings in Ericsson¹⁾

–

Background

Head of Customer Unit Western Europe, within Market Area Europe and Latin America. In this role Koetz is responsible for business in Germany, Netherlands, Switzerland and Liechtenstein. Koetz has been working in the information and communications industry for more than 20 years. He held various management positions, among others at Robert Bosch GmbH and Marconi Communications GmbH.

The Board memberships and Ericsson holdings reported above are as of December 31, 2022.

¹⁾ The number of shares and ADS includes holdings by related persons, if applicable.



Jenny Lindqvist

Senior Vice President, Market Area Europe and Latin America (since February 1, 2023)

Functions

Head of Market Area Europe and Latin America

Born

1982

Education

Master of Science in Business and Economics from Stockholm School of Economics (SSE).

Nationality

Sweden

Board Member

TechSverige

Holdings in Ericsson¹⁾

772 Class B shares.

Background

Head of Northern and Central Europe within Market Area Europe and Latin America. Previous management positions within Ericsson Business Area and Market Area organizations include Head of Global Customer Unit Telia Company, Head of Solution Line Intelligent Transport Systems, Key Account Manager Telenor, Managed Services Engagement Lead and Business Manager Multimedia. Previous positions outside Ericsson include roles in management consulting in France and Sweden, as well as in Pharmaceuticals in the Philippines.



Stella Medicott

Senior Vice President, Chief Marketing and Communications Officer (CMO and CCO) (since 2019)

Functions

Head of Group Function Marketing and Corporate Relations

Born

1969

Education

Bachelors of Arts (Hons) degree in Social Science, University of Lincoln (known at that time as University of Humberside), United Kingdom and Postgraduate Diploma in Marketing, Chartered Institute of Marketing, United Kingdom.

Nationality

United Kingdom

Board Member

–

Holdings in Ericsson¹⁾

7,842 Class B shares.

Background

Vice President of Marketing, Communications and Government Relations for Ericsson Market Area Europe and Latin America (July 2017–June 2019). Prior to joining Ericsson, Stella Medicott was Chief Marketing Officer at Red Bee Media, which was acquired by Ericsson in May 2014. She has over 25 years of marketing experience in major IT, telecoms and media companies including two years at Technicolor as VP Marketing and ten years at Siemens Communications as Global VP Marketing.



Carl Mellander

Senior Vice President, Chief Financial Officer (CFO) (since 2017)

Functions

Head of Group Function Finance and Common Functions

Born

1964

Education

Bachelor of Arts in Business Administration and Economics, Stockholm University, Sweden; and East- and South East Asia Program, Lund University, Sweden.

Nationality

Sweden

Board Member

International Chamber of Commerce (ICC) Sweden

Holdings in Ericsson¹⁾

92,837 Class B shares.

Background

Acting Chief Financial Officer and Head of Group Function Finance and Common Functions (July 2016–March 2017). Previous positions within Ericsson include Vice President and Group Treasurer, and Head of Finance in Region Western and Central Europe. Also held Head of Finance/CFO positions within the telecom operator space and defence industry.

Members of the Executive Team, cont'd.

**Nunzio Mirtillo**

Senior Vice President, Market Area South East Asia, Oceania and India (since 2017)

Functions

Head of Market Area South East Asia, Oceania and India

Born

1961

Education

Master in Electronic Engineering, Sapienza University, Italy.

Nationality

Italy

Board Member

–

Holdings in Ericsson¹⁾

81,389 Class B shares.

Background

Previously Head of Region Mediterranean. Previous management positions within Ericsson include Head of Sales Networks for Western Europe within Business Unit Networks, Head of Business Operations in Market Unit South East Europe and Key Account Manager for Wind Italy, Vodafone Italy and other customers.

**George Mulhern**

Senior Vice President, Business Area Enterprise Wireless Solutions (since 2022)

Functions

Head of Business Area Enterprise Wireless Solutions and CEO of Cradlepoint

Born

1956

Education

Bachelor of Science and Master of Business Administration, San Jose State University (USA).

Nationality

USA

Board Member

Regence Blue Shield of Idaho, Cambia Health Solutions and Focus IP, Inc. dba Tracer.

Holdings in Ericsson¹⁾

–

Background

CEO at Cradlepoint when it was acquired by Ericsson in 2020. Previously general partner at Highway 12 Ventures, a venture capital firm making investments in early-stage technology companies. Held various leading positions during a long tenure at Hewlett Packard Company, including senior vice president, leading the LaserJet Global Business Unit.

**Per Narvinger**

Senior Vice President, Business Area Cloud Software and Services (since 2022)

Functions

Head of Business Area Cloud Software and Services and Head of Segment Cloud Software and Services

Born

1974

Education

Master of Science in Electrical Engineering, Royal Institute of Technology (KTH), Sweden.

Nationality

Sweden

Board Member

–

Holdings in Ericsson¹⁾

8,271 Class B shares.

Background

Head of Product Area Networks, Business Unit Networks (2018–2022). Head of Customer Unit Northern and Central Europe, Market Area Europe and Latin America (2017–2018). Has held a variety of senior management positions in Ericsson since 1997, spanning R&D line management, Head of Customer Solutions (Australia and Spain) and Product Management.

The Board memberships and Ericsson holdings reported above are as of December 31, 2022.

¹⁾ The number of shares and ADS includes holdings by related persons, if applicable.



Fadi Pharaon

Senior Vice President, Market Area Middle East and Africa (since 2019)

Functions

Head of Market Area Middle East and Africa

Born

1972

Education

Master of Science in Computer Science, KTH Royal Institute of Technology, Sweden and a Master of Business Administration, Heriot Watt University, Edinburgh Business School, Scotland.

Nationality

Sweden and Lebanon

Board Member

–

Holdings in Ericsson¹⁾

342 Class B shares and 1,166 ADS.

Background

Vice President of Networks and Managed Services (presales and commercial management) within Market Area Europe and Latin America. Previous management positions within Ericsson include Head of Presales and Strategy for Ericsson Region South East Asia and Oceania, and Country Manager for Ericsson Singapore and Brunei.



Rory Read

Senior Vice President, Business Area Global Communications Platform (since 2022)

Functions

Head of Business Area Global Communications Platform and CEO of Vonage

Born

1961

Education

Bachelor of Information Sciences, Hartwick College, New York.

Nationality

USA

Board Member

–

Holdings in Ericsson¹⁾

57,390 Class B shares.

Background

Read has more than three decades of global technology industry experience and has been CEO of Vonage since July 2020. Vonage was acquired by Ericsson in July 2022. Previously, Read was Chief Operating Executive of Dell Technologies, CEO and President of Dell's Virtustream, and EVP of Dell Boomi. Read also served as Chief Integration Officer of the USD 67 billion merger of Dell and EMC – the largest tech merger in history. Earlier, he was CEO, President and Board member of Advanced Micro Devices and Chief Operating Officer and President at Lenovo following 23 years at IBM.



Åsa Tamsons

Senior Vice President, Business Area Technologies and New Businesses (since 2018)

Functions

Head of Business Area Technologies and New Businesses and Head of Segment Other

Born

1981

Education

Master of Business Administration, Stockholm School of Economics, Sweden.

Nationality

Sweden

Board Member

CNH Industrial

Holdings in Ericsson¹⁾

35,311 Class B shares.

Background

Head of Business Area Technology and Emerging Business (April–September 2018) and Group Strategy and M&A. Previously Partner at McKinsey & Company, serving high-tech and telecommunications companies worldwide on growth strategies, digital and commercial transformations. Before joining Ericsson lived and work in the US, Brazil, France, Sweden and Singapore.

The Board memberships and Ericsson holdings reported above are as of December 31, 2022.

¹⁾ The number of shares and ADS includes holdings by related persons, if applicable.

Auditor

According to the articles of association, the Parent Company shall have no less than one and no more than three registered public accounting firms as external independent auditor. Ericsson's auditor is currently appointed each year at the AGM for a one-year mandate period. The auditor reports to the shareholders at General Meetings.

The duties of the auditor include:

- Updating the Board of Directors regarding the planning, scope and content of the annual audit work
- Reviewing the interim reports to assess that the financial statements are presented fairly in all material respects and providing review opinions over the interim reports for the third and fourth quarters and the year-end financial statements
- Providing an audit opinion over the Annual Report
- Advising the Board of Directors of non-audit services performed, the consideration paid and other issues that determine the auditor's independence.

Auditing work is carried out by the auditor continuously throughout the year. For further information on the contacts between the Board and the auditor, please see "Work of the Board of Directors" earlier in this Corporate Governance report.

Current auditor

Deloitte AB was reappointed auditor at the AGM 2022 for a period of one year, i.e. until the close of the AGM 2023. Deloitte AB has appointed Thomas Strömberg, Authorized Public Accountant, to serve as auditor in charge.

Fees to the auditor

Ericsson paid the fees (including expenses) for audit-related and other services listed in the table in note H5, "Fees to auditors" in the Financial Report.

Internal control over financial reporting

This section has been prepared in accordance with the Annual Accounts Act and the Swedish Corporate Governance Code and is limited to internal control over financial reporting.

Since Ericsson is listed in the US, the requirements outlined in the Sarbanes-Oxley Act (SOX) apply, subject to certain exceptions. These regulate the establishment and maintenance of internal control over financial reporting as well as management's assessment of the effectiveness of the controls.

In order to support high-quality reporting and to meet the requirements of SOX, the Company has implemented detailed documented controls and testing, and reporting procedures based on the internationally established 2013 COSO framework for internal control. The COSO framework is issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Management's internal control report, according to SOX, will be included in Ericsson's Annual Report on Form 20-F and filed with the SEC in the US.

Disclosure policies

Ericsson's financial reporting and disclosure policies follow the International Financial Reporting Standards (IFRS) and aim to ensure transparent, relevant and consistent communication with equity and debt investors on a timely, fair and equal basis. This will support a fair market value for Ericsson securities. Ericsson wants current and potential investors to have a good understanding of how the Company works, including operational performance, prospects and potential risks.

To achieve these objectives, financial reporting and disclosure must be:

- **Transparent** – enhancing understanding of the economic drivers and operational performance of the business, building trust and credibility
- **Consistent** – comparable in scope and level of detail to facilitate comparison between reporting periods
- **Simple** – to support the understanding of the business operations and performance, and to avoid misinterpretations
- **Relevant** – with focus on what is relevant to Ericsson's stakeholders or required by regulation or listing agreements, to avoid information overload

- **Timely** – with regularly scheduled disclosures as well as ad-hoc information, such as press releases on important events, performed in a timely manner
- **Fair and equal** – where all material information is published via press releases to ensure that the whole investor community receives the information at the same time
- **Complete** – free from material errors and a reflection of best practice – disclosures compliant with applicable financial reporting standards and listing requirements and in line with industry norms.

Ericsson's website comprises comprehensive information about the Group, including:

- An archive of annual and interim reports
- Access to recent news.

Disclosure controls and procedures

Ericsson has controls and procedures in place to allow for timely disclosure in accordance with applicable laws and regulations, including the (EU) Market Abuse Regulation, the U.S. Securities Exchange Act of 1934, and under agreements with Nasdaq Stockholm and Nasdaq New York. These procedures also require that such information is provided to management, including the President and CEO and the CFO, so timely decisions can be made regarding the required disclosures.

The Disclosure Committee assists management in fulfilling their responsibility regarding disclosures made to the shareholders and the investment community. One of the main tasks of the committee is to monitor the integrity and effectiveness of the disclosure controls and procedures. The Disclosure Committee comprises members with various expertise including representation from the segments.

Ericsson has investments in certain entities that the Company does not control or manage. With respect to such entities, disclosure controls and procedures are substantially more limited than those maintained with respect to subsidiaries.

Controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives. Ericsson's President and CEO and the CFO evaluated the Company's disclosure controls and procedures and concluded that they were effective at a reasonable assurance level as of December 31, 2022.

Internal control over financial reporting

Ericsson has integrated risk management and internal control over financial reporting into its business processes. As defined in the COSO framework, internal control is an aggregation of components such as a control environment, risk assessment, control activities, information and communication and monitoring.

The control framework is updated regularly to reflect relevant changes in processes, tools usage, outcome of risk assessments, changes in legislations, etc. Continuous enhancements are initiated to strengthen and risk-adapt the design of the controls and the efficiency of the internal control over financial reporting. The scope of the enhancements covers both business process controls and IT controls. The Company completed the acquisition of Vonage on July 21, 2022. As permitted by the SEC rules and regulations management's assessment did not include the internal control of the acquired operations of Vonage which are included in our consolidated financial statements as of December 31, 2022 and for the period from the acquisition date through December 31, 2022. In accordance with our integration activities, we plan to assess the Vonage's internal control over financial reporting control framework within the time period provided by applicable SEC rules and regulations.

The Company continued to adapt its workplace practices globally due to the COVID-19 pandemic, resulting in a hybrid work environment; this has not significantly affected the Company's internal control over financial reporting.

Control environment

The Company's internal control structure is based on the division of tasks between the Board of Directors and its Committees and the President and CEO. The Company has implemented a management system that is based on:

- Steering documents, such as policies and directives, and the Code of Business Ethics
- A strong corporate culture
- The Company's organization and mode of operations, with well-defined roles and responsibilities and delegations of authority
- Several well-defined Group-wide processes for planning, operations and support.

The most essential parts of the control environment relative to financial reporting are included in steering documents and processes for accounting and financial reporting. These steering documents are updated regularly to include, among other things:

- Changes to laws
- Financial reporting standards and listing requirements, such as IFRS and SOX.

The processes include specific controls to be performed to ensure high-quality financial reports. The management of each reporting legal entity, region and business unit is supported by finance functions in the execution of controls related to transactions and reporting. The finance functions are organized in Company Control and Business Shared Services Hubs/Centers, each supporting a number of legal entities within a geographical area. A financial controller function is also established on Group level, reporting to the CFO. For larger acquisitions, the main finance functions and the control execution of the acquired entity remain at the entity and enter into close collaboration with the Group finance functions.

Risk assessment

Risks of material misstatements in the financial reporting may exist in relation to recognition and measurement of assets, liabilities, revenue and cost or insufficient disclosure. Other risks related to financial reporting include fraud, loss or embezzlement of assets and undue favorable treatment of counterparties at the expense of the Company.

Policies and directives regarding accounting and financial reporting cover areas of particular significance to support correct, complete and timely accounting, reporting and disclosure.

Identified types of risks are mitigated through well-defined business processes with integrated risk management activities, segregation of duties and appropriate delegation of authority. This requires specific approval of material transactions and ensures adequate asset management.

Control activities

The Company's business processes include financial controls regarding the approval and accounting of business transactions. The

financial closing and reporting process has controls regarding recognition, measurement, and disclosure. These include the application of critical accounting policies and estimates, in individual subsidiaries as well as in the consolidated accounts.

Regular analyses of the financial results for each subsidiary, region and business unit cover the significant elements of assets, liabilities, revenues, costs and cash flow. Together with further analysis of the consolidated financial statements performed at Group level, these procedures are designed to produce financial reports without material errors.

For external financial reporting purposes, the Disclosure Committee performs additional control procedures to review whether the disclosure requirements are fulfilled.

The Company has implemented controls to ensure that financial reports are prepared in accordance with its internal accounting and reporting policies, and IFRS as well as with the relevant listing regulations. It maintains detailed documentation on internal controls related to the accounting and financial reporting. It also keeps records on the monitoring of the execution and results of such controls. This allows the President and CEO and the CFO to assess the effectiveness of the controls in a way that is compliant with SOX.

Entity-wide controls, focusing on the control environment and compliance with financial reporting policies and directives, are implemented in the subsidiaries. Detailed process controls and documentation of controls performed are also implemented in the significant subsidiaries or operational units covering these subsidiaries, covering the items with significant materiality and risk.

In order to secure compliance, governance and risk management in the areas of legal entity accounting and taxation, as well as securing funding and equity levels, the Company operates through Company Control and Business Shared Services Hubs/Centers, covering subsidiaries in each geographical area.

Based on a common IT platform, a common chart of accounts and common master data, the Company Control and Business Shared Services Hubs/Centers perform accounting and financial reporting services for most subsidiaries.

Information and communication

The Company's information and communication channels support complete, correct and timely financial reporting by making all relevant internal process instructions and policies accessible to all the employees concerned. Regular updates and briefing documents regarding changes in accounting policies, reporting and disclosure requirements are also supplied.

Subsidiaries and operating units prepare regular financial and management reports for internal steering groups and Company management. These include analysis and comments on financial performance and risks. The Board of Directors receives financial reports monthly. Ericsson has established a whistleblower tool, the Ericsson Compliance Line, that can be used for the reporting of alleged violations that:

- Are conducted by Group or local management, and
- Relate to corruption, questionable accounting, deficiencies in the internal control of accounting or auditing matters, or otherwise seriously affect vital interests of the Group or personal health and safety.

Monitoring

The Company's process for financial reporting is reviewed annually by management. This forms a basis for evaluating the internal management system and internal steering documents to ensure that they cover all significant areas and risks related to financial reporting. The management of the Company Control and Business Shared Services Hubs/Centers (and of the companies handled outside Company Control and Business Shared Services Hubs/Centers) continuously monitor accounting quality through a set of performance indica-

tors. Compliance with policies and directives is monitored through annual self-assessments and representation letters from company heads and company controllers in subsidiaries as well as in business areas and market areas.

The Company's financial performance is also reviewed at Board meetings. The Committees of the Board fulfill important monitoring functions regarding remuneration, loans, investments, customer finance, cash management, financial reporting and internal control. The Audit and Compliance Committee and the Board of Directors review all interim and annual financial reports before they are released to the market. The Company's internal audit function reports directly to the Audit and Compliance Committee. The Audit and Compliance Committee also receives regular reports from the external auditor. The Audit and Compliance Committee follows up on any actions taken to improve or modify controls.

Board of Directors

Stockholm, March 7, 2023

Telefonaktiebolaget LM Ericsson (publ)
Org. no. 556016-0680

Auditor's report on the Corporate Governance report

To the general meeting of the shareholders in Telefonaktiebolaget LM Ericsson (publ) corporate identity number 556016-0680

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance report for the financial year January 1, 2022–December 31, 2022 on pages 1–28 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 report*. This means that our examination of the corporate governance report 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 report 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 7th, 2023

Deloitte AB

Thomas Strömberg
Authorized public accountant

About Ericsson

We are one of the leading providers of Information and Communications Technology (ICT). We enable the full value of connectivity by creating game-changing technology and services that are easy to use, adopt, and scale, making our customers successful in a fully connected world. Our portfolio spans Networks, Cloud Software and Services, Enterprise Wireless Solutions, Global Communications Platform, Technologies and New Businesses, and IPR licensing.

The Company has approximately 105,000 employees, and customers in around 180 countries. Ericsson is headquartered in Stockholm, Sweden. Our shares are listed on Nasdaq Stockholm and our American Depositary Shares (ADS) are listed on Nasdaq New York. Ericsson's vision is a world where limitless connectivity improves lives, redefines business and pioneers a sustainable future.