



# Corporate Governance Report

Storytel AB (publ) is a public limited liability Swedish company, CIN 556575-2960, whose Class B shares are listed on Nasdaq First North Growth Market. The company has its registered office and head office in Stockholm.

Storytel's corporate governance is based on a framework of external and internal control instruments. External control instruments include the Swedish Companies Act, the Swedish Annual Accounts Act, and the Nasdaq First North Growth Market – Rulebook and generally accepted practice in the securities market, and internal control instruments include Storytel's articles of association, policies, instructions and guidelines.



## Share and Shareholders

The Class B shares in Storytel AB (publ) were admitted to trading on Spotlight Stock Market on 25 August 2015 via a reverse acquisition of Massolit Media AB and have been traded on Nasdaq First North Growth Market since 5 December 2018 under the ticker STORY B. The number of shares amounted to 77 073 120 on 31 December 2022, of which 77,072,485 were Class B and 635 were Class A. Each Class B share entitles the holder to one vote, while each Class A share entitles the holder to ten votes; however, all shares have an equal right to the company's assets and profits. On 31 December 2022, EQT was Storytel's largest shareholder, holding 14 percent of the votes and share capital in the company. The company's five largest shareholders on 31 December 2022 are shown below and in the Directors' Report.

### Largest shareholders as of 31 December 2022

Shareholder	Capital, %	Votes, %
EQT	14.4%	14.4%
Jonas Sjögren & associated companies	9.3%	9.3%
Jonas Tellander	6.3%	6.3%
Vitruvian Partners	4.3%	4.3%
Annamaria Tellander	3.9%	3.9%
Other shareholders	61.8%	61.8%
	100%	100%



# Governance Structure

## General Meeting of Shareholders

The general meeting of shareholders is Storytel's highest decision-making body. All shareholders have the opportunity at the general meeting to influence the company by exercising their voting rights relative to their shareholdings. The annual general meeting (AGM) must be held within six months from the end of the financial year and, in accordance with the Swedish Companies Act and the Articles of Association, address the adoption of the income statement and balance sheet and the consolidated income statement and balance sheet, appropriation of profit or loss, discharge from liability of the members of the Board of Directors and the CEO, determination of the number of directors and auditors and any deputies, fees to the Board of Directors and to the auditors, election of the Board of Directors and auditors and any deputies and any other matter to be dealt with by the meeting according to the Swedish Companies Act or the Articles of Association. The date and location of the AGM is communicated on the company's website no later than in conjunction with the Q3 interim report. Shareholders have the right to request that a matter be addressed by the AGM; such requests must be submitted in writing to the Board of Directors seven weeks prior to the AGM. Pursuant to Chapter 7, section 32 of the Swedish Companies Act, all shareholders are entitled to ask the company about the matters addressed during the AGM and about the financial situation of the company and the Group. In addition to the AGM, the company may convene an extraordinary general meeting (EGM). Notice of a general meeting must be given through an announcement in Post och Inrikes Tidningar (Swedish Official Gazette), and the notice must be made available on the company's website. Issuance of the notice must be announced in the newspaper Dagens Nyheter. Documents and bulletins from general meetings are published on the company's website. The 2023 AGM will be held on Wednesday, May 4, 2023.

## Extraordinary General Meeting, February 2022

Storytel held an EGM on February 11, 2022, at Baker & McKenzie Advokatbyrå's office at Vasagatan 7, 101 23 Stockholm, Sweden. The EGM resolved, in accordance with the Nomination Committee's proposal, that the Board will consist of eight members and no deputies and that Hans-Holger Albrecht be elected as a new Board member and new chair of the Board, replacing Stefan Blom. Stefan Blom stepped down from the Board in conjunction with the general meeting. The meeting further resolved that the remuneration to the newly elected member and chair should be SEK 750,000 on an annual basis, prorated for the part of the year for which he is appointed.

## 2022 Annual General Meeting

The 2022 AGM was held on May 4, 2022. The meeting was held without in-person attendance, and shareholders were instead allowed to exercise their voting rights solely through postal voting in accordance with the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. Prior to the meeting, the shareholders were given the opportunity to submit questions in writing to the Board and the CEO. Recorded presentations by the company's auditor, the chair of the Nomination Committee and the company's CEO were published on the company's website. The AGM resolved in accordance with each of the proposals of the Board and the Nomination Committee regarding

- Adoption of the balance sheet and income statement.
- No dividend to shareholders, all funds available for the AGM were carried forward.
- The Board of Directors and the CEO were discharged from liability for the financial year 2021.
- That the Board of Directors shall consist of eight members without deputies and that the company must have one registered auditing firm as auditor.
- Re-election of Hans-Holger Albrecht, Richard Stern, Joakim Rubin, Helen Fasth Gillstedt, Malin Holmberg, Rustan Panday, Jonas Sjögren and Jonas Tellander as Board members. Re-election of Hans-Holger Albrecht as the chair of the Board.
- The fees for the members of the Board will amount to a total of SEK 3,500,000, including fees for committee work (SEK 2,600,000 the previous year). Resolution that SEK 250,000 (SEK 250,000) will be paid to each non-employed Board member (at the time: Richard Stern, Joakim Rubin, Helen Fasth Gillstedt, Malin Holmberg, Rustan Panday and Jonas Sjögren) and SEK 750,000 (SEK 750,000) to the chair of the Board (Hans-Holger Albrecht) and SEK 400,000 to the vice chair of the Board (Jonas Tellander); that SEK 50,000 (SEK 50,000) will be paid to each member of the Audit Committee and SEK 200,000 (SEK 200,000) to the chair of the committee; that SEK 50,000 (SEK 50,000) will be paid to each member of the Remuneration Committee and SEK 200,000 (SEK 200,000) to the chair of the committee; and that SEK 50,000 (SEK 50,000) will be paid to each member of the Remuneration Committee and SEK 200,000 (SEK 200,000) to the chair of the committee.
- Re-election of Ernst & Young Aktiebolag as the company's auditor. Ernst & Young Aktiebolag announced that authorized public accountant Johan Holmberg would continue to be the auditor-in-charge. Resolution that fees to the auditor will be paid according to approved invoices.
- Authorization for the Board, up until the next AGM, on one or more occasions, with or without preferential rights for shareholders, to issue in total a maximum of shares, warrants and/or convertibles, corresponding to not more than ten percent of the share capital of the cCompany after dilution.
- Establishment of a long-term performance based incentive program for key employees (LTIP 2022/2026) and directed issue of warrants of series 2022/2026 as well as approval of transfer of warrants.
- Extension of Employee Stock Option Program 2020/2023 and 2021/2024.

### **Extraordinary General Meeting, September 2022**

Storytel held an EGM on September 22, 2022. The meeting was held without physical presence, and shareholders were instead allowed to exercise their voting rights only by postal voting in accordance with the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. Prior to the meeting, the shareholders were given the opportunity to submit questions in writing to the Board and the CEO. The EGM resolved, in accordance with the Nomination Committee's proposal, to elect Jared Grusd, Lina Brouneus and Lutz Finger as new Board members. Jonas Sjögren, Rustan Panday and Richard Stern stepped down from the Board in conjunction with the general meeting. The meeting further resolved that the fee to resigning Board members shall be paid for each commenced calendar month of the term between the 2022 AGM and the EGM and that the new Board members each shall receive SEK 145,000 (corresponding to approximately 7/12 of the remuneration resolved at the 2022 AGM).

### **Extraordinary General Meeting, November 2022**

Storytel held an EGM on 28 November 2022. The meeting was held without physical presence, and shareholders were instead allowed to exercise their voting rights only by postal voting in accordance with the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. Prior to the meeting, the shareholders were given the opportunity to submit questions in writing to the Board and the CEO. The EGM approved the Boards' resolution from 9 November 2022 on a directed issue of class B-shares. The meeting further resolved to authorize the Board, up until the next AGM, on one or more occasions, with or without preferential rights for shareholders, to issue in total a maximum of shares, warrants and/or convertibles, corresponding to not more than ten percent of the share capital of the Company after dilution. The purpose of the authorization and the reason for a deviation from the shareholders preferential rights is to be able to carry out acquisitions.

### **2023 Annual General Meeting**

The 2023 AGM will take place on May 4, 2023. The date of the AGM was made available in conjunction with the presentation of the Q3 interim report and was originally planned to be held on May 2, 2023. The notice will be published in March 2023. For more information, please visit <https://investors.storytel.com/en/>.

## Nomination Committee

### Work of the Nomination Committee

The Nomination Committee is a body established by the AGM with the task of preparing and submitting proposals prior to the general meeting regarding the election of Board members, the chair of the Board, Board fees, potential remuneration for committee work, chair of the AGM, election of the auditor, auditor fees and principles for the Nomination Committee. The chair of the Board every year presents an evaluation of the Board's work to the Nomination Committee, which forms the basis for the Nomination Committee's work. The Nomination Committee's proposals are presented in the notice to the AGM and at <https://investors.storytel.com/en/>.

### Composition of the Nomination Committee

The Nomination Committee, in accordance with the principles for the Nomination Committee established by the 2020 AGM, shall consist of four members, three of whom must be appointed by the company's three largest shareholders. The fourth must be the company's chair of the Board. Unless otherwise agreed between the members, the member that is appointed by the largest shareholder is named the chair of the Nomination Committee. A Board member may never be the chair of the Nomination Committee. The principles for the Nomination Committee can be found in their entirety at <https://investors.storytel.com/en/nomination-committee/>.

### Meetings of the Nomination Committee

The Nomination Committee held two meetings prior to the 2023 AGM. No remuneration was paid for the work of the committee.

### Nomination Committee prior to the 2023 AGM

Members	Appointed by	Independence in relation to:	
		the company and executive management	the largest shareholder in the company in terms of votes
Fredrik Åtting, chair	EQT	Yes	No
Lars Bergkvist	Roxette Photo NV	Yes	Yes
Jonas Tellander	Jonas Tellander and Annamaria Tellander	No	Yes
Fredrik Åtting	EQT	Yes	Yes
Hans-Holger Albrecht, Chair of the Board		Yes	Yes

## Board of Directors

### Work of the Board

The Board must manage the company's affairs, safeguard the interests of the shareholders, appoint the CEO and be responsible for the company complying with applicable laws and its Articles of Association. The Board of Directors is also responsible for ensuring that the Group has an appropriate structure so the Board can optimally exercise its own responsibility over the Group, including subsidiaries, and that the bookkeeping, administration, and financial circumstances of the company can otherwise be controlled in a satisfactory manner. The Board must meet the company's auditor at least once a year without the presence of company management and evaluate the work of the CEO on an ongoing basis and at least once a year. The Board follows written rules of procedure that are revised annually and adopted at the first Board meeting each year, or another Board meeting if required. The rules of procedure prescribe how the division of work is to take place, including the role and responsibilities of the chair of the Board, instructions regarding the division of responsibilities between the Board and the CEO and the reporting of financial development to the Board.

### Composition of the Board of Directors

According to the Articles of Association, Storytel's Board of Directors must consist of a minimum of three and a maximum of eight members elected by the meeting who are elected annually for the period until the end of the following AGM. The 2022 AGM resolved that the Board shall consist of eight members elected by the meeting. Furthermore, the 2022 AGM appointed Hans-Holger Albrecht, Richard Stern, Joakim Rubin, Helen Fasth Gillstedt, Malin Holmberg, Rustan Panday, Jonas Sjögren and Jonas Tellander as Board members for the period until the end of the 2023 AGM and Hans-Holger Albrecht chair of the Board. The EGM in September 2022 elected Jared Grusd, Lina Brouneus and Lutz Finger as new Board members, replacing Jonas Sjögren, Rustan Panday and Richard Stern.

Since the EGM in September 2022, the Board consists of Hans-Holger Albrecht, Joakim Rubin, Helen Fasth Gillstedt, Malin Holmberg, Jonas Tellander, Jared Grusd, Lina Brouneus and Lutz Finger with Hans-Holger Albrecht as chair of the Board.

The average age at the turn of the year of the members elected by the general meeting was 52.7 years, and three of the eight members were women. For information about the Board members' assignments outside the Group and their holdings of shares in Storytel, see the Board of Directors' page and <https://investors.storytel.com/en/>.



### Diversity Policy

Storytel, through its Nomination Committee, strives for the Board to have a composition that is appropriate with regard to the company's operations, development stage and other conditions, characterized by versatility and breadth regarding the competence, experience, age, education and professional background of the members elected by the AGM. An even gender distribution must be sought.

## Independence of the Board

Of the Board's eight members, seven are independent in relation to the company and executive management and six are independent in relation to the company's major shareholders.

## The Board's Procedures and Policies

The Board reviews and adopts rules of procedure on an annual basis for its own work and for the work of the Board's Audit Committee, Remuneration Committee and Sustainability Committee. The Board also adopts instructions for the CEO. These procedures govern, for example, the distribution of work between the Board, the chair of the Board, the CEO and the auditor, the quorum, conflicts of interest, the work of the committees, internal and external reporting, procedures for the notice of meeting, meetings and the minutes. Furthermore, the Board reviews and adopts on an annual basis Storytel's significant steering documents such as its Code of Conduct and policies for sustainability, information security, insider information and communication, risk management and compliance.

## Evaluation of the Work of the Board

The work of the Board is evaluated on an annual basis with the aim of developing the Board's working methods and efficiency. The chair of the Board is responsible for the evaluation as a whole and for presenting it to the Nomination Committee. The intention of the evaluation is to gather feedback from Board members on how the work of the Board is performed, any measures that could be taken to improve the efficiency of the Board's work, and whether the Board is well-balanced in terms of competence. The evaluation is an important basis for the Nomination Committee prior to the AGM.

## Board Meetings

In 2022, the Board held 22 meetings, of which eleven were per capsulam and three were inaugural meetings. The CEO, the CFO and the general counsel, who is also the secretary of the Board, attend Board meetings. Other employees participate as needed to report on specific matters.

## Chair of the Board

The chair of the Board is elected annually by the general meeting. At the EGM on February 11, 2022, Stefan Blom stepped down from the Board and Hans-Holger Albrecht was elected the new chair of the Board. The AGM on May 4, 2022, re-elected Hans-Holger Albrecht as chair of the Board. The chair of the Board leads the Board's work and monitors that the Board discharges its duties. The chair is responsible in particular for ensuring that the work of the Board is well-organized, effective and in line with the development of the business. The chair of the Board monitors that the Board's decisions are executed effectively and is responsible for the annual evaluation of the work of the Board and informing the Nomination Committee about the results of the evaluation.

## Board Committees

### Audit Committee

The Board appoints the members of the Audit Committee annually at the inaugural Board meeting in conjunction with the AGM, and the committee then appoints its chair from among its members. At least one of the members must have auditing or accounting experience. The company's CEO, CFO, other employees or the auditor may be invited to participate in the committee's meetings. In 2022, the Audit Committee consisted of members Helen Fasth Gillstedt (chair), Hans-Holger Albrecht and Joakim Rubin. Hans-Holger Albrecht replaced Rustan Panday on the Audit Committee following the AGM on May 4, 2022. The Audit Committee is responsible for ensuring the quality of the financial reporting and the effectiveness of the internal control and risk management regarding financial statements.

In brief, the Audit Committee, without affecting the Board's responsibilities and tasks in general, must meet regularly with the company's auditors to learn about the audit's focus and scope. The Audit Committee shall convene at least five times each financial year. The meetings of the Audit Committee must be recorded in minutes. The Audit Committee must inform the Board about the matters it has handled. In 2022, the Audit Committee held five meetings.

### Remuneration Committee

The Board appoints the members of the Remuneration Committee annually at the inaugural Board meeting in conjunction with the AGM, and the committee then appoints its chair from among its members. The company's CEO, CFO, HR manager, other employees or the auditor may be invited to participate in the committee's meetings. In 2022, the Remuneration Committee consisted of Malin Holmberg (chair), Helen Fasth Gillstedt, and Hans-Holger Albrecht. Hans-Holger Albrecht replaced Rustan Panday on the remuneration committee following the EGM on February 11, 2022.

The tasks of the Remuneration Committee include the preparation of guidelines for remuneration structures and metrics for all or parts of the company, such as performance-based remuneration and incentive programs, and ensuring the application of the remuneration levels in the company. The committee has also been tasked with reviewing succession planning, employee satisfaction, and leadership development. The decisions regarding remuneration must be managed in a well-defined process that ensures no individual is involved in decisions regarding their own remuneration. The Board decides on the CEO's total remuneration package based on the recommendation of the Remuneration Committee. The remuneration package for other members of the management team or key staff in management positions is approved by the Remuneration Committee following recommendations by the CEO. The Remuneration Committee must meet at least four times each financial year. The meetings of the Remuneration Committee must be recorded in minutes. The Remuneration Committee must inform the Board about the matters it has handled during the year. In 2022, the Remuneration Committee held four meetings.

## **Sustainability Committee**

The Board appoints the members of the Sustainability Committee annually at the inaugural Board meeting in conjunction with the AGM, and the committee then appoints its chair from among its members. In 2022, the Sustainability Committee consisted of Helen Fasth Gillstedt (chair) and Jonas Tellander.

The Sustainability Committee is responsible for ensuring that the company works strategically and systematically with sustainability throughout the business, manages objectives and follow-up and strengthens relationships with external parties. The Sustainability Committee supports the Board in fulfilling its responsibilities regarding issues concerning climate and the environment, human rights, working conditions and anti-corruption. The Sustainability Committee must meet at least four times each year. The meetings of the Sustainability Committee must be recorded in minutes. The Sustainability Committee must inform the Board about the matters it has handled during the year. In 2022, the Sustainability Committee held four meetings.

## **CEO and Group Management**

The CEO is appointed by the Board and leads the operations in accordance with the instructions adopted by the Board. The CEO is also responsible for the ongoing administration of the company's and the Group's operations in accordance with the Swedish Companies Act. Furthermore, the CEO decides, together with the chair of the Board, the agenda for the Board meetings. The Board evaluates the CEO's duties and work on an ongoing basis. The CEO is responsible for both ensuring that the Board receives the information it requires and presenting and proposing at the Board meetings the matters prepared by the company management. The CEO keeps the Board and the chair of the Board informed about the company's and the Group's financial position and performance.

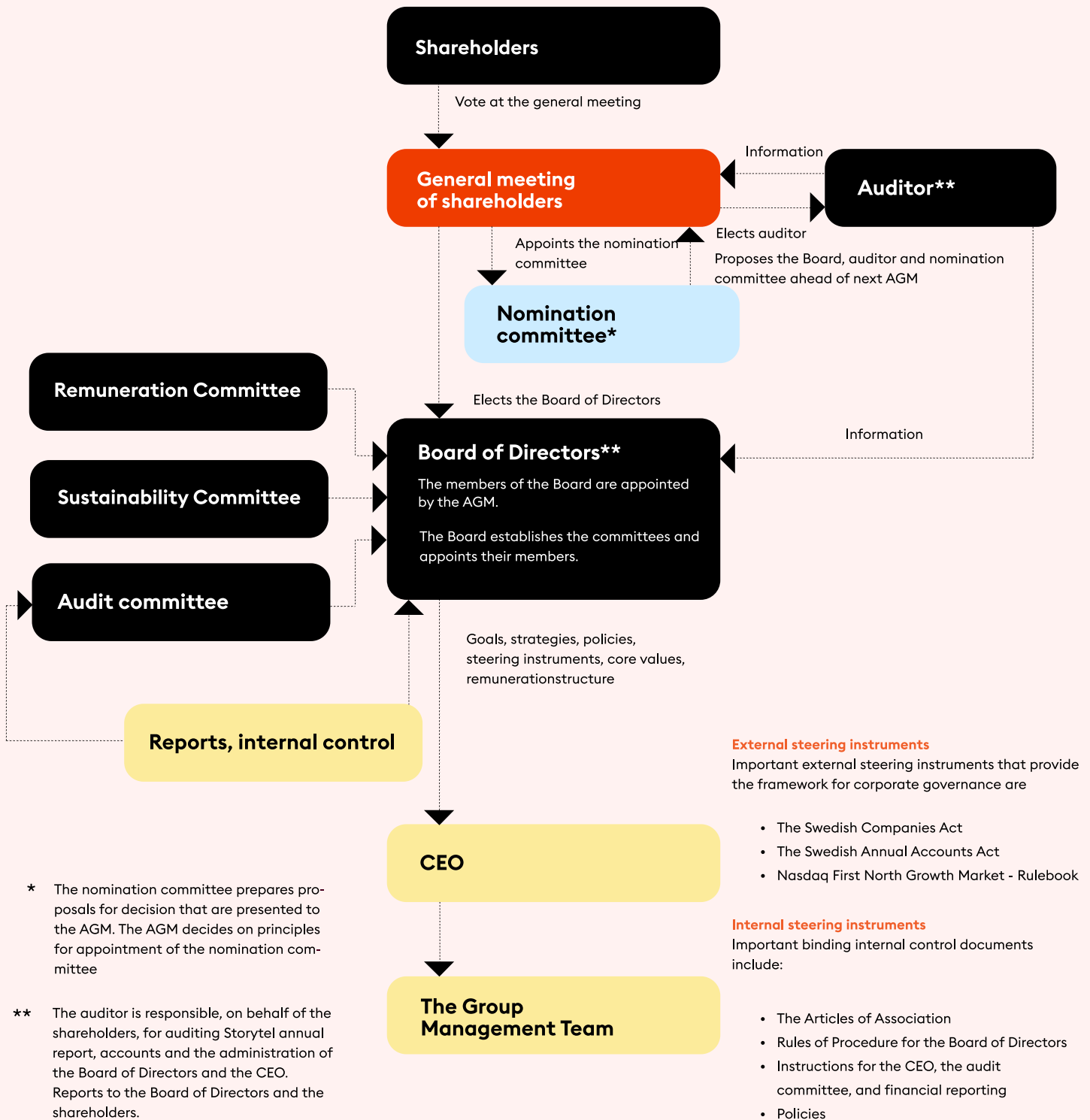
Johannes Larcher has been the CEO of Storytel since October 1, 2022. On February 18, 2022, Jonas Tellander resigned as CEO of Storytel and was replaced by Ingrid Bojner as interim CEO until September 30, 2022. As at December 31, 2022, in addition to the CEO, Group management consisted of seven senior managers: the chief financial officer, the chief content officer, the chief business officer, the chief technology officer, the chief product officer, the chief operating officer and the senior adviser to the CEO. In 2023, the senior adviser to the CEO left the company, and the Group management team was expanded to also include a chief people officer, the CEO Storytel Books, senior vice president of operations and the general manager of Audiobooks. For information about the CEO and other members of Group management, see the Management Team page.

Group management holds regular management meetings, and in 2022 the meetings were held weekly. The meetings focus on the Group's strategic and operational development and result follow-ups.

## **Auditor**

The auditor is appointed by the AGM to audit the company's annual accounts and bookkeeping and the administration of the Board and the CEO. The auditor's reporting to the shareholders takes place at the AGM through the auditor's report. At the AGM on May 4, 2022, the registered auditing company Ernst & Young Aktiebolag was re-elected as the company's auditor with the authorized public accountant Johan Homberg as the auditor-in-charge.







## Board of Directors



### Hans-Holger Albrecht

Chair of the board since 2022

**Born:** 1963

**Education/background:** Hans-Holger He has a Doctorate from the University of Bochum in Germany and a Master of Law from the University of Freiburg in Germany. He has a solid background as CEO, Chairman and Board Member of listed and private companies on an international basis. Most recently, he was CEO of Deezer, one of the largest music streaming services worldwide. Prior to that, he was President and CEO of the international telecom and media group Millicom International, operating in more than 15 countries in Latin America and Africa. He also served as President and CEO at Modern Times Group, MTG AB.

**Other significant board assignments:** Chair of the board of Scout24 Group and Superbet Group, board member of Deezer, nonexecutive director of VEON and Ice Group ASA.

**Independent in relation to the company and management:** Yes

**Independent in relation to major shareholders:** Yes

**Holdings in the Company:** 30,000 Class B shares

**Warrants:** -

**Call options:** 149,955



## Jonas Tellander

Founder of Storytel, CEO 2005-2022, board member since 2005 and vice Chair of the board since 2022

**Born:** 1970

**Education/background:** Jonas is the founder and former CEO of Storytel. He holds a MSc in Chemical Engineering from Lund University and an MBA from INSEAD. He has previously worked as Head of global licensing at Roche.

**Other significant board assignments:** -

**Independent in relation to the company and management:** No

**Independent in relation to major shareholders:** No

**Holdings in the company:** 4,850,000 Class B shares

**Employee stock options:** 17,847

**Warrants:** 62,500



## Lutz Finger

Board member since 2022

**Born:** 1971

**Education/Background:** Lutz has an MBA from INSEAD and an MSc in Physics from TU Berlin. He is an esteemed technologist with a diverse background in building innovative technology platforms for companies including Google, LinkedIn, and SNAP Inc. Lutz is currently the president of Product and Development at Marpai Inc., a US-based health-tech company and also serves as an advisor, nonexecutive board member and Angel investor at several data-centric corporations in Europe and the US.

**Other significant board assignments:** Non-executive board member of the 1&1 Mail & Media Applications SE.

**Independent in relation to the company and management:** Yes

**Independent in relation to major shareholders:** Yes

**Holdings in the company:** -

**Warrants:** -

**Call Options:** -



## Helen Fasth Gillstedt

Board member since 2019

**Born:** 1962

**Education/Background:** MSc in International Business and Finance & Control from the Stockholm School of Economics. She was previously a board member of amongst others Samhall AB, AcadeMedia AB, Lindorff A/S, NAI Svefa AB, Intrum Justitia AB, Swedesurvey AB and Humana AB. She has also been Vice President in different areas in the SAS Group and has had other management positions within the Statoil Group A/S.

**Other significant board assignments:** Member of the board and chair of the audit committee in Sortera AB, Viva Wine Group, PowerCell AB, Munters AB and Handelsbanken Fonder AB. Representing Handelsbanken Fonder in multiple Nomination Committees.

**Independent in relation to the company and management:** Yes

**Independent in relation to major shareholders:** Yes

**Holdings in the company:** 5,000 Class B shares

**Warrants:** 10,000

**Call options:** 10,000



## Malin Holmberg

Board member since 2020

**Born:** 1971

**Education/Background:** MBA from INSEAD and MSc in Economics and International Business from Stockholm School of Economics. Leading positions include Partner at the European venture capital firm Target Global, Chief Product Officer at Tele2 and CEO Tele2 Netherlands. She is currently CEO EMEA and AsiaPac at Experian, a world leading, global information services company.

**Other significant board assignments:** -

**Independent in relation to the company and management:** Yes

**Independent in relation to major shareholders:** Yes

**Holdings in the company:** 3,200 Class B shares

**Warrants:** 25,000

**Call options:** 10,000



## Jared Grusd

Board member since 2022

**Born:** 1966

**Education/background:** Jared received an MBA from Columbia Business School, a JD, with honors, from the University of Chicago Law School, and a BA from the University of Pennsylvania. Jared is an adjunct professor at Columbia Business School and an Advisory Council member and lecturer in law at the University of Chicago Law School. He has played a critical role in shaping some of the world's most transformative companies. Currently, Jared is the chief strategy officer of Chime, one of the fastest-growing financial technology companies. Previously, Jared served as the chief strategy officer of Snapchat, the general counsel and global head of corporate development of Spotify, and a senior executive of Google.

**Other significant board assignments:** Pupil, Inc.

**Independent in relation to the company and management:** Yes

**Independent in relation to major shareholders:** Yes

**Holdings in the company:** -

**Warrants:** -

**Call Options:** -



## Lina Brouneus

Board member since 2022

**Born:** 1982

**Education/background:** Lina holds an Msc in Corporate and Financial Management from Lund University. She has a strong track record in the European and US media industry along with significant experience from digital growth strategy, business development and international expansion. She is currently Director Film Acquisitions EMEA at Netflix. Lina was previously Chief Content Officer at Viaplay and COO Content MTGx where she was working across content, gaming and sports. She has also held several leading positions within Modern Times Group, MTG AB.

**Other significant board assignments:** -

**Independent in relation to the company and management:** Yes

**Independent in relation to major shareholders:** Yes

**Holdings in the company:** -

**Warrants:** -

**Call Options:** -



## Joakim Rubin

Board member since 2021

**Born:** 1960

**Education/Background:** Master of Engineering, Institute of Technology, Linköping University. Has previously worked as Partner Zeres Capital, Senior Partner CapMan and Head of Corporate Finance and Dept for Handelsbanken Capital Markets.

**Other significant assignments:** Board member of AFRY AB.

**Independent in relation to the company and management:** Yes

**Independent in relation to major shareholders:** No

**Holdings in the company:** -

**Warrants:** -

**Call options:** -

# Management Team



## Johannes Larcher

Chief Executive Officer (CEO) since 2022

**Born:** 1967

**Education/background:** Master of Arts from the University of Music and Performing Arts in Vienna and a Master of Business Administration from the Wharton School at the University of Pennsylvania. He most recently served as the Head of HBO Max International at WarnerBros. Discovery. Before HBO Max International he served as the Managing Director of Digital at MBC Group Co-Founder and CEO of SubVRsive, Senior Vice President at Hulu and President and CEO of Academy123.

**Holdings in the company:** 125,000 Class B shares

**Employee stock options:** –

**Warrants:** –



## Susanne Ekblom

Interim Chief Financial Officer (CFO) since 2022

**Born:** 1966

**Education/background:** Business Administration and Economics from Stockholm University. Previous positions include CEO and President of Vectura Fastigheter, CFO at Investor, CFO at SVT, various positions at Scania and present consultant in Susanne Ekblom AB.

**Holdings in the Company:** 4,500 Class B shares

**Employee stock options:** –

**Warrants:** –



## Helena Gustafsson

Chief Content Officer (CCSO) since 2020

**Born:** 1973

**Education/background:** Bachelor of Arts, Literature. Joined the company in 2013 as CEO of Storyside, after Storytel's acquisition of the audiobook publisher. In addition to her role as Chief Content Officer, Helena is the CEO of Storyside. She has previously had several key roles at Storytel such as Head of Global Publishing.

**Holdings in the Company:** 18,258 Class B shares

**Employee stock options:** 7,066

**Warrants:** –



## Johan Stähle

Chief Product Officer (CPO) since 2021

**Born:** 1984

**Education/background:** Master of Science in Business Administration from the Stockholm School of Economics. Johan has a background as an entrepreneur and co-founded Dreams, and BBH Stockholm. He has held several CPO positions and been an expert engagement manager at McKinsey.

**Holdings in the Company:** 594 Class B shares

**Employee stock options:** -

**Warrants:** 15,000



## Claus Wamsler-Nielsen

Chief Operating Officer (COO) since 2021

**Born:** 1975

**Education/background:** MSc in Economics from Copenhagen Business College. Before joining the management team as the COO, he was country manager for Denmark between 2018 and 2021. Prior to joining Storytel, his experiences include various management positions at Telmore A/S.

**Holdings in the Company:** 4,056 Class B shares

**Employee stock options:** 14,832

**Warrants:** 10,000



## Mark Pasternak

Chief Technology Officer (CTO) since 2021

**Born:** 1978

**Education/background:** MSc in Computer Science at Stockholm University. Mark has more than 20 years of experience in the tech industry. He has held several senior leadership roles across leading Nordic tech and media companies. His experience includes leading product and platform teams as Director of Engineering at Schibsted Media Group and Epidemic Sound.

**Holdings in the Company:** -

**Employee stock options:** -

**Warrants:** 15,000





## Ian Small

General Manager Audiobooks.com

**Born:** 1977

**Education/background:** Business Administration & Marketing, Sheridan College, Ontario, CA. Ian has 17 years of experience in the North American audiobook markets as the General Manager of Audiobooks.com. He joined the Storytel in 2022 through the acquisition of Audiobooks.com.

**Holdings in the Company:** –

**Employee stock options:** –

**Warrants:** –



## Linda Säresand

CEO Storytel Books

**Born:** 1974

**Education/Background:** Background and education in economics and markets with extensive leadership experience, and more than 20 years of leading position in the publishing industry, including CEO, Deputy CEO, and Head of Finance and Publishing manager. Linda has also held a number of Board positions within the publishing business. Linda was appointed CEO of Storytel Books as the Group parent Storytel AB gathered its wholly owned book-related businesses under one company in 2021. She was also appointed Chair of the Board of the publishing houses Norstedts Förlagsgrupp (SWE), Gummerus (FIN) and People's (DEN).

**Holdings in the Company:** –

**Employee stock options:** –

**Warrants:** –



## Åse Ericson

Chief Business Officer (CBO) Nordics since 2022

**Born:** 1976

**Education/background:** Bachelor of Arts, TV-production from Dramatiska Institutet and Executive Leadership Program from Stockholm School of Economics. Åse joined Storytel in 2019 as country manager for Sweden and is also the Regional Manager for the Nordic operations since 2021. She has held several management roles prior to Storytel, most recently as Head of Marketing and Sales at Novamedia.

**Holdings in the Company:** 550 Class B shares

**Employee stock options:** 11,484

**Warrants:** 15,000



## Kristin Widell

Chief People Officer (CPO) since 2023

**Born:** 1974

**Education/background:** Degree in Human Resources Management. She most recently served as the Director of People Operations at Peltarion. Kristin has over 15 years of executive experience across strategical, tactical and operational HR services and practices while leading digital transformation and innovation in renowned companies such as HiQ, SAAB and Tieto.

**Holdings in the Company:** -

**Employee stock options:** -

**Warrants:** -



## Anna Etzler

Senior Vice President Operations since 2023

**Born:** 1981

**Education/background:** Master of Science in Industrial Engineering and Management from the Royal Institute of Technology in Stockholm. Anna has more than 15 years of experience in operational excellence and business transformation. Previous positions include Director of Operational Excellence at Klarna, COO at Karolinska University Hospital's Cancer division and Strategic Initiatives Leader at GE Capital International.

**Holdings in the Company:** -

**Employee stock options:** -

**Warrants:** -

Sofie Zettergren and Ingrid Bojner have left the company prior to the publication of the 2022 Annual Report.



## Financial Reporting

The Board is responsible for ensuring that the company's organization is designed so that the company's financial conditions can be controlled in a reassuring manner and that financial statements such as interim reports and annual accounts to the market are prepared in accordance with law, applicable accounting standards and other requirements for companies listed on Nasdaq First North Growth Market.

The Board of Directors must monitor the financial performance, safeguard the quality of the financial reporting and internal control, and regularly follow up on and evaluate the operations.

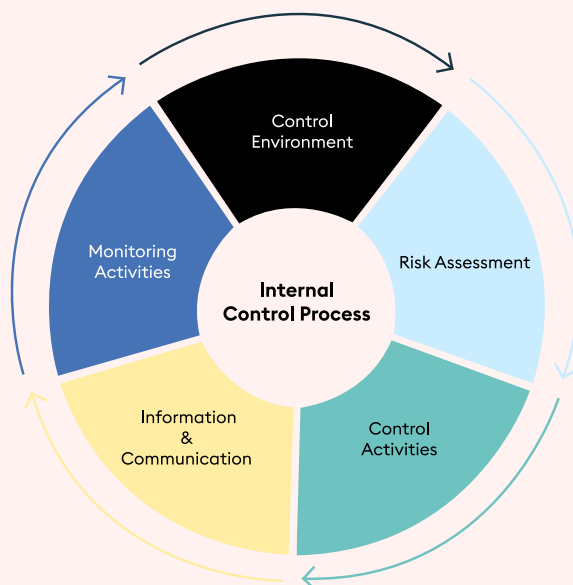
The Audit Committee is responsible for the preparation of the Board's work to ensure the quality of the company's financial reporting. However, the Audit Committee does not address only the Group's financial statements and more significant accounting issues but also issues regarding internal control, compliance, significant uncertainty in carrying amounts, events after the balance sheet date, changes in estimates and assessments and other circumstances that affect the quality of the financial statements. The CEO must ensure that the bookkeeping of the Group's companies is conducted in accordance with applicable law and that the administration is managed in a satisfactory manner. The accounts are prepared for the Group every quarter and submitted to the Board and Group management. A profit/loss statement, balance sheet and investment budget are prepared on a quarterly basis. The main budget is defined in the Q4 planning process for the upcoming fiscal year. For each quarter, an updated budget forecast is prepared to better reflect the financial outlook for the rest of the fiscal year period.

### **Financial information is regularly provided to the market in the form of**

- Interim reports
- Annual report
- Press releases with inside information in accordance with regulatory
- Presentations for financial analysts, investors, and the media on the day the year-end report and interim reports are published and on Capital Markets Day
- Meetings with financial analysts and investors held regularly during the year

## Internal Control over Financial Reporting

The overall aim of internal control over financial reporting is to ensure, with reasonable assurance, that the internal and external reporting is reliable. The internal control must also ensure that the operations are conducted in accordance with applicable laws and regulations and comply with requirements for companies listed on Nasdaq First North Growth Market. An internal control framework has been established within Storytel and continuously developed in recent years with the aim of supporting the organization and the systems and processes that contribute to Storytel's ability to meet the above-mentioned requirements on financial reporting. Storytel's internal control framework is based on COSO, which has been issued by the Committee of Sponsoring Organizations of the Treadway Commission. This framework rests on five components: Control Environment, Risk Assessment, Control Activities, Information And Communication, and Monitoring Activities. Below follows a description of Storytel's internal control work based on these components.



### Control Environment

The control environment for financial reporting is based on various governing documents such as policies and guidelines, instructions, and manuals that define responsibilities and authorizations. Examples of governing documents, specifically with regards to financial reporting, are the Code of Conduct, Financial Policy, Signing and Approval Policy and Storytel's Financial Manual. These internal documents, together with laws and other external regulations, constitute the so-called control environment that must be implemented in working processes and procedures and followed by every employee. Furthermore, the Board has established an Audit Committee that assists the Board regarding the supervisory responsibility of the Board linked to the efficiency and effectiveness of Storytel's internal control framework. The Audit Committee also assists with matters concerning significant accounting principles that the Group applies.

### Risk Assessment

The risk assessment includes identifying risks based on the fundamental requirements on financial reporting: completeness, accuracy, valuation, and reporting. Risks in conjunction with financial reporting are primarily related to misstatements in the accounting related to valuation of assets and liabilities, revenue recognition, and royalty costs. The risk assessment forms the basis for the risk of misstatements in the financial reporting and is the basis for the design and implementation of the control activities carried out by the business. The overall risk assessments at Group level are an integral part of the reporting to the Audit Committee and the Board of Directors.

### Control Activities

Control activities aim to prevent and identify at an early stage significant misstatements in the financial reporting in order to be managed and remediate them. Control activities are present at both generic and more detailed levels within the Group and are manual, IT-dependent and automated. Procedures and activities have been designed to manage and remediate significant risks related to the financial reporting that have been identified in the risk assessment. Depending on the nature and location of the control activity, corrective measures, documentation, and quality assurance occurs at the Group, subsidiary or process level. In 2023, the work will continue with evaluation of subsidiaries' processes and control structures as well as clarification of accountability and responsibility at a local level. In addition, a greater focus will also be placed on improving the formalization of key controls and risks in significant business processes for additional subsidiaries.



## Information and Communication

Storytel has well-established information and communication procedures to ensure that its financial reporting is complete and accurate. Storytel regularly communicates updates of its financial manual and related instructions to relevant parties.

Another important communication channel is the company's whistleblower function, where any non-compliance to accounting and internal control can be reported anonymously.

## Monitoring Activities

Storytel's process for internal control includes systematic follow-up of risk assessments and control activities in order to evaluate, remediate and constantly improve. Storytel's Internal Control function coordinates follow-up activities and compiles an aggregate picture for reporting to the CFO and the Audit Committee. The Board's follow-up of the internal control for financial reporting occurs primarily through the Audit Committee.

The monitoring activities related to internal control also occur as part of the external audit. The Audit Committee follows up on the financial accounting and receives reports from both the Internal Control function and the external auditors.

## Evaluation of the need for a separate internal audit function

At Storytel, there is currently no formal internal audit function. The Board conducts an annual review of this arrangement and has for the 2022 financial year assessed that existing structures for follow-up and evaluation are satisfactory. If a need for specific internal audit efforts is identified, the need can be fulfilled through temporary external resources.



## Risk Management and Risks

Like for all companies, Storytel's way of doing business is associated with risks. The ultimate purpose of risk management at Storytel is to identify and manage events that could have an adverse impact on the achievement of Storytel's objectives.

Storytel's work with risk management is based on international standards under the leadership and coordination of the company's Internal Control function. Overall principles as well as roles and responsibilities for risk management are further defined in the company's Risk Management and Compliance Policy, which, together with other Group policies, is adopted by Storytel's Board and subject to annual review.

To ensure that Storytel's risk work is based on a company-wide perspective that includes all business objectives of different nature, a number of risk categories have been developed to also form the basis for the assessment scale used in assessing the impact of risks.

On an annual basis, Storytel Group performs a risk assessment to identify, evaluate and prioritize the risks that are most important for achieving set business objectives within the Group. Thereafter, appropriate activities are decided upon in order to either reduce the probability of the risk occurring or mitigate any consequences. Risks are assigned to an owner who is responsible for monitoring and following up on decided activities and that their impact is lowering the risk as intended. The company performs a review and reports on the status of the most significant enterprise risks at least once a year, and the results are reported to the Audit Committee and the Board of Directors.

As part of its work to reduce risk exposure in select areas, the company takes out different types of insurance policies for the risks that are insurable. These include property and interruption insurance policies, general product and liability policies, CEO and Board liability policies as well as business travel policies. These are reviewed annually in consultation with insurance brokers.

Below is an overview of important risk areas for Storytel and how the risks are being addressed.

## The Macroeconomic Outlook

Negative macroeconomic factors such as high inflation and increased energy and supplier costs have affected society as a whole throughout 2022. They have led to increased uncertainty about consumption trends in both the short and long term, challenges in the manufacturing and transport sector, and an accelerated digitalization transition tied to the physical book trade. There is a risk that Storytel will not be able to effectively monitor and adapt the business quickly enough to new conditions in, among other things, customer behavior and resale channels as a result of the macroeconomic factors. To manage this risk, Storytel carefully follows and analyzes trends and market conditions by looking into scenarios to handle different economic outlooks.

## Competition in a Broader Perspective

Storytel competes for subscribers and content with local and international players within the audiobook and publishing field, but also for consumers' time in general. This competition is expected to increase in coming years. If Storytel fails to develop its product offering, this could negatively impact Storytel's business and future earnings. Storytel continuously works to improve its products, its offer to customers and its business model, including the ability to source competitive content and acquire and retain customers in a cost-effective way.

## Content Risks

In order for Storytel to be able to offer high-class content and reach a broad international customer group, we need to identify and manage the risks arising from our content. Risks associated with our ability to offer an attractive content catalog by attracting and retaining important content creators are managed through a focus on relationship building, credibility and high competence as well as carefully following the industry development and regulations in order to offer fair compensation. Storytel has also made, and plans to continue to make, investments in exclusive content in targeted markets to offer unique listening experiences.

Storytel Streaming provides content that is aligned with our vision and mission, for example meeting requirements associated with human rights and freedoms. There is a risk that we will not detect and prevent offensive content from being made available to customers in our service. As a company handling third-party intellectual property, there is also a risk of infringements of third-party rights in our service. Offensive content, infringements of third-party rights and failure to identify and remove such content could have a negative impact on, for example, our credibility with various stakeholder groups, such as rights holders, publishers and customers. Storytel has established a Content Committee to set up general content requirements and review specific material. Storytel Streaming has also adopted routines and internal guidelines to mitigate and handle such risks and potential claims related to infringing content. Read more in our sustainability report about how we protect our intellectual property.

## Product and Production Risks

Storytel is and will continue to be a premium product when it comes to our app and its user-friendliness. An increasingly digital world combined with tough competition also places increasingly higher demands on the app's areas of use and compatibility. It also pushes product development to the forefront. Therefore, Storytel has further strengthened its expertise in product development and innovation during the year and rightsized the team and capabilities for future profitable growth.

The production of physical books in Storytel Books is highly dependent on the development of energy costs and general inflation in the economy. With the significant recent increase in energy costs, there is a risk that production costs will increase more than the retail price of physical books. This is also impacted by higher inflation in general. Storytel Books actively monitors the production cost per edition and the key ratio of sold books to printed books in order to optimize the cost and related capital tied up.

In book production, there are also risks that picture books for children and other non-book products will not meet applicable safety requirements. We place and communicate high demands on our suppliers and require adherence to established safety directives and product certifications in this area to mitigate this risk.

## Global Presence and Expansion Increase Risk Exposure in Several Directions

Storytel is on a trajectory of sustainable and long-term profitable growth in the booming audiotainment segment. The company's strategic focus for investments is mainly directed to its profitable core markets. However, Storytel's growth consists of expansion into new growth markets. When Storytel expands to markets where audiobook listening is still low, risks arise regarding how new customers are acquired and retained, as well as the company's ability to be innovative and current in the market in question. There is a risk that Storytel will not sufficiently take into account the market conditions that an expansion entails, both in terms of customer behavior and based on the regulatory situation or other country-specific conditions. There is also a risk that the overall acquisition strategy or the actual company acquisitions that are carried out will not succeed in delivering the expected growth. This risk is managed by continuously reviewing, clarifying and developing the process prior to an acquisition decision and the subsequent integration process.

Storytel Books places considerable focus on cooperation between the different Storytel-owned publishers in order to improve the operational profit and continue to offer rights holders a stronger offer. This is essential in order to strengthen the companies' positions in the geographical areas where they are present in an increasingly globalized and competitive market.

For our publishers within Storytel Books who work with publishing, rights holders and journalistic issues, there are also risks associated with political unrest along with a broad global presence that involves risks related to our basic foundations of freedom of expression and human rights. The publishers within the Group support both the domestic PEN organizations in each country as well as international PENs and other bodies that promote freedom of expression. These organizations are important voices for protecting free speech and persecuted and harassed writers.

## **Sustainable Growth Requires a Scalable Organization**

Storytel's growth strategy also places high demands on a scalable and agile organization, and there is a risk that processes, IT systems and competence will not be adequate to support this development. As the organization grows, both organically and through company acquisitions, higher demands are placed on, for example, clear goal-setting and goal management, centralized coordination, reduced dependencies on individuals, and data-driven business follow-up. Failure to adequately manage our growth may negatively impact Storytel's organization and business. Storytel works actively to enhance the scalability and agility of the organization. This is done for example by improving integrations of new subsidiaries in an efficient way, reviewing organizational structures and processes in order to right-size, simplifying and automating where possible, and clarifying roles and responsibilities in governing documents.

## **Strategic Workforce Planning and Talent Acquisition**

Storytel's business model and growth strategy place high demands on the skill of our employees. There are risks that Storytel lacks important skills in key roles such as publishers or in areas such as senior leadership and product development. Storytel works actively to develop and improve the offer we can give our employees in the form of remuneration and development opportunities and invests heavily in creating a workplace where we can recruit and retain competent employees regardless of their nationality or domicile. During this year, Storytel continued to carry out recruitments in important leadership roles in line with the growth strategy and continued to invest in employee health and activities to promote the corporate culture.

## **Legal and Regulatory Risks**

The Storytel Group operates in several different jurisdictions and is thus exposed to various legal requirements that also increase as the business expands into more geographical markets. There is a risk that Storytel will not take into account the complexity that legal requirements entail and/or succeed in establishing efficient and safe processes. Storytel works proactively to monitor changes in legal conditions in order to meet the requirements set. Storytel has, among other things, built up internal competence to support the business in managing various legal risks and works regularly with external advisers.

## **Personal Data**

Following the entry into force of the GDPR (General Data Protection Regulation) in 2018, Storytel has continuously worked to implement organizational, technical and administrative changes and resources to meet the requirements of the regulation. As a result of this regulation, EU/EEA countries have issued supplementary legislation and national interpretations thereof. Countries outside the EU/EEA have also increasingly issued national legislation, which in many cases is based on the GDPR but where there may also be deviating or stricter rules. Interpretation of this regulation is thus constantly changing. This places high demands on a global organization, both technically and organizationally, and there is a risk that the company will not take into account the complex requirements and therefore not implement processes quickly enough or to a sufficient degree. Severe penalties may also be imposed pursuant to the GDPR, and the company, depending on the nature and extent of a possible breach, may risk both injunctions for measures with a short implementation time and penalties or sanctions.



## Business Ethics

Storytel places great value on conducting responsible business free from bribery, corruption or other types of unethical conduct. There is a risk of unwanted behavior on the part of internal staff as well as external suppliers and partners. Storytel has adopted a Code of Conduct as well as a number of other governing documents and guidelines that all employees must read and understand in conjunction with employment. There is also a compliance program with the aim of maintaining and developing knowledge in compliance with the rules and what it means for individual employees, as well as specific training that is carried out for selected groups under the guidance of Storytel's lawyers. Storytel has established a process and channel for whistleblowing that is accessible to employees and managed by a team with relevant skills. Since unethical behavior by an external party can also damage Storytel, Storytel is vigilant in choosing partners and works continuously to improve the work of setting requirements for our partners and suppliers. Storytel has committed since 2021 to following the ten principles of UN Global Compact on human rights, labor, environment and anti-corruption. These principles are integrated into the company-wide Sustainability Policy, and in 2022, Storytel launched an updated Supplier Code of Conduct for its Streaming business that integrates the ten principles. Read more in the 2022 Sustainability Report.

## Environmental & Climate Risks

Companies, including Storytel, play a central role in driving down greenhouse gas emissions and building a resilient zero-emissions economy. Costs associated with emissions are increasing year by year, and rising temperatures and resource scarcity around the world can lead to disruption for Storytel's operations. There is a risk that Storytel fails to build a value chain and operations that are resilient to the impact of climate change. As a signatory of UN Global Compact, Storytel wants to engage with its suppliers to address environmental impacts, apply the precautionary approach, and promote greater environmental responsibility and the use of clean technologies across its value chain. Read more about Storytel's environmental & climate risks and its management in our sustainability report.

## Financial Risks

Storytel is in an expansionary phase and could thus be dependent on external financing to achieve its strategic objectives. Changes in the financial markets, for example due to general market fluctuations, macroeconomic effects such as higher interest rates, or new and amended laws and regulations, may entail risks that will make it more difficult or more expensive to raise capital in the future. Storytel manages its financing strategy on the basis of a financial policy adopted by the Board, which is reviewed at least annually. The finance policy regulates management in areas such as cash and cash equivalents, financial exposure, future cash flows and financial instruments and how Storytel will work with these issues at Group level. For information on Storytel's financial risks and their management, see Note 25.

