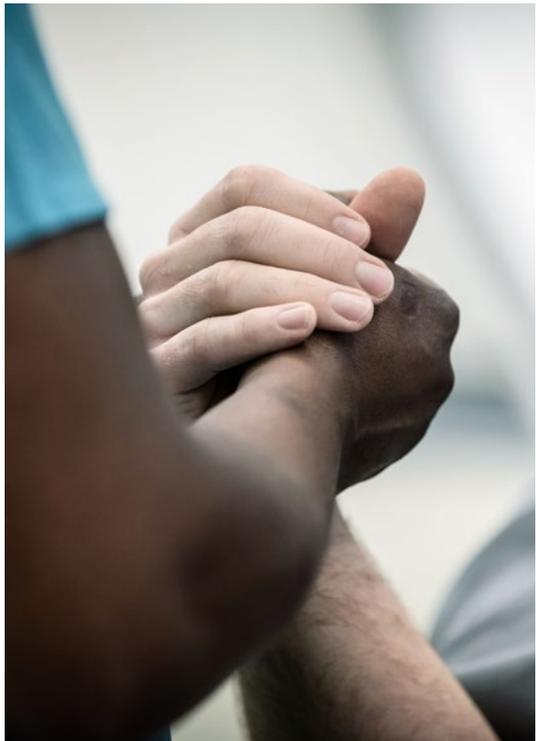


GETINGE ✦



Passion for life

2021 Annual Report



At some point in life, everyone will need to seek care. Getinge has a long tradition of creating innovations that improve people's quality of life – and save lives. It is one of the most important jobs in the world.

This is Getinge

The world is facing major challenges, one of which is the ability to provide the increasing world population with safe and effective health care. People are living longer and, according to WHO, lifestyle diseases such as cardiovascular diseases is one of the primary causes of death globally.

Getinge is committed to ensuring that all people and societies have access to the best possible health care. The company supports its customers in meeting challenges in health care and life science by providing knowledge, technology and resources to achieve optimal clinical outcomes and, ultimately, to save lives.



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10,700

Employees

25,000

Customers

SEK 27 billion

Net sales 2021

132

Sales to no. of countries

About the report

Getinge AB (publ)'s formal Annual Report and consolidated financial statements comprise the section "Annual Report" on pages 76–143, except for the Remuneration Report on pages 86–89, and have been audited by the company's auditor. The Corporate Governance Report comprises the section "Corporate Governance" on 34–59 and has been examined by the company's auditor. Sustainability information is integrated in the section "Strategy" on pages 12–33 and in the section "Sustainability report" on pages 60–73. The statutory sustainability report is defined on page 60. To provide stakeholders with extensive and comparable disclosures, a "Getinge Sustainability – ESG Addendum for Annual Report 2021" is also published. The auditor's report regarding the statutory sustainability report is presented on page 74.

Every care has been taken in the translation of this Annual Report. In the event of discrepancies, the Swedish original will supersede the English translation.

2021 in brief



DPTE®-BetaBag to the US

To meet demand in sterile transfer, Getinge prepared its production facility in Merrimack, NH, in the US for manufacturing DPTE®-BetaBag. Production started in December.



System for preparation of bioreactors

In a time when a great deal of medical research is focused on vaccines, Getinge launched a new system for preparation of bioreactors.

Settlement agreement

Getinge's subsidiary Atrium Medical Corp. entered into a settlement agreement with the plaintiff's lead counsel related to the multidistrict litigation (MDL) linked to surgical mesh product liability in the US. An additional provision of SEK 600 M was made to account for the settlement in addition to litigation expenses incurred to date.

Expanded ventilator offering in the US

In April, Getinge announced that it had received clearance from the US FDA for several new software solutions for the Servo-u and Servo-n ventilators. In addition to software upgrades, clearance was also received for the new Servo-u MR ventilator for the MRI room.



Getinge Virtual Hospital

Getinge launched a virtual hospital that simulates a state-of-the-art hospital environment online. Similar to the company's real-world Experience Centers, visitors can interact with products and solutions and contact Getinge representatives.

Flexible remote working

The majority of employees who worked remotely during the pandemic experienced improved productivity and work-life balance, which resulted in Getinge introducing a permanent offer for flexible remote working.

HL 40 available for more European hospitals

Getinge's HL 40 heart-lung machine, inspired by a collaboration with perfusionists and designed to increase safety and ensure maximum uptime in cardiac surgery, became available for more European hospitals during the year.

AI solution for improved hospital efficiency

During the year, Getinge upgraded its Torin OptimalQ solution that helps with the planning, management and optimization of surgical procedures. The result, Torin Artificial Intelligence (AI), significantly expands capabilities in key areas including predicting surgery times, managing waiting lists and data security.



Award for sustainability

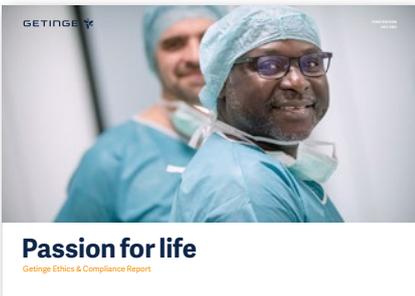
Getinge was named the winner in the category “Most Sustainable Company in the Life Science Industry” by World Finance Magazine, which awards businesses that are taking action to tackle climate change.

More acquisitions during the year

In the third quarter, Getinge acquired technologies for biological indicators from the start-up company Verrix. Talis Clinical LLC, a US-based leading innovator of High Acuity cloud-based software solutions, was acquired in December. Irasun GmbH was acquired after the end of the year to broaden the offering in ECMO therapy and cardiac surgery.

New game-changing feature in surgical lighting

In October, Getinge launched a Volista VisioNIR feature in Maquet Volista StandOP – an innovative solution which allows surgical staff to keep the surgical light on when performing open surgeries using NIR fluorescence imaging systems.



New Ethics & Compliance Report

In July, Getinge released its first report summarizing the company’s activities within the ethics and compliance area.

25 years of digital traceability for surgical instruments

T-DOC, Getinge’s sterile supply management system, turned 25 during the year. When launched in 1996, it was the first solution worldwide offering health care facilities the opportunity to go from paper-based to fully digital surgical instrument traceability.



Expanded ECMO offering

Getinge launched the Rotaflow II Extracorporeal Life Support (ECLS) System, together with the Permanent Life Support (PLS) Set, which offers up to 14 days of cardiopulmonary support in a compact, portable, safe and reliable manner.

Capital Markets Day

In November, Getinge invited analysts, investors and the media to a virtual Capital Markets Day at which the company presented new financial targets and the next step of its continuing improvement process.

Global value creation

Getinge's role is to provide value to its stakeholders. Through innovation and collaboration, health care and research can be more effective and productive – which create value for society at large.

VISION

To become the world's most respected and trusted medtech company

MISSION

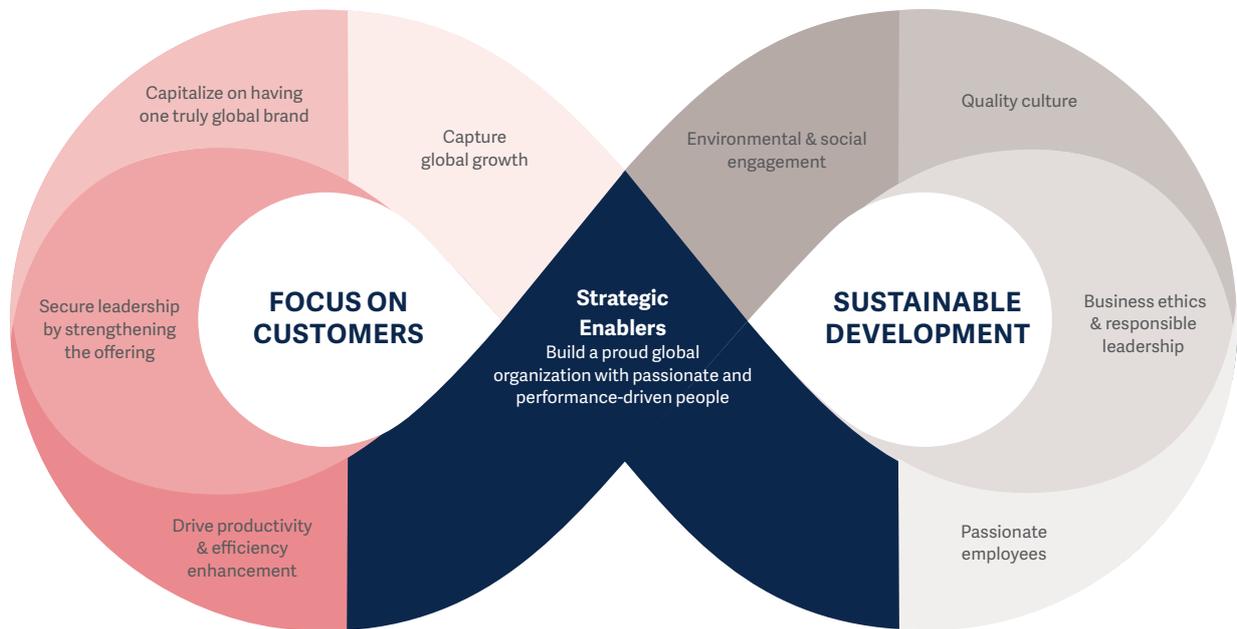
Getinge provides innovative products and solutions that enable better patient outcomes while enhancing the economics of the health care system

VALUES

Passion is at the heart of Getinge's values



STRATEGY FOR SUSTAINABLE GROWTH



USING GETINGE'S PRODUCTS AND SOLUTIONS, HEALTH CARE, RESEARCH AND DEVELOPMENT CAN SUPPORT SOCIETY AT LARGE

Customers

Getinge's top priority is to have satisfied customers. Contributing positively to customers' operations will improve customer loyalty and lead to better business results for Getinge. The performance of the business in recent years shows that customer satisfaction is continuing to rise.

Society

Getinge is contributing to better health care in a productive way as this is key for society. Getinge is also contributing to society indirectly through collaborations with universities and relevant organizations. Getinge's products were sold in 132 countries in 2021.

Partners

Increasingly high demands are being placed on health care of the future, meaning that companies, researchers and universities must work even more closely together and pick up their pace. By working in an open ecosystem together with partners and other suppliers, Getinge helps create sustainable value for patients and society at large.

Employees

Getinge's future and ability to create value for its stakeholders are heavily dependent on the ambition and passion of its employees, and on how Getinge utilizes this.

Interview with the CEO about 2021 and the future

Getinge's CEO Mattias Perjos summarizes 2021, which was affected by the pandemic, supply chain challenges and continued improvements to the operations.

He also looks ahead, to new products, more acquisitions and the efforts to create even more customer value.

Key figures	2021	2020
Order intake, SEK M	28,258	30,568
Net sales, SEK M	27,049	29,819
Adjusted EBITA, SEK M	5,212	5,724
Adjusted EBITA margin, %	19.3	19.2
Adjusted earnings per share, SEK	13.22	14.43
Net debt/ Equity ratio, multiple	0.14	0.35
Equity/ Assets ratio, %	56.5	47.7
Equity per share, SEK	92.43	78.88

How was 2021 for Getinge?

"I believe that we as a company succeeded in supporting our customers with critical solutions during the pandemic, at the same time as we revitalized other parts of the operations where needs have not been as high for some time. The year was challenging given the global supply problems that arose and led to a shortage of components and logistical challenges, but we managed these very well thanks to all of our employees and our successful partnerships with customers, other suppliers and authorities. A key reason that we succeeded in all of this was that we have made extensive progress on implementing our corporate strategy."

Can you tell us more about how this work is progressing?

"We have learned to work in new ways, both cross-functionally internally and throughout the entire supply chain from supplier to customer. The underlying productivity measures that started in 2017 also contributed. We have worked methodically and in a structured manner to make the system more robust. This foundation has helped us during the pandemic.

We can also see that the strategy is working in financial terms, with our productivity measures and close partnerships with our customers and health care personnel generating results. We reported solid underlying growth, even excluding sales of ventilators related to COVID-19. It is particularly gratifying to see that the Surgical Workflows business area is making a comeback following an extremely tough 2020 with uncertainty about when the demand for this customer offering would return.

Progress was also made at the German production sites in Hechingen and Rastatt, where we completed remediation measures during the year according to the schedule agreed with the US FDA. The implementation of our quality strategy is moving in a positive direction and involves a more proactive and long-term approach to working on quality, with an even greater focus on the customer."

What progress has Getinge made in terms of meeting customer needs?

"Ramping up ECMO is a positive example, both in terms of paving the way for this being a therapy of the future and with respect to how we succeeded in expanding the production capacity of our ECMO products. In Life Science, we increased production of DPTE®-BetaBag through the addition of a new plant in Merrimack, US, which opened on schedule before the end of the year. Both of these solutions have created high value for health care personnel, researchers and pharmaceutical manufacturers, particularly during the pandemic, and will continue to do so in the future.

We also continued our investments in making health care more efficient and sustainable through increased digitalization. We acquired companies in this area in 2021 and we are continuing to identify potential acquisitions for the future."

Have customer relationships changed in the past year?

"Our most recent customer survey shows that we have continued to strengthen our customer relationships, and we have also

“The updated quality strategy will enable even more proactive and forward-looking work, focusing on customers and innovation rather than remediation. We have many exciting things planned for 2022.”



improved at collaborating according to the new conditions that apply. Wherever possible and where there is a considerable need, we try to meet with customers in person in a responsible way, but most meetings have been virtual. Virtual meetings and training courses are now part of our daily lives, and we have significantly improved their productivity. The launch of Getinge’s virtual hospital is also a way for us to create optimal conditions for the future and offer a competitive alternative for our customers to visit our physical experience centers.”

What progress has been made in sustainability?

“We committed to Scope 1–3 of the Science Based Targets initiative at the end of 2020 as a next step in achieving the target of becoming a CO₂-neutral company in our own operations by 2025. We have a plan in terms of the initiatives that are to be implemented at our manufacturing sites and have continued to transition to renewable sources of energy, for example. To further reduce our carbon footprint, we are reviewing our entire supply chain and working with suppliers and customers to adopt a circular economy. This applies to everything from recycling and managing residual products to logistics and distribution.

Together with our customers, we are looking at how our products and solutions not only meet basic requirements but can also support them to contribute to a more sustainable world. This

may involve many areas, such as reducing water consumption and the use of anesthetic gases, but is also about creating a better environment for personnel, patients and their families.”

What is your view of the future?

“It is not easy to predict what will happen in 2022 and beyond since we are still in a pandemic. Naturally, like everyone else I hope that this will subside and we will find some sort of new normal. We will complete the implementation of our flexible workplace concept and facilitate even more interaction with customers both physically and digitally, all to create higher value.

The corporate strategy and sustainability are of course priorities for us going forward. We will continue on the path we have set out. The updated quality strategy will enable even more proactive and forward-looking work, focusing on customers and innovation rather than remediation. We have many exciting things planned for 2022.

Enhanced innovation will be very important in the future and we have created a solid foundation for this. Digitalization is definitely one of the key themes for 2022 to lead us into the future. We have already taken important steps in terms of offerings, meeting formats and collaborations. I hope that 2022 will be a year with several relevant acquisitions and that we will be able to take additional steps in the right direction to be part of creating sustainable health care.”

External trends impacting Getinge's business

Getinge operates globally, and although the conditions between countries and regions may differ, many of the trends are the same and result in higher demand for Getinge's products and services for health care and research.



MORE PEOPLE AND LONGER LIFE EXPECTANCY

The need for health care is increasing as the world's population continues to increase and live longer, which is evident all over the world.

CUSTOMIZED DRUGS

Biopharma has developed rapidly in recent years based on the industry's ability to produce customized drugs.

HEALTH CARE SYSTEMS THAT ADD VALUE

Effective health care is needed to meet the challenges brought about by a larger population. Value-based health care is becoming increasingly important: Offering therapies and devices that create added value effectively and productively in the form of enhanced quality and costs.

INNOVATION AND COLLABORATION

Producing new, value-adding innovations or outcome-based remuneration models requires a higher level of digitalization and global collaboration between several parties.

Strategy

Getinge is continuing to pursue its strategy, which over time has resulted in increased customer and employee satisfaction. The company's product offering has been strengthened in growth areas, and an ambitious sustainability agenda has been prepared.

495,000

Number of DPTE®-BetaBag supplied during the year for use in, for example vaccine manufacturing

40 million

surgical procedures are performed annually using Getinge's products

500

sterile supply departments throughout the world are equipped with Getinge's products



Targets

Dividend policy

30–50%

of net profit for the year

Dividend for 2020
fiscal year

SEK 3.00 per share

(25% of net profit)

Proposed dividend
for 2021 fiscal year

SEK 4.00 per share

(36% of net profit)

Financial targets

Getinge's financial targets for 2018–2021 applied to the key areas of sales, profitability and distribution of profit to shareholders.

New financial targets for 2022–2025

Getinge presented new financial targets in November. These targets are annual organic net sales growth of 4–6% and adjusted EPS growth of >10% on average throughout the period. In addition to this, further net sales growth and operating profit are expected to be added from selective acquisitions, for which Getinge has significant financial and operational capacity. The dividend policy of paying dividends of 30–50% of net profit remains.

4–6%

Average organic growth in net sales

>10%

Average adjusted EPS growth

Financial targets for 2018–2021

Getinge had the following targets for the period: Average organic growth in net sales of 2–4% and >10% average growth in earnings per share. Sales in 2021 fell 4.8% organically mainly as a result of major deliveries of ICU ventilators in 2020.

Adjusted earnings per share amounted to SEK 13.22.

The Board's proposed dividend for 2021 is SEK 4.00 per share, an increase of 33%. This level means that Getinge is maintaining solid financials with headroom for acquisitions and proactive actions in line with the business strategy.



Sustainability targets

Getinge's sustainability targets include customer satisfaction, environmental impact, social responsibility and passionate employees, which are all parts of the company's 2019–2025 sustainability program.

New sustainability targets for 2022–2025

Getinge decided to review its sustainability targets when the 2022–2025 financial targets were updated.

Accordingly, the company has the following targets from 2022:

- Improved customer quality index >70%
- Employee commitment >70%
- Carbon neutral in its own operations by 2025
- All employees trained in business ethics and responsible leadership

Sustainability targets for 2018–2021

Customer satisfaction

The goal is to achieve a Net Promoter Score of >25, with 0 as the industry average. A customer satisfaction survey was carried out in 2021 which showed a positive increase to 39, up from 27 in 2018.

Environmental impact

Getinge's aim is to become a carbon-neutral company by 2025. This target encompasses activities in many areas such as smart logistics solutions, sources of renewable energy, green certificates and changed business travel routines.

Social responsibility

Getinge endeavors to have zero occupational accidents. The ratio of total occupational accidents in 2021 was 1.32 (1.35).

Passionate employees

Getinge's target is to achieve >70% as the index for employee commitment. No company-wide employee survey was carried out in 2021 due to the pandemic. However, PULSE surveys were conducted in various parts of the organization on different occasions. The overall result from these was 67%. In 2022, Getinge plans to establish a new, more appropriate system for Group-wide employee surveys.

✓ **Satisfied customers**

✓ **Carbon neutral**

✓ **Safe place to work**

✓ **Passion at work**



Strategy for sustainable growth

Getinge's strategy was updated during the year to better harmonize with external requirements and trends. Getinge has every possibility to continue to create value for patients, customers and society at large.



The strategy can be summarized in eight parts, all of which aim to drive long-term sustainable development. It guides employees toward improved results and includes processes that create the right conditions for smart business decisions.

1 Drive productivity & efficiency enhancement

Getinge has identified several possibilities to improve the efficiency and productivity of its operations, particularly by setting well-defined priorities in everything from product development, purchasing and production to marketing activities and service.

A prime example of this is Quality Value Engineering (QVE), which aims to establish structured and customer-centric development activities to refine products so that product costs decrease while maintaining or enhancing functionality and customer value. QVE has been implemented in many projects for developing operating tables with positive outcomes.

Efforts to continuously enhance productivity will continue. Potential rationalization of the product portfolio, QVE and platform optimization are examples of key components of these activities.

2 Secure leadership by strengthening the offering

Getinge has selected prioritized segments to cohesively strengthen the product and service offering in its three business areas. This prioritization helps to facilitate a more selective allocation of resources and to focus investments on the product and service areas where customer demand is highest.

The company both launched new products and solutions, as well as acquired companies in 2021. Products such as Rotaflow II, Torin Artificial Intelligence, HL 40 and a new holistic system for preparation of bioreactors have all contributed to increased customer value. An important area is to continue to develop and strengthen Getinge's digital offering.

Getinge's ambition is to increase the rate of acquisition over the next few years. In 2021, Getinge acquired advanced technology related to biological indicators from Verrix, a US start-up company. This deal is part of Getinge's acquisition agenda to strengthen the offering of consumable supplies in sterile supply management and follows on from the previous acquisition of Quadralene. The product is in the development phase and is not yet commercially available. Another acquisition made in December was Talis Clinical LLC, a US-based leading innovator of High Acuity cloud-based software solutions. Talis Clinical's offer is designed to support and document care throughout the operative care process, but also through labor and delivery episodes and critical care support, including ECMO therapy.

The investment in digitalization will continue over the next few years. For example, Getinge sees opportunities to use digital tools to offer proactive service and improve clinical outcomes. The company will also continue to invest in technical innovations and more effective research and development (R&D) processes and allocation of resources.



3 | Capitalize on having one truly global brand

Getinge operates in an industry where trust is crucial. This means that the Getinge brand is to be associated with high credibility when it comes to creating relevant value for patients and customers.

Customer satisfaction is an important indicator of the strength of the brand, and for 2018–2021 the goal was to achieve a Net Promoter Score of >25, with 0 as the industry average. A customer satisfaction survey was carried out in 2021 which showed a positive increase to 39, up from 27 in 2018. Getinge’s product portfolio comprises products from a large number of acquisitions and brands. The company has continued to re-brand products and at the end of the year the Getinge logo was on 64% of the portfolio. Two major brand campaigns were launched during the year, which were positively received.

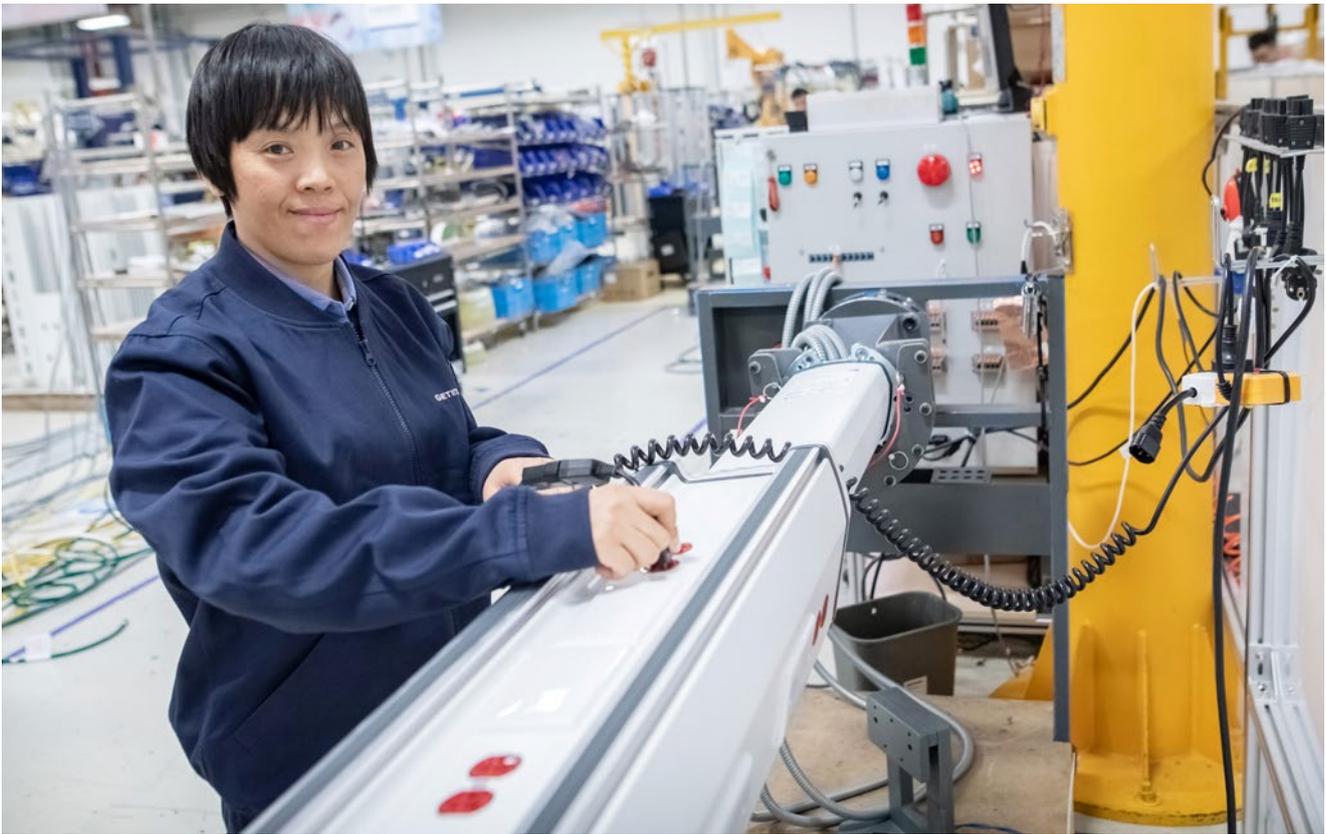
The journey toward greater awareness and an even stronger brand will continue with a focus on customers and patients.

4 | Capture global growth

Getinge’s global sales and services organization has developed strongly in recent years, but is set to become even more agile and customer oriented in order to capture more global growth opportunities.

Getinge has experienced healthy global growth in service and generally in products for life supporting ECMO therapy, bioreactors and sterile transfer. To meet the need for DPTE®-BetaBag, Getinge expanded production capacity at its site in Merrimack, NH, in the US. Production capacity in Delft in the Netherlands was also expanded during the year to satisfy growing global demand for bioreactor systems. The service business also reported healthy growth in 2021, and Getinge sees many opportunities for continued growth in this area.

To continue to safeguard global growth, Getinge will expand its therapy offerings, further improve its service offering and enable enhanced productivity to increase customer satisfaction.



A Getinge employee in Suzhou, China, builds the Maquet Moduevo.

5 | Passionate employees

Getinge's aim is to create a dynamic organization of passionate employees that continues to develop the company. Teamwork and collaboration define how Getinge works to help its customers save and improve the lives of more patients.

At an early stage of the pandemic, Getinge created a concept for a flexible workplace approach that was introduced globally in 2021. The company developed the concept to fit local adaptation and implementation needs. A total of about 40% of Getinge employees who received the offer have decided to take advantage of the flexible concept. Leadership training courses for remote working were held for about 900 managers in the first half of the year. The aim was to ensure commitment and well-being among employees who have decided to work under the flexible workplace concept and those who were forced to work from home during the pandemic.

Getinge also works actively to create the conditions for learning and further development in the company. More than 650 future managers were identified during the year. Getinge also works continuously to improve diversity.

Under a strategic partnership, Getinge collaborates with researchers from the School of Business, Economics and Law at the University of Gothenburg on activities related to customer-centric innovation and sustainability. This partnership provides Getinge with the opportunity to share relevant and applicable know-how from researchers.

Based on strategic skills supply, leadership and diversity, Getinge will strive to create world-class performances in a modern company that is passionate about saving lives.

6 | Business ethics and responsible leadership

Getinge works continuously on ensuring that its business activities are conducted in an ethical and responsible manner, in all internal and external contexts.

An Ethics & Compliance Report was published during the year to describe the company's efforts in this field in recent years. Getinge also launched the new "GetBasics" platform that provides all employees with a fundamental framework for how the company works. "GetBasics" describes how the company is organized, all policy frameworks and how employees are to act responsibly.

At the start of 2022, Getinge began to implement a new global program on responsible leadership. This program will encompass all employees. Work will also continue on preventing business risks, the responsible use of public funds and ensuring that all employees are trained in business ethics at least once a year.



For several years, Getinge has been in a partnership with Pratham Sweden.

7 | Quality culture

Getinge works continuously on securing a quality mindset throughout the organization and continuously improves its products, services and processes.

Getinge completed the remediation measures under the Consent Decree with the US FDA at the production unit in Hechingen, Germany in 2021. This does not automatically mean that the company has completed the Consent Decree but that all plants under the decree can now focus their energy on forward-looking activities related to customer value and growth.

Getinge strives to ensure that a culture of quality permeates every aspect of the company's work. Work on implementing the updated quality strategy continued throughout the year. For this reason, a key element is training employees in customized designed courses in quality culture and a total of 68% of employees participated in such courses in 2021.

Other key improvement measures were introducing a global system for managing customer complaints, establishing three Centers of Excellence for product registration to improve processes and allocation of resources, and establishing a new Medical Affairs organization.

Going forward, Getinge will strengthen the quality culture to increase customer satisfaction, improve patient and user safety, reduce business risks and continue to nurture a learning organization.

8 | Environmental & social engagement

Getinge wants to contribute to sustainable health care through increased environmental and social responsibility that has a positive impact on society.

The company has also continued to transition its operations toward the target of becoming carbon neutral in its own operations by 2025. For example, Getinge expects more than half of its energy consumption in 2022 to be derived from solar power at two of its production facilities in Sweden and Türkiye.

Getinge has committed to the Science Based Targets initiative as part of increasing transparency on its commitment to become a carbon-neutral company by 2025 in its own operations. The company also continued its important partnerships with such organizations as Pratham Sweden, Queen Silvia Children's Hospital and WaterAid. Getinge also launched a framework for social funding and issued a social bond of SEK 570 M. The proceeds will be used to expand production capacity for products that save lives.

The company's focus going forward will be on continuing to create sustainable work approaches and solutions for achieving its CO₂-target, including EcoDesign principles in an increasing number of products and playing a key role in the development of society.

Getinge strengthens its position

Getinge strongly believes that all people and societies should have access to the best possible health care. Getinge is well-equipped to contribute to this aim and create value for customers in its three business areas, in which the company has a leading position in almost all product categories.



An increasingly strong position in a growing market

Getinge has more than 25,000 customers globally and delivers to the ten largest hospitals in all of Getinge’s markets. This year’s customer survey, which had highly positive results, bears witness to a stronger position in the market. This presents major opportunities to expand the operations, particularly where the company can capitalize on a unique position as the leading or one of the most prominent suppliers in many growing segments. Getinge’s overall market is expected to grow a total of 4–6% organically per year over the next few years and the size of the market is about SEK 200 billion.

Solutions needed more than ever before

Getinge is well-equipped to address global health care challenges, in many cases from a leading position.

Getinge’s competitors

Getinge has various competitors in each business area and product category. Just like Getinge, most of these competitors have a long history in the industry, substantial size and market presence for their specific product categories. Some competitors primarily operate in the US market, which is a relative strength given that the price levels and margins in general are higher there. This concentration is largely due to historical reasons, since several companies originate from the US. Getinge was founded in Europe, but has been growing faster in the US than in Europe for a long period of time and the intention is to continue along the same track.

18 million people die of cardiovascular diseases every year, making it the leading cause of death globally.

www.who.int

Hundreds of millions of people are affected by health care-associated infections (HCAI) every year.

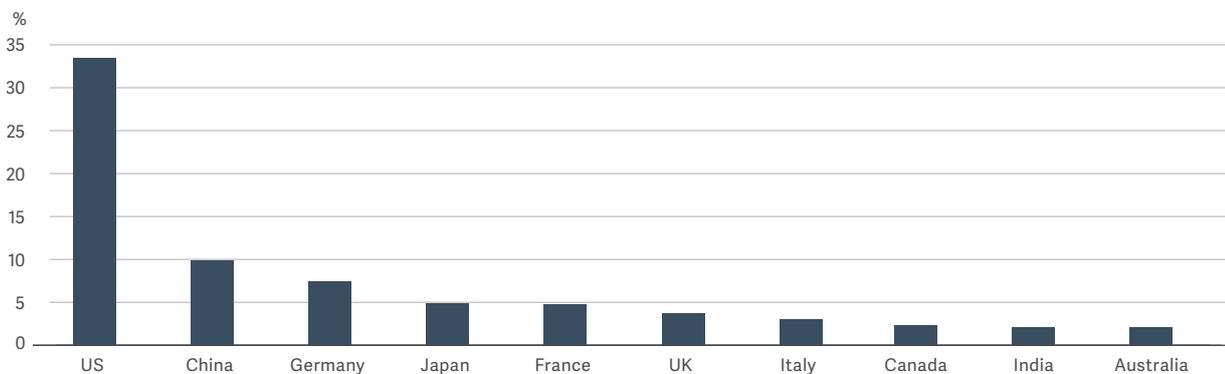
www.who.int

It is estimated that about 28 million elective surgeries around the world were canceled or delayed due to COVID-19.

The CovidSurg Collaborative Research Study

Getinge’s largest sales markets 2021

Getinge’s ten largest markets represented >70% of total sales in 2021.



Therapies that save lives

There are many stories of how extracorporeal membrane oxygenation (ECMO) saves lives by supplying oxygen to the lungs of critically ill patients. In 2021, Getinge ramped up production of Cardiohelp and with the launch of Rotaflow II, the company became the first in the world to offer two extracorporeal life support systems.





Life support care and therapies that save lives



Acute Care Therapies

offers world-leading products for life support and therapies in acute health conditions. The offering includes solutions for:

- Critical care
- Cardiac and vascular surgery
- Vascular interventions

Customers' needs

A health care team's access to the right care solution is key in acute care therapies, which was particularly evident during the COVID-19 pandemic. Getinge develops advanced clinical solutions that can contribute to improving therapy results, achieving more rapid recovery and enhancing quality of life for patients in intensive care and surgery.

Research and development

Acute Care Therapies is the business area at Getinge that allocates the largest share of its sales to research and development (R&D). The ambition going forward is to effectively allocate resources to innovative R&D in the product segments with favorable future prospects, and Acute Care Therapies has a leading position in this regard. This includes, for example, ICU ventilators and products for ECMO-therapies, with the development of products, consumables, services and software considered top priorities.

New products

Several new products and updates were introduced during the year. The HL 40 heart-lung machine, which was launched commercially in several countries in April, is designed to increase safety and ensure maximum uptime in cardiac surgery. In the second quarter, Getinge also received US FDA 510(k) clearance for three products in the US, expanding the Servo ventilator platform offering. Rotaflo II, a new life support product, was launched in certain markets in the third quarter. The technology offers up to 14 days of ECMO therapy in a compact manner*, which gives health care personnel the flexibility they need to provide high quality patient care. Talis Clinical LLC, a US-based leading innovator of High Acuity cloud-based software solutions, was acquired in December. Talis Clinical's offer is designed to support and document care throughout the operative care process, but also through labor and delivery episodes and critical care support including ECMO therapy. Just after the end of the reporting period, Getinge completed a minor acquisition of Irasun GmbH, which is based in Munich. The acquisition has enabled Getinge to broaden its portfolio to include innovative solutions in ECMO therapy and cardiac surgery.

Production sites

Acute Care Therapies has production sites in the US, Germany, France, Sweden, Türkiye and China. Two production sites in New Jersey, US, were divested during the year as part of the ongoing consolidation of the production sites in the state. To meet a sharp rise in demand, significant investments were made during the year to expand production capacity for ECMO equipment and vascular implants.

Sustainability

Sustainability is a central part of product development since the company wants to contribute to a better world in which customer solutions have a minimal environmental impact. Anesthetic gases used to anesthetize patients when undergoing surgery are powerful greenhouse gases. Anesthesia and ventilation products were connected to the Getinge Online service platform in 2021 so that service teams can more quickly and easily troubleshoot products and identify solutions, even when working remotely. Getinge Online also gives customers access to data that allows them to monitor the volume of anesthesia used and what this level means when translated into carbon footprint, thus enabling cost savings and reducing the impact on the environment.

Sales and profitability

Sales and profitability in 2021 continued to be impacted by the COVID-19 pandemic, although not as markedly as in 2020 when a record-number of ICU ventilators were sold. Productivity improvements combined with continuing healthy growth in life support products and a recovery in products for elective cardiovascular surgery made a positive contribution to the operating margin.

Focus for the next few years

- Accelerated growth in attractive segments through supplementary acquisitions and innovation
- Launch of several advanced products and new digital features
- Productivity enhancements to support continuing margin improvements
- Development of products and solutions that reduce environmental impact

*Not yet approved for use in the US.

» We are continuing to strengthen the offering in product segments with significant growth potential. «

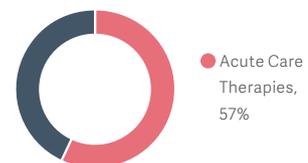
Jens Viebke, President Acute Care Therapies



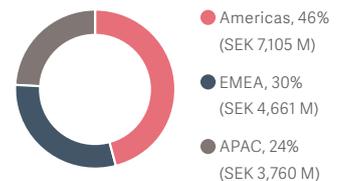
OFFERING FROM A CUSTOMER PERSPECTIVE

	Intensive Care	Cardiovascular Surgery	Cardiovascular Interventions
Products	Life support therapies for intensive care, in the form of ventilators, hemodynamic monitoring and ECMO.	Products for advanced cardiac surgery, such as heart-lung machines, heater-cooler units, beating heart surgery, endoscopic vessel harvesting, left atrial appendage closure devices, anesthesia systems, aortic and peripheral vascular grafts and thoracic drainage systems.	Products to facilitate cardiovascular procedures, such as products for cardiac assist and peripheral vascular stents.
Share of sales within Acute Care Therapies (average 3 years)	57%	26%	17%
Market growth per year	4–6%	1–2%	3–5%
Getinge's position	1	1	5
Getinge's market share	38%	18%	7%
Main competitors	Dräger, Hamilton, Medtronic, Edwards Lifesciences	LivaNova, Terumo, GE Healthcare, Dräger, WL Gore, Medtronic	WL Gore, Medtronic, Boston Scientific, Abbott, Cook, BD

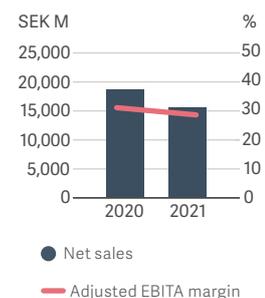
Business area's share of Group sales



Business area's regional distribution of sales



Net sales and adjusted EBITA margin



Getinge's addressable market amounts to SEK

100

billion with anticipated organic growth of 4–6% per year.



Safer research and production

In a time when the whole world's attention turned to vaccine researchers and manufacturers, Getinge expanded its production of sterile transfer solutions, led by the DPTE®-BetaBag. A system for the preparation of bioreactors was also launched in 2021 to ensure a validated outcome while increasing laboratory throughput and improving staff safety.



From illness to cure, from science to life



Life Science offers a comprehensive range of equipment and technical expertise in research and production of pharmaceuticals. Life Science delivers effective solutions that help customers optimize their processes and thereby meet regulatory requirements. The offering includes:

- Ports, containers and single-use bags for sterile transfer of components, tools and fluids, in and out of aseptic filling lines
- Bioreactor systems for research and production of vaccines, antibodies, enzymes and bio-plastics for industrial biotechnology
- Sterilizers for the sterilization of pharmaceuticals and medical devices
- Washer-disinfectors for cleaning of technical production equipment
- Isolators for the protection of operators and quality assurance of aseptic processes

Customers' needs

Customers include world-leading manufacturers of pharmaceuticals and medical devices. These customers need effective research and production processes free from contamination. In addition, they demand easy-to-use products that shorten lead times and reduce the risk of unwanted delays or mistakes.

Research and development

Research and development in sterile transfer and bioreactors focuses on standardized products and consumables. For example, Getinge intends to further develop the range of single-use bioreactors used for research and production of biopharmaceuticals. In addition, Getinge intends to further strengthen its leading position in sterile transfer. Life Science's sterilizing and disinfection offering is based on the same base technology that exists in the Surgical Workflows business area. However, the degree of customized solutions in this area is considerably higher in Life Science, and therefore a large degree of product development is conducted together with the customers. This entails that the collaboration is generally comprehensive and extends over a long time, presenting favorable opportunities to create value for both parties.

New products

A new, holistic system for preparation of bioreactors, which supports medical vaccine research, was launched at the end of March. The end-to-end approach includes dismantling of the bioreactor, automated washing using Getinge's purpose-built wash rack, followed by an integrated sterilization process enabling three different types of loads in one cycle.

Production sites

Life Science conducts production at a total of six production sites in Sweden, France, Netherlands, Poland and the US. Intensive activities have been carried out to meet the very high and sustained demand in all product categories. One of the projects aimed at achieving higher capacity was the establishment of production of DPTE®-BetaBag in Merrimack, NH, USA, which was completed in December. In addition, production capacity of the bioreactor systems was expanded to satisfy growing global demand.

Sustainability

In Life Science, Getinge is also driven to contribute to a more sustainable world for both customers and society at large. The business area manufactures single-use products, which is an area in which the company plans to expand. Single-use products may sound harmful to the environment but the opposite is true in this case. Looking at the energy consumption of a plant that uses solutions with stainless steel, single-use products help to significantly reduce carbon emissions due to higher productivity and energy not being used to clean and sterilize.

Sales and profitability

Sales and profitability continued to be impacted by the COVID-19 pandemic, mainly as a result of the sharp increase in sales of sterile transfer products and bioreactors related to vaccine manufacturing and biopharmaceutical drugs.

Focus for the next years

- Continue to strengthen the offering to biopharma customers and expanding production capacity in sterile transfer and bioreactors
- Develop new products and solutions that reduce environmental impact
- Continued productivity improvements

» In 2021, we laid the foundation for increased growth in the US and continued strengthened margins in the business area. «

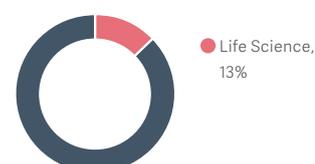
Harald Castler, President Life Science



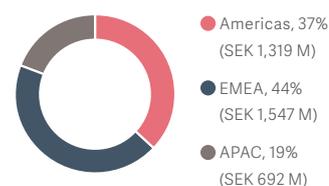
OFFERING FROM A CUSTOMER PERSPECTIVE

	Pharma production	Medical research
Products	Sterile/Aseptic Transfer Solutions, GMP Sterilizers, GMP Washers, bioreactors, logistic automation, Isolators.	Lab Washers & Sterilizers, Cage Washers and Sterilizers, bioreactors, logistic automation.
Share of sales in Life Science	65%	35%
Market growth per year	10–12%	8–10%
Getinge's position	2	2
Getinge's market share	12%	14%
Main competitors	Fedegari, Steris, Steelco, Sartorius, GE, Thermo Fisher	Steris, Steelco/Miele, IWT, Sartorius, Eppendorf

Business area's share of Group sales



Business area's regional distribution of sales



Net sales and adjusted EBITA margin



Getinge's addressable market amounts to SEK

33

billion with anticipated organic growth of 8–10% per year.



See better, go further

A successful surgical outcome depends on the surgeon's ability to visualize and assess the wound. In 2021, Getinge launched Volista VisioNIR, an innovative function in Maquet Volista that allows surgical staff to keep the surgical light on when performing open surgeries using NIR fluorescence imaging systems.



Optimized quality, safety and capacity usage of sterile supply departments and operating rooms



Surgical Workflows is a world-leading supplier of products and solutions to serve as an end-to-end partner for optimizing the quality, safety and capacity usage of the sterile supply departments and operating rooms. The offering includes:

- Products for sterile reprocessing
- Operating room equipment
- IT systems for efficient workflows
- Service

Customers' needs

Health care's access to effective infrastructure is of major importance for surgical interventions to ensure a high level of clinical safety and quality. There is also a significant need to reduce the risk of hospital-related infections, which entail additional suffering for patients, consume large amounts of resources for individual hospitals and have a negative impact on society in general. Health care also needs to increase productivity to enable higher treatment volumes with limited resources.

Research and development

Surgical Workflows is focusing more on developing products for various customer segments, including the growing value

segment. During the year, extensive efforts were made to strengthen both the product portfolio and the production process. The business area has about 300 employees who work exclusively on R&D. During the year, they carried out 16 major improvement programs in relevant technological fields. For example, significant investments were made to develop new offerings in consumables, such as chemicals for sterile reprocessing.

In addition to proprietary product development, Surgical Workflows is engaged in several strategic collaborations, for example with world-leading manufacturers of medical imaging technologies for hybrid ORs.

New products and expanded offering through acquisitions

One of the launches during the year were Torin Artificial Intelligence (AI), which is designed to improve efficiency in managing schedules for surgical procedures, and the VisioNIR feature in Maquet Volista StandOP – an innovative solution which makes it possible to keep the surgical light on when performing open surgeries using NIR fluorescence imaging systems. In the third quarter, Getinge acquired technology related to biological indicators from Verrix, a US start-up company. This deal is part of Getinge's acquisition agenda to strengthen the offering of consumable supplies in sterile supply management and follows on from the previous acquisition of Quadralene.

Production sites

Surgical Workflows has production at sites in Sweden, Germany, France, UK, Poland, China and the US.

Sustainability

Getinge works on EcoDesign in its product development, with a special focus on the environmental impact of the product life cycle. This has resulted in the use of fewer materials, more recyclable components and a reduction in customers' consumption of energy, water and other consumables. Training courses are also held. For example, Getinge released a sustainability manual in 2021 that contains recommendations to help hospitals around the world assume a greater environmental responsibility and optimize daily flows in sterile supply departments. Solar panels were also installed on the production site in China during the year, and the business area buys green electricity wherever possible.

Sales and profitability

Sales were negatively impacted by the COVID-19 pandemic again in 2021. However, the order intake increased compared with 2020, indicating higher sales going forward. Continuing productivity enhancements contributed to increased profitability despite the lower sales volumes.

Focus for the next years

- Organic and acquired growth in attractive and rapidly growing product categories, such as consumables and digital solutions
- Innovation-driven differentiation in the product range
- Development of products to reduce environmental impact
- Continuing productivity enhancements throughout the value chain

» Our targeted and structured efforts to increase customer value and productivity are starting to generate results. «

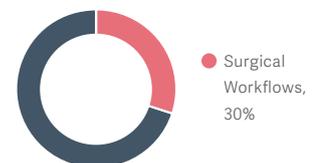
Stéphane Le Roy, President Surgical Workflows



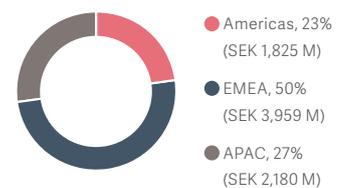
OFFERING FROM A CUSTOMER PERSPECTIVE

	Sterile supply department	Operating room equipment	Integrated solutions for operating rooms
Offering	Complete systems and automation for the sterilization of instruments used in surgery, including sterilizers, low-temperature sterilizers and disinfectors, as well as consumables and service.	Complete operating room solutions including high-end hybrid operating rooms in combination with imaging partners, advanced operating tables, lights and ceiling supply units, modular room systems as well as consulting on layouts, workflows and technical service.	IT systems to enhance efficiency and safety in the flow of patients, employees and sterile equipment to and from the operating room.
Share of sales in Surgical Workflows	46%	48%	6%
Market growth per year	4–6%	4–6%	7–15%
Getinge's position	1–2	1	1–5
Getinge's market share	22%*	19%	7%*
Main competitors	Steris, Steelco, Shinva, Belimed, ASP * Share varies between geographical regions and offerings.	HillRom/Trumpf, Steris, Stryker, Mindray, Dräger	Censis, Teletracking and local IT companies * Share varies between geographical regions and offerings.

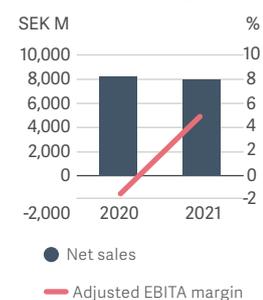
Business area's share of Group sales



Business area's regional distribution of sales



Net sales and adjusted EBITA margin



Getinge's addressable market amounts to SEK

67

billion with anticipated organic growth of 4–6% per year

Corporate governance

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About the report

This Corporate Governance Report has been prepared and adopted by Getinge AB (publ)'s Board of Directors in accordance with the provisions of the Swedish Annual Accounts Act and the Swedish Corporate Governance Code. The Corporate Governance Report presents an overview of Getinge's corporate governance, including a description of the system for internal control and risk management in relation to financial reporting.

Updated information on Getinge's corporate governance in accordance with the requirements in the Swedish Corporate Governance Code are available at www.getinge.com/int/about-us/corporate-governance/overview/. Information on the website does not comprise part of this Corporate Governance Report.



Corporate Governance Report

Getinge AB (publ) hereby presents the Corporate Governance Report for 2021. This Corporate Governance Report is examined by the company's auditors. The auditor's statement is available on page 59.

Getinge's overall structure for corporate governance

Effective corporate governance is a key component in ensuring that Getinge is managed sustainably and responsibly in accordance with applicable legislation and regulations. The Group's corporate governance structure and its internal regulations provide frameworks for achieving business objectives and strategies. It is aimed at ensuring the continued strong development of the Group's operations and, consequently, that the Group's operations fulfill its obligations to shareholders, customers, employees, suppliers, creditors and society.

This report summarizes how the corporate governance is structured and how it has been carried out and developed in the Group during the 2021 fiscal year.

The company and Articles of Association

Getinge AB (publ) is a Swedish public limited liability company. The registered name of the company is Getinge AB (publ). The company's corporate registration number is 556408-5032. The registered office of the Board of Directors is in the municipality of Gothenburg, Västra Götaland County, Sweden. The head office is located in Gothenburg. The objects of the company's operations shall be to, directly or indirectly through subsidiaries, engage in the manufacture and sale of medical technical equipment, and in any other activities compatible therewith. The company's Articles of Association contain no limitation on the number of votes each shareholder can cast at a General Meeting of Shareholders. The company's Articles of Association contain no specific provisions for the appointment or dismissal of Board members or on amendments to the Articles of Association.

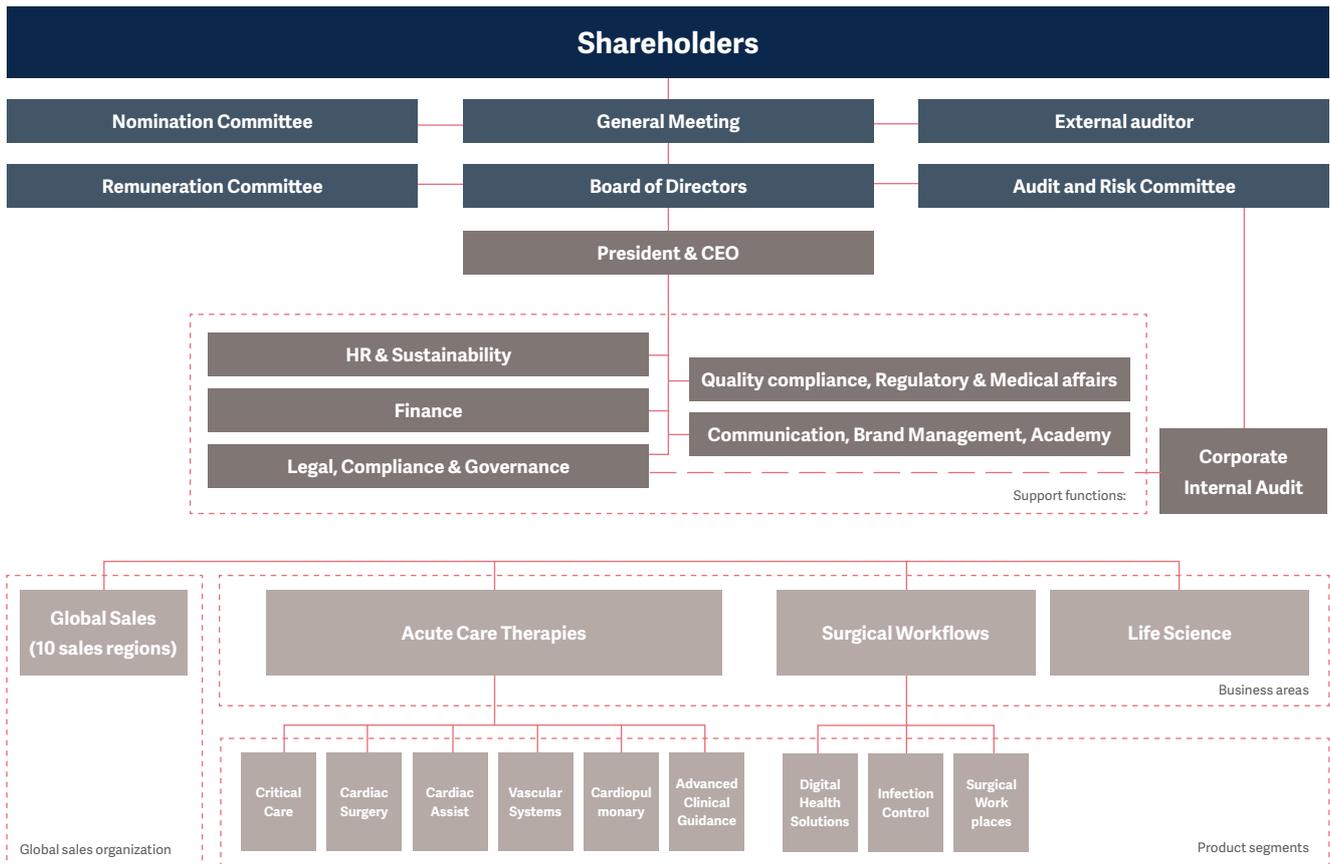
The company's Articles of Association are available on the Group's website: www.getinge.com.

Shares and shareholders

The company's Class B shares have been admitted to trading on Nasdaq Stockholm since 1993 and the share is included in the Nasdaq Nordic Large Cap segment and the OMXS30 index. The total number of shares amounts to 272,369,573, of which 18,217,200 are Class A shares with each share carrying entitlement to ten votes and 254,152,373 are Class B shares with each share carrying entitlement to one vote. All shares carry the same dividend entitlement.

The largest shareholder, Carl Bennet, held 20.0% of the shares outstanding at the end of the 2021 fiscal year and 50.1% of all votes in the company, making him the only direct or indirect shareholder with a holding in the company representing over one tenth of the number of votes for all of the shares in the company.

For information about shareholders and the Getinge share, see pages 148–149 in the Annual Report and www.getinge.com.



Swedish Corporate Governance Code, Nasdaq Stockholm rules and good practice on the stock market

In addition to Swedish legislation, rules and regulations, applicable EU regulations and other applicable laws and regulations, good practice on the stock market and Nasdaq’s Rulebook for Issuers, the Group’s corporate governance is based on the Swedish Corporate Governance Code (the “Code”) and applicable instructions, which are available at corporategovernanceboard.se. The company complies with the Code’s regulations and presents in this report an explanation for any deviation from the Code’s regulations in 2021, based on the version of the Code per December 31, 2021.

Nasdaq Stockholm’s Rulebook for Issuers is available at nasdaqomxnordic.com, and the Swedish Securities Council’s rulings on good practice on the Swedish stock market are available on aktiemarknadsnamnden.se.

Good compliance with the Code, no violations of stock market rules or good practice

Getinge follows the Code’s “comply or explain” principle.

In the view of the Board of Directors, Getinge essentially complied with the Code during 2021, but with the single deviation from the Code’s rule p. 2.4 that the Chairman of the Board or any other Board member is not to be Chairman of the Nomination Committee. The Nomination Committee appointed Carl Bennet (Board member but also sole owner of the company’s largest shareholder, Carl Bennet AB) as Chairman of the Nomination Committee, since the Nomination Committee found it important to have a representative of the largest shareholder to serve as Chairman of the Nomination Committee.

There were no violations of the stock market rules and no violations of good practice on the stock market reported by Nasdaq Stockholm’s Disciplinary Committee or the Swedish Securities Council.

Main governing bodies within Getinge

The main governing bodies within Getinge are:

- Getinge AB’s General Meeting of Shareholders
- The Board of Directors of Getinge AB
- President & CEO of Getinge AB, assisted by the Getinge Executive Team

General Meeting

The General Meeting of Shareholders is Getinge's highest decision-making body. Shareholders can exert their influence at the Annual General Meeting (AGM) and, when applicable, at an Extraordinary General Meeting. A General Meeting of Shareholders shall be held in the location that the Board has its registered office (Gothenburg Municipality, Västra Götaland County) or in Halmstad Municipality, Halland County. General Meetings of Shareholders are convened by publishing a notice in Post- och Inrikes Tidningar (the Swedish Official Gazette) and on the company's website. An announcement is to be made in Svenska Dagbladet that the notice of the Meeting has been published. Shareholders, who want to participate in the discussions at the Meeting must give notice of attendance to the company not later than the date provided in the notification of the Meeting. All shareholders registered in the shareholders' register six banking days before the Meeting and who have notified their attendance to the Meeting within the time given in the notice are entitled to participate in the Meeting and exercise their voting rights in full. Shareholders who are not able to personally attend can be represented by proxy. The Articles of Association also prescribe a possibility for the Board of Directors to resolve on the collection of powers of attorney in accordance with procedure described in the Swedish Companies Act and to resolve that shareholders can exercise their voting rights by post prior to the Meeting. A shareholder who wishes to have a matter put forward at the General Meeting of Shareholders must submit a written proposal to the Board in a timely manner so that the proposal can be included in the notice of the Meeting.

The AGM must be held within six months of the end of the fiscal year. At the AGM, the shareholders exercise their voting rights in key issues, such as the adoption of income statements and balance sheets, allocation of the company's earnings, discharge from liability of Board members and the CEO, election of Board members and auditors, fees to Board members and auditors, establishment of guidelines for remuneration to senior executives (where appropriate), approval of the remuneration report, and approval of principles for appointment of the Nomination Committee and guidelines for the Nomination Committee's work (where appropriate).

2021 Annual General Meeting

The AGM was held on April 20, 2021 by virtue of the temporary law intended to facilitate the implementation of General Meetings of shareholders and associations during the COVID-19 pandemic, the AGM was held virtually with shareholders. Shareholders were also given the opportunity to vote by post.

The AGM was attended by the majority of the Board members (including the Chairman of the Board, Chairman of the Audit and Risk Committee, and the CEO) as well as representatives of the members of the Nomination Committee and its Chairman also being the Vice Chairman of the Board. The company's auditor in charge Johan Rippe also attended the Meeting. A recorded presentation by the CEO was made available on the website prior to the Meeting.

A total of 536 shareholders participated in the AGM (digitally and via postal vote), representing 62.1% of the number of shares and 76.3% of the total number of votes in the company.

The Chairman of the Board Johan Malmquist was elected Chairman of the Meeting. The minutes from the AGM are available on Getinge's website: www.getinge.com. The decisions made by the AGM include:

- Adoption of the income statements and balance sheets presented for the Parent Company and the Group, and discharge from liability of the Board members and CEO.
- Dividend in accordance with the Board's and the CEO's proposal of SEK 3.00 per share for the 2020 fiscal year.
- Adoption of the remuneration to Board members and the auditor in accordance with the Nomination Committee's proposal
- In accordance with the Nomination Committee's proposal, Carl Bennet, Johan Bygge, Cecilia Daun Wennborg, Barbro Fridén, Dan Frohm, Sofia Hasselberg, Johan Malmquist, Mattias Perjos and Malin Persson were re-elected to the Board and Kristian Samuelsson was elected as a new Board member.
- Re-election of Johan Malmquist as Chairman of the Board in accordance with the Nomination Committee's proposal.
- Re-election of Öhrlings PricewaterhouseCoopers AB as auditor for the company until the end of the 2022 AGM in accordance with the Nomination Committee's proposal and the Audit and Risk Committee's recommendation.
- Approval of the remuneration report.
- Adoption of new guidelines for the remuneration to senior executives.

The Board of Directors did not propose and the AGM did not authorize the Board to resolve that the company should issue new shares or acquire own shares.

2022 Annual General Meeting

The 2022 Annual General Meeting will be held on April 26, 2022. The date and location of the AGM were published on the company's website in conjunction with the publication of the interim report for the third quarter of 2021. The AGM will be held in Kongresshallen at Hotel Tylösand in Halmstad, Sweden. Shareholders will also have the opportunity to vote by post. On the website, it is also published that shareholders who would like to have a matter addressed at the AGM must submit a motion by March 8, 2022, at the latest.

Nomination Committee

The Nomination Committee's task is to submit proposals ahead of the AGM regarding the election of the Chairman of the AGM, the Chairman of the Board and other members of the Board, election of auditors, as well as fees for Board members and auditors.

At the 2020 AGM, new principles were adopted for the appointment of the Nomination Committee and the instruction for the Nomination Committee. Ahead of the Annual General Meeting, the Nomination Committee shall be composed of members appointed by the four largest shareholders in terms of voting rights, based on a list of owner-registered shareholders from Euroclear Sweden AB or other reliable ownership information, as of August 31 of each year, and the Chairman of the Board. In addition, if the Chairman of the Board in consultation with the member appointed by the largest shareholder in terms of voting rights deems it appropriate, it shall include an, in relation to the company and its major shareholders, independent representative of the minority shareholders as a member of the Nomination Committee. In addition, the instruction contains, for example, provisions that are applicable in the event that any member leaves the Nomination Committee, measures in the event of significant changes in ownership and guidelines for the Nomination Committee's assignment and work.

No remuneration will be paid to the members of the Nomination Committee. Any necessary expenses for the Nomination Committee's work will be paid by the company. The Nomination Committee is entitled to charge reasonable costs to the company, such as recruitment costs, if it is deemed necessary to obtain an appropriate selection of candidates for the Board of Directors.

The instruction for the Nomination Committee is available in its entirety at: www.getinge.com/int/about-us/corporate-governance/.

Nomination Committee ahead of 2022 Annual General Meeting

The Nomination Committee ahead of the 2022 Annual General Meeting comprises the company's Chairman of the Board Johan Malmquist, and representatives from the following owners, listed by size:

- Carl Bennet AB: Carl Bennet
- Fourth Swedish National Pension Fund: Per Colleen
- AMF Pension & Fonder: Peter Guve
- SHB Fonder & Liv: Anna Sundberg
- Representing minority shareholders:
Sophie Nachemson-Ekwall

Carl Bennet was appointed Chairman of the Nomination Committee ahead of the 2022 AGM (see also the section "*Good compliance with the Code, no violations of stock market rules or good practice*" for information about deviations from the Code). No remuneration is paid to members of the Nomination Committee, and the members have affirmed that there are no conflicts of interest that affect their assignment on the Committee.

The Nomination Committee has held two minuted meetings ahead of the 2022 AGM. In addition, the members of the Nomination Committee have maintained contact and engaged in telephone dialog with each other between meetings.

The Nomination Committee has addressed all the matters that the Nomination Committee must address in accordance with the

Code, as presented in more detail below. The Nomination Committee has also, with the purpose of fulfilling its obligation to provide information to shareholders, informed the company on how the Nomination Committee conducted its work and of the proposals the Nomination Committee has decided to submit.

As a basis for its work, the Nomination Committee studied the financial statements for the company's operations in 2021. The Nomination Committee has also studied the nomination proposals received and the evaluation of the Board of Directors as well as the work it has carried out. The results of the evaluation were presented in their entirety to the Nomination Committee. The evaluation also showed that the Board functioned well, the rate of attendance at Board meetings was high, and that all the Board members displayed a high level of commitment. In addition, the Nomination Committee has conducted interviews with two of the current Board members.

When preparing its proposals on the composition of the Board, the Nomination Committee takes into account the individual expertise and experience of the proposed Board members, how well the Board will work as a whole and whether it possesses the necessary breadth in terms of background and expertise. The Nomination Committee pays particular attention to the value of diversity and the balance between the need for renewal and continuity in the Board. In its efforts to achieve diversity, the Nomination Committee gives special consideration to an even gender distribution. The Nomination Committee applies rule 4.1 of the Code as its diversity policy in preparing proposals of Board members. The aim of the policy is that the Board is to have a composition appropriate to the company's operations, phase of development and other relevant circumstances and to exhibit diversity and breadth of qualifications, experience and background, and strive for an equal gender distribution.

In its own evaluation, the Nomination Committee assessed that the Board functioned well and that the current Board members possess broad expertise, extensive industry knowledge, financial expertise and knowledge of international conditions and markets.

The Nomination Committee's proposal to Board members, remuneration to the Board of Directors and election of auditors and other relevant proposals are submitted together with the notice of the forthcoming 2022 AGM.

The Nomination Committee has also studied the Audit and Risk Committee's recommended proposal for the election of auditors.

Shareholders who wished to submit proposals to Getinge's 2022 Nomination Committee were able to contact the Nomination Committee by e-mail at valberedningen@getinge.com or by mail: Getinge AB (publ), Att: Nomination Committee, Box 8861, SE-402 72 Gothenburg, Sweden.

The composition of the Board of Directors, Board members' individual shareholdings, their independence in relation to the company, executive management and the largest shareholders as well as their other assignments in other companies are presented in the table in the presentation of Board members on pages 44–46. The Board members' attendance at meetings during the year is also presented on these pages. Information on the remuneration of Board members is presented on pages 44–46.

Board of Directors

Board members, independence, etc.

According to the Articles of Association, Getinge’s Board of Directors is to comprise not fewer than three and not more than ten members, with not more than ten deputy members. The Board members are elected annually at the AGM to serve for the period up to and including the next AGM. Employees have the right to appoint two representatives and two deputy members to the Board.

In 2021, Getinge AB’s Board comprised ten members elected at the AGM and two members appointed by the employee representative organizations, as well as two deputy members for the employee representatives. At the AGM on April 20, 2021, all Board members previously elected at the AGM were re-elected in accordance with the Nomination Committee’s proposal, except for Johan Stern who declined re-election. Kristian Samuelsson was elected as a new Board member in accordance with the Nomination Committee’s proposal, which meant that a total of ten members were elected, of whom four are women and six men (40% and 60%, respectively). Johan Malmquist was appointed Chairman of the Board in accordance with the Nomination Committee’s proposal. Getinge’s President & CEO is one of the members elected by the AGM.

According to rules 4.4 and 4.5 of the Code, the majority of the elected Board members are to be independent in relation to the company and executive management and at least two of these members are also to be independent in relation to the Group’s major shareholders. The Nomination Committee deemed that the composition of the Board of Getinge AB during 2021 met the requirements for independent members as stipulated by the Code. The Nomination Committee has observed that Mattias Perjos, in his capacity as CEO, are to be regarded as dependent in relation to the company and executive management, and that Carl Bennet and Dan Frohm, as representatives and Board members of Getinge AB’s main owner Carl Bennet AB, are to be regarded as dependent in relation to the major shareholders. Other Board members are deemed to be independent in relation to the company, executive management and the major shareholders.

Responsibilities and work of the Board of Directors

Primarily, the Board is responsible for the organization of the company and the management of its affairs. In carrying out its duties, the Board must safeguard the interest of all its shareholders. It is also the Board’s duty and responsibility to ensure that this Corporate Governance Report is prepared.

The Board of Directors is to maintain and promote a good corporate culture and ensure that Getinge – on behalf of its shareholders – is led in the most sustainable, responsible and effective manner possible. The Board of Directors regularly evaluates Getinge AB’s and the Group’s financial position and ensures that Getinge is organized in such a way that bookkeeping, management of cash and cash equivalents, and the company’s general financial conditions are controlled satisfactorily.

- The Board of Directors of Getinge AB will also, for example,
- Approve the overall strategy and the overall goals for Getinge’s operations and its general organization;
 - Ensure that there are established procedures in place for financial reporting, and ensure that financial reporting is conducted in accordance with applicable rules and regulations;
 - Have an overview of the overall financial plan for Getinge and earnings, forecasts and forward-looking statements, as well as adopt all financial statements;
 - Ensure that there are effective systems for control of Getinge’s operations and financial position;
 - Ensure that there is well-functioning internal control within Getinge;
 - Ensure that there is an appropriate and well-functioning system for the monitoring and control of Getinge’s operations and risks that are related to the operations;
 - Identify how sustainability issues affect Getinge’s risks and business opportunities;
 - Approve the required guidelines for the company and the Group’s conduct in society for the purpose of securing its long-term value-creation ability and approve the required general policies for the company and the Group;

Board and Committee meetings in 2021

Q1			Q2		
JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
<p>Audit and Risk Committee meeting</p> <p>Remuneration Committee meeting</p> <p>Board meeting: Full-year report (annual accounts and Q4 report), strategy review Acute Care Therapies, AGM-related resolutions, investments and evaluation of Board and CEO</p>		<p>Board meeting: Approval of Annual Report, including sustainability information, and Corporate Governance Report.</p>	<p>Audit and Risk Committee meeting</p> <p>Board meeting: Interim report (Q1), sustainability, strategy review Life Science, quality updates, investments, financing and legal proceedings</p> <p>Statutory Board meeting: Election of committee members, authorized signatories, policies, etc.</p>		<p>Board meeting: Group strategy, investments, lessons from the pandemic and legal proceedings</p>

- Ensure that there are sufficient control mechanisms in place for Getinge's compliance with applicable rules and regulations, as well as compliance with internal policies and guidelines;
- Ensure that the company's external disclosures (incl. financial reporting) are characterized by openness and objectivity, and are correct, reliable and have a high level of relevance for the target groups they are aimed at, and that there are appropriate processes, controls and systems in place.

The Board is also to continuously evaluate the work of the CEO and shall discuss this matter at one meeting every year without the presence of anyone from the Getinge Executive Team. At one of its meetings during the year, the Board is to meet with the company's auditors without the presence of the CEO or any other individual from the Getinge Executive Team. The work of the Board is governed mainly by the Swedish Companies Act, the Code and the Board's formal work plan.

The guidelines for the Board's work are described in greater detail in the Board's formal work plan and annual plan, which are reviewed and adopted each year. The formal work plan states how many ordinary Board meetings are to be held (seven scheduled in addition to the statutory meeting), the items to be addressed at each ordinary Board meeting, the Chairman's work assignments and the division of responsibilities between the Board of Directors and the President & CEO. In addition, the formal work plan states what the President & CEO is to report to the Board of Directors, and when and how the Board is to receive information and documentation to allow the Board to make well-founded decisions.

The President & CEO acts as rapporteur at the Board's meetings. The Group's CFO is also responsible for submitting reports at the Board meetings and the Group's Head of Corporate Legal serves as Secretary of the Board, with the exception of instances where there is a conflict of interest or where it is otherwise inappropriate for them to attend. Other senior executives also participate when needed.

The formal work plan also contains guidelines for the work within the Board committees – for example, the committees' assignments are established, the number of meetings to be held, the matters to be addressed and how the committees are to report to the Board of Directors. The Board of Directors has established a Remuneration Committee and an Audit and Risk Committee. The Committees are preparatory committees and do not assume the responsibility that lies with the Board as a whole (see more in the section below on the Remuneration Committee and the Audit and Risk Committee).

Distribution of roles among the Board of Directors

The Chairman's role is to lead and manage the Board's work and to ensure that this is conducted in an organized and efficient manner. It involves ensuring that the Board fulfills its responsibilities and monitors the development of the company, and ensuring that the Board continuously receives the information required for the Board to perform its work with maintained level of quality in accordance with applicable regulations. The Chairman of the Board does not participate in the operational management of the company. Johan Malmquist was re-elected Chairman of the Board at the 2021 AGM and Carl Bennet was re-elected Vice Chairman at the Board's statutory meeting.

Board of Directors' evaluation of its work

The Board carries out an annual evaluation of its work for the purpose of evolving its methods and effectiveness. The evaluation of the work in 2021 was, as in previous years, based on a survey. Additionally, the Chairman of the Board carried out individual interviews with the Board members. The results and analysis of this has been reported to the Board and followed up on with discussions and identification of focus areas moving forward. It can be noted that the Nomination Committee has read the report in its entirety as well as the Board's conclusions.

Q3

JULY	AUGUST	SEPTEMBER
Audit and Risk Committee meeting Board meeting: Half-yearly report (Q2), establishment matters and investments, and legal proceedings		Audit and Risk Committee meeting

Q4

OCTOBER	NOVEMBER	DECEMBER
Audit and Risk Committee meeting Remuneration Committee meeting Board meeting: Interim report and nine-month report (Q3), strategy review Surgical Workflows, investments, financing, acquisition agenda and legal proceedings	Three extraordinary Board meetings*	Audit and Risk Committee meeting Remuneration Committee meeting Board meeting: Financial plan, strategy review Global Sales, succession planning, talent development etc., risk assessment and risk management process (ERM), Ethics & Compliance and one extraordinary Board meeting*

* Extraordinary Board meeting to address certain matters related to various topics such as new financial targets, disputes, corporate acquisitions and other investments.



BOARD OF DIRECTORS' WORK IN 2021

During the year, a total of 12 Board meetings were held, with an attendance rate of 100% of the AGM-elected members.

At its scheduled meetings, the Board addresses fixed agenda items in accordance with the Board's formal work plan and annual plan. Accordingly, the Board has addressed the Group's long-term objectives, strategy, risks and risk management, adopted corporate governance documents and focused on sustainability issues, the financial plan and investment plan, the annual accounts and financial reports. The Board has also continuously addressed the business situation and financial issues, ethics and compliance, quality issues, regulatory issues, succession planning and talent development, as well as general organizational topics. During the year, at its scheduled and certain extraordinary Board meetings, the Board has addressed matters related to legal proceedings, corporate acquisitions, other investments and financing. On a continuous basis, the pandemic's impact on the Group, the Group's adaptation and management of the pandemic's effects have been addressed separately, but also integrated with other issues addressed by the Board.

At one of its meetings, the Board met with the company's auditor without the presence of the CEO or any other individual from executive management. The Board also continuously evaluated the work of the CEO and devoted one meeting to this matter without the presence of executive management.

BOARD COMMITTEES

The Board has established two committees – to focus on remuneration, audit and risk

Remuneration Committee

The Remuneration Committee follows written instructions and its duties include preparing questions concerning remuneration principles and remuneration as well as other employment terms and conditions for the President & CEO and other members of the Getinge Executive Team. When applicable, the Committee also prepares proposals to the Board on the guidelines for the remuneration to senior executives, which the Board submits for decision at General Meetings.

The Committee follows and evaluates ongoing and completed variable remuneration programs for the Getinge Executive Team during the year and the application of the guidelines for remuneration to senior executives resolved at the AGM, and prepares the Board's remuneration report.

The Remuneration Committee is a preparatory body in topics concerning succession planning and talent development.

Remuneration Committee's composition and work 2021

The Committee in 2021 comprised Board members Johan Malmquist (Chairman), Carl Bennet, Barbro Fridén, Dan Frohm and Kristian Samuelsson. All members of the Remuneration Committee are independent in relation to the company and the Getinge Executive Team.

The Committee shall, under normal circumstances, hold three meetings per year. In 2021, the Committee held three minuted meetings and remained in informal contact. The attendance of members at the Committee meetings is presented in the table on page 44–45.

During the year, the Committee's work focused in particular on evaluating guidelines for remuneration to senior executives, the preparation of the remuneration report and succession planning. In addition, the Committee worked during the year on revising the targets for annual variable

remuneration and proposals on including sustainability targets, and also reviewed the program for long-term variable remuneration (LTI bonus) and updated the program for 2022.

The 2021 guidelines for the remuneration to senior executives are presented on pages 81–83 of the Annual Report.

The remuneration report was prepared by the Board and will be presented to the Annual General Meeting for resolution. The remuneration report was prepared as a separate report but is included in the annual report document on pages 86–89. The Board of Directors proposes that the AGM adopt the new guidelines for the remuneration to senior executives as presented on pages 83–85.

Audit and Risk Committee

The Audit and Risk Committee follows written instructions and its activities are to meet the requirements of the Swedish Companies Act and the EU Audit Regulation. The Audit and Risk Committee is a preparatory body in the contact between the Board and the auditors, and continuously reports on its work to the Board.

The Committee's tasks include assisting the Nomination Committee with preparing proposals for resolutions by the General Meeting on election of auditors and fees to auditors, for which the Committee is to monitor that the auditor's mandate period does not exceed applicable rules, procure the audit and present a recommendation to the Nomination Committee in accordance with the EU Audit Regulation.

The Audit and Risk Committee is also to prepare guidelines on non-audit services provided by the auditors and, when applicable, approve such services in accordance with these guidelines. The Committee is also to examine and monitor the independence of the auditors and pay particular attention to whether the auditors provide other non-audit services and otherwise evaluate the auditing activities.

The Committee is involved in planning the external audits and continuously consults

and confers with the external auditors. Among the Committee's tasks is to examine and monitor the consolidated financial statements and prepare the financial reports that the company publishes externally as well as monitor the efficiency of the company's internal control, risk management (including financial risk management) and internal audit. The Committee also discusses the company's significant financial risk exposure and measures to be taken to limit, monitor and control such exposures with the company's auditor and executive management. The Audit and Risk Committee follows the work of the Ethics & Compliance function, internal investigations and whistleblower cases and has overall responsibility for monitoring the implementation of an effective compliance program. The Committee shall, under normal circumstances, hold six meetings per calendar year.

Audit and Risk Committee's composition and work 2021

In 2021, The Committee comprised Board members Johan Bygge (Chairman), Cecilia Daun Wennborg, Sofia Hasselberg, Dan Frohm and Malin Persson. All members of the Committee are independent in relation to the company, executive management

and the company's major shareholders, with the exception of Dan Frohm, who is not considered to be independent in relation to the company's major shareholders. The composition of the Committee is set up to meet the qualification criteria that is placed on accounting or auditing expertise.

The Committee held six minuted meetings in 2021, and informal contact when necessary. The attendance of members at the Committee meetings is presented in the table on page 44–45. The company's auditors participated in all Committee meetings. Jointly with the auditors, the Committee discussed and established the scope of the audit. Additionally, the company's Chief Ethics & Compliance Officer and internal auditor participated in meetings with the Committee to the extent deemed relevant.

The Committee has continuously addressed all the issues that the Committee must address in accordance with the formal work plan. During the year, the Committee particularly focused on financing-related issues, development of internal control, and the work of the Corporate Internal Audit and the Ethics & Compliance functions, follow-up of specific issues identified in conjunction with risk assessments, internal control and internal audit.

Board of directors



Name	Johan Malmquist	Carl Bennet	Johan Bygge	Cecilia Daun Wennborg	Barbro Fridén
Function	Board member elected by AGM, Chairman of the Board Chairman of the Remuneration Committee	Board member elected by AGM, Vice Chairman of the Board Member of the Remuneration Committee	Board member elected by AGM Chairman of Audit and Risk Committee	Board member elected by AGM Member of the Audit and Risk Committee	Board member elected by AGM Member of the Remuneration Committee
Year of birth	1961	1951	1956	1963	1956
Education	B.Sc. (Business Administration)	B.Sc. (Business Administration), med. Dr. h.c., tech.Dr. h.c.	B.Sc. (Business Administration)	M.Sc. (Business Administration)	M.D., Phd.
Nationality / Elected	Swedish/2016	Swedish/1989	Swedish/2007	Swedish/2010	Swedish/2017
Board assignments	Chairman of Arjo AB. Board member of Elekta AB (publ.), Mölnlycke Health Care AB, the Dunker Foundations, Stena Adactum AB, Trelleborg AB and Chalmers University of Technology Foundation.	Chairman of the Board of Elanders AB and Lifco AB. Vice Chairman of Arjo AB, Board member of Holmen AB and L E Lundberg-företagen AB.	Chairman of the Board of Nobina AB (publ), Scandi Standard AB (publ) and Guard Therapeutics AB (publ), Vice Chairman of Third Swedish Pension Fund (AP3), Board member of Baltic Deep Water Life, Lantmännen, CapMan Plc and Praktikertjänst AB.	Board member of, among others, ICA Gruppen AB, Loomis AB, Bravida Holding AB, Oncopeptides AB, Atvexa AB, Hotell Diplomat AB, Stiftelsen Oxfam Sverige and member of Swedish Securities Council.	Board member of, among others, Apoteket AB, European Sperm Bank A/S, Sophiahemmet, WeMind AB and the Swedish Sea Rescue Society.
Professional experience, previous assignments and other information	President and CEO of Getinge 1997–2015. Former Business Area Director within Getinge, President of Getinge's French subsidiary, President of subsidiaries in the Electrolux Group.	CEO and Chairman of Carl Bennet AB. Former President and CEO of Getinge 1989–1997. Chairman of Getinge's Board of Directors 1997–2019.	Former Chairman of PSM International China, Chairman of EQT Asia Pacific, Venture Partner of Prorsum AG Venture Fund, COO of EQT, Board member of Anticimex and I-Med Ltd, CFO of Investor AB, Executive Vice President of Electrolux and CFO of Electrolux.	Former Vice President of Ambea AB, President of Carema Vård och Omsorg AB, acting President of Skandiabanken, Head of Swedish Operations at Skandia and President of Skandia Link, and Board member of Atos Medical Holding AB (publ), Hoist Finance AB and Sophiahemmet.	CEO of Sidra Medicine, and consultant and advisor. Former Board member of, among others, Vitrolife AB, Helsa AB, Life Clean AB and SciBase AB and senior positions in health care such as divisional head at Astrid Lindgren Children's Hospital, Karolinska University Hospital and CEO of Sahlgrenska University Hospital.
Attendance at meetings¹⁾					
Board meetings	12/12	12/12	12/12	12/12	12/12
Remuneration Committee	3/3	3/3	–	–	3/3
Audit and Risk Committee	–	–	6/6	6/6	–
Independence²⁾					
Dependent/independent in relation to Getinge and its management and in relation to major shareholders	Independent in relation to the company, executive management and major shareholders.	Dependent in relation to major shareholders, owner and Chairman of Getinge's principal owner Carl Bennet AB. Independent in relation to Getinge and its management.	Independent in relation to the company, executive management and major shareholders.	Independent in relation to the company, executive management and major shareholders.	Independent in relation to the company, executive management and major shareholders.
Remuneration and holdings					
Total remuneration in 2021, SEK 000s	1,615, of which 140 comprises fees for the Remuneration Committee	730, of which 100 comprises fees for the Remuneration Committee	910, of which 280 comprises fees for the Audit and Risk Committee	770, of which 140 comprises fees for the Audit and Risk Committee	730, of which 100 comprises fees for the Remuneration Committee
Holdings in Getinge AB (own and related parties ³⁾)	Shareholding (own and related parties): 90,000 Class B shares. Synthetic options: 144,927, attributable to Class B shares. ³⁾	Shareholding (own and related parties): Holds 18,217,200 Class A shares and 36,448,434 Class B shares.	Shareholding (own and related parties): 12,200 Class B shares. Synthetic options: 144,927, attributable to Class B shares. ³⁾	Shareholding (own and related parties): 4,500 Class B shares. Synthetic options: 144,927, attributable to Class B shares. ³⁾	Shareholding (own and related parties): 1,770 Class B shares. Synthetic options: 72,463, attributable to Class B shares. ³⁾

*) Johan Stern stepped down as a Board member at the 2021 AGM and prior to that attended three of three Board meetings and one of one Remuneration Committee meeting.

1) See the composition of the Board on page 40.

2) See definition of related parties on page 46.

3) All of the synthetic options have been exercised following the end of the fiscal year.

					
Name	Dan Frohm	Sofia Hasselberg	Mattias Perjos	Malin Persson	Kristian Samuelsson
Function	Board member elected by AGM Member of the Audit and Risk Committee and Remuneration Committee	Board member elected by AGM Member of the Audit and Risk Committee	Board member elected by AGM President & CEO	Board member elected by AGM Member av Audit and Risk Committee (until 2020 AGM member of the Remuneration Committee)	Board member elected by AGM Member of the Remuneration Committee
Year of birth	1981	1983	1972	1968	1977
Education	M.Sc. (Industrial Engineering and Management)	M.D.	M.Sc. (Industrial Engineering and Management)	M.Sc. (Industrial Engineering and Management)	Professor, M.D., PhD, MSc
Nationality / Elected	Swedish/2017	Swedish/2017	Swedish/2017	Swedish/2014	Swedish/2021
Board assignments	Board member of Arjo AB, Carl Bennet AB, Elanders AB, Lifco AB and Swedish-American Chamber of Commerce, Inc.	Board member of Clinic Friends AB and Preglife AB.		Chairman of the Board of AB Chalmers Studentkårs företagsgrupp and Universeum AB. Board member of companies including Hexpol AB, Peab AB, Ricardo PLC, Beckers Group, OX2 AB (publ), Oddwork Sweden AB and Hydros cand Group.	
Professional experience, previous assignments and other information	CEO of DF Advisory LLC. Former management consultant at Applied Value LLC in New York.	Investment director of Bonnier Ventures. Former Director of Marketing and Digital Operations Lead at MSD Sweden. Vast experience as a senior adviser, providing strategic, operational and organizational advice to organizations across the full health care value chain. Former management consultant at McKinsey & Company, doctor at Karolinska University Hospital and Board member of Atos Medical Holding AB (publ).	President & CEO of Getinge. Former CEO of Coesia Industrial Process Solutions (IPS) and head of Coesia International. Senior positions at FlexLink AB including the role of CEO.	CEO and owner of Accuracy AB. Former CEO of the Chalmers University of Technology Foundation, many years' experience in major Swedish industrial enterprises such as the Volvo Group. Former Board member of Hexatronic Group AB, EVRY ASA, Mekonomen AB and Magnora AB.	Professor of orthopaedic surgery at the University of Gothenburg and senior consultant in orthopaedic surgery at Sahlgrenska University Hospital. Experience from health-care with evidence-based medical research and interdisciplinary research in areas such as artificial intelligence (AI) and digitization.
Attendance at meetings					
Board meetings	12/12	12/12	12/12	12/12	9/9 (joined at the 2021 AGM)
Remuneration Committee	3/3	–	–	1/1 (served as member only until AGM)	2/2 (joined at the 2021 AGM)
Audit and Risk Committee	6/6	6/6	–	4/4 (joined after statutory Board meeting)	–
Independence¹⁾	Dependent in relation to major shareholders, Board member of Getinge's principal owner Carl Bennet AB. Independent in relation to Getinge and its management	Independent in relation to the company, executive management and meior shareholders.	Dependent in relation to the company and executive management in capacity as President and CEO of Getinge. Independent in relation to major shareholders	Independent in relation to the company, executive management and major shareholders.	Independent in relation to the company, executive management and major shareholders.
Remuneration and holdings					
Total remuneration in 2021, SEK 000s	870, of which 100 comprises fees for the Remuneration Committee and 140 comprises fees for the Audit and Risk Committee.	770, of which 140 comprises fees for the Audit and Risk Committee	–	770, of which 140 comprises fees for the Audit and Risk Committee	730, of which 100 comprises fees for the Remuneration Committee
Holdings in Getinge AB (own and related parties ²⁾)	Shareholding (own and related parties): 149,510 Class B shares. Synthetic options: 144,927, attributable to Class B shares. ³⁾	Holds no shares.	Shareholding (own and related parties): 65,000 Class B shares Synthetic options: 579,710, attributable to Class B shares. ³⁾	Shareholding (own and related parties): 3,512 Class B shares. Synthetic options: 144,927, attributable to Class B shares. ³⁾	Holds no shares.

1) See the composition of the Board on page 40.

2) See definition of related parties on page 46.

3) All of the synthetic options have been exercised following the end of the fiscal year.

Board of Directors, cont.



	Rickard Karlsson	Åke Larsson⁹⁾	Fredrik Brattborn	Peter Jörmalm⁹⁾
Name	Rickard Karlsson	Åke Larsson⁹⁾	Fredrik Brattborn	Peter Jörmalm⁹⁾
Function	Ordinary Board member appointed by employee organization	Ordinary Board member appointed by employee organization	Deputy appointed by employee organization	Deputy appointed by employee organization
Year of birth	1970	1966	1976	1959
Education		M.Sc. (Electrical engineering)		
Nationality / Elected	Swedish/2013	Swedish/2014	Swedish/2020	Swedish/2012
Board assignments		Board member of Oxelerate AB.		
Professional experience, previous assignments and other information	Assembly at Getinge Sterilization AB. Assignments on Getinge's Board: Regular Board member since 2014. Deputy 2013–2014.	Specialist, Research & Development at Maquet Critical Care AB. Assignments on Getinge's Board: Regular Board member 2016–2018 and from 2020. Deputy 2014–2016 and 2018–2020.	Workshop technician, Manufacturing at Getinge Disinfection AB.	Materials Planner, Supply Chain department at Getinge Sterilization. Assignments on Getinge's Board: Regular Board member 2014–2016 and 2018–2020. Deputy 2012–2014, 2016–2018 and from 2020.
Attendance at meetings				
Board meetings	11/12	12/12	12/12	12/12
Remuneration Committee	–	–	–	–
Audit and Risk Committee	–	–	–	–
Independence⁹⁾				
Dependent/independent in relation to Getinge and its management and in relation to major shareholders	–	–	–	–
Remuneration and holdings				
Total remuneration in 2021, SEK 000s	–	–	–	–
Holdings in Getinge AB (own and related parties ⁹⁾)	Holds no shares.	Holds no shares.	Holds no shares.	Holds no shares.

Definition of related parties, linked to shareholdings:

Related parties are legal entities directly or indirectly controlled by the Board member or CEO or by his or her related parties. In the case of physical relatives, the spouse/cohabiting partner, children under custody and other relatives with whom households have been shared for at least one year are covered.

1) See the composition of the Board on page 40.

2) See also the definition of related parties above.

3) Became deputy appointed by employee organization on June 26, 2020, prior to that elected regular Board member

4) Became regular Board member appointed by employee organization on June 26, 2020, prior to that elected deputy

External auditor

Getinge AB's auditors are elected at the AGM. The auditors perform an audit of the Annual Report, financial statements and the consolidated financial statements as well as the management by the Board and CEO in accordance with generally accepted auditing standards. After every fiscal year an auditor's report for the Parent Company and a Group auditor's report are presented to the General Meeting. The auditors also review Getinge's nine-month report. The Auditor in Charge and co-auditor participate in all of the Audit and Risk Committee's meetings and report to the Committee and Board of Directors on their audit.

External auditors in 2021

At the 2021 AGM, the registered auditing firm Öhrlings PricewaterhouseCoopers AB was re-elected auditor. Öhrlings PricewaterhouseCoopers AB has been the company's appointed auditing firm

since 2008. Up until the 2021 AGM, authorized public accountant Johan Rippe was Auditor in Charge, and authorized public accountant Thomas Hilmarsson was co-auditor. In connection with the AGM, the authorized public accountant Peter Nyllinge was elected as the new Auditor in Charge and authorized public accountant Karin Olsson as the new co-auditor.

The current mandate period expires at the 2022 AGM. In addition to standard audit assignments, Öhrlings PricewaterhouseCoopers AB provides advisory services and performs investigations. Such assignments take place in accordance with the regulations determined by the Audit and Risk Committee for approval of the nature and scope of the services and the fees for such services. The performed assignments are not deemed to have given rise to a conflict of interest. Details about the amounts of remuneration paid to auditors are presented in Note 5 of the Annual Report.

President & CEO and Getinge Executive Team

President & CEO

The Board of Directors has delegated the ongoing management of Getinge AB and the overall management of the Group's operations to the President & CEO, including an authorization to make decisions or take control in all issues that are not exclusively under the authority of the Board of Directors. The President & CEO heads up Getinge's operations through the Getinge Executive Team.

It is the President & CEO's responsibility to implement and ensure that the strategies, business plans and operational objectives agreed on by the Board are carried out and that effective governance and control are maintained. The President & CEO is also responsible for presenting reports at Board meetings and keeping the Board of Directors and its Chairman up to date on Getinge's financial position, development, risks and opportunities. The President & CEO's role, areas of responsibility and authorizations are described in more detail in the instruction for the CEO and for financial reporting.

Getinge Executive Team and delegation

Getinge's President & CEO is supported by the Getinge Executive Team in conducting Getinge's operations. The Getinge Executive Team comprises the business area presidents, the head of the global sales organization and the heads of the Group-wide support functions.

The Getinge Executive Team meets at least six times a year to establish and follow up on strategic plans, business plans and results, major projects, questions and requests to be addressed by the Board for decision, risks and coordination of other issues of a strategic nature or Group-wide importance, including climate and sustainability issues and regulatory quality issues. In addition, a quality management audit is conducted twice a year, including a review of the quality management system.

The President & CEO delegates detailed roles and areas of responsibility to each member of the Getinge Executive Team. These individuals then structure their respective management teams, relevant decision and drafting bodies, as well as delegated roles and responsibility in their respective areas.

Other important forums

A requirement for effective corporate governance and shared prioritization of initiatives and resources is good cooperation throughout the organization. Internally, Getinge has a constant need for coordination and interaction between the various functions and competencies in the global organization. Cross-functional forums and meeting structures at Group level have been established to ensure support and coordination and that matters related to quality and sustainability for example are considered in all relevant decision-making.

To assist the President & CEO and members of the Getinge Executive Team in making well-founded decisions and to ensure that they were supported and well integrated in the daily operations, a number of forums have been established, including: the Insider Committee, the Disclosure Committee, the Ethics Committee, the Sustainability Board, the Governance, Risk & Compliance Committee, the Sponsor & Donations Committee, the STIP Steering Committee and the IT Board.

Each business area, the global sales organization and the corporate and support functions create their own structures for ensuring that strategically important matters, responsible leadership, product quality, and climate and sustainability issues are integrated and are natural parts of the operations.

Getinge Executive Team 2021

At year-end 2021, Getinge Executive Team comprised ten individuals. These people who are members of the Getinge Executive Team are presented on pages 48–49 in the Annual Report. The Getinge Executive Team held six ordinary meetings in 2021 and remained in continuous contact between meetings. The focus of the meetings was mainly the Group's strategic and operational performance, monitoring results and quality issues. During the year, the Getinge Executive Team placed significant focus on the pandemic's impact on the Group, the Group's acquisition agenda, the Group's sustainability activities and monitoring risks and opportunities, as well as safeguarding efficiency measures and synergies. The Getinge Executive Team followed the developments in the Group and the business environment very carefully and, during some periods, held weekly consultation and information meetings.

Getinge Executive Team



Mattias Perjos (1972)

President & CEO

M.Sc. (Industrial Engineering and Management).

Swedish citizen

Employed at Getinge since 2017

Shareholdings (own and related parties): 65,000 Class B shares

Synthetic options: 579,710, attributable to Class B shares²⁾

Previous experience: Senior positions at Coesia 2012–2017, including CEO of Coesia IPS Division and Coesia International. CEO of Flexlink 2006–2016 where he started his career in 1998 and, including serving as business area manager 2003–2006.



Lars Sandström (1972)

CFO

B.Sc. (Business Administration)

Swedish citizen

Employed at Getinge since 2017

Shareholdings (own and related parties): 14,359 Class B shares

Synthetic options: 289,855, attributable to Class B shares²⁾

Previous experience: Most recently as Senior Vice President Group reporting, Tax & Control in the Volvo Group (2015–2017). Several senior positions within Scania such as Vice President Financial Services, Head of Group Financial reporting and Head of Group Reporting and Control. Between 2010–2012 CFO Swedish Orphan Biovitrum AB.



Carsten Blecker (1966)

Chief Commercial Officer

PhD in Dentistry; Doctorate in Business Administration

German citizen

Employed at Getinge since 2014

Shareholdings (own and related parties): 3,500 Class B shares

Synthetic options: 144,927, attributable to Class B shares²⁾

Previous experience: Carsten Blecker joined Getinge in 2014 as President of WEMEA Medical Systems and was appointed President EMEA for Getinge in 2016. Carsten Blecker was previously the Vice President of Biomet EMEA Dental Business. He has also held positions at McKinsey & Company, Kimberly-Clark and Medtronic.



Jens Viebke¹⁾ (1967)

President Acute Care Therapies

Executive MBA, PhD (Polymer Technology) and M.Sc. (Chemical Engineering).

Swedish citizen

Employed at Getinge since 2010

Shareholdings (own and related parties): 1,100 Class B shares

Synthetic options: 217,391, attributable to Class B shares²⁾

Previous experience: Jens Viebke served as Chief Technology Officer of Acute Care Therapies at Getinge until June 2016. He had previously held positions at GE Healthcare Life Sciences.



Stéphane Le Roy (1977)

President Surgical Workflows

Masters Degree in Industrial Engineering from the Ecole Nationale des Ponts et Chaussées, France

French citizen

Employed at Getinge since 2012

Shareholdings (own and related parties): 2,500 Class B shares

Synthetic options: Holds no synthetic options

Previous experience: Stéphane Le Roy most recently served as the Regional President of South West Europe within Getinge's global sales organization. Stéphane joined Getinge in 2012 as country manager for Infection Control in France. Between 2006 and 2012, he was business unit manager for CT Scanners for Siemens Healthcare in France. Before that, he held several product management positions and supply chain assignments within the field of medical imaging at GE Healthcare.

1) Elin Frostehav succeeded Jens Viebke as President, Acute Care Therapies on April 1, 2022.

2) All of the synthetic options have been exercised following the end of the fiscal year.



Harald Castler¹⁾ (1957)

President, Life Science

M.Sc. (Chemical Engineering)

Swedish citizen

Employed at Getinge since 1988

Shareholdings (own and related parties): 15,000 Class B shares

Synthetic options: 217,391, attributable to Class B shares²⁾

Previous experience: Leading positions in Getinge for more than 30 years, including Sales and Marketing director for Infection Control and President for Getinge International.



Lena Hagman (1965)

Executive Vice President, Quality Compliance, Regulatory & Medical Affairs

B.Sc. (Chemistry and Textile Engineering)

Swedish citizen

Employed at Getinge since 2010

Shareholdings (own and related parties): 3,656 Class B shares

Synthetic options: 217,391, attributable to Class B shares²⁾

Previous experience: Until year-end 2015, Lena Hagman was Senior Vice President, Group Quality & Regulatory Compliance for Getinge. Lena Hagman was also responsible for the Cardiopulmonary product segment between September 2018 and February 2022. Lena has a broad background from the field of quality and her experience includes working at companies including Capio, Neoventa Medical AB and Mölnlycke Healthcare.



Jeanette Hedén Carlsson (1966)

Executive Vice President Communications & Brand Management

B.Sc. (Business Administration)

Swedish citizen

Employed at Getinge since 2017

Shareholdings (own and related parties): 2,800 Class B shares

Synthetic options: 144,927, attributable to Class B shares²⁾

Previous experience: Leading management positions within Communication and Marketing in the Volvo Group and Volvo Car Group.



Magnus Lundbäck (1969)

Executive Vice President Human Resources & Sustainability

PhD (Strategy and Organization) and Licentiate of Science

Swedish citizen

Employed at Getinge since 2017

Shareholdings (own and related parties): 2,142 Class B shares

Synthetic options: 217,391, attributable to Class B shares²⁾

Previous experience: SVP Human Resources & Sustainability at Gunnebo Group. He has previously served as Executive Vice President Human Resources and Sustainability at Getinge and as Vice President of Human Resources at Volvo Car Corporation.



Anna Romberg (1979)

Executive Vice President Legal, Compliance & Governance

PhD (Corporate Governance and Compliance) and M.Sc. in Economics and Business Administration

Finnish citizen

Employed at Getinge since 2020

Shareholdings (own and related parties): 4,500 Class B shares

Synthetic options: Holds no synthetic options

Previous experience: Anna Romberg has served as VP Ethics and Compliance for Cargotec Oyj, and in various governance and compliance roles at Telia Company AB. She has also supported numerous global companies, with regards to governance and compliance matters, on a consultancy basis. She is one of the founders of the Nordic Business Ethics Initiative.

1) Eric Honroth succeeded Harald Castler as President, Life Science on April 1, 2022.

2) All of the synthetic options have been exercised following the end of the fiscal year.

Building blocks in the Getinge corporate governance model

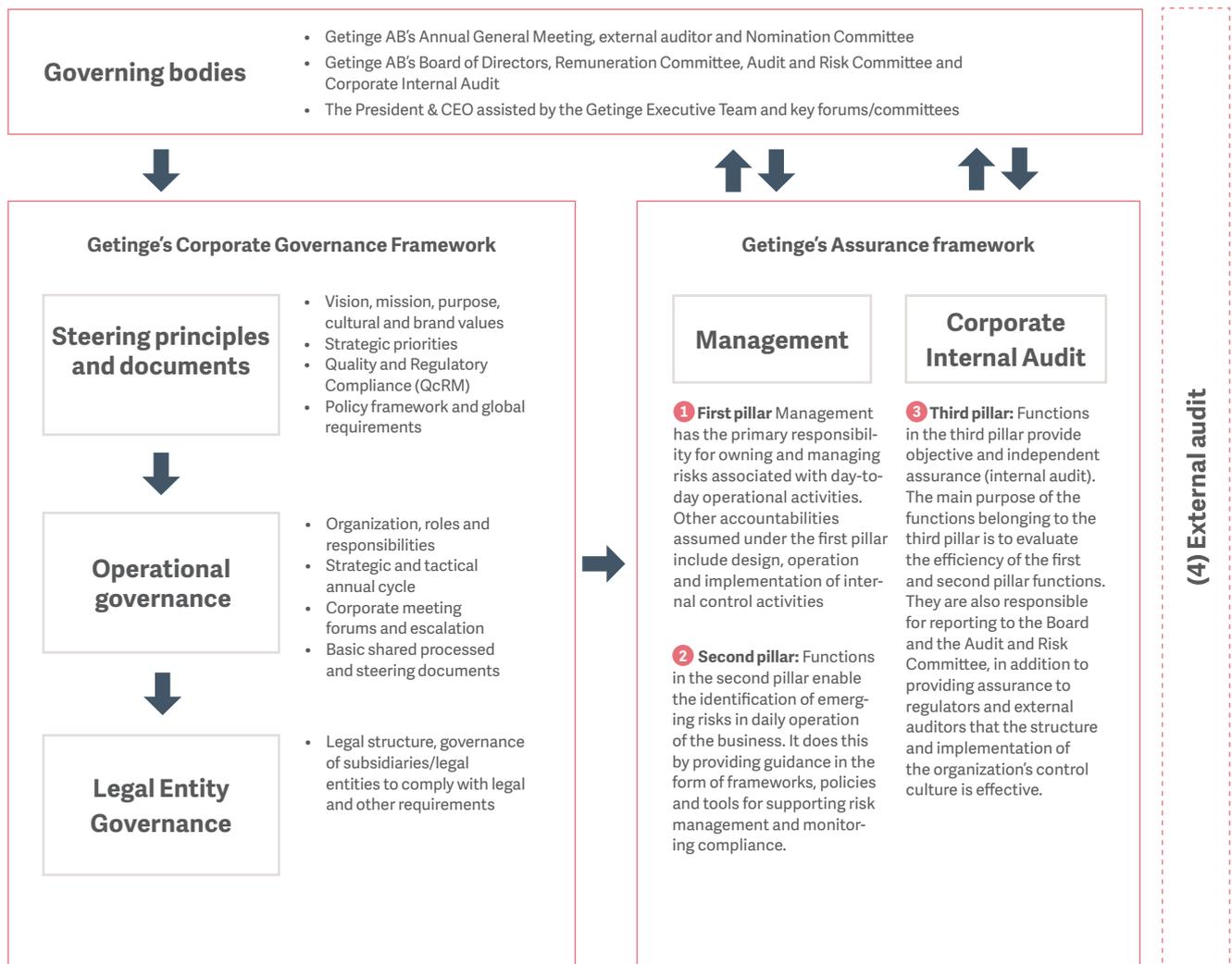
Effective corporate governance creates an infrastructure that enables better quality in the decisions made by those who lead the operations. Focus on high level of product quality, the environment and sustainability, responsible leadership and ethical decision-making contributes to sustainable business operations and long-term value creation.

In addition to the corporate governance structure for Getinge AB described above and the formal corporate bodies, three primary building blocks are identified in Getinge’s corporate governance model: (i) steering principles and documents, (ii) operational governance, and (iii) governance of legal entities, which are described in more detail below. Combined with the control of product-related quality and regulatory compliance as well as Getinge’s sustainabil-

ity agenda, the building blocks for Getinge’s corporate governance model creates conditions for meeting targets, monitoring and control, which supports the Board’s agenda.

In 2021, Getinge worked on ensuring that its operating model is well-defined and implemented throughout the Group. Activities were also carried out to strengthen the governance of the Group’s legal entities. A straightforward and easily accessible framework for how the Group is governed, how decisions are made, and roles and responsibilities was implemented (GetBasics). During the year, the Group focused on its work related to culture and responsible leadership to ensure that employees and the organization comply with internal steering documents and principles.

GETINGE’S CORPORATE GOVERNANCE AND ASSURANCE FRAMEWORK



Sustainability framework

Getinge's sustainability ambitions, which are described in the company's Sustainability Framework, cover the focus areas of Quality Culture, Passionate Employees, Environmental & Social Engagement and Business Ethics & Responsible Leadership. Getinge's work in these areas comprises an integrated component of the company's strategy and culture, and is also integrated in the business activities. Separate Ethics & Compliance, QcRM and HR & Sustainability functions have been established that are responsible for developing strategies, policies, guidelines, targets, processes and tools related to their respective areas, which are implemented and integrated throughout the business activities. Cross-functional forums have been established to ensure harmonization. Read more about the company's Ethics & Compliance function in the Assurance framework, risks and risk management section. Getinge has prepared a sustainability report that is separate from the Annual Report and a separate ESG Addendum according to GRI Standards. The auditor's statement on the statutory sustainability report is presented on page 74. The Board supervises the company's sustainability and responsible leadership strategy, and information on risks and earnings is presented to the Board once a year, or more often as necessary.

Getinge's operating model

Getinge's operating model, with a focus on decentralized decision-making under Group-wide frameworks and strategies, provides guidance for Getinge's corporate governance.

Business areas

Getinge's operating activities comprise the business areas of Acute Care Therapies, Life Science and Surgical Workflows. The business areas are responsible for developing the portfolio offering and its potential value for the customers.

The business areas are responsible for (i) their own daily operations and respective integrated financial results, (ii) developing their product portfolios and offerings, and (iii) their respective strategic agendas. In addition to financial responsibility, each business area has full responsibility for ensuring that the operations are conducted in accordance with applicable laws and rules, and for ensuring that quality and regulatory requirements are met.

Global sales and service organization

The operating activities also include a global shared sales organization that aims to capitalize on synergies in sales. The global sales organization, with a few exceptions, is responsible for the sales of each business area, and has total responsibility for conducting sales in the various regions and for developing the operations in accordance with market and customer needs and trends. The global sales organization coordinates major strategic decisions with the business areas. Ultimately, the global sales organization has overall responsibility for ensuring that sales are conducted in accordance with applicable legislation and rules in the sales regions, and for ensuring that quality and regulatory demands are met in their operations.

Central support functions

Centrally, Getinge has certain shared competence and support functions – organized into corporate functions and group support functions. These functions are responsible for monitoring and supporting the development of the organization.

Corporate functions provide control within Getinge in a number of areas at Group level: Corporate Finance (including Treasury, Tax, Corporate Control and Risk Management), Corporate HR & Sustainability, Corporate Quality compliance, Regulatory & Medical affairs, Corporate Communications, Brand Management, Corporate Legal, Compliance & Governance and Research & Business Development (including M&A). The corporate functions are responsible for developing policies, guidance, processes and structures for issues that apply to the specific corporate function. The group support functions are competence and support functions for coordination in a number of areas such as: HR, Marketing and Communications, Quality (QcRM), Logistics, Business Services (including shared services and IT), Purchasing, Legal, Ethics, Compliance and Governance, and Financial Services.

Legal entity governance

Getinge comprises a large number of separate legal entities throughout the world. Each legal entity within Getinge functions as part of an operational group, and is organizationally affiliated with one of the business areas, the global sales organization, the corporate functions or the group support functions.

Corporate governance relating to Getinge's legal entities must be effective and designed to ensure compliance with applicable local laws, regulations, other legal requirements and intra-group rules.

Getinge guiding principles and steering documents

Guiding principles

Getinge’s expressed vision, mission, purpose, goals, brand promise and cultural core values are used as guiding principles for its operations. The Board establishes the general long-term strategy, which provides the direction for the coming years, as well as annual operational and financial targets. Read more about Getinge’s strategy on pages 14–33 of the 2021 Annual Report.

The strategy review process comprises an annual audit and review of the strategy. In addition, the Board reviews the strategy for each of the business areas and the global sales organization once a year. The financial plan is based on the strategic initiatives.

The President & CEO establishes the targets for the operations based on decisions by and guidance from the Board of Directors. Each of the respective functions’ goals are set on the basis of the established overall objectives.

The three business areas are responsible for their results in the Group. The business areas, the global sales organization, corporate functions and certain group functions hold regular meetings for operational review with the Getinge Executive Team to follow up on developments and results, plans, risks and opportunities. In addition, monthly follow-ups of economic targets and forecasts are carried out together with the business areas and the global sales organization.

Steering documents – framework

The Code of Conduct – Responsible leadership – provides guidelines for how Getinge works. It is summarized in six principles:

(i) Always act with honesty, fairness and integrity, (ii) Stand up and speak up when something isn’t right, (iii) Act respectfully to

protect confidentiality, privacy and information, (iv) Take care of each other, (v) Take care of the world, and (vi) Act together to protect our stakeholders.

The Code of Conduct is based on Getinge’s global policies. The Board of Directors has adopted 14 global policies that contain binding rules and general guidance for conduct within the Group. For each of the policy documents, more detailed and guiding directives and guidelines are issued (where appropriate).

In addition to the above global policies on ethical business conduct, there are separate quality and environmental policies issued by the QcRM organization, as well as Getinge’s sustainability agenda.

The Code of Conduct and all policy documents, directives and guidelines are available on the Group’s intranet and are published in a database for steering documents that is available to all employees. The Code of Conduct is also publicly available at www.getinge.com/int/about-us/business-ethics/code-of-conduct/. Most of the global policy documents are also available on the above external website.

The policies are approved by the Board of Directors and revised at least every second year or as required. Directives are decided by the President or the Getinge Executive Team member responsible for the area after being accepted by the entire Getinge Executive Team.

Getinge also has a corporate governance policy, the purpose of which is to clarify Getinge’s corporate governance model, roles and areas of responsibility, as well as the system for decision-making that applies within the Group. The policy is supplemented by more detailed guidance in directives and instructions.

SIX PRINCIPLES OF CODE OF CONDUCT



Always act with honesty, fairness and integrity

- Global Anti Bribery Corruption Policy
- Global Anti-Trust & Fair Competition Policy
- Trade Compliance Policy
- Insider Policy



Act respectfully to protect confidentiality, privacy and information

- Global Purchasing Policy
- Global Intellectual Property Policy
- Communication Policy



Take care of each other

- People Policy
- Human Rights Policy
- Global Data Protection Policy



Take care of the world

- Human Rights Policy
- Global Anti Bribery Corruption Policy
- Sustainability Policy



Stand up and speak up when something isn’t right

- Human Rights Policy
- Speak up Line (whistleblower function)



Act together to protect our stakeholders

- Communication Policy
- Global Intellectual Property Policy
- Global Purchasing Policy

Assurance framework, risks and risk management

Risk management framework

Getinge conducts operations in 40 countries and supplies products and services in a total of 132 countries through own companies and distributors. This means that the company is exposed to a number of risks and opportunities, which Getinge is actively addressing in a systematic manner.

Getinge has a framework for managing risks that could affect the fulfillment of the Group's targets and strategies. This framework entails, for example, that the Getinge Executive Team conducts an annual evaluation of material risks and their effect on Getinge's operations, and decides on measures to reduce risks and their potential effects. This work is continuously monitored by the Getinge Executive Team during the year.

The Getinge Executive Team's risk evaluation is reported to the Board of Directors and serves as a key starting point in determining the areas that Corporate Internal Audit is to examine.

The three business areas are fully responsible for their results. In addition, the three business areas and the sales organization are owners of risk in their respective areas. Accordingly, they have their own risk-management structures in their respective operations. Corporate functions assist the business areas and sales organization in managing risks in a number of areas by providing governance. The group support functions are responsible for supporting and coordinating the development of the organization and driving synergies in their respective areas.

A number of established forums that focus on risks of a particular nature conduct regular evaluation and monitoring to ensure correct coordination and management from a Group perspective. In addition to quarterly risk monitoring with the business areas and global sales organization, forums such as the Ethics Committee, the Governance Risk & Compliance forum, the Sustainability Board, the forum for the Group's risk managers and the Cyber Security Forum have been established to identify, manage and monitor risks.

Risk assessment

By conducting quantitative and qualitative risk analyses based on the offering and operations, Getinge identifies the key risks that could prevent the achievement of business and financial targets. In addition, several units in each business area and in the sales organization are analyzed to gain a more detailed understanding of the actual compliance of existing rules and regulations. Accordingly, measures to minimize identified risks are formulated centrally within the Group.

The overall responsibility for identifying and addressing potential risk areas lies with the Getinge Executive Team and the business operations. The Ethics & Compliance and Corporate

Internal Audit functions assist with support and ongoing monitoring as well as investigations and internal audit, which help to identify risk.

In 2021, Getinge has continued its efforts to strengthen risk identification, preventive measures and management through Corporate Internal Audit and the Corporate Risk Management function. It is important to note that the management of the Group's risks is based on Getinge's decentralized structure. The operations are knowledgeable about the risks inherent in the Group.

The Getinge Executive Team has identified the below stated six priority risk areas resulting from the Group-wide analysis performed in 2021. In addition to these priority risks, regular measures are taken to manage other risks according to needs and resource availability. Each of the primary risk areas is owned by a specific member of the Getinge Executive Team and work is being conducted to identify specific risks in each area and develop plans to prevent risks, mitigate the potential effects and deliver on these plans.

It is important to note that the risks presented on the following pages are not an exhaustive description of the Group's risk exposure. However, these are the risks that have been deemed to be most relevant for the Group to actively manage.

Getinge's insurance program

Strategy

The Group works actively to prevent insurance claims, for example, through its extensive quality activities and by preventing interruption risks in the operations. Getinge is to act as if the Group were uninsured. That means that Getinge continuously considers risk factors and manage them as part of the daily operations. Actively monitoring incidents and correcting underlying causes means that claims related to product liability can be prevented. The insurance program protects the consolidated balance sheet and avoids fluctuations in the income statement.

Group-wide insurance program

Getinge has a Group-wide insurance program that encompasses the global operations. The aim is to cover insurable risks with adequate limits based on current risk exposure levels. Insurance policies have been entered into with insurance companies with high credit ratings and a documented ability to provide claims assistance. A joint insurance program creates economies of scale and ensures a harmonized approach to limits and deductibles. It also creates a platform for building a balanced and cost-efficient program to prevent fluctuations in earnings.

Customer value

Stable and standardized insurance cover for the Group's global operations also adds customer value since it is required in many tender and procurement processes and when commercial contracts are signed.

Ethics & Compliance

The above risk signaling system is supplemented by the Ethics & Compliance function. Within the scope of its assignment, the Audit and Risk Committee monitors the work of the Ethics & Compliance function. Read more about the Group’s work on Ethics & Compliance and responsible leadership in the Ethics & Compliance report that is available on the company’s website. In 2021, work has progressed on building up the Ethics & Compliance function to ensure that it can independently work with business ethics and compliance.

The Ethics & Compliance function is a global function (second pillar) that is responsible for the global Ethics & Compliance program, sets global standards and processes, and monitors the use and implementation of these. The function also manages the Group’s Speak-Up process (whistleblower function) and performs risk assessments and internal investigations. The head of the function reports to the EVP Legal, Compliance & Governance. The regional Legal, Compliance & Governance teams support and guide the business managers in their daily work and support the implementation of processes, standards and tools provided by the global function. Each region has appointed a designated Ethics & Compliance coordinator who forms part of the global Ethics & Compliance network. At each quarterly meeting with the Board’s Audit and Risk Committee, the EVP Legal, Compliance & Governance presents the progress of the risk-based compliance program and reports on any incidents and the status of ongoing investigations. The Audit and Risk Committee regularly monitors any matters that may require additional focus, as instructed by the Board. The internal investigation processes are monitored through quarterly reports to the Ethics Committee.

An innovative training and inspiration program in Responsible Leadership known as #itstartswithme has been established in the Group to ensure that all employees feel confident in making long-term and responsible decisions and to ensure that employees can report and discuss improprieties and challenges.

Corporate Internal Audit

Getinge has established an internal audit function called Corporate Internal Audit. The purpose of the Corporate Internal Audit within Getinge is to provide independent evaluation of operational governance in selected areas, with a focus on effectiveness and risk management (third pillar). The annual internal audit plan is based on the company’s thorough risk analysis and function-specific and industry-related risk assessments. Internal audits are conducted for individual units and company-wide processes and within thematic areas. Each year, priority is assigned to a number of units, processes or themes for auditing, in which a number of improvement areas are identified and graded based on their potential business impact. For all observations, an action plan is prepared in collaboration with each business owner. The Corporate Internal Audit function then follows up, together with the business owner, to ensure that each observation is closed within the defined time frame.

EY (Ernst and Young Global Limited) has been Getinge’s partner in internal auditing since the Corporate Internal Audit function was established. The foundation of the internal audit work was set in partnership with EY. In 2022, the Corporate Internal Audit function will be internalized and a Head of Internal Audit has been recruited who will report directly to the Audit and Risk Committee and the Committee Chairman, but be part of the management team for Legal, Compliance & Governance.

GETINGE’S PRIMARY RISKS, CONSEQUENCES AND MANAGEMENT

	Description	Potential consequences	Management
New competitors and new technology	Certain markets and product segments have niche players who offer solutions outside customary market behavior.	These competitors could capture market shares from more established companies such as Getinge, resulting in a negative effect on Getinge’s sales and earnings.	Getinge’s long-term strategy includes active business intelligence of the competitive landscape to react to this type of competitors. The industry is also considered to have high barriers to entry since medical devices are subject to extensive regulatory requirements.
External shocks, such as geopolitical risks, natural disasters, terrorism, pandemics, etc.	These are often quickly escalating situations that affect large parts of the world, a country, a region or a specific site.	The primary consequence of this type of risk is that employees could be injured. There is also the risk of business interruptions that could have a negative impact on sales and earnings.	Active business intelligence can detect some of these risks at an early stage and the Group will then have the chance to adapt to the new situation. A process to further enhance the Group’s work on continuity risks was started in 2021. As part of this process, scenarios based on external shocks will also be included in the risks that Getinge proactively works on.

GETINGE'S PRIMARY RISKS, CONSEQUENCES AND MANAGEMENT (CONT.)

	Description	Potential consequences	Management
Quality risks from a regulatory perspective	Significant parts of Getinge's product range are covered by legislation stipulating extensive assessments, quality control and documentation.	It cannot be ruled out that Getinge's operations, financial position and earnings may be negatively impacted in the future by difficulties in complying with current regulations and requirements of authorities and control bodies or changes to such regulations and requirements.	<p>To limit these risks to the greatest possible extent, Getinge conducts extensive work focused on quality and regulatory issues. The Group-wide Quality compliance, Regulatory & Medical affairs function has a representative in the Getinge Executive Team and also a representative on the management teams of each business area, and the function is represented in all R&D and production units. In addition, Getinge's sales force and service technicians receive relevant quality and regulatory training every other year to renew their certification. This is a requirement for representing Getinge.</p> <p>The majority of the Group's production facilities are certified according to the medical device quality standard ISO 13485 and/or the general quality standard ISO 9001. In total, the Group allocates significant resources to quality and regulatory matters in order to best manage this risk exposure, and quality is the overall priority in the Group's strategy.</p>
Product quality from a customer perspective	In certain cases, Getinge's products do not meet customer expectations.	Customers experiencing shortcomings in Getinge's product quality results in a higher risk of customers choosing other suppliers. This could entail a risk of lower sales and lower profitability over time.	Getinge applies a far-reaching quality process that aims to ensure a high and even level of quality to meet customers' legitimately high requirements. This is an ongoing process that results in continuous improvements. When quality fails, it is important to rapidly bring the right equipment on site to rectify the fault during the first service visit. Getinge closely monitors the "first time fix" factor of its services operations and works extensively to make improvements related to such faults or shortcomings.
Laws and regulations mainly on business ethics	Breaches of competition law, anti-corruption, data privacy (GDPR) or trade restrictions.	Could lead to fines or penalties in one or more markets and have a negative impact on the Getinge brand.	<p>Getinge has previously provided information about ongoing investigations and agreements with the authorities regarding anti-competitive procedures in the sale of medical devices in Brazil. It cannot be ruled out that any further agreements with authorities may have a material impact on the company's financial earnings and position.</p> <p>Getinge has a zero tolerance policy when it comes to breaches of these regulations. The Group's Code of Conduct is very clear in this respect. The corporate function Ethics & Compliance was expanded during recent years and the head of the department has been a member of the Getinge Executive Team since 2020 to further demonstrate how highly the organization prioritizes these issues.</p> <p>A comprehensive training program in business ethics is provided on an ongoing basis and the aim is for all employees to take the course at least once a year.</p> <p>Getinge's business ethics regulations also apply to external distributors who sell Getinge's products in a large number of countries in which the Group does not have its own presence.</p>
Digitization and innovation	Getinge's future growth depends on the company's ability to develop new and successful products, particularly in the area of digitization. Getinge's ability to innovate is a very important factor in retaining and establishing leading positions for the Group's product segments.	Innovation efforts are costly and it is not possible to guarantee that developed products will be commercially successful, which could result in impairment. In the long term, the Group's position in the market could be negatively affected if Getinge is unsuccessful in this area.	As means of maximizing the return on investments in research and development, the Group applies a structured selection and planning process that includes careful analyses of the market, technological progress, choice of production method and selection of subcontractors. The actual development work is also conducted in a structured manner and each project undergoes a number of fixed control points. The Group is particularly concerned with ensuring access to the right skills, retaining key individuals, being an attractive employer to recruit talent externally, and identifying and developing talent within the organization.

OTHER RISK AREAS OF MAJOR IMPORTANCE TO GETINGE

	Description	Potential consequences	Management
Risks related to health care reimbursement systems	Political decisions can change the conditions for health care through changed reimbursement models for health care providers.	Changes to the health care reimbursement system can have a major impact on individual markets by reducing or deferring grants.	It is difficult to influence this risk since these decisions are outside the Group's control but the risk is limited by Getinge being active in a large number of geographical markets.
Product liability risks	Health care suppliers run a risk, like other players in the health care industry, of being subject to product liability and other legal claims.	Such claims can involve large amounts and significant legal expenses. Getinge carries the customary indemnity and product liability insurances, but there is a risk that this insurance coverage may not fully cover product liability and other claims.	The best way of managing these risks is the extensive quality-related and regulatory activities performed by the Group. Sources of potential future claims for damages are monitored through active incident reporting. Corrective and protective action (CAPA) is initiated when necessary to investigate the underlying cause, after which the product design may be corrected to remedy the fault.
Risks related to intellectual property rights	Getinge's leading positions in many of the Group's product segments are based on patent and trademark rights. These rights could lead to disputes with competitors.	Getinge invests significant resources in product development that results in patent rights. There is a risk that the Group will be involved in costly disputes concerning such rights and thus a risk that invested resources will not generate the expected return if such a dispute is lost.	To secure returns on these investments, Getinge actively upholds its rights and monitors competitors' activities closely. If required, Getinge will protect its intellectual property rights through legal processes.
Financial risks	Getinge is exposed to a number of financial risks in its operations. Financial risks principally pertain to currency risks, interest-rate risks, and credit and counterparty risks.	Fluctuations in exchange rates and interest rates and changes in counterparties' credit profiles could adversely affect the Group's income statement and balance sheet.	Risk management is regulated by the finance policy adopted by the Board and a Treasury directive decided by the Getinge Executive Team based on the finance policy. The ultimate responsibility for managing the Group's financial risks and developing methods and principles of financial risk management lies with the Getinge Executive Team and the treasury function. For more detailed information concerning these risks, refer to Note 28.
Information and data security	Leaks of confidential information or hacking into the Group's IT system resulting in restricted availability or interruptions of business-critical systems.	Leaks of personal data could lead to high fines. Hacking into IT systems could lead to business interruptions. A loss of sensitive information may adversely affect confidence in the company.	The Group's IT structure is to be considered to be decentralized, which reduces the consequence of any unauthorized access. The Group has improved user authentication during the year to prevent hacking. This work will continue in the year ahead. The Group also closely monitors critical systems to prevent hacking.

	Description	Potential consequences	Management
Deficiencies in cyber security	Security deficiencies in the Group's digital offering, such as connected machines at customer sites and stricter legal requirements for processing personal data.	Restricted availability of equipment delivered by Getinge to its customers, which could result in interruptions to the hospital operations and it not being possible to offer patients sufficient care in critical situations.	Getinge works diligently to ensure the integrity of its equipment that is connected to the internet. In-depth access testing and other measures are carried out before these solutions are offered to the Group's customers.
Business interruptions	Unforeseen and sudden events, such as natural disasters, fires, etc. that result in disruptions to production or the supply chain.	Potential interruptions and higher costs in the supply chain and production could lead to more costly or delayed deliveries or, in a worst case scenario, non-delivery to Getinge's customers. Such a situation risks negative consequences for the Group's earnings.	In the first half of 2022, there is a continuing risk of temporary business interruptions linked to a further deterioration in the global availability of electronic components as a result of the ongoing pandemic. The Group continuously works on claims prevention to ensure a high level of availability and delivery reliability. External experts inspect the Group's production units on a regular basis to identify and take action on potential interruption risks, following a Group-wide standard. The process of further improving the Group's business continuity will continue in 2022.
Profitability dependent on certain products and markets	In certain cases, a relatively large share of the total profitability of a product is linked to sales in a certain market.	The consequence of such a situation is that profitability can be adversely affected if sales volumes were to decline due to a changed competitive situation in the market.	Getinge works actively to monitor profitability per product and market in order to ensure profitability over time. To reduce the sensitivity of profitability, the Group actively works on ensuring that it has the right cost level in relation to the current price levels in the market. Getinge also works actively to establish itself in new markets.
Dependence on external suppliers	External suppliers that deliver critical components to the Group are a highly important part of Getinge's manufacturing process. Production disruptions may arise if these components are not supplied on schedule.	One of the potential consequences of this is that life saving equipment may not be delivered to hospitals as required for maintaining critical health care.	Getinge works actively to monitor critical deliveries. This process is initiated when the partnership is established and is then continuously monitored. The purchasing organization has tools for evaluating risk and for training in this area. The Group also works on ensuring that it has adequate levels of critical components in stock, either in its own operations or with the relevant supplier. Interruptions of critical deliveries are also included in the general activities related to business continuity risks. Refer to "Business interruptions" above.

Internal control over the financial reporting

At Getinge, internal control over the financial reporting is an integral part of the corporate governance. It comprises processes and methods to safeguard the Group's assets and accuracy in the financial reporting, and in this manner, protects the shareholders' investment in the company.

Control environment

The basis of the internal control over the financial reporting comprises the control environment, including the organization, decision-making channels, authorities and the responsibilities that are documented and communicated in steering documents. The Audit and Risk Committee's responsibilities include monitoring the effectiveness of the company's internal control, financial reporting and risk management. Each business area and the sales organization are responsible for continuous transaction management and accounting, while Getinge's Shared Service Center in Krakow, Poland, conducts this management on behalf of the business areas and the sales organization to a certain extent. Each business area and the sales organization has a financial manager, who is responsible for the financial control and for ensuring that the financial statements are accurate, complete and submitted in good time prior to consolidated reporting.

Control activities

The most material risks identified relating to financial reporting are handled by the company's control activities. For example, there are automated controls in IT-based systems that manage authority levels and rights to authorization, as well as key control elements, such as duality in the day-to-day recording of transactions and closing entries. Detailed financial analyses of results and follow-ups against plan and forecasts supplement the operation-specific controls and provide overall confirmation of the quality of the financial reporting. The Group follows standardized templates and models to document controls.

Information and communication

The Group has information and communication procedures to promote completeness and accuracy in the financial reporting. Steering documents and work descriptions are available on the company's intranet. Information regarding the efficiency of the internal controls in the Group is regularly reported to the relevant financial manager for the sales organization and the business areas, as well as to the internal control function, the finance function, the Getinge Executive Team and the Audit and Risk Committee.

Follow-up and monitoring

Each financial manager and the Getinge Executive Team perform monthly analyses of the financial reporting at a detailed level. The Audit and Risk Committee follows up the financial reporting at its meetings and the company's auditors report on their observations and provide recommendations. The Board receives financial reports on a monthly basis and the company's financial position is discussed at every Board meeting. The efficiency of the internal

control activities for the financial reporting is annually followed up by the internal control function in the Group and this comprises an assessment of the formulation and operative function of key control elements that have been identified and documented. The results of the independent evaluation of key controls in the internal assurance framework are reported to the Audit and Risk Committee every year.

Self-assessment and validation

The Getinge Group has worked for several years with a formalized process for the follow-up and evaluation of the documentation of key control elements. The internal assurance framework is regularly reviewed based on the results of, for example, self-assessments and auditing activities. This work took the form of self-assessments and validation of the self-assessments. The validations are performed by each financial manager or the person in the sales organization or the business area to whom the manager has delegated this task, supported by the central internal control function.

The purpose of self-assessment is to proactively identify any weaknesses in the internal control environment, jointly develop improvement measures, but also ensure the maintenance of the achieved good internal control environment. Another purpose is to enhance the efficiency of the local control activities in companies by identifying shared work methods and transferring knowledge between the companies to raise the general quality of the control environment.

In 2021, two-thirds of the active companies, jointly totaling just over 90% of the sales in the Group, conducted a self-assessment. In conjunction with the standard audits, the auditors conducted an in-depth validation of the internal control environment. Both the self-assessment and the auditors' evaluation encompass the following processes: corporate governance (such as assignment of authority for financial IT systems and implementation of global policies), financial reporting, production and inventories, tangible and intangible assets, sourcing of and revenues from products and services, salary and remuneration procedures and tax management. The digitalization of the self-assessment process, which commenced in 2020, continued in 2021 and more companies have been introduced into the tool.

Outcome 2021

The follow-up of the internal control in 2021 indicated that documentation and control activities over the financial reporting were, in all material respects, established at the validated companies.

Follow-on work

In 2022, the internal control function will continue its work to improve the internal control environment through the further development of the framework and work method, and by further clarifying roles and responsibilities. The outcome from the year's validation and evaluation, and from the various company audits, will be used as a basis for the continuous improvement work on internal control via financial reporting.

Auditor's report on the Corporate Governance Report

To the General Meeting of Shareholders in Getinge AB (publ),
corporate identity number 556408-5032

Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the year 2021 on pages 34–58 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 auditing 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.

Gothenburg March 30, 2022

Öhrlings PricewaterhouseCoopers AB

Peter Nyllinge
Authorized Public Accountant
Auditor in Charge

Karin Olsson
Authorized Public Accountant

Sustainability Report

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About the report

Getinge's statutory Sustainability Report is based on the sustainability framework's four focus areas Quality culture, Passionate employees, Environmental & social engagement and Business ethics & responsible leadership. Getinge's statutory Sustainability Report for 2021 has been prepared in accordance with GRI Standards: Core Option.

In order to provide stakeholders with comprehensive and comparable information, Getinge has decided to publish all GRI disclosures in a separate report, "Getinge Sustainability – ESG Addendum for Annual Report 2021", which can be found at:

<https://www.getinge.com/int/about-us/investors/reports-presentations/>

The Sustainability Report covers production facilities and subsidiaries, but not associated companies. Getinge's reporting cycle is annual, and the company's last Annual Report and sustainability update report were published on March 19, 2021.

Getinge's Sustainability Report for 2021 has been prepared in accordance with GRI standards: Core option, it has not been examined by the company's auditor. In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Getinge has chosen to prepare a statutory Sustainability Report as a separate report from the Annual Report and the auditor's report on the statutory Sustainability Report is available on page 74.

The following topics are covered in the statutory sustainability report:

- Anti-corruption: pages 18, 63–64 and 70
- Business model: pages 6–7 and 12–33
- Environment: pages 19, 63–66, 70–71
- Employees: pages 18, 63–64, 66 and 71
- EU Taxonomy: page 73
- Human rights: pages 18, 63–64 and 71
- Social: pages 19, 63–64, 66–67 and 71

Information on risk related to areas in sustainability are included in pages 70–71 in Getinge's overall description of risk management on pages 53–57.

Contact statutory Sustainability Report:
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Vice President Sustainability & Leadership
E-Mail: ralf.schmitt@getinge.com

Comments from the CEO

Our brand promise at Getinge is “Passion for life”. This clearly marks our responsibility to ensure that our products, solutions and overall impact contribute to a sustainable business and world. A core part of this is to find innovative ways to help more people using less resources in healthcare. This commitment starts with our internal ways of working, but equally important is how we proactively find ways to help our customers and other key stakeholders to contribute.

To support our ambitions we have established a Sustainability framework consisting of four parts: Quality Culture, Passionate Employees, Environmental & Social Engagement and Business Ethics & Responsible Leadership. These areas and topics have been prioritized in light of customer value, risks, cost and overall business impact. You can find more information about our various activities related to each area in our 2021 Annual Report.

As early as 2020 we set our direction to become a CO₂ neutral company by 2025 in our own operations and last year we also committed to the Science Based Target initiative, scope 1–3, and to become a net-zero emissions company by 2035. We are progressing according to plan, although much work remains to be done. We have decreased our CO₂-emissions in production by 27% compared to the base year 2019. We are shifting to renewable energy sources, finding smart and as environmentally friendly ways as possible for shipping, transforming our fleet into hybrid and electrical cars and ensuring we only travel when absolutely needed. We are also following our eco-design principles in product development to ensure that our products and solutions supports our customers’ endeavors to reduce emissions without compromising on



quality. We play an important role in minimizing use of material, recycle and reduce energy and water consumption.

On the following pages you can find more details about our work and progress. Sustainability is, and will remain, a top priority for us at Getinge.”

Mattias Perjos,
President & CEO

Stakeholders and material topics

Stakeholder dialogue

Getinge's stakeholder dialogue is a continuous practice in its day-to-day work. As part of the continued review of our sustainability framework multiple internal and external business partners were interviewed on their needs and priorities in sustainability in regards to Getinge as a company and as a supplier in 2021.

Employees

Getinge's passionate employees are a key factor for Getinge to deliver on the company's business strategy, achieve the overall targets and act as a responsible company.

Customers

Getinge values its close customer relationships and dialogues. The company actively listens to customer feedback so that it can deliver valuable products and services.

Partners

Cooperation and dialogues with other experts are necessary to achieve success and to contribute to the society in the best way

possible. The many collaborations with partners during COVID-19 are prime examples on this.

Existing and potential owners

Getinge has ongoing dialogues with investors, especially in conjunction with financial reporting. The company provides actual and fact-based sustainability data and progress reporting.

Governments and Regulators

Getinge is committed to comply with all applicable regulation in its markets and the geographies where the company operates. The regulatory environment is critical to the success of our business.

Auditors

Getinge has decided to have its Sustainability Framework and reporting audited by an external assurance company, starting with a pre-assurance of key topics and indicators on the sustainability report from 2020 in 2021. Getinge is seeking limited assurance of its sustainability reporting in 2022, and is aiming for a reasonable assurance further on.

Stakeholder dialogue

Stakeholders	Prioritized topics	Channels for dialogue
Employees	<ul style="list-style-type: none"> • Become a CO₂ Neutral Company by 2025 • Flexible Workplaces • Learning organization & Education • Innovate products & services, EcoDesign • Social responsibility commitment. 	<ul style="list-style-type: none"> • Meetings, interviews and workshops • Education and trainings • Employee Survey 2021 • GetNet (internal digital platform)
Customers	<ul style="list-style-type: none"> • Product quality, efficiency and safety, innovation and longevity • Product sustainability data (LifeCycleAssessments, material declarations) • EcoDesign: Ease of use & recycling of packaging materials, reduction of waste • Environmental impacts of products, End-of-life programs 	<ul style="list-style-type: none"> • Meetings and interviews • Analysis of tender specifications and requirements of purchasing organizations • Financial statements including Annual Report & Sustainability Report • Product-related information and customer trainings • Getinge.com
Partners	<ul style="list-style-type: none"> • ESG Reporting • Sustainable sourcing • Digitalization of processes and data management 	<ul style="list-style-type: none"> • Meetings and interviews with suppliers, financial stakeholders, ESG rating agencies • Financial statements including Annual Report & Sustainability Progress Report • Communication and training on Supplier Code of Conduct and Business Partner Code of Conduct • Getinge.com
Investors, owners and auditors	<ul style="list-style-type: none"> • Fact-based quarterly sustainability data • Roadmap to carbon neutrality • Evolving reporting standards and additional formats in ESG reporting • Economic efficiency, tangible and intangible assets • Governance and compliance • Long term profitability & financial performance 	<ul style="list-style-type: none"> • Meetings, interviews and workshops • Financial statements including Annual Report & Sustainability Report, ESG Addendum • Capital Markets Day • Quarterly telcos

Stakeholder dialogue cont.

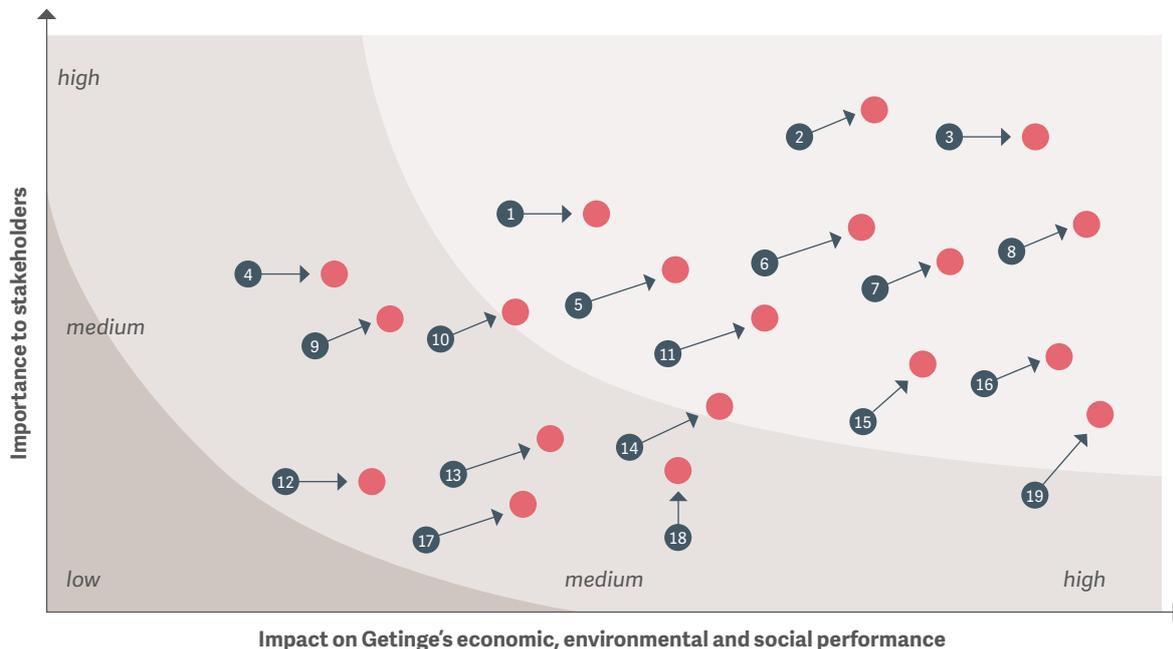
Stakeholders	Prioritized topics	Channels for dialogue
Governments and Regulators	<ul style="list-style-type: none"> • Contribution to national economic, development and public health priorities • Climate change and wider sustainability agenda, including carbon reduction, human rights, environmental impacts • Support in local communities and corporate behaviour 	<ul style="list-style-type: none"> • Memberships in UN Global Compact and local Swedish Associations • Ongoing dialogues with regulators on certification of products • Financial and Non-financial reporting including Annual Report & Sustainability Progress Report • Getinge.com

Material topics

Getinge conducted a full review of its materiality analysis on sustainability topics in 2020 and continued its stakeholder dialogues with all groups in 2021, which provided the foundation for a review of the materiality analysis in 2021. The review was carried out to

ensure that the sustainability framework and targets under the program are addressing what is material to its internal and external stakeholders. Getinge’s engagement with stakeholders from all groups showed minor changes in topics and priorities during 2021.

Material Topics: Review 2021



● 2020 → ● 2021

- | | | |
|--|---|---|
| <ul style="list-style-type: none"> 1 Corporate Social Responsibility 2 Compliance & Business Ethics 3 Product Quality & sustainability data 4 Support of UN SDGs 5 EcoDesign 6 Commitment and Roadmap to carbon neutrality | <ul style="list-style-type: none"> 7 Sustainable HC offerings 8 Health & Safety during pandemic 9 Employee Benefits 10 Diversity & Gender equality 11 ESG Reporting 12 Waste management & Recycling 13 Smart Logistics and packaging materials | <ul style="list-style-type: none"> 14 Responsible Sourcing 15 Leadership & People Management 16 Data privacy & security 17 CO₂ Emissions from Fleet & Travel 18 Supplier ESG Management 19 Digitalization & automation |
|--|---|---|

The updated material topics, outlined in table below, are divided into the four focus areas of the Getinge sustainability framework; Quality Culture, Passionate Employees, Environmental & Social Engagement and Business Ethics & Responsible Leadership. These areas and topics have been prioritized by the Getinge Management Team in light of customer value, risks, cost and overall business impact. Getinge recognizes that almost all parts of the

organization are involved in improving our sustainability business approach, covering a wider range of topics. Due to this, Getinge has also decided to disclose a wider range of indicators in its ESG GRI Index, in order to provide a transparent view on progress in all areas important to the internal and external stakeholders. Getinge will conduct a full review of its material topics in 2022.

Quality Culture	Business Ethics & Responsible Leadership	Passionate Employees	Environmental & Social Engagement
<ul style="list-style-type: none"> Continuously improve products, services and processes Advancing our offerings through customer insights and innovation Making sure Getinge does the right things, in the right way, every day in each part of the company <p>Focus Areas & Activities</p> <ul style="list-style-type: none"> Clear roles & responsibilities Well defined processes Continuous improvements <p>Boundaries</p> <p>This topic includes all parts of the organization, Group companies and all employees at Getinge</p> <p>Impact Analysis</p> <p>A strong quality focus ensures business success, customer satisfaction and mitigation of business risks</p> <p>Our quality governance structure ensures transparency in decision making, monitoring progress toward targets, and guidance for all employees</p>	<ul style="list-style-type: none"> Ensuring business is conducted in an ethical and responsible way, in all internal and external contexts Ensuring human rights and guidelines of anti-corruption Having a competent, diverse and inclusive organization Developing Getinge's leadership to foster an open and transparent culture Continuously enable and inspire responsible leadership <p>Focus Areas & Activities</p> <ul style="list-style-type: none"> Ethics & Compliance: Compliance with laws and regulations, ethical standards, human rights, anti-corruption, our Code of Conduct and global policies and directives Company Core Values & Leadership Competencies: Getinge's cultural values are the foundation of all work and activities that enables and develop the leadership Diversity & Equality: Getinge's commitment to its role in global society, ensuring a more diverse workforce based on gender equality <p>Boundaries</p> <p>This topic includes all parts of the organization, Group companies and all employees at Getinge</p> <p>Impact Analysis</p> <p>Responsible leadership at Getinge means involving all employees to set the standard and act as role models for ethical behavior and professional integrity. Activities in this area provide the conditions and requirements for Getinge's employees to ensure business is conducted in an ethical and responsible manner, in all internal and external contexts. This sets the foundation to mitigate risks and avoid negative effects of legal or regulatory non-compliance in human rights and anti corruption</p>	<ul style="list-style-type: none"> Build a learning organization where employees develop and grow Create strong employee engagement Teamwork and collaboration to find and implement efficient and effective ways of working, for the benefit of customers and Getinge employees <p>Focus Areas & Activities</p> <ul style="list-style-type: none"> Flexible Workplaces: Transformation of management processes with a focus on efficiency and digitalization Learning Organization: Enabling all employees to understand the company targets and act responsibly based on company values Employee engagement: Improvements based on employee surveys and employee NetPromoterScore <p>Boundaries</p> <p>This topic includes all parts of the organization, Group companies and all employees at Getinge</p> <p>Impact Analysis</p> <p>Passionate employees are the key factor to bring Getinge's business strategy to life, achieve its overall targets and act responsibly as a company</p> <p>Getinge's progress in sustainability is based on transformation of its processes and behavior; as change is based on human decision making, passionate employees from the basis of Getinge's success</p>	<ul style="list-style-type: none"> Contributing to a sustainable health care market and society by working in close partnership with our customers Integrating EcoDesign in product development and measuring the environmental impact in all parts of the value chain, with focus on becoming a CO₂ neutral company by 2025 (GHG Scope 1&2) and 2035 (Scope 3) Prioritizing and safeguarding the health and safety of its employees <p>Focus Areas & Activities</p> <ul style="list-style-type: none"> EcoDesign & Environmental Management: Getinge's commitment to transform its use of environmental resources and create sustainable products and health care offerings Health & Safety: Global Health & Safety Management System to keep the company's employees safe and healthy, and reduce the number of work related accidents and incidents Getinge in the Society: Engagement in local communities, donation programs and charity engagements <p>Boundaries</p> <p>This topic includes all parts of the organization, Group companies and all employees at Getinge</p> <p>Impact Analysis</p> <p>For Getinge, acting sustainable means that the company conducts business that is ethically, socially and environmentally sound across the entire value chain</p> <p>Reducing the corporate emission footprint is not only a positive contribution to limit climate change but also helps to raise energy efficiency in production and operation, decrease cost of energy use, and avoid potential negative tax effects of emissions</p>
<p>Management approach</p> <p>The general management approach of Getinge's Sustainability program can be found in the section Sustainability Governance of this report on page 70. Further information on the management approach for specific topics and indicators are included in "Getinge Sustainability – ESG Addendum for Annual Report 2021" for each GRI disclosure. Information on the management of related ESG risks can be found on pages 70–71 and in the risk section on pages 53–57 of this report.</p>			

Sustainability Targets & Results 2021

Getinge has developed a global framework for its sustainability efforts, which will be integrated in the business going forward and monitored on an ongoing basis. In conjunction with this, Getinge also set the target to become CO₂ neutral by 2025 (GHG scope 1&2 in its own operations) and decided to have the sustainability report for 2020 reviewed by the company's auditor, based on so called pre-assurance, during 2021. A decision has also been made to

comply with Science Based Targets initiative. An additional governance structure, the Sustainability Board, was established during the year overseeing and guiding initiatives under the sustainability framework.

Among its wide range of topics addressed in all corporate functions and sites Getinge's core environmental targets and indicators developed positively in 2021.

Environmental Targets 2019–2025 Target & Indicators

Results 2021

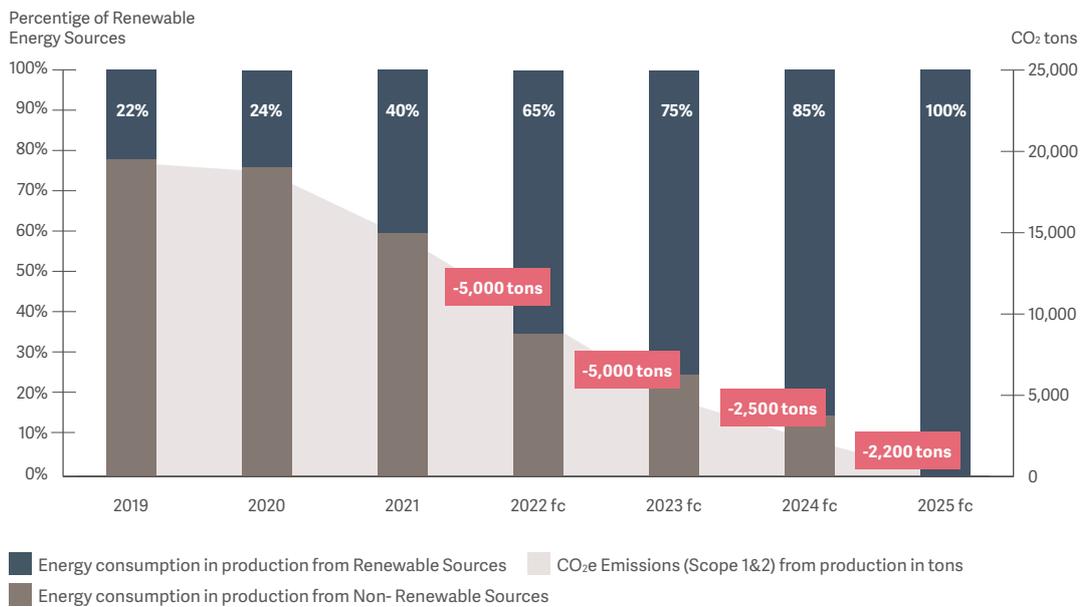
Become a carbon neutral company

CO₂ neutral in its own operations by 2025

Emissions from production (Scope 1&2)
Switch to renewable energy resources in production (in percent of total energy consumption)

- 40% of energy consumption in production from renewable resources
- Roadmaps to carbon neutrality in place per production site

Projection: Transition to Renewable Energy Resources/ Targets



Reduce CO₂ emissions from production

-5% by 2025
ton CO₂ / MSEK internal revenue with 2019 as the base year.

- Reduction of 27% (compared to base year 2019)

Reduce energy consumption from production

-10% by 2025
MWh / MSEK internal revenue with 2019 as the base year

- Reduction of 8% (compared to base year 2019)

Transformation of corporate vehicle fleet

50% by 2025
50% of vehicles with alternative low emission power units by 2025

- 20% of Getinge's vehicle fleet is equipped with hybrid or fully electric engines

**Environmental
Targets 2019–2025** Target & Indicators

Results 2021

Reduce emissions from internal travel

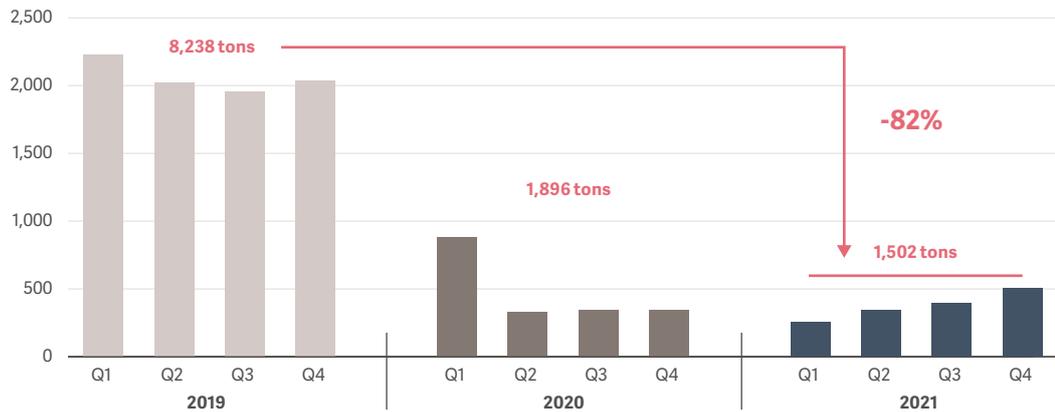
50% by 2025

- Reduction of 50% internal travel with 2019 as the base year

- Reduction of 82% of emissions from internal travel (compared to base year 2019)

CO₂ Emissions from travel

CO₂ Emissions in tons



Our agenda for Corporate Social Responsibility, including social and non-financial targets remain unchanged, with the following results in 2021.

Non-Financial Targets	Target	Indicator	Results 2021
Customer Satisfaction	> 25% net promoter score (NPS)	• Results from customer satisfaction surveys	Global: NPS 39 (2018: 27) China: NPS 79 (2018: 44) UKI: NPS 50 (2018: n.a.)
Workplace Safety	0 workplace related accidents	• Total work related accident rate	2021: 1,32 (2020: 1,35)
Employer engagement	Employee Engagement Index >70	• Results from annual employee survey	67%
Diversity & Equal Opportunities	Equal opportunities to all employees	• Gender balance	Gender balance in the group: Managers 2021: 69% male/ 31% Female Employees 2021: 63% male/ 37% Female

CSR Initiatives

Corporate Social Responsibility - Corporate Partnerships

As part of Getinge's Sustainability Framework, social responsibility commitment is centered on meeting health care challenges such as an increasing population and longer life expectancies that increase the pressure on health care systems. Getinge also wants

to make a positive impact in wider society by collaborating with non-profit organizations.

Getinge supports social initiatives locally and globally to show our responsibility for global society.



Photo: Prantham Sweden

Pratham

One of the largest international non-governmental organizations and innovative learning organization created to improve the quality of education to underprivileged children in India.

Reason for partnership: Getinge actively support Pratham to employ education in the fight against poverty

Partnership since: 2018



Photo: WaterAid/Basile Ouedraogo

WaterAid

An international not-for-profit organization working to make clean water, decent toilets and good hygiene normal for everyone, everywhere within a generation.

Reason for partnership: Contribute to improved access of clean water, sanitation and hygiene in health care in the world's poorest communities.

Partnership since: 2020



Photo: Universeum

Universeum

Science experience center, using playful methods to learn kids and adults about science, nature and sustainable development.

Reason for partnership: Support Universeum in its mission to strengthen skills supply and innovation, and to contribute to sustainable societal development with a particular focus on health.

Partnership since: 2020



Photo: Drottning Silvias barnsjukhus

The Foundation for Queen Silvia Children's Hospital

The foundation supports children and young people every day who are being treated for both physical and mental illnesses.

Reason for partnership: Support the important work to bring joy into the everyday lives of children and young people who are dealing with various illnesses.

Partnership since: 2020

Memberships, ESG Ratings and Awards

Member of United Nations Global Compact

As a member of the United Nations Global Compact, an organization most respected and influential in the domain of global environmental and social goals globally, Getinge annually provides progress reports on its sustainability activities. Getinge's Communication on Progress (COP) has been reported according to the Global Compact (GC) Advanced level since 2018.

Through the GC Advanced level, the UN Global Compact Office recognizes companies that strive to be top reporters and declare that they have adopted and report on a broad range of best practices in sustainability governance and management.

Global Compact Advanced COPs are publicly recognized on the Global Compact website with detailed results of the COP self-assessment available on Getinge's COP web page. See <https://www.unglobalcompact.org/what-is-gc/participants/54811-Getinge#cop> for more details.

Memberships & Associations

Getinge representatives hold positions as members of the Board of Directors at Swecare, a Swedish semi-governmental non-profit organization within health care, and Swedish Medtech, the association for medical technology in Sweden.

Complying with Industry Standards: Global Reporting Initiative (GRI)

The GRI Sustainability Reporting Standards are the first and most widely adopted global standards for sustainability reporting. The practice of disclosing sustainability information is set to inspire accountability, helps identify and manage risks, and enables organizations to seize new opportunities. Reporting with the GRI Standards supports companies, public and private, large and small, protect the environment and improve society, while at the same time thriving economically by improving governance and stakeholder relations, enhancing reputations and building trust.

To meet market and investors demand to report our company performance in sustainability in a standardized way, Getinge bases its reporting on the Standards of the Global Reporting Initiative (GRI), starting with the Annual Report 2019. This also enables Getinge to comply with the EU Directive 2014/95/EU on Corporate Social Responsibility (Non-financial and Diversity Information).

Commitment to the Science Based Target Initiative

Getinge signed its commitment to develop its environmental targets in line with the SBTi initiative in December 2020. Getinge has also signed the ambition letter to contribute to limit global warming below 1.5 °C in December 2020. In 2021, an internal working group was established to define targets and roadmaps in each category of GHG Scope 3 emissions which will be provided to SBTi for approval in 2022.

External ESG Ratings

Getinge is in continuous dialogue with financial stakeholders and rating agencies, in order to provide transparent communication of ESG topics and indicators.

Getinge is ranked on ESG performance by the reputable ranking institute Sustainalytics. In 2021 Getinge conducted a review of its data which was presented to Sustainalytics. This resulted in an improvement in Getinge's ESG rating to Medium Risk (25) for 2021, compared to High Risk (34) in 2020. Getinge's score in ESG management momentum improved to Strong (50), an increase by 17.7 points compared to 2020.

Getinge continues to evaluate its sustainability performance through EcoVadis, a leading system for evaluating suppliers' environmental aspects, working conditions, corporate social responsibility and subcontractors. The EcoVadis rating is an important achievement, illustrating Getinge's commitment regarding sustainability and the continued improvement in this area.

Awards 2021

For the second time, as World Finance Magazine awards businesses across the world that are taking action to tackle climate change, Getinge was named winner in the category Most Sustainable Company in the Life Science Industry in 2021.

See <https://www.getinge.com/int/about-us/press/press-releases/2021/4015282-Getinge-awarded-most-sustainable-company-in-the-Life/> for more details.

UN Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) launched by the UN in September 2015 aim to achieve the changes necessary to realize long-term sustainable development by 2030. The commitment of companies and the actions they take are critical for achieving these SDGs.

Getinge supports all of the UN's 17 Sustainable Development Goals on human rights, labor, environment and anti-corruption. A number of goals that best correspond to the company's impact on its business environment have been identified. These goals are:



Goal 3 – Ensure healthy lives and promote well-being for all at all ages

Operating in the medical device industry, Getinge as a company contributes its therapeutic innovations to considerably improve health and well-being as an integrated part of its business strategy. This includes all internal and external touch-points - own employees, suppliers, distributors and customers.



Goal 4 – Ensure inclusive and quality education for all and promote lifelong learning opportunities for all

Getinge continuously contributes to partners within health care organizations, universities and medical schools to educate and train health care professionals, as well as students starting their medical training. In addition, Getinge supports the Pratham educational program in India, to improve quality of education to children in the fight against poverty. Also, Getinge is a partner of Universeum, the largest science center in the Nordics. With this partnership, Getinge supports Universeum in their mission to strengthen science skills and innovation, and to contribute to sustainable societal development. Receiving high-quality education is a basis for a more prosperous life.



Goal 5 – Gender equality

Diversity, equal opportunities, gender and inclusion are not only part of Getinge's expanded Sustainability Framework but are also key components of the company strategy. Getinge is strongly committed to improve diversity, securing equal opportunities and to close gender gaps across the entire company.



Goal 6 – Ensure access to water and sanitation for all

Through its Ecodesign principles, Getinge is committed to a sustainable market offering, characterized by products that enable a reduced water usage throughout the entire lifecycle.



Goal 8 – Promote inclusive and sustainable economic growth, employment and decent work for all

As a global company, Getinge works to promote long-term sustainable economic growth, a higher productivity level and technical innovation. Getinge strives to ensure protection of employee rights, assurance of a safe and secure work environment, and equality and equal conditions in working life.



Goal 12 – Ensure sustainable consumption and production patterns

Getinge addresses defined goals and indicators related to CO₂ emissions, energy efficiency, EcoDesign, waste and recycling. Getinge works to achieve more sustainable consumption and production that are anchored in environmental sustainable goals and corresponds with international norms, standards and certifications such as ISO 14001.



Goal 13 – Take urgent action to combat climate change and its impacts

Getinge is committed to doing its utmost to combat climate change and is actively working on minimizing its environmental footprint. The company is engaged in achieving the Paris agreement goals of limiting global warming to 1.5 °C above pre-industrial levels, and has committed to the Science Based Target initiative. Getinge is aiming for carbon neutrality in Scope 1 and 2 by 2025 in its own operations and in addition actively addressing Scope 3 throughout the supply chain.



Goal 17 – Partnership for the goals

Strong global partnerships and collaborations is key to realizing the Sustainable Development Goals. Getinge collaborates with its customers and partners as a part of its daily operations to develop products and solutions that contributes to a more sustainable health care. In addition, the company works together with academia, industry organizations, NGO's and governments to identify and develop scalable solutions to health care related challenges.

Sustainability Governance

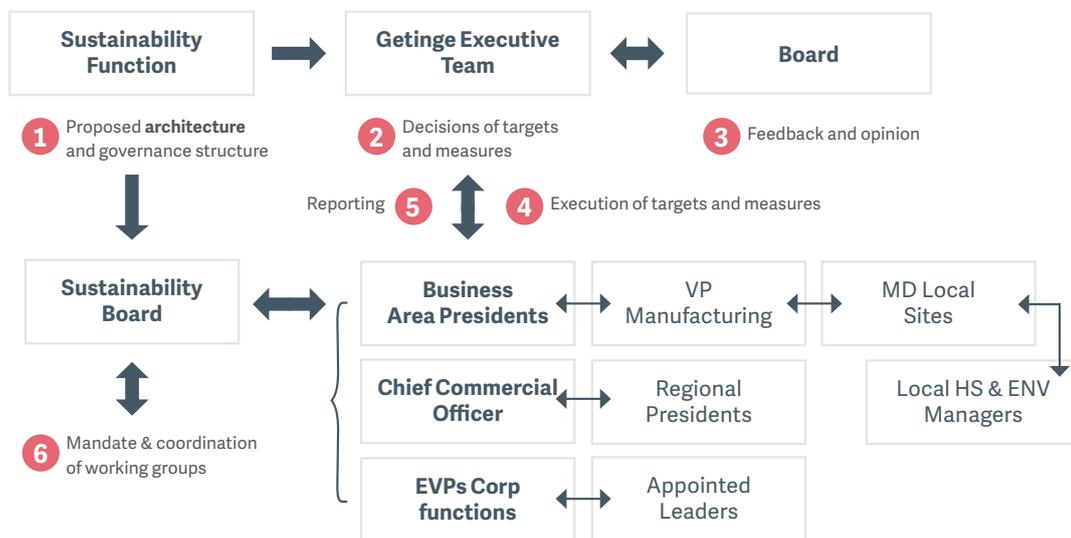
Organization

The Executive Vice President Human Resources & Sustainability is representing the sustainability function in the Getinge's Executive Team, which holds the overall responsibility for setting related goals and strategies, and monitoring and measuring progress on sustainability. In addition, Getinge has established a Sustainability Board with representatives from the company's Executive Team, Business Areas, Business Ethics & Compliance, QRC, Finance and Communications responsible for monitoring current ESG practices,

progress and risks. Each of the company's Group functions and production units are responsible for compliance with the Code of Conduct and for the implementation of the sustainability targets in their line organization. They are also responsible for evaluating of sustainability related risks in their operations, such as environment, occupational health & safety, anti-bribery & corruption, human rights, labor & diversity and supplier responsibility.

Governance and ownership

Flow of decisions in sustainability



ESG Risk Management

Getinge's Sustainability Framework includes ongoing assessment of emerging sustainability issues to help the Getinge Executive Team to anticipate risks and create value from emerging opportunities.

The Sustainability Board oversees the ESG risk assessments in the focus areas of the global sustainability framework. With this, Getinge integrates potential ESG risks into the organization's risk management (ERM) and reports on the results to senior management, the Board of Directors and shareholders. Further information on how Getinge manages business risk can be found in the risk section of this report on pages 18–19 and 53–57.

Risks from Anti-Corruption

The Global Anti-bribery & Corruption (ABC) program serves as a method and tool for ensuring that Getinge has adequate procedures in place, aimed at preventing Getinge from taking part in any corrupt business practices, and that the company adhere to applicable laws and regulations as well as relevant ethical standards including the Code of Conduct and global policies and directives. In 2021, Getinge conducted a combined Anti-Bribery and Corruption and Anti-trust Risk assessments in China, Türkiye, Mexico, BeNeLux and France. The Ethics & Compliance function also conducted a US specific risk assessment on Interactions with experts within healthcare (HCP's) and initiated a risk assessment according to US regulations (HIPAA). The following key risks were

identified: Interactions with Healthcare Professionals, Sales practices through third parties, Integration of Ethics & Compliance in the daily business activities and risks of adherence to local laws requirements related to prevention of corruption. In 2021 the number of confirmed incidents of corruption and actions taken is zero. For more information see disclosure GRI 205 in "Getinge Sustainability – ESG Addendum for Annual Report 2021".

Risks in Human Rights

The company's business operations are guided by the principles of diversity and inclusion, freedom of association and ensuring a safe and secure workplace. The dedication to human rights, regardless of where in the world Getinge operates, is rooted in the Code of Conduct and the Human Rights Policy. Risks have primarily been identified as those linked to child labor, forced labor or compulsory labor, but also the risk of discrimination, prevention of association and freedom of negotiation and work environment-related problems. These risks are however, not considered significant to Getinge's direct operations. All forms of violations of human rights are taken very seriously and if any severe adverse Human Rights impacts are discovered, Getinge will act appropriately without delay.

In 2021, no incidents of violations of human rights have been identified. For more information see disclosures GRI 412, 408, 409, 411 and 414 in "Getinge Sustainability – ESG Addendum for Annual Report 2021".

Risks in environmental aspects

Environmental risks include all impact of climate change to Getinge's business. Getinge closely monitors the evolving legislation in different geographies of operation in regards to the financial impact of climate change (such as emission taxation or resource pricing). Other risks in this area include responsible use of resources and waste handling in all locations of operation. Getinge has established ISO 14001 certifications in all production sites to comply with all local regulation in this area.

Risks in employee aspects

Passionate employees are the key factor to bring Getinge's business strategy to life, achieve the overall targets and act responsibly as a company. Getinge's progress in sustainability is based on transformation of our processes and behavior; as change is based on human decision making, passionate employees from the basis of success.

Governance Documents in Sustainability

The Getinge global sustainability framework is accompanied throughout the entire organization by its global policies, Standard Operating Procedures (SOPs) and internal directives.

See <https://www.getinge.com/int/about-us/business-ethics/code-of-conduct/policy-summaries/>

ID	Title
DIR-0117	Community Donations Directive
DIR-0129	Global Sanction Screening Directive
DIR-0141	Global Tender Directive
DIR-0142	Interactions with Competitors
DIR-0145 -	Diversity Directive
DIR-0146	Labour Rights Directive
DIR-0147	Getinge International Assignment
DIR-0148	Global Travel & Expense Directive
DIR-0149	Global Reward Guidelines and Governance Directive
DIR-01501	Cybersecurity lifecycle
DIR-0151	Global Company Vehicle Directive
DIR-0161	Global Gift and Hospitality Directive
DIR-0201	Competence Awareness & Training
DIR-0220	Occupational Health and Safety Directive
DIR-0407	Product Risk Management
DIR-0421	Environmental Monitoring for Terminally Sterilized HC Products
DIR-0801	Customer Issue Management
DIR-0904	Non-Conformity Handling
DIR-1301	Code of Conduct Investigations
DIR-1305	Speak-Up and Non Retaliation - Global
GG-SOP-0150	Environmental Survey & Planning
GG-SOP-0152	Environmental Communication
GG-SOP-0160	Emergency Management
GG-SOP-0450	EcoDesign
GG-SOP-0451	Environmental Legal Fulfillment
GG-SOP-0452	Environmental Risk Management
GG-SOP-0950	Environmental Monitoring & Improvement
SOP-0505	Supplier Performance Monitoring and Re-Evaluation

Audit & external assurance of non-financial reporting

Getinge started the process toward assurance of its sustainability framework with preparatory pre-assurance work on the report for

Responsible leadership at Getinge means involving all employees to set the standard and act as role models for ethical behavior and professional integrity. Risks in this area include the conditions and requirements for Getinge's employees to ensure business is conducted in an ethical and responsible manner, in all internal and external contexts. This sets the foundation to mitigate risks and avoid negative effects of legal or regulatory non-compliance in human rights and anti corruption.

Risks in social aspects

Getinge acknowledges its role in society and in the communities of operation. Getinge's agenda for Corporate Social Responsibility and social engagement is closely tied to the management of business ethics & compliance for all our employees and engagements in order to mitigate potential risks in this area.

In 2021, no incidents of non-compliance concerning the health and safety impacts of products and services and no incidents of non-compliance concerning product and service information and labeling have been identified.

Additional steering documents are in place internally from specific functions and geographies where applicable. These are also documented in "Getinge Sustainability – ESG Addendum for Annual Report 2021" for each topic/indicator in the Management Approach sections.

ID	Title
SOP-0508	Supplier corrective action requests (SCAR) Management
SOP-0902	Managing Corrective and Preventive Action (CAPA) process
SOP-1001	Computerized System Validation Master Plan
SOP-1003	Risk Analysis for Computerized Systems
SOP-01503	Qualification of Software and IT Infrastructure platforms
SOP-01524	Onboarding and Qualification
SOP-0411	Country Specific Labeling
SOP-0419	Product Risk Assessment & Product Risk Control
SOP-0502	Supplier Audits
SOP-0607	Hazardous Material Management - Logistics
SOP-0611	Scrap Handling - Logistics
SOP-0612	Shipping Preparation Packing and Delivery - Logistics
SOP-0802	Customer Product Complaint Handling
SOP-0803	Post Market Surveillance
SOP-1002	Computerized System Validation
SOP-1103	Health Hazard Evaluation
SOP-1108	QRC Key Performance Indicators
SOP	Security Incident Management
POL-0102	Getinge Quality Policy
POL-0103	Getinge Environmental Policy
POL-0106	People Policy
POL-0107	Global Anti-Bribery Corruption Policy
POL-0109	Supplier Code of Conduct
POL-0111	Global Trade Compliance Policy
POL-0114	Sustainability Policy
POL-0118	Human Rights Policy
POL-0122	Global Antitrust & Fair Competition Policy

2020 in 2021. Getinge continues the auditing process to gain a limited assurance during 2022 and a reasonable assurance further on.

ESG GRI Index

Reporting transparently on environmental, social and governance (ESG) issues plays a vital role in delivering on the strategy. Getinge's ESG reporting aims to provide comprehensive and comparable disclosures for a broad range of stakeholders. Getinge monitors evolving reporting frameworks in non-financial reporting and continue to learn from best practices. In order to provide comprehensive and detailed information compliant with the GRI standards, Getinge has decided to publish data in "Getinge Sustainability – ESG Addendum for Annual Report 2021" according to GRI standards. This document includes the following disclosures:



"Getinge Sustainability – ESG Addendum for Annual Report 2021" is available at: www.getinge.com/int/about-us/investors/reports-presentations/

Standard	GRI Standard
Foundation	
GRI 101 Foundation (2016)	101-01 to 101-10
General Disclosures	
GRI 102 General Disclosures (2016)	102-1 to 102-56
Management Approach	
GRI 103 Management Approach (2016)	103-1 to 103-3
Economic	
GRI 201 Economic performance (2016)	201-1 to 201-4
GRI 202 Market presences (2016)	202-1 to 202-2
GRI 203 Indirect economic impacts (2016)	203-1 to 203-2
GRI 204 Procurement practices (2016)	204-1
GRI 205 Anti-corruption (2016)	205-1 to 205-3
GRI 206 Anti-competitive behavior (2016)	206-1
Environmental	
GRI 301: Materials (2016)	301-1 to 301-3
GRI 302 Energy (2016)	302-1 to 302-5
GRI 303 Water and effluents (2018)	303-1 to 303-5
GRI 305 Emissions (2016)	305-1 to 305-7
GRI 306 Waste (2020)	306-1 to 306-5
GRI 307 Environmental compliance (2016)	307-1
GRI 308 Suppliers environmental assessment (2016)	308-1 to 308-2

Standard	GRI Standard
Social	
GRI 401 Employment (2016)	401-1 to 401-3
GRI 402 Labor/management relations (2016)	402-1
GRI 403 Occupational health and safety (2018)	403-1 to 403-10
GRI 404 Training and education (2016)	404-1 to 404-3
GRI 405 Diversity and equal opportunity (2016)	405-1 to 405-2
GRI 406 Non-discrimination (2016)	406-1
GRI 407 Freedom of association and collective bargaining (2016)	407-1
GRI 408 Child labor (2016)	408-1
GRI 409 Forced or compulsory labor (2016)	409-1
GRI 411 Rights of indigenous people (2016)	411-1
GRI 412 Human rights assessment (2016)	412-1 to 412-3
GRI 414 Supplier social assessment (2016)	414-1 to 414-2
GRI 416 Customer health and safety (2016)	416-1 to 416-2
GRI 417 Marketing and labelling (2016)	417-1 to 417-3
GRI 418 Customer privacy (2016)	418-1
GRI 419 Socioeconomic compliance (2016)	419-1

EU taxonomy

The taxonomy focuses on the sectors that typically have the greatest impact on the environment and for 2021 there are reporting requirements for only the first two environmental objectives: Climate change mitigation and climate change adaptation. Getinge operates in a sector that is not eligible under the first two environmental objectives since manufacturing of medical devices has a significantly lower climate impact than the sectors and activities that are primarily affected by these environmental objectives.

To identify taxonomy-eligible activities, Getinge appointed a working group during the year, which, supported by external expertise, analyzed the company's economic activities and investments and assessed them against the Taxonomy Regulation and its delegated acts. Based on this analysis, it was concluded that

Getinge's primary activities in the form of manufacturing medical devices are not eligible as economic activities as defined in the taxonomy for the first two environmental objectives (climate change mitigation and adaptation) that came into force and apply for the 2021 fiscal year. Despite this, Getinge is very active in its work on sustainability issues and has the target of being CO₂ neutral in its own operations by the end of 2025. These efforts include investments in energy efficiency equipment related to buildings and investments in electric cars and, according to assessments, some of these activities are considered to be defined under the taxonomy. Current amounts for the activities in question and the applied accounting policies are presented below.

Proportion of the Group's turnover, CapEx and OpEx eligible under the Taxonomy regulation, 2021

	Total, SEK M	Proportion of activities that are taxonomy-eligible (%)	Proportion of activities that are not taxonomy-eligible (%)
Turnover	27,049 ¹⁾	0 ⁴⁾	100
CapEx	1,326 ²⁾	4 ⁵⁾ , 6)	96
OpEx	556 ³⁾	0 ⁷⁾	100

1) Refers to the Group's net sales for the 2021 fiscal year, which corresponds to the revenue arising in the normal operations recognized in accordance with IFRS 15.

2) Refer to capital expenditure (CapEx) related to investments in tangible assets, intangible assets and right-of-use assets under IFRS 16 (refer to Note 12 and Note 20 of the Annual Report). Assets arising through business acquisitions are included, except for goodwill which is not an identifiable intangible asset according to the definition in IAS 38.

3) Refers to operating expenditure (OpEx) attributable to costs for research and development, renovating buildings, short-term leases, maintenance and repairs as well as other direct expenses required for effective daily operations of tangible assets.

4) Getinge did not identify any taxonomy-eligible revenue in its operations related to the environmental objectives that came into force and apply for the 2021 fiscal year.

5) Getinge's primary operations in the form of manufacturing of medical devices are taxonomy-non-eligible related to the environmental objectives that came into force and apply for the 2021 fiscal year. However, Getinge has the target of becoming climate neutral by 2025 and therefore has invested in energy efficiency equipment related to buildings, charging stations for electric cars and right-of-use assets for electric cars, which are taxonomy-eligible.

6) Investments in energy-saving equipment have been judged to be taxonomy-eligible according to activities 7.3 and 7.5 in Annex 1 of the Taxonomy Ordinance and investments in charging stations and rights of use regarding electric cars are taxonomy-eligible according to activity 7.3 and activity 3.3 in Annex 1. All activities that are judged to be taxonomy-eligible has been allocated the first climate target - limitation of climate change - because the taxonomy does not allow a specific activity to be allocated to more than one environmental target and thereby reported more than once.

7) Identified OpEx that are taxonomy-eligible in 2021 amount to SEK 0 M.

Auditor's report on the statutory Sustainability Report

To the General Meeting of Shareholders in Getinge AB (publ),
corporate identity number 556408-5032

Engagement and responsibility

It is the Board of Directors who is responsible for the statutory Sustainability Report, as defined on page 60, 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 auditing standard RevR 12 The auditor's opinion regarding the statutory Sustainability Report. This means that our examination of the statutory Sustainability Report is substantially different and 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 opinion.

Opinions

A Sustainability Report has been prepared.

Gothenburg, March 30, 2022

Öhrlings PricewaterhouseCoopers AB

Peter Nyllinge
Authorized Public Accountant
Auditor in Charge

Karin Olsson
Authorized Public Accountant

Annual Report

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Administration Report

Operation and structure

Getinge is a global provider of products and solutions for operating rooms, intensive care units and sterilization departments serving 40 countries and with proprietary production in nine countries. Operations are conducted in three business areas – Acute Care Therapies, Life Science and Surgical Workflows.

Sales take place through proprietary companies and distributors in 132 countries. Approximately 70% of sales are conducted through the Group's sales companies and the remaining 30% are sold by agents and distributors in markets where Getinge often lacks proprietary representation. Production is conducted at a total of 20 facilities in France, China, the Netherlands, Poland, the UK, Sweden, Türkiye, Germany and the US.

Financial overview

During the year, net sales declined 9.3% to SEK 27,049 M (29,819). Sales fell organically by 4.8%. In Acute Care Therapies, sales amounted to SEK 15,527 M (18,719), corresponding to an organic decline of 12.5%. Life Science's net sales increased organically by 29.8% to SEK 3,558 M (2,854). Surgical Workflows' sales in 2021 amounted to SEK 7,965 M (8,246). Net sales rose organically by 0.5%.

Americas represented the Group's largest market, accounting for 38% (38) of sales, followed by EMEA at 37% (41). APAC accounted for 25% (21) of sales.

Adjusted EBITA

Adjusted EBITA before restructuring and acquisition costs and other items affecting comparability amounted to SEK 5,212 M (5,724).

Operating profit

The Group's operating profit amounted to SEK 4,371 M (4,784). Adjusted for restructuring and acquisition costs and other items affecting comparability, operating profit amounted to SEK 4,939 M (5,261), corresponding to 18.3% (17.6) of net sales.

Net financial items

Net financial items amounted to SEK -183 M (-299), of which net interest items comprised SEK -142 M (-246).

Profit before tax

The Group's profit before tax declined to SEK 4,188 M (4,485).

Taxes

The Group's tax expense amounted to SEK -1,187 M (-1,213), entailing a tax rate of 28% (27).

Tied-up capital

Inventories amounted to SEK 4,767 M (4,513) and accounts receivable to SEK 4,695 M (5,338). The return on equity was 12.9% (15.1). Goodwill totaled SEK 19,681 M (17,427) at the end of the fiscal year.

Investments

Investments in intangible assets and tangible assets amounted to SEK 930 M (1,045). Investments primarily pertained to product development, production facilities, production tools and IT projects.

Investments related to acquisitions of businesses amounted to SEK 715 M (999), primarily relating to the acquisition of Talis Clinical LLC and the development activities from Verrix.

Financial position and equity/assets ratio

Consolidated net interest-bearing debt fell to SEK 3,609 M (7,509). The equity/assets ratio amounted to 56.5% (47.7) and the net debt/equity ratio to 0.14 (0.35). Equity at year-end amounted to SEK 25,176 M (21,486).

Cash flow

Cash flow from operating activities amounted to SEK 6,560 M (7,199).

Class of shares and share data

For information regarding trading of shares in the company, the number of shares, shareholders, the classes of shares and the rights associated with these classes of share in the company, refer to the Getinge-Share section on pages 148–149.

Events during the year

Financial impact of COVID-19

The outbreak of COVID-19 was characterized by the WHO as a pandemic on March 11, 2020 and is continuing to impact people and society on a global scale. In this situation, Getinge is prioritizing the health and safety of its employees and is taking measures to limit the spread of the virus by following the instructions of the relevant authorities. Getinge is also closely following developments regarding the pandemic and is continuously evaluating the operational and financial effects. Some minor measures to adjust costs were carried out and action plans have been made to further adjust costs and the business if necessary.

The order intake for ventilators declined in 2021 despite growing demand at the end of the year due to a higher rate of infection. However, demand for ECMO therapy products remained high, but the order intake for the Acute Care Therapies business area nevertheless declined organically by 15.7%. A recovery could be seen in the business area's other product segments, which were negatively impacted by the pandemic since non-essential surgeries were postponed, and the order intake rose. The new wave of the pandemic caused by the omicron variant meant that demand did not slow in these product segments.

The order intake for the Life Science business area rose organically by 26.0%. This was largely due to higher demand for sterilizers, which was previously negatively affected by the COVID-19 pandemic. The order intake for Sterile Transfer products used to manufacture vaccines displayed high growth. Surgical Workflows – the sole business area that was negatively affected by the pandemic – recovered compared with 2020 and reported organic growth for the full-year. In total, the order intake for the business area increased organically by 15.4%.

It has been possible to continue work on the installation and servicing of products without any major disruptions, and this was not negatively affected by restrictions in key markets. The production operations experienced logistics challenges and prob-

lems with deliveries of components, which could be resolved without any significantly negative consequences arising. Challenging comparative figures as a result of large deliveries of ventilators in 2020 contributed to a decline in sales and earnings for Acute Care Therapies. A recovery could be seen in areas of Acute Care Therapies that are not directly linked to treating patients with COVID-19, and that were negatively impacted by the pandemic, despite the negative impact of rising rates of infection.

Life Science's sales and earnings were positively impacted by higher sales growth in almost all product categories, and sales of Sterile Transfer products for manufacturing vaccines reported a high rate of growth. Sales for Surgical Workflows increased organically during the year despite challenges related to purchasing and logistics, which were managed successfully. Earnings improved due to higher volumes, productivity improvements and cost savings.

As time passes, the situation regarding the pandemic could result in negative financial effects due to lower demand and disruptions to purchasing, logistics and production. It also cannot be ruled out that installation and service of products at hospitals and care facilities could be limited by restrictions to reduce the spread of the virus.

Restructuring of Acute Care Therapies' production operations in the US

The planned consolidation of the operations in Mahwah and Fairfield to the nearby plant in Wayne was completed in 2021. In total, the relocation is expected to generate annual savings of SEK 40 M. In addition to these savings, the consolidation will increase the concentration of skills and result in a higher degree of control in quality management and production. In connection with the consolidation of the operations, two properties were divested during the year and the total capital gain amounted to SEK 72 M.

Restructuring activities and productivity improvements

In 2021, Getinge decided to carry out a restructuring program at its site in Rastatt, Germany. The aim is to focus the future operations at Rastatt on research and development and assembly of operating tables with high added value and capital goods in Cardiopulmonary. In parallel,

the company is expected to reduce costs and improve productivity. Savings are expected to be generated through capacity reductions, efficiency enhancements in procurements and shared services as well as outsourcing of non-core activities. The program will continue in 2022, with the aim of completing implementation by the end of the year. Restructuring costs amounted to approximately SEK 90 M, of which about 70% is related to Surgical Workflows and the remainder to Acute Care Therapies.

Decision to establish production of DPTE®-BetaBag in Merrimack, NH, USA

In 2021, Getinge decided to introduce production of DPTE®-BetaBag at its existing manufacturing site in Merrimack. With the expansion, Getinge expects to double the production capacity of DPTE®-BetaBag in order to meet the positive growth in the sterile transfer business, primarily driven by increased demand for vaccine production. The investment at the manufacturing site in Merrimack, USA, will result in approximately 100 new job opportunities as well as an inhouse training center to ensure efficient and high-quality onboarding. Work is progressing according to plan and production in Merrimack could begin at the end of 2021.

Getinge grows with social funding

In 2021, Getinge launched a framework for social funding and a new social bond of SEK 570 M. The new social bond was issued on June 3, 2021 and has a maturity of three years and an interest rate of STIBOR 3 months +70 bps. The capital from this social bond will be used to expand the production of extracorporeal life support (ECLS) products for treatment for patients in a highly critical condition and to expand the production of DPTE®-BetaBags, which are used to minimize the risk of contamination in connection with drug production, such as COVID-19 vaccines and biopharmaceutical drugs.

Adjustments to EU Medical Device Regulation (EU MDR)

Work on meeting the requirements of the new EU Medical Device Regulation (EU MDR) started in 2019 by upgrading all of Getinge's manufacturing sites. In February 2020, the unit in Solna was the first of Getinge's manufacturing sites and the Servo-u and Servo-n ventilators the unit's first products to be certified under the EU

MDR. Work on upgrading the remaining manufacturing sites and products to meet the new requirements continued in 2021. At the end of 2021, 42% of the manufacturing sites had received their EU MDR certificates. All of Getinge's manufacturing sites are expected to be verified under the final implementation period of the new regulations in 2024.

New products

A holistic solution for preparing multi-use bioreactors from Applikon, a company acquired by Getinge in 2020, was launched in the first quarter. The end-to-end approach includes dismantling of the bioreactor, automated washing using Getinge's purpose-built wash rack, followed by an integrated sterilization process enabling three different types of loads in one cycle.

In the second quarter, it was announced that clearance had been received from the US FDA for several new software solutions for the Servo-u and Servo-n ventilators. In addition to the latest software upgrades, Getinge also received clearance for the new Servo-u MR ventilator for the MRI room. This means that Getinge can expand the Servo ventilator platform in the US. In the second quarter, Getinge also launched the HL 40 heart lung machine in Germany, the Netherlands, Italy, France and Spain, followed by Sweden, Australia, the UK and Ireland, and the new Torin Artificial Intelligence (AI) that improves efficiency in managing schedules for surgical procedures.

In the fourth quarter, Getinge launched a Volista VisionNIR feature in Maquet Volista StandOP – an innovative solution which allows surgical staff to keep the surgical light on when performing open surgeries using NIR fluorescence imaging systems. In the same quarter, Getinge launched the Rotaflow II Extracorporeal Life Support (ECLS) System, together with the Permanent Life Support (PLS) Set, which offers up to 14 days of cardiopulmonary support.

Settlement related to liability claims for surgical mesh products.

In December 2021, Getinge's subsidiary Atrium Medical Corporation entered into a settlement agreement with the plaintiff's lead counsel related to the multidistrict litigation (MDL) linked to surgical mesh product liability in the US. An additional provision of SEK 600 M was made to account for the settlement in addition to

litigation expenses incurred to date. The surgical mesh implants are manufactured by Atrium Medical Corporation, which was acquired by Getinge in 2011. Getinge made a provision of SEK 1.8 billion in 2018 for expected costs associated with surgical mesh claims, based on information available at the time. There are currently about 3,200 plaintiffs in the MDL and the settlement aims to maximize the participation rate by the vast majority of claims filed up until November 30, 2021. Getinge expects the settlement to become final and payment to be made during the first half of 2022. The settlement is not an admission of liability or wrongdoing by the company. Getinge will continue to defend against any litigation that the final agreement does not resolve. Costs for such litigations are not expected to be material.

Lawsuit against Moderna Försäkringar and If

In the fourth quarter of 2020, Getinge AB and its subsidiaries Atrium Medical Corporation and Maquet Cardiovascular US Sales, LLC filed a lawsuit against the insurer Moderna Försäkringar (the Swedish branch of Tryg Forsikring A/S Denmark). The dispute concerns the right to insurance compensation for expected costs associated with the ongoing product liability claims filed in Canada and the US regarding surgical mesh products. The lawsuit involves disputed insurance coverage of up to approximately SEK 500 M. In 2021, a lawsuit was filed against If Skadeförsäkringar AB (publ) regarding similar insurance compensation of up to approximately SEK 1 billion. The litigation against the insurers is expected to continue in 2022.

New financial targets

Getinge presented new financial targets for 2022–2025 at the Capital Markets Day in November 2021. The new targets are annual organic net sales growth of 4–6% and adjusted EPS growth of above 10% on average throughout the period.

Acquisition of operations

In September 2021, Getinge acquired development activities related to biological indicators from Verrix, an American start-up company. The products are in a development phase and not yet commercially

available but in the long term are intended to strengthen the Group's offering in sterile reprocessing. The purchase price amounted to SEK 202 M, of which SEK 127 M pertained to goodwill that is primarily attributable to strategic advantages in the form of growth opportunities and a broader product range.

In December 2021, 100% of Talis Clinical LLC, a US-based leading innovator of High Acuity cloud-based software solutions, was acquired. The company's offering complements Getinge's existing products for the perioperative care process, critical care support and ECMO therapy. Talis Clinical has 56 employees and generated sales of SEK 57 M in 2021. The purchase price amounted to SEK 844 M, of which SEK 248 M comprised contingent purchase prices that may be paid in 2024 if specific regulatory approval and certificates are obtained. In addition, a maximum of USD 26.5 M may be paid in earn-outs if certain financial targets are met. The goodwill that arose in connection with the acquisition amounted to SEK 782 M, and is primarily attributable to strategic advantages and sales-related synergies.

Settlement agreements with authorities in Brazil

As a consequence of ongoing government investigations regarding anti-competitive practices relating to the sale of medical devices, mainly to public hospitals, Getinge has previously entered into Settlement Agreements with the Brazilian Federal Prosecutor's Office (Ministério Público Federal) and the competition authority, the Administrative Council for Economic Defense (CADE). The negotiations with the federal agency for internal control, public transparency and counter-corruption, Comptroller General of the Union (CGU), are still pending.

Update regarding Consent Decree with the FDA

Getinge signed the original Consent Decree with the FDA in 2015 which encompassed four production units in the US and Germany. Plans for remedying identified shortcomings have already been completed and the work at the production unit in Hechingen was completed in 2021. In addition, Getinge's production units in Fairfield

and Mahwah received warning letters from the FDA in autumn 2018 and the start of 2019. The reason for the warning letters was routine inspections performed by the FDA at these production units in 2018. The FDA's observations and opinions pertain to procedures and processes linked to demands for supplier checks, processes for the approval of design changes and incident reporting. The same observations were identified by Getinge during internal inspections in the fourth quarter of 2017. The local organization has since worked to correct the shortcomings in the quality management system. Getinge has submitted an action plan, including activities and a related schedule, to the FDA and improvements are proceeding according to this plan.

Innovation and product development

Innovation and product development are a cornerstone of the Group's strategy to strengthen the customer offering and thereby ensure future organic growth. The Group uses innovation and product renewal to manufacture products, systems and solutions with a documented ability to deliver high-quality clinical results and economic benefits. The Group's research and development costs amounted to SEK 1,197 M (1,462) in 2021. Of this amount, SEK 346 M (429) was capitalized as intangible assets.

Personnel

At December 31, 2021, there were 10,729 (10,818) employees, of whom 1,225 (1,219) were employed in Sweden. In 2021, Getinge continued its extensive efforts to strengthen the Group's personnel and management development. The work is based on an analysis of the company's needs for specialist and management competence and the company's demographic structure. The Group also carried out activities intended to further strengthen the commitment of its employees and implemented digital tools for personnel development. In 2021, the Group also continued its long-term endeavors to increase diversity and collaboration within the Group. Getinge has a previously implemented policy to ensure that all employees are given equal opportunity to develop and receive equal pay for equal work, regardless of such factors as gender, ethnicity or religion.

Remuneration to senior executives

The guidelines for remuneration to senior executives adopted at the 2021 AGM and the Board's proposal for guidelines ahead of the 2022 AGM are presented on pages 81–85. Besides the deviation approved by the Board and supported by the guidelines, which is described in the Remuneration report, no deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made. The remuneration report is presented on pages 86–89.

Total remuneration to senior executives amounted to SEK 126 M (137) in 2021. (Refer to Note 29 for further information).

Sustainability Report

In accordance with Chapter 6, Section 11 of the Annual Accounts Act, Getinge has chosen to prepare the Sustainability Report as a separate report from the Annual Report.

The statutory Sustainability Report is defined on page 60. To support stakeholders with extensive and comparable disclosures, Getinge also publishes an ESG Addendum report in accordance with GRI.

A description of diversity on the Board can be found on pages 40–41.

Environmental accounting

Getinge's environmental activities are based on the Group's sustainability policy, environmental policy and the international ISO 14001 environmental management standard. The 2019–2025 sustainability program has been based on a materiality analysis which anchors KPIs within the entire organization. All manufacturing units will implement and certify environmental-management systems that meet the standard. For acquisitions, the management system is to be introduced and certified within 24 months. The management system ensures structured environmental work and provides a basis for the reporting of environmental performance that Getinge's manufacturing units submit every quarter. Through the targeted activities related to environmentally compatible product development, EcoDesign, the aim is to reduce the environmental impact from manufacturing and product usage, and offer customers sustainable market offerings.

One facility in Sweden conducts operations requiring permits or declaration under the Swedish Environmental Code. This facility holds the necessary permits. The operations were conducted in accordance with applicable permits and conditions during the year. Further information concerning Getinge's environmental work is presented on pages 19, 63–66 and 70–71.

Risks and uncertainties

2021 was yet another year in which the ongoing pandemic dominated the operations. Overall, the Group was highly successful in managing the challenges caused by the pandemic, such as a shortage of critical components and high uncertainty in the transport sector. By working intensively and closely with suppliers and partners, it was possible to identify solutions, whereas others faced problems in the form of disruptions to their production and delivery chains. It cannot be ruled out that Getinge will be affected by such problems in the next quarters.

In addition, Getinge is exposed to risk related to other potential external shocks, besides the COVID-19 pandemic, such as geopolitical risks, natural disasters, terrorism, pandemics, etc. Active business intelligence can detect some of these risks at an early stage and the Group will then have the chance to adapt to the new situation. A process to further enhance the Group's work on continuity risks was also started in 2021.

External factors such as geopolitical tensions and possible associated sanctions are risks that could affect Getinge's ability to expand in markets that have significant needs for the Group's products and solutions. It can also not be ruled out that Getinge could be exposed to conflicting trade sanctions as a result of the geopolitical situation.

Technological advances are currently being made at a very fast pace, which is affecting the competitive situation in the market. The Group assigns considerable resources to developing its customer offering, such as in the form of a higher degree of connected products. In this way, information about how the products are used clinically can be transferred from the customers back to Getinge, and this information will then form the basis of the next

stage of product development. There is a certain risk that new, or existing, players could develop transformative technology more successfully than Getinge and thus gain an advantage in the market.

The fact that Getinge operates in a competitive market also means that the Group is subject to risks related to product quality from a customer perspective, and if Getinge's products do not meet customer expectations, this could entail a higher risk of customers choosing alternative suppliers. Getinge applies a far-reaching quality process that aims to ensure a high and even level of quality to meet customers' legitimately high requirements. However, it cannot be ruled out that Getinge might not meet customer expectations and that this could entail a risk of lower sales and lower profitability over time.

The medical device market is subject to strict regulatory frameworks and supervision of regulatory compliance. This results in an extensive need for evaluation, quality control and documentation. Getinge invests major resources in ensuring compliance with such regulations. However, it cannot be ruled out that the Group's financial position and earnings may be negatively impacted in the future due to difficulties in complying with the requirements of authorities or changes to them.

Furthermore, Getinge is subject to risks related to laws and regulations, mainly pertaining to business ethics. Corruption in particular remains a risk in many markets in which Getinge operates and has ambitions to grow its business. The Group has a zero tolerance policy when it comes to deviations in this area and takes extensive action in business ethics such as responsible leadership and other training courses. The aim is for all employees to undergo training in business ethics every year. Business ethics regulations also apply to external distributors who sell the Group's products in markets in which it does not have its own presence. Further information about the Group's financial risk management can be found on pages 53–57.

Financial risk management

Getinge is exposed to a number of financial risks in its operations. Financial risks principally pertain to risks related to currency risks, interest-rate risks, financing risks

and credit and counterparty risks. Risk management is regulated by the finance policy adopted by the Board and a Treasury directive decided by the Getinge Executive Team which supplements the finance policy. The ultimate responsibility for managing the Group's financial risks and developing methods and principles of financial risk management lies with the Getinge Executive Team and the finance function. For more detailed information concerning these risks, refer to Note 28 Financial risk management. The Group has a number of participations in foreign operations whose net assets are exposed to currency risks. Currency exposure that arises from net assets in the Group's foreign operations is primarily managed by borrowing in said foreign currency.

Currency

The effect of exchange-rate movements on earnings and equity below is calculated using volumes and earnings in foreign currency for 2021, taking into consideration currency hedging that has been conducted. In addition, there is the exchange-rate impact on net financial items related to interest expenses in foreign currencies. For a rate movement of 5%, the impact on equity of a remeasurement of the Group's portfolio of currency derivatives held for hedging purposes is about SEK 10 M. At a 5% rate movement, the impact of other translation effects on equity is approximately SEK 1,245 M. The extent to which earnings are impacted by exchange-rate fluctuations is detailed in the following table, based on the exchange rates specified.

Currency: estimated rate in 2022	Net volume 2021, M	Impact in SEK M of 5% rate movement
CNY: 1.42	1,083	+/- 77
EUR: 10.23	-170	+/- 87
JPY: 0.0785	7,335	+/- 29
USD: 9.04	391	+/- 177

Sensitivity analysis

Getinge's earnings are affected by a series of external factors. The following table shows how changes to some of the key factors that are important to Getinge could have affected the Group's profit before tax in 2021.

Change in profit before tax		SEK M
Price change	+/- 1%	+/- 270
Cost of goods sold	+/- 1%	+/- 135
Salary costs	+/- 1%	+/- 96
Interest rates	+/- 1 percentage point	+/- 19

The effect of a +/- 1 percentage point change in interest rates on the Group's profit before tax was calculated based on the Group's interest-bearing liabilities, excluding lease and pension liabilities, at year-end 2021. The impact of a +/- 1 percentage point change in interest rates on equity is about SEK 9 M. Consideration was given to the effect of the various risk-management measures that Getinge applies in accordance with its approved finance policy.

Outlook

Organic sales growth is expected to be in the upper part of the range of 4-6% for the full-year 2022.

Events after the end of the reporting period

Except what is described below, no significant events have occurred after the end of the financial year.

New Executive Vice Presidents appointed

In January 2022, Getinge appointed two new Executive Vice Presidents and members of the Getinge Executive Team: Elin Frostehav and Eric Honroth. All changes are effective as of April 1, 2022.

Elin Frostehav has been appointed President Acute Care Therapies and member of the Getinge Executive Team. Elin currently serves as Vice President Critical Care, a product area within Acute Care Therapies in Getinge. Elin joined Getinge in 2019 and previously held leading global positions within Semcon, an international technology company, in the areas of product development and digitalization. Prior to Semcon, Elin held various positions at FlexLink, a

global factory automation company. Elin succeeds Jens Viebke who will take on a new role in Getinge as Executive Vice President Research & Business Development, focusing on Getinge's Research Programs and M&A activities. In this role, Jens Viebke will continue to report to Mattias Perjos, President & CEO, but no longer be a member of the Getinge Executive Team.

Eric Honroth has been appointed President Life Science and member of the Getinge Executive Team. Eric is currently President North America Region in Getinge and has been with the company since 2018. He has more than 20 years of extensive experience in global leadership roles in the medical devices industry, including roles at Becton Dickinson, CareFusion and Abbott Vascular. Eric succeeds Harald Castler who after a long and successful career at Getinge has decided to retire.

Acquisition of Irasun GmbH

After the end of the reporting period, Getinge completed a minor acquisition of Irasun GmbH, which is based in Munich. The company develops products for venous drainage and temperature control, which can be used in combination with heart lung machines and equipment for extracorporeal life support (ECLS). Through the acquisition, Getinge broadens its portfolio to include innovative solutions in surgical perfusion.

Russia's invasion of Ukraine

The Russian invasion of Ukraine could have a negative impact on Getinge Group's financial results and financial position. Currently, it is not possible to assess the consequences of the conflict for Getinge.

The Group's net sales in Russia and Ukraine during 2021 was approximately 1% and the equity was less than 1% of the Group's total equity.

Current guidelines for remuneration to senior executives

Adopted at the 2021 Annual General Meeting

1. Scope of the guidelines, etc.

These guidelines cover the individuals who, during the validity period of the guidelines, are included in the group management of Getinge AB (publ), below referred to as "Senior Executives". The guidelines shall apply for remuneration agreed and amendments in any remunerations already agreed, as of the adoption of the guidelines by the Annual General Meeting 2021. The guidelines are not applicable on any remuneration resolved by the General Meeting.

2. Promotion of Getinge's business strategy, long-term interests and sustainability, etc.

A prerequisite for successful implementation of the company's business strategy and safeguarding the company's long-term interests is that the company is able to recruit and retain qualified personnel. The main principle is that remuneration and other employment conditions for Senior Executives, shall be in line with market terms and competitive on every market where Getinge operates, to ensure that competent and skilled personnel can be attracted, motivated and retained. Individual levels of remuneration shall be based on experience, competence, level of responsibility and performance, and also the country where the Senior Executive is employed. These guidelines promote the company's business strategy, long-term interests and sustainability as described in the below section regarding criteria for variable remuneration, and contribute to the company's ability to, on a long-term basis, retain qualified personnel.

For information regarding Getinge's business strategy, please see the company's annual reports and the website (<https://www.getinge.com>).

3. Principles for various types of remuneration, etc.

The total remuneration to Senior Executives shall be in line with market terms and consist of base salary (fixed cash remuneration), variable cash remuneration, pension benefits and other benefits. In addition, the

General Meeting may – irrespective of these guidelines – resolve on, for instance, share- or share price-related remunerations.

Fixed remuneration

The fixed remuneration, meaning the base salary, shall be based on the individual employee's area of responsibility, authority, competence, experience and performance.

Variable remuneration

The allocation between base salary and variable remuneration shall be in proportion with the area of responsibility and authority of the executive. The variable remuneration shall always be pre-limited to a maximum amount and related to predetermined and measurable criteria, designed to contribute to the business strategy and long-term added value of the company.

The sustainability work is integrated in the company's day-to-day operations. If the company's principles for sustainability or ethical guidelines are not complied with, the company has the possibility to withhold any variable remuneration or reclaim already awarded remuneration. The annual variable remuneration is designed to promote the company's strategy to produce and offer products that can support in making health care more efficient in the long-term and to provide better health care for the people who need Getinge's products. If the above-mentioned activities are performed in an efficient and sustainable way, one outcome is improved financial results and increased capital efficiency, which constitutes the foundation of the variable remuneration.

Annual variable remuneration

For Senior Executives, the annual variable remuneration (annual bonus) shall be capped at 70% and, in specific cases, where the nature of the position, the competitive situation and the country of employment so require, capped at 90% of the fixed annual base salary. The variable remuneration shall be based on objectives set by the Board of Directors. These objectives are related to

(i) earnings, (ii) organic growth, (iii) working capital and cash flow. In order to promote the interest of the shareholders', the company's values and collectively strive to achieve the business strategy, long-term interests and sustainable development of the company, all members of the group management have the same targets for annual variable remuneration.

Variable long-term cash bonus (LTI-bonus)

In addition to base salary and annual variable remuneration as described above, Senior Executives can obtain a variable long-term bonus (LTI-bonus), which rewards clear, measurable performance targets and is conditioned by continued employment at the end of the vesting period for the LTI-bonus (with some customary exceptions). The criteria for payment of the LTI-bonus shall be constructed to promote the long-term interests and sustainable development of Getinge by a clear connection to the business strategy. The criteria for the LTI-bonus is connected to earnings per share, adjusted in accordance with any acquisitions, divestments, restructuring costs and/or other material non-recurrent items. By connecting the performance target to the shareholders' objective, a common interest to promote Getinge's business strategy, long-term interests and value creation is created.

The vesting period for the LTI-bonus shall be not less than three financial years. The payment of LTI-bonus in a program shall, during a three-year period, be capped to an amount corresponding to one year's base salary. A new LTI-bonus program can be set up every year with a duration period of three years. Senior Executives of the group management shall invest not less than 50% of the received LTI-bonus (net, after taxes paid) in Getinge shares, until the Senior Executive's own total holdings of shares correspond to one year's salary (gross). The Senior Executive shall keep these shares for at least three years.

Determination of result for variable remuneration, etc.

When the measuring period for achievement of the criteria for payment of the variable remuneration has expired, the Board of Directors shall, based on proposal by the Remuneration Committee, establish to which extent the criterias' are achieved. In their assessment on whether the criterias' are achieved or not, the Board of Directors may, in accordance with proposal by the Remuneration Committee, allow exception from the established targets on the conditions set out in the below item 5. The assessment of achievement of the financial targets shall be based on the company's most recent published financial information, with any adjustments predetermined by the Board of Directors when implementing the program. Variable cash payment can be awarded after the expiration of the measuring period (annual variable remuneration) or be subject to postponed payment (LTI-bonus).

Getinge is actively working to ensure that the company is managed in the most sustainable, responsible and efficient way possible, and that applicable legislations and regulations are complied with. Getinge also apply internal rules, including a code of conduct and different group-wide steering documents (policies, instructions and guidelines) within a range of different areas. Variable remuneration shall not be awarded, and variable remuneration can be reclaimed, if the Senior Executive has acted contrary to these rules, principles or the company's code of conduct. Variable remuneration shall not be awarded if the earnings before tax is negative. The Board of Directors shall also have the possibility to, in accordance with legislation or agreement, in whole or partly, reclaim any variable wrongly awarded remuneration.

Other variable remuneration

Additional variable cash remuneration can be awarded in case of extraordinary circumstances, provided such extraordinary arrangements are only conducted for the purpose of recruiting or retaining executives. Such remuneration may not exceed an amount corresponding to 100% of the base salary and only be awarded once a year per individual. Resolution on such remuneration shall be made by the Board of Directors and based on a proposal by the Remuneration Committee. In addition to variable remuneration, resolutions on share- or share price related incentive plans, in accordance with the above, may from time to time be made.

Pensions and health insurance (sw. sjukförsäkring)

The CEO has right to retire from the age of 62 and other Senior Executives has right to retire in accordance with applicable local regulations.

Pension contributions for the CEO shall amount to no more than 40% of the fixed base salary on a defined contribution basis. Variable cash remuneration shall not qualify for pension benefits.

Other Senior Executives shall be covered by ITP1 or ITP2 and the pension benefits shall be on a defined contribution basis. Variable cash remuneration shall not qualify for pension benefits in general, except where mandatory by collective bargaining agreement provisions applicable for the executive. In such case, this shall be considered when creating the total benefits package. Senior Executives covered by ITP2, with the option to choose alternative ITP has, according to the ITP2-pension plan, benefits up to 7.5 income base amounts (sw. inkomstbasbelopp) ("IBB") and health insurance covering a salary up to 30 IBB. On portions of the salary above the cap of the ITP2- plan of 30 IBB, there is a supplementary contribution of 30% of the pensionable salary.

In addition to the above, Senior Executives can be covered by an additional health income insurance (sw. sjukinkomstförsäkring) for portions of the salary over 30 IBB, premium relief insurance (sw. premiebefrielseförsäkring) and part-time pension premium, amounting to not more than 3% of the fixed base salary.

For employments governed by other than Swedish regulations, pension benefits and other benefits may be duly amended to comply with mandatory rules or established local regulations, taking into consideration, to the extent possible, the overall purpose of these guidelines.

Other benefits

Other benefits such as company car, additional medical insurance (sw. sjukvårdsförsäkring) and company health care (sw. företagshälsovård), may be provided to the extent this is considered to be in line with market terms for Senior Executives on similar positions on that local market. The total value of such benefits may not exceed 10% of the fixed base salary.

Conditions for termination

Senior Executives shall have a permanent employment. If the company terminates the employment, the notice period shall not exceed twelve months. Upon termination of employment, the total of the fixed salary during the notice period together with severance pay may not exceed an amount equivalent to two years fixed base salary for the CEO, and one year for other executives. If the executive terminates the employment, the notice period shall not exceed six months and be without any right to severance pay.

Senior Executives may be entitled to compensation for any competition restrictions after the termination of employment, however, only to the extent severance pay for the corresponding period is not awarded. The purpose of such compensation is to compensate the executive for any gap between the monthly base salary at the notice of termination and (lower) monthly income received, or that could be received, by a new employment, assignment or own business. The compensation can be awarded during the period of the competition restriction, however, not more than for 12 months after the termination of employment.

Salary and employment conditions for employees

When preparing the Board of Director's proposal for these remuneration guidelines, salary and employment conditions for the company's employees have been considered. This has been made by including information of the total income of the employees, the components of the remuneration and the increase and growth rate over time, as part of the Remuneration Committee's and the Board of Directors' basis for decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The increase of the gap between the remuneration to Senior Executives and remuneration to other employees will be disclosed in the remuneration report.

4. The resolution process to determine, review and implement the guidelines

The Board of Directors has established a Remuneration Committee. The Committee's tasks include preparing the Board of Directors' decision to propose guidelines for Senior Executive remuneration. These are reviewed annually and new proposals

for guidelines shall be drafted by the Board at least every fourth year and presented to the Annual General Meeting for resolution. The guidelines shall be in force until new guidelines are adopted by the Annual General Meeting.

The Remuneration Committee shall also monitor and evaluate programs for variable remuneration to Senior Executives, the guidelines for remuneration to Senior Executives, as well as the current remuneration structures and compensation levels in the company, and provide recommendations to the Board of Directors in relation to remuneration to the CEO. Regarding resolution on remuneration to other Senior Executives in accordance with the guidelines (other than the specifically regulated above) the CEO shall consult with the Remuneration Committee.

The CEO and other members of the group management do not participate in the Board of Directors' processing of, and resolutions on, remuneration-related matters when such matters concerns them.

The Board of Directors shall annually

draw up a remuneration report that shall be presented to the Annual General Meeting for approval.

5. Deviations from the guidelines

The Board of Directors may temporarily resolve to deviate from the guidelines, entirely or partly, if in a specific case there is special cause for the deviation and a deviation is necessary to serve the company's long-term interests, a sustainable development of the company or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

6. Description of material changes of the guidelines and how the shareholders' opinions are considered

No material amendments have been made to the guidelines for remuneration to Senior Executives. In relation to the guidelines for remuneration to Senior Executives adopted

on the Annual General Meeting 2020, the validity of the guidelines have been amended to correspond with applicable regulations entailing that the Board of Directors shall draft a proposal for new guidelines every fourth year and not every year as earlier stated.

No remarks on the remuneration guidelines have emerged.

7. Other

The guidelines entail a level of remuneration, which in principle is equivalent to the remuneration for the financial year 2020.

Information regarding remuneration, etc. to Senior Executives during the financial year 2020 is set out in Note 29 of the Annual Report 2020, including any previously resolved remuneration that has not yet been due for payment, and in the remuneration report.

Gothenburg, March 2021

The Board of Directors of Getinge AB

The Board of Directors' proposal to guidelines for remuneration to Senior Executives

The Board of Directors of Getinge AB (publ) proposes that the 2022 Annual General Meeting resolves on the following guidelines for remuneration to Senior Executives.

1. Scope of the guidelines, etc.

These guidelines cover the individuals who, during the validity period of the guidelines, are included in the group management of Getinge AB (publ), below referred to as "Senior Executives". The guidelines shall apply for remuneration agreed and amendments in any remunerations already agreed, as of the adoption of the guidelines by the 2022 Annual General Meeting. The guidelines are not applicable on any remuneration resolved by the General Meeting.

2. Promotion of Getinge's business strategy, long-term interests and sustainability, etc.

A prerequisite for successful implementation of the company's business strategy and safeguarding the company's long-term interests is that the company is able to recruit and retain qualified personnel. The main principle is that remuneration and

other employment conditions for Senior Executives, shall be in line with market terms and competitive on every market where Getinge operates, to ensure that competent and skilled personnel can be attracted, motivated and retained. Individual levels of remuneration shall be based on experience, competence, level of responsibility and performance, and also the country where the Senior Executive is employed. These guidelines promote the company's business strategy, long-term interests and sustainability as described in the below section regarding criteria for variable remuneration, and contribute to the company's ability to, on a long-term basis, retain qualified personnel.

For information regarding Getinge's business strategy, please see the company's annual reports and the website (<https://www.getinge.com>).

3. Principles for various types of remuneration, etc.

The total remuneration to Senior Executives shall be in line with market terms and consist of base salary (fixed cash remuneration), variable cash remuneration, pension benefits and other benefits. In addition, the General Meeting may – irrespective of these guidelines – resolve on, for instance, share- or share price-related remunerations.

Fixed remuneration

The fixed remuneration, meaning the base salary, shall be based on the individual employee's area of responsibility, authority, competence, experience and performance.

Variable remuneration

The allocation between base salary and variable remuneration shall be in proportion with the area of responsibility and

authority of the Senior Executive. The variable remuneration shall always be pre-limited to a maximum amount and related to predetermined and measurable criteria, designed to contribute to the business strategy and long-term added value of the company.

The annual variable remuneration is designed to promote the company's strategy to produce and offer products that can support in making health care more efficient in the long-term and to provide better health care for the people who need Getinge's products. If the above-mentioned activities are performed in an efficient and sustainable way, one outcome is improved financial results and increased capital efficiency, which constitutes the foundation of the variable remuneration. The sustainability work is integrated in the company's day-to-day operations. If the company's principles for sustainability or ethical guidelines are not complied with, the company has the possibility to withhold any variable remuneration or reclaim already awarded remuneration.

Annual variable remuneration

For Senior Executives, the annual variable remuneration (annual bonus) shall be capped at 70% and, in specific cases, where the nature of the position, the competitive situation and the country of employment so require, capped at 90% of the fixed annual base salary. The variable remuneration shall be based on objectives set by the Board of Directors. These objectives are related to (i) earnings, (ii) organic growth, (iii) working capital and cash flow, and (iv) sustainability. In order to promote the interest of the shareholders', the company's values and collectively strive to achieve the business strategy, long-term interests and sustainable development of the company, all members of the group management have the same targets for annual variable remuneration.

Variable long-term cash bonus (LTI-bonus)

In addition to base salary and annual variable remuneration as described above, Senior Executives can obtain a variable long-term bonus (LTI-bonus). The target that forms the basis for the LTI-bonus is adjusted earnings per share for a three year period, adjusted for the category of adjustment items decided at implementation of the program by the Board of Directors at the

recommendation by the Remuneration Committee. By connecting the performance target to the shareholders' objective, a common interest to promote Getinge's business strategy, long-term interests and value creation is created. Payment is subject to continued employment at the end of the vesting period for the LTI-bonus (with some customary exceptions).

The vesting period for the LTI-bonus shall be not less than three financial years. The payment of LTI-bonus per each three-year program shall be capped to 33% of one year's base salary. A new LTI-bonus program can be set up every year with a duration period of three years. Senior Executives of the group management shall invest not less than 50% of the received LTI-bonus (net, after taxes paid) in Getinge shares, until the Senior Executive's own total holdings of shares correspond to one year's salary (gross). The Senior Executive shall keep these shares for at least three years.

Limitation of total variable remuneration for the CEO

For the CEO, the total payment of variable remuneration (annual variable remuneration and LTI-bonus), in addition to what is previously mentioned, annually be limited so that the total variable remuneration do not exceed 100% of the fixed salary. This applies to variable remuneration that is paid 2022 or later.¹⁾

Determination of result for variable remuneration, etc.

When the measuring period for achievement of the criteria for payment of the variable remuneration has expired, the Board of Directors shall, based on proposal by the Remuneration Committee, establish to which extent the criteria are achieved. In their assessment on whether the criteria are achieved or not, the Board of Directors may, in accordance with proposal by the Remuneration Committee, allow exception from the established targets on the conditions set out in the below item 5. The assessment of achievement of the financial targets shall be based on the company's most recent published financial information, with any adjustments predetermined by the Board of Directors when implementing the program. Variable cash payment can be awarded after the expiration of the measuring period (annual variable remuneration) or be subject to postponed payment (LTI-bonus).

Getinge is actively working to ensure that the company is managed in the most sustainable, responsible and efficient way possible, and that applicable legislations and regulations are complied with. Getinge also apply internal rules, including a code of conduct and different group-wide steering documents (policies, instructions and guidelines) within a range of different areas. Variable remuneration shall not be awarded, and variable remuneration can be reclaimed, if the Senior Executive has acted contrary to these rules, principles or the company's code of conduct. Variable remuneration shall not be awarded if the earnings before tax is negative. The Board of Directors shall also have the possibility to, in accordance with legislation or agreement, in whole or partly, reclaim any variable wrongly awarded remuneration.

Other variable remuneration

Additional variable cash remuneration can be awarded in case of extraordinary circumstances, provided such extraordinary arrangements are only conducted for the purpose of recruiting or retaining executives. Such remuneration may not exceed an amount corresponding to 100% of the base salary and only be awarded once a year per individual. Resolution on such remuneration shall be made by the Board of Directors and based on a proposal by the Remuneration Committee. In addition to variable remuneration, resolutions on share- or share price related incentive programs, in accordance with the above, can from time to time be made.

Pension and health insurance (sw. *sjukförsäkring*)

The CEO has right to retire from the age of 62 and other Senior Executives has right to retire in accordance with applicable local regulations.

Pension contributions for the CEO shall amount to no more than 40% of the fixed base salary on a defined contribution basis. Variable cash remuneration shall not qualify for pension benefits.

Other Senior Executives shall be covered by ITP1 or ITP2 and the pension benefits shall be on a defined contribution basis. Variable cash remuneration shall not qualify for pension benefits in general, except where mandatory by collective bargaining agreement provisions applicable for the executive. In such case, this shall be considered when creating the total bene-

¹⁾ As the rule on limitation of maximum payment has been applied discretionary by the Board of Directors during 2021/2022 already before the implementation of the guidelines, the part of the variable remuneration ("exceeding remuneration") that has been earned during 2021 or earlier that is not paid during 2022 by applying this limitation, shall be payable during 2023 or later, provided that sufficient amount up to 100% of the fixed salary is available the current year, until the full exceeding remuneration has been paid.

fits package. Senior Executives covered by ITP2, with the option to choose alternative ITP has, according to the ITP2-pension plan, benefits up to 7.5 income base amounts (sw. inkomstbasbelopp) ("IBB") and health insurance covering a salary up to 30 IBB. On portions of the salary above the cap of the ITP2- plan of 30 IBB, there is a supplementary contribution of 30% of the pensionable salary.

In addition to the above, Senior Executives can be covered by an additional health income insurance (sw. sjukinkomstförsäkring) for portions of the salary over 30 IBB, premium relief insurance (sw. premiebefrielseförsäkring) and part-time pension premium, amounting to not more than 3% of the fixed base salary.

For employments governed by other than Swedish regulations, pension benefits and other benefits may be duly amended to comply with mandatory rules or established local regulations, taking into consideration, to the extent possible, the overall purpose of these guidelines.

Other benefits

Other benefits such as company car, additional medical insurance (sw. sjukvårdsförsäkring) and company health care (sw. företagshälsovård), may be provided to the extent this is considered to be in line with market terms for Senior Executives on similar positions on that local market. The total value of such benefits may not exceed 10% of the fixed base salary.

Conditions for termination

Senior Executives shall have a permanent employment. If the company terminates the employment, the notice period shall not exceed twelve months. Upon termination of employment, the total of the fixed salary during the notice period together with severance pay may not exceed an amount equivalent to two years fixed base salary for the CEO, and one year for other executives. If the Senior Executive terminates the employment, the notice period shall not exceed six months and be without any right to severance pay.

Senior Executives may be entitled to compensation for any competition restrictions after the termination of employment, however, only to the extent severance pay for the corresponding period is not awarded. The purpose of such compensation is to compensate the Senior Executive for any gap between the monthly base salary

at the notice of termination and (lower) monthly income received, or that could be received, by a new employment, assignment or own business. The compensation can be awarded during the period of the competition restriction, however, not more than for 12 months after the termination of employment.

Salary and employment conditions for employees

When preparing the Board of Director's proposal for these remuneration guidelines, salary and employment conditions for the company's employees have been considered. This has been made by including information of the total income of the employees, the components of the remuneration and the increase and growth rate over time, as part of the Remuneration Committee's and the Board of Directors' basis for decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The increase of the gap between the remuneration to Senior Executives and remuneration to other employees will be disclosed in the remuneration report.

4. The resolution process to determine, review and implement the guidelines

The Board of Directors has established a Remuneration Committee. The Committee's tasks include preparing the Board of Directors' decision to propose guidelines for Senior Executive remuneration. These are reviewed annually and new proposals for guidelines shall be drafted by the Board at least every fourth year and presented to the Annual General Meeting for resolution. The guidelines shall be in force until new guidelines are adopted by the Annual General Meeting.

The Remuneration Committee shall also monitor and evaluate programs for variable remuneration to Senior Executives, the guidelines for remuneration to Senior Executives, as well as the current remuneration structures and compensation levels in the company, and provide recommendations to the Board of Directors in relation to remuneration to the CEO. Regarding resolution on remuneration to other Senior Executives in accordance with the guidelines (other than the specifically regulated above) the CEO shall consult with the Remuneration Committee.

The CEO and other members of the

group management do not participate in the Board of Directors' processing of, and resolutions on, remuneration-related matters when such matters concerns them.

The Board of Directors shall annually prepare a remuneration report that shall be presented to the Annual General Meeting for approval.

5. Deviations from the guidelines

The Board of Directors may temporarily resolve to deviate from the guidelines, entirely or partly, if in a specific case there is special cause for the deviation and a deviation is necessary to serve the company's long-term interests, a sustainable development of the company or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

6. Description of material changes of the guidelines and how the shareholders' opinions are considered

The current applicable guidelines for remuneration to Senior Executives were adopted on the 2021 Annual General Meeting. These guidelines correspond in principle to the guidelines adopted by the 2021 Annual General Meeting, save for that (i) the targets for annual variable remuneration have been supplemented with a sustainability target, (ii) the measurement period for the LTI-bonus covers adjusted earnings per share during a three-year period, and (iii) the payment of variable remuneration to the CEO during one year has been limited to a maximum of one year's salary.

No remarks on the remuneration guidelines have emerged in connection with dealings at General Meetings.

7. Other

The guidelines entail a level of remuneration, which in principle is equivalent to the remuneration for the financial year 2021.

Information regarding remuneration, etc. to Senior Executives during the financial year 2021 is set out in Note 29 of the Annual Report 2021, including any previously resolved remuneration that has not yet been due for payment, and in the remuneration report.

Gothenburg in March 2022
**The Board of Directors of
 Getinge AB (publ)**

Remuneration report 2021

Introduction

This report reflects how the guidelines for remuneration to Senior Executives, adopted at the Annual General Meeting 2021, have been implemented and applied during 2021. The report also provides details on the remuneration to the CEO, how the performance targets for variable remuneration has been applied, the synthetic option program issued by the majority shareholder and information that the company has not implemented any share and share-price related incentive programs. This report has been prepared in compliance with the Swedish Companies Act and the Rules on remuneration of the Board and Executive Management and Incentive programs issued by the Swedish Corporate Governance Board (the Remuneration Rules).

Further information on remuneration to Senior Executives is available in Note 29 on pages 126–127 of the Annual Report 2021. Information on the work by the Remuneration Committee in 2021 is set out in the corporate governance report, which is included on pages 34–59 of the Annual Report 2021.

Remuneration to the members of the Board of Directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and disclosed in Note 29 on pages 126 of the Annual Report 2021 and the corporate governance report on pages 44–46 of the Annual Report 2021.

The group's overall performance 2021

The CEO summarizes the group's result and overall performance in his statement, which is included on pages 8–9 in the Annual Report 2021.

The company's remuneration guidelines: scope, purpose and deviations

A prerequisite for successful implementation of the company's business strategy and safeguarding of its long-term interests and sustainability is that the company is able to recruit, motivate and retain qualified personnel. By enabling the possibility to offer Senior Executives a competitive total compensation, the guidelines contribute to the ability for the company to, on a long-term basis, retain qualified personnel.

The total remuneration to Senior Executives shall be on market terms and consist of base salary (fixed cash remuneration), variable cash remuneration, pension benefits and other benefits. The remuneration, and other employment conditions for Senior Executives, shall be on market terms and competitive on every market where Getinge operates. In addition, the General Meeting can decide on share- or share price-related remunerations.

The fixed remuneration (the base salary) should be based on the individual executive's area of responsibility, authority, competence, experience and performance. The allocation between base salary and variable remuneration shall be proportional to the executive's level of responsibility and authority. The variable remuneration shall always be pre-limited to a maximum amount and connected to pre-determined and measurable criteria, designed to contribute to the business strategy, long-term added value and sustainability of the company.

The guidelines adopted at the Annual General Meeting 2021 are available on pages 81–83 and the proposed revised guidelines for 2022 are available on pages 83–85 in the Annual Report 2021.

During 2021 the company has complied with the guidelines adopted at the Annual General Meeting 2021, save for that Kris-

tian Samuelsson, via company, received consultancy fees during the financial year 2021 for services provided to the legal advisors representing Getinge subsidiaries in matters relating to disputes regarding claims for surgical mesh implants and insurance disputes. The consultancy assignments were initiated prior to Kristian Samuelsson's appointment as a Board member. To a limited extent, the assignment continued some time after Kristian Samuelsson acceded the position as Board member. For the period after he acceded the position as Board member, Kristian Samuelsson via company, during 2021 received consultancy fees amounting to SEK 106 K. The Board of Directors has, on the basis of its possibility prescribed by the guidelines for remuneration to Senior Executives, resolved on the temporary deviation from the guidelines as it has been deemed necessary to serve the company's long-term interests and a sustainable development of the company, since Kristian Samuelsson's expertise has been necessary and a prerequisite for Getinge to reach the best possible outcome of the ongoing disputes regarding claims for surgical mesh implants and insurance disputes, and that Kristian Samuelsson has been involved in the matters already before he acceded the position as Board member. In addition to what is mentioned above, no deviations from the guidelines nor any derogations from the procedure for resolution on remuneration, established by the remuneration guidelines, have been made.

The auditors' statement regarding the company's compliance with the guidelines is available on www.getinge.com/int/about-us/corporate-governance/general-meetings under the tab Annual General Meeting 2022. No paid remuneration has been reclaimed during 2021.

Total remuneration to the CEO during 2021

Remuneration and benefits to CEO in 2021, SEK 000s

Executive	Fixed remuneration		Variable remuneration		Pension expenses ⁴⁾	Total	Share of fixed and variable remuneration (%) ⁵⁾
	Base salary	Other benefits ¹⁾	Short-term variable remuneration ²⁾	Long-term variable remuneration ³⁾			
Mattias Perjos, CEO	23,315	3,668	18,652	4,663	9,326	59,624	61/39

1) Other benefits refer to holiday pay, and benefits such as company car, medical insurance (sw: sjukvårdsförsäkring), etc.

2) Short-term variable remuneration refer to bonus accrued during the financial year 2021 and to be paid during 2022.

3) Long-term variable remuneration in the table above refer to accrued amount for a long-term bonus program for the period 2019–2021, which will be paid during 2022.

4) Pension cost for the CEO is based on a defined contribution basis and amounts to 40% of the base salary.

5) The portion of fixed vs variable remuneration as percentage of the grand total remuneration amounted to 61% and 39%, respectively. (The pension cost for the CEO is based on the fixed base salary and is included in its entirety in the fixed remuneration.)

Share based remuneration – outstanding share- or share price related incentive programs

The General Meeting has not resolved on implementation of any share or share price related incentive programs.

Synthetic option program issued by the majority shareholder

During 2018, the Board of Directors of Getinge AB was informed that the majority shareholder of the company, Carl Bennet AB, had issued an incentive program consisting of synthetic options intended for the members of the Board of Directors and Senior Executives of Getinge. In total, the members of the Board of Directors and the Senior Executives acquired 3,153,889 synthetic options for a price that was estimated to correspond to the market value. At the time for the acquisition, the aggregated market value of the options was calculated to approx. SEK 21.8 M.

The synthetic options are related to Getinge shares of series B and have a duration period of four years. The options may be exercised during the period of March 1, 2022 to May 31, 2022. The redemption price amounts to SEK 101.50 per option, equivalent to 122% of the average of the, for each trade day during the period April 27–May 4, 2018 volume-weighted payment price for Getinge's B-share at Nasdaq Stockholm. At exercise of the option, the holder receives a cash payment from Carl Bennet AB, that correspond with the number of underlying shares that the option entitles to multi-

plied by the market value of the share, with deduction of the redemption price. If the market value is less than the redemption price, no payment is received.

Getinge has not participated in the offer, which has been provided to the members of the Board of Directors and the Senior Executives solely by Carl Bennet AB.

The CEO acquired 579,710 synthetic options.

After the end of the financial year, all synthetic options have been exercised. At the time of exercise, the market value of the share after deduction of the redemption price amounted to SEK 267.56.

Principles for application of the performance targets for variable remuneration

Selection of performance targets and resolution to determine the variable remuneration has been prepared by the Remuneration Committee and resolved by the Board of Directors. The variable remuneration is pre-limited to a maximum amount and connected to pre-determined and measurable criteria, designed to contribute to the business strategy and long-term added value of the company. The sustainability work is integrated in the company's day-to-day operations. If the company's principles for sustainability or ethical guidelines are not complied with, the company has the possibility to withhold any variable remuneration or reclaim already paid remuneration.

After the end of financial year and based on a proposal by the Remuneration Committee, the Board of Directors has resolved to which extent the criteria for payment of the short- and long-term variable remuneration have been fulfilled. The assessment if the financial targets have been reached has been based on the company's most recent published financial information, with any pre-determined adjustments established by the Board of Directors when implementing the programs.

Application of the performance targets for short-term variable remuneration

The short-term variable remuneration to the CEO is based on performance targets established by the Board of Directors based on the guidelines for remuneration to Senior Executives and is designed to promote the interests of the shareholders and the company's values, and also to create incentive for a common strive to reach the business strategy, long-term interests and a sustainable development of the company. The variable short-term remuneration to the CEO is limited to 80% of the fixed annual base salary. The targets for 2021 were connected to result, organic growth and restriction of working capital. All three performance targets were fully achieved in 2021 resulting in maximum bonus payout.

The performance by the CEO during the reported financial year: short term variable cash remuneration

Criteria for determination of short-term variable remuneration for the CEO and outcome, SEK 000s

Executive	Performance target	Weighting of performance target	Outcome of performance target	Variable remuneration per performance target
Mattias Perjos, CEO	Adjusted EBITA ¹⁾	50%	5,431 Mkr	9,326
	Net sales – organic growth	25%	28,376 Mkr ²⁾	4,663
	Tied-up working capital – no. of days	25%	88.2	4,663
				18,652

1) The adjusted EBITA refer to the operating profit adjusted for exchange rate changes, acquisitions, divestments, restructuring costs and other material items affecting comparability.

2) Refers to the Group's net sales converted into SEK based on last year's exchange rates.

Applying the performance targets for the variable long-term remuneration

In addition to base salary and the annual variable remuneration, the CEO can receive a variable long-term bonus (LTI-bonus), which rewards clear, measurable performance targets and is conditioned by continued employment at the end of the performance period for the LTI-bonus (with some customary exceptions). The

criteria for payment of the LTI-bonus shall be constructed to promote the long-term interests of Getinge and sustainable development of the company.

The performance target for all outstanding LTI-bonus programs are earnings per share, adjusted in for acquisitions, divestments, restructuring costs and other material non-recurrent costs.

By relating the performance target to the objective of the shareholders, a joint interest to further promote Getinge's business strategy and long-term interests is created. The vesting period for the LTI-bonus is three financial years. At the end of the financial year 2021, the LTI-bonus program 2019-2021 expired and during 2022 SEK 4,663 K will be paid to the CEO for this program.

The performance by the CEO during the reported financial year – long-term variable remuneration

Criteria for determination of long-term variable remuneration for the CEO and outcome, SEK 000s

Executive	Long-term incentive program (LTI)	Performance target ¹⁾	Outcome of performance target	Variable remuneration per performance target ⁵⁾
Mattias Perjos, CEO	LTI 2019-2021	Adjusted earnings per share 2019	5.96 kr	3,000
	LTI 2019-2021	Adjusted earnings per share 2020	13.19 kr	1,663
	LTI 2019-2021	Adjusted earnings per share 2021	12.11 kr	–
				4,663²⁾
	LTI 2020-2022	Adjusted earnings per share 2020	13.19 kr	3,639
	LTI 2020-2022	Adjusted earnings per share 2021	12.11 kr	300
				3,939³⁾
	LTI 2021-2023	Adjusted earnings per share 2021	12.11 kr	3,847
				3,847⁴⁾

1) The performance targets in the Group's long-term variable remuneration schemes are earnings per share, adjusted for acquisitions, divestments, restructuring costs and other material non-recurrent costs.

2) Refers to the total provisions for the incentive scheme LTI 2019-2021. The remuneration is vested and will be paid during 2022.

3) Refers to the total provisions for the incentive scheme LTI 2020-2022.

4) Refers to the total provisions for the incentive scheme LTI 2021-2023.

5) At the end of the year, the total provision for long-term bonus to the CEO amounted to SEK 12,449 K, whereof SEK 4,663 K will be paid during 2022. The expense for the long-term variable remuneration to the CEO for the year amounted to SEK 1,963 K. The vesting period for the group's long-term incentive scheme is three years and the remuneration is conditioned by the CEO remaining at his position at the end of the vesting period. Payment of long-term bonus is during a three-year period limited to one year's fixed base salary. In addition, during the year, the Board of Directors has decided to apply one additional limitation on payment of long-term bonus to the CEO, meaning that payment of short-term and long-term variable remuneration together shall not exceed one year's base salary. The bonus that has been vested in LTI-2019-2021 but that not can be paid due to this limitation rule will however be payable in 2023 or later, provided that the payment does not exceed this limitation for the current year.

Comparative information regarding the company's result and changes in the remuneration

Five-year overview of changes in remuneration and performance¹⁾

	2017 compared with 2016	2018 compared with 2017	2019 compared with 2018	2020 compared with 2019	2021 compared with 2020	2021 ⁴
Changes in remuneration to the CEO, SEK K ²	-43,218 (-63.5 %)	8,710 (35.1 %)	12,483 (37.2 %)	20,663 (44.9 %)	-7,082 (-10.6 %)	59,624
Changes in average remuneration to employees of Getinge AB, SEK K ³	-214 (-15.7 %)	61 (5.3 %)	440 (36.4 %)	-34 (-2.1 %)	-340 (-21.1 %)	1,274
Changes in operating profit for the Group, SEK M	-13 (-0.9 %)	-1,777 (-119.0 %)	2,656 (935.2 %)	2,412 (101.7 %)	-413 (-8.6 %)	4,371

1) In the above table, changes of remuneration and result between the years are presented. The changes are presented in both actual amounts and percentage.

2) Remuneration to the CEO relates to the total remuneration to CEO including base salary, short- and long-term incentive program, pension expenses and other benefits.

3) Remuneration to the Senior Executives excluded.

4) Refers to the outcome for year 2021.

Gothenburg, March 2022

The Board of Directors of Getinge AB

Proposed appropriation of profit

Getinge AB (publ), Corp. Reg. No. 556408-5032

The following non-restricted equity in the Parent Company is at the disposal of the Annual General Meeting, SEK M:

Share premium reserve	4,264
Retained earnings	13,277
Net profit for the year	1,600
Total	19,141

The Board and CEO propose that a dividend of SEK 4.00 per share shall be distributed to shareholders	1,089
to be carried forward	18,052
Total	19,141

The Board of Directors deems the proposed dividend to be justified in relation to requirements that the nature of the business, scope and risks impose on consolidated equity and the Group's consolidation requirements, liquidity and financial position.

The Board of Directors and CEO affirm that the consolidated financial statements have been prepared in accordance with international financial reporting standards IFRS, as adopted by the EU, and provide a true and fair view of the Group's financial position and profit. This Annual Report was prepared in accordance with generally accepted accounting policies and provides a true and fair view of the Parent Company's financial position and profit.

The Administration Report for the Group and Parent Company provides a fair and accurate overview of the performance of the Parent Company and the Group's operations, financial position and earnings and describes the material risks and uncertainties faced by the Parent Company and companies belonging to the Group.

Gothenburg, March 30, 2022

Johan Malmquist

Chairman,
AGM-elected Board member

Carl Bennet

Vice Chairman,
AGM-elected Board member

Johan Bygge

AGM-elected Board member

Barbro Fridén

AGM-elected Board member

Dan Frohm

AGM-elected Board member

Sofia Hasselberg

AGM-elected Board member

Rickard Karlsson

Board member
Representative of the Swedish
Metalworkers' Union

Åke Larsson

Board member
Representative of the Swedish
Association of Graduate Engineers

Mattias Perjos

President & CEO,
AGM-elected Board member

Malin Persson

AGM-elected Board member

Kristian Samuelsson

AGM-elected Board member

Cecilia Daun Wennborg

AGM-elected Board member

Our auditor's report was submitted on March 30, 2022 Öhrlings PricewaterhouseCoopers AB

Peter Nyllinge

Authorized Public Accountant
Auditor in Charge

Karin Olsson

Authorized Public Accountant

Consolidated income statement

SEK M	Note	2021	2020
Net sales	2, 3	27,049	29,819
Cost of goods sold	4	-13,469	-15,097
Gross profit		13,580	14,722
Selling expenses	4	-4,590	-5,285
Administrative expenses	4	-3,337	-3,498
Research and development costs	4, 34	-851	-1,033
Acquisition expenses	4	-35	-8
Restructuring costs	4	-61	-169
Other operating income	4	720	1,026
Other operating expenses	4	-1,056	-971
Operating profit (EBIT)	3, 4, 5, 6	4,371	4,784
Interest income and other similar income	7	10	8
Interest expenses and other similar expenses	8	-193	-307
Profit after financial items		4,188	4,485
Taxes	9	-1,187	-1,213
Net profit for the year		3,000	3,273
Net profit for the year attributable to:			
Parent Company's shareholders		2,970	3,239
Non-controlling interests		31	34
Earnings per share, SEK¹⁾		10.90	11.89
Weighted average number of shares for calculation of earnings per share (000s)	11	272,370	272,370

1) Before and after dilution.

Consolidated statement of comprehensive income

SEK M	Note	2021	2020
Net profit for the year		3,000	3,273
Other comprehensive income			
Items that cannot be restated in profit			
Actuarial gains/losses pertaining to defined-benefit pension plans		-5	-13
Tax attributable to items that cannot be restated in profit		10	-1
Items that can later be restated in profit			
Translation differences and hedging of net investments	6	1,614	-2,319
Cash flow hedges	28	-22	-16
Tax attributable to items that can be restated in profit		-17	21
Other comprehensive income for the year, net after tax		1,580	-2,327
Comprehensive income for the year		4,580	946
Comprehensive income for the year attributable to:			
Parent Company's shareholders		4,543	936
Non-controlling interests		37	9

Consolidated balance sheet

SEK M	Note	2021	2020
ASSETS			
Non-current assets			
Intangible assets	3, 12	24,148	22,085
Tangible assets	3, 12	3,060	2,956
Right-of-use assets	20	1,060	1,017
Financial instruments, long-term	28	–	2
Financial receivables, long-term	28	52	50
Deferred tax assets	9	1,166	1,474
Total non-current assets		29,486	27,584
Current assets			
Inventories	13	4,767	4,513
Accounts receivable	14, 28	4,695	5,338
Contract assets	15	448	453
Current tax assets		66	63
Financial instruments, current	28	2	23
Other receivables	28	732	752
Prepaid expenses and accrued income	16	283	233
Cash and cash equivalents	19, 28, 33	4,076	6,056
Total current assets		15,069	17,431
TOTAL ASSETS		44,555	45,014
EQUITY AND LIABILITIES			
Equity			
Share capital	17	136	136
Other capital provided		6,789	6,789
Other reserves		1,245	-323
Retained earnings		16,579	14,422
Equity attributable to the Parent Company's shareholders		24,750	21,024
Non-controlling interests		427	462
Total equity		25,176	21,486
Long-term liabilities			
Interest-bearing long-term liabilities	19, 28	2,795	7,020
Financial instruments, long-term	28	1	14
Other long-term liabilities	28	124	294
Provisions for pensions, interest-bearing	19, 24	3,378	3,359
Provisions for pensions, non-interest-bearing	24	175	165
Leasing liabilities, long-term	19, 20, 28	700	667
Deferred tax liabilities	9	897	829
Restructuring reserves, long-term	21	17	30
Other provisions, long-term	22	681	1,362
Total long-term liabilities		8,769	13,740
Current liabilities			
Restructuring reserves, current	21	85	210
Other provisions, current	22	2,331	519
Interest-bearing current liabilities	19, 28	475	2,196
Leasing liabilities, current	19, 20, 28	336	323
Accounts payable	28	1,921	1,446
Contract liabilities	23	1,633	1,355
Current tax liabilities		533	376
Financial instruments, current	28	27	0
Other liabilities	28	476	495
Accrued expenses and deferred income	25	2,794	2,868
Total current liabilities		10,610	9,788
TOTAL EQUITY AND LIABILITIES		44,555	45,014

Refer to Note 26 for information concerning Getinge Group's pledged assets and contingent liabilities.

Changes in equity for the Group

SEK M	Share capital	Other capital provided	Reserves ¹⁾	Retained earnings	Total	Non-controlling interests	Total equity
Opening balance at January 1, 2020	136	6,789	1,965	11,606	20,496	477	20,973
Comprehensive income for the year	–	–	-2,288	3,225	936	9	946
Dividend	–	–	–	-409	-409	-24	-433
Closing balance at December 31, 2020	136	6,789	-323	14,422	21,024	462	21,486
Opening balance at January 1, 2021	136	6,789	-323	14,422	21,024	462	21,486
Comprehensive income for the year	–	–	1,568	2,974	4,543	37	4,580
Dividend	–	–	–	-817	-817	-41	-858
Transactions with non-controlling interests	–	–	–	–	–	-32	-32
Closing balance at December 31, 2021	136	6,789	1,245	16,579	24,750	427	25,176

1) Reserves pertain to cash flow hedges, hedges of net investments and translation differences.

Consolidated cash flow statement

SEK M	Note	2021	2020
Operating activities			
Operating profit (EBIT)		4,371	4,784
Add-back of amortization, depreciation and write-down		1,814	2,467
Other non-cash items	33	460	60
Add-back of restructuring costs ¹⁾		61	169
Paid restructuring costs		-203	-262
Interest paid and received	33	-151	-260
Other financial items		-41	-53
Taxes paid		-693	-553
Cash flow before changes in working capital		5,618	6,352
Changes in working capital			
Inventories		-71	-544
Operating receivables		805	1,121
Operating liabilities		208	270
Cash flow from operating activities		6,560	7,199
Investing activities			
Acquisition of operations	27	-715	-999
Investments in intangible assets and tangible assets	12	-930	-1,045
Divestment of non-current assets		316	53
Cash flow from investing activities		-1,329	-1,991
Financing activities			
Raising of loans		1,170	4,327
Repayment of loans		-7,159	-3,784
Lease payments		-389	-390
Change in long-term receivables		-1	-17
Dividend paid		-858	-433
Cash flow from financing activities		-7,237	-297
Cash flow for the year		-2,006	4,911
Cash and cash equivalents at the beginning of the year		6,056	1,254
Cash flow for the year		-2,006	4,911
Translation differences		26	-110
Cash and cash equivalents at year-end	33	4,076	6,056

1) Excluding write-downs on fixed assets.

NOTE 1 | Accounting policies

General information

Getinge AB (publ), which is the Parent Company of Getinge Group, is a limited liability company with its registered offices in Gothenburg, Sweden. A description of the company's operations is included in the Administration Report on page 76.

The consolidated financial statements for the fiscal year ending December 31, 2021 have been approved by the Board on March 30, 2022 and will be presented to the AGM on April 26, 2022 for adoption.

Accounting and measurement policies

Getinge's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), including interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 has been applied. The consolidated financial statements include the financial statements for Getinge AB (publ) and its subsidiaries and were prepared in accordance with the cost method. The Parent Company applies the same accounting policies as the Group, except in the instances stated below in the section "Parent Company's accounting policies." The differences that arise between the Parent Company and the Group's accounting policies are attributable to the limited opportunities for the application of IFRS in the Parent Company, as a result of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act. The Parent Company's functional currency is Swedish kronor (SEK), which is also the Parent Company's and Group's presentation currency. This means that the financial statements are presented in Swedish kronor (SEK). Unless otherwise stated, all amounts are given in millions of Swedish kronor (SEK M). For practical reasons, the figures in this Annual Report have not been rounded off, which is why notes and tables may not total correct amounts.

Significant estimates and assessments

To prepare the financial statements in accordance with IFRS, the company management is required to make assessments and assumptions that affect the recognized amounts of assets and liabilities and other information in the financial statements as well as the revenues and expenses recognized during the period. Assumptions, assessments and estimates are reviewed on a regular basis. The actual outcome may diverge from these assumptions, assessments and estimates. The Board of Directors and Getinge Executive Team have deemed that the following areas may have a significant impact on Getinge's earnings and financial position:

Measurement of identifiable assets and liabilities in connection with acquisitions

In conjunction with acquisitions, all identifiable assets and liabilities in the acquired company are measured at fair value, including the value of assets and liabilities in the previously owned share as well as the share attributable to non-controlling interests.

Goodwill and intangible assets with an indefinite useful life

The impairment requirement for goodwill and other intangible assets with an indefinite useful life is tested annually by Getinge in accordance with the accounting policy described here in Note 1. The recoverable amount for cash generating units (CGUs) has been established through the measurement of value in use. For these calculations, certain estimations must be made (see Note 12).

Pension commitments

Recognition of the costs of defined-benefit pensions and other applicable retirement benefits is based on actuarial valuations, relying on key assumptions for discount rates, future salary increases and expected inflation. In turn, the discount rate assumptions are based on rates for high-quality fixed-interest investments with durations similar to the pension plans (see Note 24).

Obsolescence reserve

Inventories are recognized at the lower of cost according to the first in/first out principle, and net realizable value. The value of inventories is adjusted for the estimated decrease in value attributable to products no longer sold, surplus inventories, physical damage, lead times for inventories, and handling and sales overheads. If the net realizable value is lower than the cost, a valuation reserve is established for inventory obsolescence (see Note 13).

Deferred tax

The measurement of loss carryforwards and the company's ability to utilize unutilized loss carryforwards is based on the company's assessments of future taxable income in various tax jurisdictions and includes assumptions regarding whether expenses that have not yet been subject to taxation are tax deductible. Deferred tax is recognized in profit or loss unless the deferred tax is attributable to items recognized in other comprehensive income, in which case the deferred tax is recognized together with the underlying transaction in other comprehensive income (refer to Note 9).

Capitalized product development costs

Costs for product development projects are capitalized to the extent that the costs can be expected to generate financial benefits. Capitalization starts when management believes that the product will be technically or financially viable. This means that established criteria must be met before a development project is capitalized as an intangible asset. Capitalization ends and amortization of the capitalized development costs starts when the asset is ready for use. Capitalized development costs are tested for impairment when there are indications of a decline in value. Determining the amortization period and testing for impairment require management to make assessments.

Disputes

Provisions for disputes represent management's best estimate of the future cash flow required to settle the obligations. The disputes primarily relate to contractual commitments in contracts with customers and suppliers and damages related to product liability. Management's assessment is that the need to make provisions depends on the legal processes in the country in question and the course of the proceedings. Opinions from external and internal advisors are taken into consideration, as is experience from similar cases. The results of complicated disputes may nevertheless be difficult to predict and disputes could be both time-consuming and costly (see Note 22).

Consolidated financial statements

Subsidiaries are all companies (including structured entities) over which the Group exercises a controlling influence. The Group controls a company when it is exposed to or has the right to variability of returns from its holding in the company and can affect these returns through its influence over the company. The controlling influence is usually transferred at the acquisition date. Acquired companies are consolidated into the consolidated financial statements in accordance with the purchase method, which means that the cost of the shares in subsidiaries is eliminated against their equity at the acquisition date. Accordingly, only the portion of the subsidiary's equity that has arisen after the acquisition is included in consolidated equity. Equity in the subsidiaries is thus determined on a market-based value of identifiable assets, liabilities, provisions and contingent liabilities on the date of the acquisition. If the cost of the shares in the subsidiaries exceeds the value of the acquired net assets, calculated as described above, the difference is assigned to goodwill. If the acquisition cost falls below the fair value of the acquired subsidiary's net assets (a bargain purchase), the difference is recognized directly in profit or loss as other operating income. If assets are included in the subsidiary at the time of acquisition – for example, property, participations or other operations – that will not be retained but sold in the near future, these assets are recognized in the acquisition analysis at the amount expected to be received. Deferred tax is calculated on the difference between the calculated market values of assets and liabilities and the fiscal residual values. Intra-Group transactions and unrealized inter-company profits are eliminated in the consolidated financial statements, without respect of shares in non-controlling interests. In profit or loss, net profit is recognized without deductions for non-controlling interests in net profit for the year. Non-controlling interests are recognized as a separate item in consolidated equity in the balance sheet. The Group applies revised IFRS 3 Business Combinations to all acquisitions made after January 1, 2010, whereby the most significant change entails expensing transaction costs in conjunction with an acquisition.

Foreign currencies

Functional currency

Transactions in foreign currencies are translated to the functional currency of the financial statements according to the exchange rate on the date of the transaction. Receivables and liabilities in foreign currencies are measured at the closing day rate, and unrealized currency gains and losses are included in profit or loss. Exchange-rate differences attributable to operating receivables and liabilities are recognized as other operating income/operating expenses. Exchange-rate differences regarding financial assets and liabilities are recognized under Other financial items. When preparing the consolidated financial statements, the balance sheets of the foreign operations are translated from their functional currency to SEK, based on the closing day rate.

Translation of foreign operations

Getinge applies the current method for translation of foreign subsidiaries' balance sheets and income statements. This means that all assets and liabilities in subsidiaries are translated at the closing day rate, and all income statement items are translated at average annual exchange rates. Translation differences arising in this context are due to the difference between the income statement's average exchange rates and closing day rates, and to the net assets being translated at a different exchange rate at year-end than at the beginning of the year. Translation differences are recognized under other comprehensive income. The total translation differences in conjunction with divestments are recognized together with the gains/losses arising from the transaction. Hedge accounting is applied to external loans raised in order to reduce translation effects in exposed currencies to match the net assets in foreign subsidiaries. Exchange-rate differences for these loans are recognized directly in other comprehensive income for the Group.

Revenue recognition

Sales include products, services and rental, net after discounts, excluding indirect sales tax. Revenue is mainly recognized when the buyer passes control of the sold product or service and is able to use or benefit from the product or service. Getinge's overall performance obligations can be divided into products and services. Revenue recognition of sales of products usually takes place at a point in time when the goods are delivered and when collection of the receivable is reasonably assured. Revenue is normally recognized once the buyer has accepted delivery and after installation and final inspection. Revenue from services is recognized over time when the services are performed. Income from rental is allocated to a particular period over the term of the rental agreement.

Interest income is recognized continuously and dividends received are recognized after the right to the dividend is deemed secure. In the consolidated financial statements, intra-Group

sales are eliminated. For larger assignments that meet the criteria for revenue recognition over time, revenue and expenses are recognized in relation to the degree of completion of the assignment on the closing date. The degree of completion of an assignment is established in a ratio between accrued assignment costs for work completed on the closing date and the calculated total assignment costs, except in those instances this does not correspond to the degree of completion. Changes in the scope and claims of the assignment are included only if there is an agreement with the customer. When the outcome of an assignment cannot be calculated in a reliable manner, only the amount corresponding to the accrued assignment costs that will probably be paid by the client is recognized as revenue. Other accrued assignment costs are recognized as costs in the period in which they occur. If it is probable that the total amount of accrued assignment costs will exceed total revenue from the assignment, the expected loss is promptly recognized as a cost in its entirety.

Government grants

Government grants are measured at fair value when it is probable that the terms associated with the grants will be met and that the grants will be received. Government grants that apply to costs are recognized in profit or loss as a reduction in costs in the same period as the costs that the grants are intended to cover. If the grants received do not pertain to a specific cost, the grants are recognized as revenue under the item other operating income. Government grants relating to the acquisition of assets reduce the assets' carrying amounts. Such grants affect recognized earnings over the asset's useful life by reducing depreciation (see Note 35).

Financial income and expenses

Financial income and expenses include interest income on bank deposits and receivables, interest expenses on loans, income from dividends, unrealized and realized profits and losses on financial investments, exchange-rate differences, and the change in value of derivative instruments used in financial activities. Borrowing costs in conjunction with the raising of loans are recognized as part of the loan to which they pertain and are charged to profit during the term of the loan.

Discontinued operations

A discontinued operation is part of a company that has been divested, distributed to the shareholders or is classified as held for sale and that comprises a material, independent segment or an operation conducted in a geographic area. Profit from discontinued operations are recognized separately from continuing operations in profit or loss.

Intangible assets

Goodwill

Goodwill comprises the portion of a purchase price for an acquisition that exceeds the market value of the identifiable assets,

with deductions for liabilities and contingent liabilities, calculated on the acquisition date, on the share of the acquired company's assets acquired by the Group. In a business acquisition whereby the acquisition costs are less than the net value of acquired assets, assumed liabilities and contingent liabilities, the difference is recognized directly in profit or loss. Goodwill arising in conjunction with the acquisition of a foreign entity is treated as an asset in the foreign entity and translated at the exchange rate on the closing date. Goodwill arising from the acquisition of associated companies is included in the value of the holdings in the associated company. An impairment test of goodwill is conducted once per year or more often if there is an indication that there could have been a decrease in value. Impairment of goodwill is recognized in profit or loss. The gain or loss in connection with the divestment of an entity includes the residual carrying amount of goodwill that pertains to the divested unit.

Other intangible assets

Other intangible assets comprise capitalized development costs, customer relations, technical know-how, trademarks, agreements and other assets. Intangible assets are recognized at cost with deductions for accumulated amortization and any impairment losses. Amortization is applied proportionally over the asset's anticipated useful life, which usually varies between three and 15 years. Acquired intangible assets are recognized separately from goodwill if they fulfill the criteria for qualifying as an asset, implying they can be separated or they are based on contractual or other legal rights and that their market value can be established in a reliable manner. Intangible assets that are recognized separately from goodwill in acquisitions of operations include customer relations, technical know-how, trademarks, agreements, etc.

Acquired intangible assets are measured at market value and amortized on a straight-line basis over their anticipated useful life. The useful life can, in certain cases, be indefinite. These intangible assets are not amortized, instead they are tested for impairment every year or more often if there is an indication that there could have been a decrease in value. Costs for development, whereby research results or other knowledge is applied to produce new products, are recognized as an asset in the balance sheet to the extent that these products are expected to generate future financial benefits. These costs are capitalized when management deems that the product is technically and financially viable, which is usually when a product development project has reached a defined milestone in accordance with an established project model. The capitalized value includes expenses for material, direct expenses for salaries and indirect expenses that can be assigned to the asset in a reasonable and consistent manner. In other cases, development costs are expensed as they arise. Research costs are charged to earnings as they arise. Capitalized expenses are amortized on a straight-line basis from the point in time at which the asset is put into commercial operation and during the asset's estimated useful life. The amortization period is determined based

on historical data and taking into consideration future changes in technology. For capitalized development costs, the amortization period is five to 15 years and for software three years.

Tangible assets

Properties, machinery, equipment and other tangible assets are recognized at cost, with deductions for accumulated depreciation and any impairment losses. The cost includes the purchase price and expenses directly attributable to the asset to bring the asset to the site and in the working condition for its intended use. Examples of directly attributable expenses included in the cost are delivery and handling costs, installation, legal services and consultancy services. Assets provided to the company in conjunction with the acquisition of new subsidiaries are recognized at market value on the acquisition date. Depreciation is conducted straight line. The value in the balance sheet represents acquisition costs with deduction for accumulated depreciation and any impairment losses. Land is not depreciated since it is deemed to have an infinite economic life, however, the depreciation of other assets is based on the following anticipated useful lives:

Class of assets	Depreciation, number of years
Land	40–50
Buildings	10–50
Machinery	5–25
Equipment	10
Production tools	5
Rental equipment	5
Cars	4
Computer equipment	3

Tangible assets comprising parts with different useful lives are treated as separate components of tangible assets. Standard maintenance and repair costs are expensed during the periods in which they arise. More extensive repair and upgrading costs are capitalized and depreciated over the item's remaining anticipated useful life. Capital gains/losses are recognized under Other operating income/expenses.

Leasing – Getinge as a lessee

The Group's leases mainly comprise right-of-use assets for premises and vehicles. The leases are recognized as a right-of-use asset with a corresponding lease liability when the leased asset is available for use by the Group. Short-term leases and leases for which the underlying asset is of low value are exempted. Each lease payment should be divided between amortization of the lease liability and a financial cost. The financial cost should be allocated over the lease term, so that each reporting period is charged with an amount corresponding to a fixed interest rate for the liability recognized under each period.

The Group's lease liabilities are recognized at the present value of the Group's fixed lease payments. Purchase options are included if it is reasonably certain that Getinge will exercise the option to acquire the underlying asset. Penalties for terminating the lease are included if the lease term reflects that the lessee will exercise an option to cancel the lease. Lease payments are discounted with the interest rate implicit in the lease, if this rate can easily be determined. Otherwise, the Group's incremental borrowing rate is applied.

The Group's right-of-use assets are recognized at cost, and include initial present value of the lease liability, adjusted for lease payments made at or before the commencement date and any initial direct expenses. Restoration costs are included in the asset if a corresponding provision for restoration costs exists. The right-to-use asset is depreciated on a straight-line basis over the assets useful life and the lease term, whichever is the shortest.

Leasing – Getinge as a lessor

Leases in which Getinge is the lessor are defined in two categories, operating and finance, depending on the financial significance of the agreement. Operating leases are recognized as non-current assets. Revenue from operating leases is recognized evenly over the lease term. Straight-line depreciation is applied to these assets in accordance with the undertakings and the depreciation amount is adjusted to correspond with the estimated realizable value when the undertaking expires. The estimated impairment requirement is immediately charged to profit or loss. The products' estimated realizable value at the expiration of the undertaking is continuously followed up on an individual basis. Finance leases are recognized as long-term and current receivables. Payments received from finance leases are divided between interest income and depreciation of receivables.

Impairment of non-financial assets

At the end of each accounting period, the carrying amount of the assets is assessed to determine whether there is any indication that impairment is required. If there is such an indication, the asset's recoverable amount is established. The recoverable amount is deemed to be the higher of the asset's net realizable value and its value in use, for which the impairment loss is recognized as soon as the carrying amount exceeds the recoverable amount. Earlier recognized impairment losses on intangible assets and tangible assets are reversed if the recoverable amount is deemed to have increased, although the impairment losses are not reversed to an amount greater than what the carrying amount would have been if no impairment losses had been recognized in earlier years. Recognized impairments of goodwill are not reversed.

Inventories

Inventories are measured at the lower of cost and production value, according to the first in/first out (FIFO) principle, and net realizable value. Inventories include a share of indirect costs related to

this. The value of finished products includes raw materials, direct work, other direct costs and production-related expenses including depreciation. The net realizable value is calculated as the estimated sales price less estimated completion and selling expenses. An assessment of obsolescence in inventories is conducted on an ongoing basis during the year. The value of inventories is adjusted for the estimated decrease in value attributable to products no longer sold, surplus inventories, physical damage, lead times for inventories, and handling and sales overheads. If the net realizable value is lower than the cost, a valuation reserve is established for inventory obsolescence.

Financial instruments

Initial recognition

Financial assets and financial liabilities are recognized when the Group becomes party to the contractual terms of the instrument. Purchases and sales of financial assets are recognized on the transaction date, which is the date on which the Group undertakes to buy or sell the asset. A financial asset is derecognized from the balance sheet when the contractual rights to the asset are realized, extinguished or the company loses control over them. A financial liability is derecognized from the balance sheet when the contractual obligation has been fulfilled or in some other manner extinguished. Financial instruments are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of a financial asset or financial liability. The Group classified its financial assets and liabilities depending on the purpose for which the financial asset or liability was acquired.

Financial assets measured at amortized cost

Assets held for the purpose of collecting the contractual cash flows that are solely payments of principal and interest on the principal amount are measured at amortized cost. Assets in this category are initially measured at fair value including transaction costs. After the acquisition date, they are recognized at amortized cost using the effective interest method. The carrying amount of the assets is adjusted for any impairment for expected credit losses. Interest income from these financial assets is recognized using the effective interest method and is included in financial income. Assets in this category comprise long-term financial receivables, accounts receivable and other current receivables. They are included in current assets with the exception of items that fall due more than 12 months after the end of the reporting period, which are classified as non-current assets.

Impairment of financial assets measured at amortized cost

The Group assesses the future expected credit losses related to assets measured at amortized cost and recognizes a reserve for such credit losses ("loss allowance") on each reporting date. For accounts receivable, the Group applies the simplified approach

for loss allowance, meaning that the reserve will correspond to the expected loss for the full lifetime of the receivable. Expected credit losses on accounts receivable are recognized under the item selling expenses in profit or loss.

Financial liabilities measured at amortized cost

The Group's other financial liabilities are initially measured at fair value, net after transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Long-term liabilities have an expected term longer than one year while current liabilities have a term of less than 12 months. This category includes liabilities to credit institutions, issued bonds, accounts payable and other current liabilities.

Cash and cash equivalents

The major portion of cash and cash equivalents comprises cash funds held at financial institutions, and only a minor portion comprises current liquid investments with a term from the acquisition date of less than three months, which are exposed to only an insignificant risk of value fluctuations. Cash and cash equivalents are recognized at nominal amounts, which are equivalent to fair value.

Financial assets measured at fair value

Financial assets in this category comprise derivatives. They are included in current assets if they are expected to be settled within 12 months of the end of the reporting period, otherwise, they are classified as non-current assets. All derivatives are measured at fair value in the balance sheet. Changes in fair value are recognized as a component of other comprehensive income insofar as they are part of a hedging relationship that qualifies as hedge accounting. They are reversed to profit or loss when the hedged transaction occurs. Derivatives that do not meet the requirements for hedge accounting are measured at fair value through profit or loss.

Hedge accounting

For derivative instruments or other financial instruments that meet hedge accounting requirements under the cash flow hedging method or hedging of net investments in foreign operations method, the effective component of the value change is recognized in other comprehensive income. Accumulated value changes from cash flow hedges are reversed from equity to profit or loss at the same time as the hedged item impacts profit or loss. Accumulated value changes from the hedging of net investments in foreign operations are reversed from equity to profit or loss when the foreign operation is divested in full or in part. Interest-bearing liabilities to which hedge accounting has been applied in accordance with the method for fair-value hedging are measured at fair value regarding the hedged risk. The effect of the hedge is recognized on the same line as the hedged item.

Fair value

The fair value of derivative instruments was calculated using the most reliable market prices available. This requires all instruments that are traded in an effective market, such as currency forward contracts, to be measured at market-to-market at current prices. In terms of instruments for which no reliable prices were available, such as interest-rate swaps, cash flows were discounted using deposit and interest-rate swaps for the currency in question. Translation to SEK is conducted at the closing day rate.

Remuneration to employees**Recognition of pensions**

Getinge has both defined-contribution and defined-benefit pension plans, of which some have assets in special funds or similar securities. The plans are usually financed by payments from the respective Group companies and the employees. The Group's Swedish companies are generally covered by the ITP plan, which does not require any payments from employees.

Defined-benefit plans

Pension expenses for defined-benefit plans are calculated using the Projected Unit Credit Method in a manner that distributes expenses over the employee's working life. The calculation is performed annually by independent actuaries. These commitments are measured at the present value of expected future payments, with consideration given to calculated future salary increases, and utilizing a discount rate corresponding to the interest rate of first-class company or government bonds with a remaining term that is almost equivalent to the actual commitments. The Group's net liabilities for each defined-benefit plan (which is also recognized in the balance sheet), comprises the present value of the obligation less the fair value of the plan assets. If the value of the plan assets exceeds the value of the obligation, a surplus arises, which is recognized as an asset. The recognized asset value is limited to the total of costs related to services rendered during previous periods and the present value of future repayments from the plan, or reductions in future contributions to the plan. The actuarial assumptions constitute the company's best assessment of the different variables that determine the costs of providing the benefits. When actuarial assumptions are used, the actual results could differ from the estimated results, and actuarial assumptions change from one period to another. These differences are recognized as actuarial gains and losses. Actuarial gains and losses are recognized in other comprehensive income for the period in which they are incurred.

Costs for defined-benefit pension plans in profit or loss comprise the total costs for service during the current and earlier years, interest on commitments and the expected return on plan assets. Costs for service during the current period and previous

periods are recognized as employee costs. The interest component of pension expenses is recognized under financial expenses.

Defined-contribution plans

These are plans in which the company pays fixed fees to a separate legal entity and does not have any legal or informal obligation to pay additional fees. The Group's payments for defined-contribution plans are recognized as expenses during the period in which the employees perform the services that the fee covers. The part of the Swedish ITP plan concerning family pension, disability pension, and employment group life insurance financed by insurance with Alecta is a defined-benefit pension multi-employer plan. For this pension scheme, according to IAS 19, a company is primarily to recognize its proportionate share of the defined-benefit pension commitment and the plan assets and expenses associated with the pension plan. The financial statements are also to include disclosure required for defined-benefit pension plans. Alecta is currently unable to provide the necessary information and therefore the above pension plans are recognized as defined-contribution plans in accordance with item 30 of IAS 19. This means that premiums paid to Alecta will also be recognized on an ongoing basis as expenses in the period to which they pertain.

Share-based remuneration

There were no share-based incentive programs in the Group at the end of 2021.

Provisions

Provisions are recognized when the Group has a legal or informal obligation as a result of past events and it is probable that payment will be required to fulfill the commitment and if a reliable estimation can be made of the amount to be paid. Pensions, deferred tax liabilities, restructuring measures, guarantee commitments and similar items are recognized as provisions in the balance sheet. Provisions are reviewed at the end of each accounting period.

Contingent liabilities

Contingent liabilities are commitments not recognized as liabilities/provisions either because it is not certain that an outflow of resources will be required to settle the commitment or because it is not possible to make a reliable estimate of the amount.

Income taxes

Getinge's income taxes include taxes on Group companies' profits recognized during the accounting period and tax adjustments attributable to earlier periods and changes in deferred taxes. Measurement of all tax liabilities/receivables is conducted at nominal amounts and in accordance with enacted tax regulations and tax rates or those that have been announced and will almost certainly

be adopted. Tax is recognized directly in equity if the tax is attributable to items that are recognized directly in equity. Deferred tax is calculated to correspond to the tax effect arising when final tax is determined. Deferred tax corresponds to the net effect of tax on all existing differences between fiscal and carrying amounts of assets and liabilities by applying applicable tax rates. Temporary differences primarily arise from the depreciation of properties, machines and equipment, the market valuations of identifiable assets, liabilities and contingent liabilities in acquired companies, the market valuation of investments classified as available-for-sale and financial derivatives, gains from intra-Group inventory transactions, untaxed reserves and tax loss carryforwards, of which the latter is recognized as an asset only to the extent that it is probable that these loss carryforwards will be matched by future taxable profits. Deferred tax liabilities pertaining to temporary differences that are attributable to investments in subsidiaries and affiliates are not recognized, since the Parent Company, in each instance, can control the point in time of reversal of the temporary differences and a reversal in the foreseeable future has been deemed improbable.

Segment reporting

Getinge's reporting of operating segments is in line with the internal reporting to the CEO, identified as the chief operating decision maker. The Group's operations are controlled and reported primarily by business area. Each segment is consolidated according to the same policies as for the Group in its entirety. The earnings of the segments represent their contribution to the Group's earnings. Assets in a segment include all operating assets used by the segment and primarily comprise intangible assets, tangible assets, inventories, external accounts receivable, other receivables and prepaid expenses and accrued income. Liabilities in a segment include all operating liabilities utilized by the segment and primarily comprise provisions excluding interest-bearing pension provisions and deferred tax liabilities, external accounts payable, other current liabilities and accrued expenses and deferred income. Non-distributed assets and liabilities include all tax items and all items of a financial interest-bearing nature.

Cash flow statements

Cash flow statements are prepared in accordance with IAS 7 Statement of Cash Flows, indirect method. Changes in the Group structure, acquisitions and divestments are recognized net, excluding cash and cash equivalents, under acquired operations and divested operations, and are included in cash flow from investing activities.

Earnings per share

Earnings per share before dilution are calculated by dividing net profit for the year attributable to the Parent Company's shareholders by the weighted average number of shares outstanding during the period.

Dividend

Dividends proposed by the Board of Directors are not deducted from distributable earnings until the dividend has been approved by the Annual General Meeting (AGM).

Alternative performance measures

In the Annual Report, alternative performance measures are used to facilitate analyses of the Group's operations, and the primary alternative performance measures that are presented are net debt/equity ratio, gross profit, EBIT, EBITA, EBITDA with add-back of acquisition and restructuring costs as well as other items affecting comparability. For reconciliations of the alternative performance measures and definitions, see pages 154-155 and 160-161.

New accounting policies applied by the Group in 2021

No standards, amendments or interpretations effective from fiscal years beginning on or after January 1, 2021 had a material impact on the consolidated financial statements.

New and amended standards and interpretations that have not yet come into effect

No new standards or interpretations that come into effect after December 31, 2021 are expected to have any material impact on the consolidated financial statements.

NOTE 2 | Net sales per revenue classification

SEK M	2021	2020
Capital goods	12,261	15,473
Consumables		
Product sales	10,031	9,551
Service assignments incl. spare parts	4,757	4,795
Total consumables	14,787	14,346
Total	27,049	29,819

NOTE 3 | Segment reporting

The segment reporting has been prepared in accordance with the same policies as for the Group in its entirety. Getinge's operations throughout the world are organized into three business areas – Acute Care Therapies, Life Science and Surgical Workflows. These business areas form the basis for the Group's segment information. Business terms and conditions as well as market-regulated pricing apply for delivery of products and services between Group companies. No sales are made between the different business areas. The Group has no single customer that accounts for 10% or more of the Group's sales.

Life Science: Life Science offers a comprehensive range of equipment, technical expertise and consultation to prevent contamination in biopharmaceutical production, biomedical research, medical device manufacturing and laboratory applications.

Surgical Workflows: Surgical Workflows offers products and services for efficient disinfection and sterilization of instruments used in operations, operating tables and other high-quality hardware for operating rooms and advanced IT systems for efficient and secure hospital workflows.

The reporting segments are active in the following operations

Acute Care Therapies: Acute Care Therapies offers solutions for life support in acute health conditions. The offering includes solutions for cardiac, pulmonary and vascular therapies and a broad selection of products and therapies for intensive care.

SEK M	Net sales		Adjusted EBITA		Operating profit (EBIT)		Amortization, depreciation and write-downs	
	2021	2020	2021	2020	2021	2020	2021	2020
Acute Care Therapies	15,527	18,719	4,444	5,831	3 685	5,312	-1,057	-1,529
Life Science	3,558	2,854	729	393	702	337	-166	-183
Surgical Workflows	7,965	8,246	390	-127	369	-489	-578	-744
Group functions	–	–	-351	-374	-386	-375	-13	-11
Total	27,049	29,819	5,212	5,724	4,371	4,784	-1,814	-2,467
Interest income and other similar income					10	8		
Interest expenses and other similar expenses					-193	-307		
Tax on profit for the year					-1,187	-1,213		
Net profit					3,000	3,273		

SEK M	Assets		Liabilities		Investments	
	2021	2020	2021	2020	2021	2020
Acute Care Therapies	28,909	28,495	7,242	6,728	708	804
Life Science	2,881	2,294	1,125	682	57	58
Surgical Workflows	7,473	6,643	2,402	1,709	165	180
Total business areas	39,263	37,432	10,769	9,119	930	1,042
Undistributed	5,292	7,582	8,610	14,409	–	3
Total	44,555	45,014	19,379	23,528	930	1,045

SEK M	Net sales		Intangible assets, tangible assets and right-of-use assets	
	2021	2020	2021	2020
EMEA	10,167	12,096	10,805	10,872
<i>of which, Sweden</i>	492	804	2,113	2,205
Americas	10,249	11,394	16,603	14,370
APAC	6,632	6,329	860	815
Total	27,049	29,819	28,268	26,058

Net sales per business area and region, 2021

SEK M	Acute Care Therapies	Life Science	Surgical Workflows	Total
EMEA	4,661	1,547	3,959	10,167
Americas	7,105	1,319	1,825	10,249
APAC	3,760	692	2,180	6,632
Total	15,527	3,558	7,965	27,049

Net sales per business area and region, 2020

SEK M	Acute Care Therapies	Life Science	Surgical Workflows	Total
EMEA	6,566	1,278	4,253	12,096
Americas	8,431	1,103	1,860	11,394
APAC	3,722	473	2,133	6,329
Total	18,719	2,854	8,246	29,819

Net sales per business area and revenue type, 2021

SEK M	Acute Care Therapies	Life Science	Surgical Workflows	Total
Capital goods	5,090	2,696	4,475	12,261
Consumables	10,437	861	3,489	14,787
Total	15,527	3,558	7,965	27,049

Net sales per business area and revenue type, 2020

SEK M	Acute Care Therapies	Life Science	Surgical Workflows	Total
Capital goods	8,593	2,029	4,851	15,473
Consumables	10,126	825	3,394	14,346
Total	18,719	2,854	8,246	29,819

Getinge's operations are secondarily reported by geographic area. The US accounted for 33% (33) of the Group's sales and was the only country that accounted for more than 10% of total sales.

Refer also to page 152 for a list of the Group's 20 largest markets. The geographic areas' consolidation is conducted in accordance with the same policies as for the Group in its entirety.

NOTE 4 | Costs by cost category

Costs by cost category, SEK M	2021	2020
Salaries and remuneration	-7,975	-8,281
Social security expenses	-1,168	-1,340
Pension expenses	-415	-421
Amortization and write-downs of intangible assets	-933	-1,562
Depreciation and write-downs of tangible assets	-483	-500
Depreciation and write-down of right-of-use assets	-398	-405
Goods and services	-10,971	-12,581
Other operating income	720	1,026
Other operating expenses	-1,056	-971
Total	-22,679	-25,035

Amortization, depreciation and write-downs, SEK M	2021	2020
Cost of goods sold	-813	-1,017
Selling expenses	-513	-754
Administrative expenses	-442	-433
Research and development costs	-47	-263
Total	-1,814	-2,467

Other operating income, SEK M	2021	2020
Currency gains	470	735
Capital gains	93	6
Other ¹⁾	156	285
Total	720	1,026

1) Other operating income 2020 includes a reversal of unutilized provision of SEK 183 M.

Other operating expenses, SEK M	2021	2020
Currency losses	-352	-804
Capital losses	-11	-32
Other ²⁾	-692	-135
Total	-1,056	-971

2) Other operating expenses 2021 includes a provision related to surgical mesh implants of SEK -601 M (for more information see Note 22).

NOTE 5 | Auditing

Fee to PwC, SEK M	2021	2020
Auditing assignment	-29	-33
Auditing activities other than auditing assignments	-1	-2
Tax consultancy services	-2	-2
Other services	-10	-1
Total	-42	-38

Total fees to PwC and its international network amounted to SEK 42 M (38) for the 2021 fiscal year. Fee to the Swedish auditing firm Öhrlings PricewaterhouseCoopers AB amounted to SEK 13 M (18), of which SEK 10 M (17) refers to the auditing assignment, SEK 0 M (0) to other statutory assignments and other auditing assignment and SEK 3 M (1) to tax consultancy and other services.

PwC has the auditing assignment for the entire Group. Auditing assignments refer to auditing of the financial statements and statutory accounts and other required legal audit.

Auditing activities other than auditing assignments include mainly the review of interim reports, services in conjunction with the issuance of certificates and audit certificates as well as other services related to financial reporting. Tax consultancy services primarily pertain to general tax matters concerning corporate tax and internal pricing. Other services mainly pertain to services in connection with acquisitions.

NOTE 6 | Exchange-rate gains and losses, net

Exchange-rate differences were recognized in profit or loss within, SEK M	2021	2020
Other operating income and expenses	119	-68
Financial items	0	-11
Total	119	-79

Exchange-rate differences in other comprehensive income refers to, SEK M	2021	2020
Translation differences	1,508	-2,232
Hedging of net investments	106	-87
Total	1,614	-2,319

NOTE 7 | Interest income and other similar income

SEK M	2021	2020
Interest income	10	5
Currency gains	0	2
Other	0	1
Total	10	8

NOTE 8 | Interest expenses and other similar expenses

SEK M	2021	2020
Interest expenses	-152	-251
Currency losses	0	-13
Other	-41	-43
Total	-193	-307

NOTE 9 | Taxes

The Group's tax expense amounted to SEK -1,187 M (-1,213), entailing a tax rate of 28% (27).

Taxes, SEK M	2021	2020
Current tax	-834	-733
Deferred tax	-353	-480
Total	-1,187	-1,213

The relationship between the year's tax expense and the recognized profit before tax, SEK M	2021	2020
Recognized profit before tax	4,188	4,485
Tax according to current tax rate in Sweden	-863	-960
Adjustment for tax rates in foreign subsidiaries	-207	-111
Adjustment of tax expenses from earlier years	-28	-9
Adjustment for changed tax rates	0	0
Changed value of temporary differences	-	2
Other tax effects ¹⁾	-89	-135
Recognized tax expense	-1,187	-1,213

1) Mainly refers to US BEAT-tax, foreign withholding tax and tax effects of non-deductible costs.

Deferred tax assets relate to the following temporary differences and loss carryforwards, SEK M	2021	2020
<i>Deferred tax assets relating to:</i>		
Non-current assets	56	74
Financial receivables and derivatives	25	2
Current assets	385	430
Provisions	1,163	986
Loss carryforwards	659	906
Other	378	315
Offset	-1,500	-1,239
Deferred tax assets	1,166	1,474

Deferred tax liabilities relate to the following temporary differences, SEK M	2021	2020
<i>Deferred tax liabilities relating to:</i>		
Non-current assets	-1,840	-1,523
Current assets	-45	-24
Provisions	0	0
Other	-512	-521
Offset	1,500	1,239
Deferred tax liabilities	-897	-829

Maturity structure for loss carryforwards, SEK M	2021	2020
Due within 1 year	–	–
Due within 2 years	–	14
Due within 3 years	–	–
Due within 4 years	5	4
Due within 5 years	2	101
Due after 5 years	–	–
No due date	3,209	4,272
Total	3,216	4,391

At year-end 2021, there were unrecognized deferred tax assets pertaining to loss carryforwards and unutilized interest deductions amounting to SEK 72 M (61).

NOTE 10 | Dividend

On April 27, 2021, shareholders were paid a dividend of SEK 3.00 per share (SEK 817 M in total) relating to 2020.

The Board and the CEO propose to the Annual General Meeting that a dividend of SEK 4.00 per share be paid to shareholders,

which amounts to SEK 1,089 M. The proposed record date is April 28, 2022. Euroclear is expected to distribute the dividend to shareholders on May 3, 2022.

NOTE 11 | Earnings per share

Earnings per share, before and after dilution, amounted to SEK 10.90 (11.89).

The calculation of earnings per share relating to the Parent Company's shareholders is based on the following information:

Earnings (numerator), SEK M	2021	2020
Earnings relating to the Parent Company's shareholders, which form the basis for calculation of earnings per share	2,970	3,239
Number of shares (denominator)	2021	2020
Weighted average number of ordinary shares for calculation of earnings per share	272,369,573	272,369,573

NOTE **12** | Intangible assets and tangible assets

Intangible assets	Goodwill	Trade- marks	Capitalized develop- ment costs ¹⁾	Patents & Agree- ments	Customer relations	Technical know- how	Intan- gible assets, other	Total
Cost, Jan 1, 2021	18,058	695	7,488	970	2,763	1,167	4,904	36,045
Investments	–	–	346	–	–	–	122	468
Acquisitions	909	4	–	–	–	46	77	1,036
Sales/disposals	–	-3	-266	-9	-12	–	-240	-530
Reclassifications	–	–	–	–	–	–	14	14
Translation differences	1,368	53	195	81	241	113	283	2,334
Accumulated cost, Dec 31, 2021	20,336	749	7,763	1,042	2,993	1,326	5,159	39,368
Amortization and write-downs, Jan 1, 2021	-632	-512	-4,773	-901	-2,408	-1,075	-3,661	-13,960
Amortization for the year	–	-3	-378	-18	-77	-6	-446	-927
Write-downs	–	–	-6	–	–	–	–	-6
Acquisitions	–	–	–	–	–	–	-2	-2
Sales/disposals	–	3	258	9	10	–	236	516
Reclassifications	–	–	–	–	–	–	-8	-8
Translation differences	-23	-48	-103	-79	-227	-107	-244	-833
Accumulated amortization and write-downs, Dec 31, 2021	-655	-560	-5,000	-989	-2,703	-1,188	-4,123	-15,220
Closing carrying amount, Dec 31, 2021	19,681	189	2,763	53	290	137	1,035	24,148

1) Write-downs of capitalized development costs amounted to SEK -6 M (-206), whereof SEK – M (-60) within Acute Care Therapies, SEK -1 M (-29) within Life Science and SEK -5 M (-117) within Surgical Workflows.

Intangible assets	Goodwill	Trade- marks	Capitalized develop- ment costs ¹⁾	Patents & Agree- ments	Customer relations	Technical know- how	Intan- gible assets, other	Total
Cost, Jan 1, 2020	19,343	636	7,501	1,032	2,899	1,317	5,164	37,892
Investments	–	–	429	–	–	–	179	608
Acquisitions	610	131	184	49	192	–	–	1,165
Sales/disposals	–	–	-261	–	-2	–	-20	-283
Reclassifications	–	–	–	–	–	–	0	0
Translation differences	-1,894	-72	-365	-111	-325	-150	-420	-3,337
Accumulated cost, Dec 31, 2020	18,058	695	7,488	970	2,763	1,167	4,904	36,045
Amortization and write-downs, Jan 1, 2020	-669	-568	-4,190	-988	-2,519	-1,159	-3,516	-13,609
Amortization for the year	–	-8	-577	-19	-191	-58	-470	-1,324
Write-downs	–	–	-206	–	–	–	-32	-238
Acquisitions	–	–	-137	–	–	–	–	-137
Sales/disposals	–	–	183	–	2	–	19	205
Reclassifications	–	–	–	–	–	–	-1	-1
Translation differences	37	64	155	106	300	142	340	1,144
Accumulated amortization and write-downs, Dec 31, 2020	-632	-512	-4,773	-901	-2,408	-1,075	-3,661	-13,960
Closing carrying amount, Dec 31, 2020	17,427	184	2,716	69	355	92	1,243	22,085

Tangible assets	Buildings and land ¹⁾	Plant and machinery	Equipment, tools, fixtures and fittings	Rental equipment	Construction in progress	Total
Cost, Jan 1, 2021	3,040	1,718	2,540	682	277	8,258
Investments	50	43	119	1	248	462
Acquisitions	1	1	5	–	–	7
Sales/disposals	-238	-77	-270	-34	-6	-624
Reclassifications	174	42	100	10	-241	86
Translation differences	161	81	107	20	16	385
Accumulated cost, Dec 31, 2021	3,190	1,809	2,600	681	295	8,574
Depreciation and write-downs, Jan 1, 2021	-1,724	-1,358	-1,850	-371	–	-5,302
Depreciation for the year	-111	-84	-215	-72	–	-482
Write-downs	0	-1	0	–	–	-1
Acquisitions	-1	–	-4	–	–	-5
Sales/disposals	159	75	257	14	–	505
Reclassifications	-7	0	-32	42	–	4
Translation differences	-80	-63	-77	-12	–	-231
Accumulated depreciation and write-downs, Dec 31, 2021	-1,765	-1,431	-1,920	-398	–	-5,513
Closing carrying amount, Dec 31, 2021	1,425	378	680	283	295	3,060

1) Closing carrying amount for land amounted to SEK 155 M (185).

Tangible assets	Buildings and land ¹⁾	Plant and machinery	Equipment, tools, fixtures and fittings	Rental equipment	Construction in progress	Total
Cost, Jan 1, 2020	3,256	1,758	2,569	682	240	8,505
Investments	18	62	122	9	225	437
Acquisitions	–	37	42	–	–	79
Sales/disposals	-15	-53	-162	-95	-18	-344
Reclassifications	22	33	142	138	-144	191
Translation differences	-240	-119	-172	-52	-26	-610
Accumulated cost, Dec 31, 2020	3,040	1,718	2,540	682	277	8,258
Depreciation and write-downs, Jan 1, 2020	-1,754	-1,377	-1,838	-390	–	-5,359
Depreciation for the year	-111	-92	-221	-57	–	-480
Write-downs	–	–	-18	-1	–	-19
Acquisitions	–	-32	-34	–	–	-66
Sales/disposals	15	51	139	47	–	252
Reclassifications	–	-1	-3	-4	–	-8
Translation differences	125	93	126	34	–	378
Accumulated depreciation and write-downs, Dec 31, 2020	-1,724	-1,358	-1,850	-371	–	-5,302
Closing carrying amount, Dec 31, 2020	1,316	361	690	312	277	2,956

Impairment testing

Goodwill	2021	2020
Acute Care Therapies	15,740	13,736
Surgical Workflows	3,106	2,893
Life Science	834	798
Total	19,681	17,427

Goodwill is distributed among the Group's cash generating units (CGUs), which are identified per business area.

Goodwill and other net assets are tested for impairment annually and whenever conditions indicate that impairment may be necessary. The recoverable amount for CGUs is determined based on the calculated value in use. For impairment-testing purposes, this has been done at the lowest level where separable cash flows have been identified, which for Getinge is the same as its business areas.

Assumptions

The value in use of goodwill and other net assets attributable to Acute Care Therapies, Surgical Workflows and Life Science was calculated based on discounted cash flows, which are based on assumptions regarding sales growth and the cost trend. Cash flows for the first three years are based on a financial plan approved by the Board. Cash flows after this three-year period have been determined using a growth rate corresponding to 2%. This growth is based on reasonable prudence and does not exceed long-term

growth for the industry as a whole. A discount rate of 8.8% (8.4) before tax was applied when calculating the value in use of all business areas. Right-of-use assets are included in the net assets tested for impairment for each business area and future cash flows referring to lease contracts are taken into account when determining the value in use. With the assumptions described above, value in use exceeds the carrying amount for all CGUs.

Sensitivity analysis

In connection with the impairment test, sensitivity analyses have been performed regarding changes in growth rate and discount rate, which have a significant impact on the calculation of the discounted cash flows. The sensitivity analyses showed that the negative changes below would not individually generate a need for impairment in any business area:

- Growth rate after year three decreases to 1%
- Discount rate before tax increases 1 percentage point to 9.8%

Intangible assets

Except goodwill, there are within intangible assets also trademarks amounting to SEK 143 M (135) whose useful life has been assessed as indefinite. For these assets, no foreseeable time limit have been applied for expected future cash flows. The useful life for other intangible assets is three to 15 years. For strategic acquisitions, the useful life exceeds five years.

NOTE 13 | Inventories

SEK M	2021	2020
Raw materials	1,596	1,550
Work in progress	724	613
Finished products	2,447	2,351
Total	4,767	4,513

Of the Group's inventories, SEK 4,734 M (4,432) is measured at cost and SEK 33 M (81) at net realizable value. The write-down during the year amounted to SEK 201 M (281). Reversed amounts from

prior years amounted to SEK 206 M (121). The amounts are reported as cost of goods sold in the income statement.

NOTE 14 | Accounts receivable

SEK M	2021	2020
Accounts receivable before provisions	4,948	5,580
Loss allowance	-253	-243
Total	4,695	5,338

Accounts receivable net, after provision for expected credit losses, theoretically constitutes maximum exposure for the calculated risk of losses. Accordingly, the carrying amount of accounts receivable represents the fair value. It is the Group's opinion that there is no significant concentration of accounts receivable to any single client. Letters of credit or the equivalent normally cover

sales to countries outside the OECD. Confirmed credit losses in relation to net sales amounted to 0.1% (0.1) for the 2021 fiscal year. The loss allowance is based on historical credit losses and taking into consideration current and forward-looking information about customers' payment capacity.

A maturity analysis of accounts receivable before loss allowance is presented below:

SEK M	2021	2020
Not fallen due	3,678	3,950
Fallen due 1–5 days	190	211
Fallen due 6–30 days	319	472
Fallen due 31–60 days	170	266
Fallen due 61–90 days	106	183
Fallen due, more than 90 days	484	498
Total	4,948	5,580

At December 31, 2021, the Group's provisions for doubtful receivables totaled SEK 253 M (243). A maturity analysis of these accounts receivable is presented below:

SEK M	2021	2020
Not fallen due	-17	-12
Fallen due 1–5 days	-1	0
Fallen due 6–30 days	-2	0
Fallen due 31–60 days	-2	-1
Fallen due 61–90 days	-4	-1
Fallen due, more than 90 days	-226	-228
Total	-253	-243

Recognized amounts, by currency, for the Group's accounts receivable are as follows:

SEK M	2021	2020
EUR	1,577	1,854
USD	1,542	1,923
GBP	232	187
CAD	98	174
SEK	142	143
Other currencies	1,357	1,300
Total	4,948	5,580

Changes in loss allowance are as follows:

SEK M	2021	2020
At beginning of the year	-243	-197
Acquisitions	–	0
Provision for expected losses	-53	-118
Receivables written off during the year that cannot be recovered	20	24
Recovered doubtful receivables	34	26
Translation differences	-11	23
At year-end	-253	-243

NOTE 15 | Contract assets

SEK M	2021	2020
Service	74	73
Projects	289	294
Other	85	86
Total	448	453

Contract assets refer to accrued income relating to service, projects that are recognized according to the percentage of completion method and other income.

NOTE 16 | Prepaid expenses and accrued income

SEK M	2021	2020
Prepaid insurance expenses	47	30
Prepaid commissions	49	40
Prepaid IT expenses	90	10
Other	98	152
Total	283	233

NOTE 17 | Share capital

Class of shares	A	B	Total
Quotient value per share, SEK	0.50	0.50	
<i>Number of shares outstanding:</i>			
December 31, 2020	18,217,200	254,152,373	272,369,573
December 31, 2021	18,217,200	254,152,373	272,369,573
Shares' voting rights in %	41.8	58.2	100.0

In accordance with the Articles of Association, the company's share capital amounts to not less than SEK 75 M and not more than SEK 300 M. Within these limits, the share capital can be raised or lowered without requiring an amendment to the Articles of Association. The maximum number of shares is 600 million.

One Class A share carries ten votes and one Class B share carries one vote. Both classes of shares have the same quotient value, which is SEK 0.50. At December 31, 2021, the company's share capital totaled SEK 136 M (136).

NOTE 18 | Unutilized overdraft facilities and credit facilities

At December 31, 2021, the total granted, unutilized overdraft facilities were SEK 538 M (526). In addition, there were unutilized short-term credit facilities of SEK 839 M (951) and committed, unutilized

facilities for medium and long-term credit of SEK 5,011 M (5,220), which may be utilized without qualification.

NOTE 19 | Net interest-bearing debt

SEK M	2021	Change	2020
Interest-bearing current liabilities	475	-1,721	2,196
Interest-bearing long-term liabilities	2,795	-4,225	7,020
Pension provisions, interest-bearing	3,378	19	3,359
Leasing liabilities	1,036	46	990
Less cash and cash equivalents	-4,076	1,980	-6,056
Total	3,609	-3,900	7,509

SEK M	Cash and cash equivalents	Leasing liabilities	Interest-bearing liabilities	Pension provision, interest-bearing	Total
Net debt, 1 Jan, 2020	-1,254	908	9,112	3,555	12,321
Cash flow affecting net debt					
- Raising of loans	-	-	4,327	-	4,327
- Repayment	-	-390	-3,728	-56	-4,174
- Changes in cash	-4,911	-	-	-	-4,911
Non cash flow changes					
- Acquisitions	-	-	11	-	11
- Changes in lease agreements	-	559	-	-	559
- Translation differences	110	-87	-506	-153	-637
- Other	-	-	-	13	13
Net debt, 31 Dec, 2020	-6,056	990	9,216	3,359	7,509

SEK M	Cash and cash equivalents	Leasing liabilities	Interest-bearing liabilities	Pension provision, interest-bearing	Total
Net debt, 1 Jan, 2021	-6,056	990	9,216	3,359	7,509
Cash flow affecting net debt					
- Raising of loans	-	-	1,170	-	1,170
- Repayment	-	-389	-7,085	-74	-7,548
- Changes in cash	2,006	-	-	-	2,006
Non cash flow changes					
- Changes in lease agreements	-	381	-	-	381
- Translation differences	-26	54	-31	88	85
- Other	-	-	-	5	5
Net debt, 31 Dec, 2021	-4,076	1,036	3,270	3,378	3,609

Liquidity risk

The Group's current interest-bearing liabilities totaled SEK 475 M (2,196) and are covered by unutilized committed credit facilities of SEK 5,011 M (5,220). The Group's long-term interest-bearing liabilities amounted to SEK 2,795 M (7,020). The average interest expense for the Group's liabilities to credit institutions amounted to approximately 1.6% (1.6).

Debt/equity ratio

According to the terms of the main credit facilities, the net debt/equity ratio must be below a certain level. At year-end, the net debt/equity ratio was well below this level.

NOTE **20** | Leases

Right-of-use assets, SEK M	Building	Cars & other vehicles	Machinery & equipment	Total
Cost, Jan 1, 2021	1,069	528	27	1,624
Entered into new leasing contracts	114	154	1	269
End of lease contracts	-55	-119	-4	-178
Reassessment/modifications	120	–	0	120
Translation differences	54	30	0	84
Accumulated cost, Dec 31, 2021	1,301	592	25	1,918
Depreciation and write-downs, Jan 1, 2021	-365	-231	-11	-606
Depreciation for the year	-225	-167	-6	-398
End of lease contracts	51	120	4	175
Translation differences	-15	-14	0	-28
Accumulated depreciation and write-downs, Dec 31, 2021	-553	-292	-13	-858
Closing carrying amount, Dec 31, 2021	748	300	12	1,060

Right-of-use assets, SEK M	Building	Cars & other vehicles	Machinery & equipment	Total
Cost, Jan 1, 2020	846	417	20	1,283
Entered into new leasing contracts	262	215	10	486
End of lease contracts	-49	-52	-1	-101
Reassessment/modifications	90	–	0	89
Translation differences	-79	-53	-1	-133
Accumulated cost, Dec 31, 2020	1,069	528	27	1,624
Depreciation and write-downs, Jan 1, 2020	-205	-132	-5	-342
Depreciation for the year	-227	-171	-7	-405
End of lease contracts	45	51	0	97
Translation differences	22	22	0	44
Accumulated depreciation and write-downs, Dec 31, 2020	-365	-231	-11	-606
Closing carrying amount, Dec 31, 2020	704	297	17	1,017

The leasing period for buildings usually amounts to between 3 to 5 years, while for cars and other vehicles it is between 3 to 4 years.

Leasing payments are discounted with the Group's marginal borrowing rate. The Group's weighted average marginal borrowing rate was 1.7% (1.8).

Recognized cost for lease contracts, SEK M	2021	2020
Depreciation on right-of-use assets	-398	-405
Interest expenses on lease liabilities	-22	-23
Cost related to short-term leases	-1	0
Cost related to low-value leases	-16	-15
Total	-437	-443

Payments for short-term leasing agreements regarding equipment and vehicles and all leasing agreements of low-value are expensed in the income statement. Short-term leasing agreements are

agreements with a leasing period of less than 12 months. Low-value contracts include IT equipment and office equipment.

Leasing liabilities, SEK M	2021	2020
Short-term	336	323
Long-term	700	667
Total	1,036	990

The total cash-outflow for leasing contracts amounted to SEK -432 M (-437). Information about Getinge's leasing liabilities undiscounted cash out-flows, see Note 28.

Getinge as a lessor

Operating leases, SEK M	2021	2020
Due within 1 year	61	59
Due within 2 to 5 years	179	162
Due in more than 5 years	20	18
Total	259	239

Financial leases, SEK M	2021	2020
Due within 1 year	14	3
Due within 2 to 5 years	51	14
Due in more than 5 years	66	14
Total	131	31

NOTE **21** Restructuring reserves

SEK M	FDA	Personnel	Other	Total
Opening balance 2020	234	74	43	351
Provisions	–	127	21	148
Used amount	-136	-74	-28	-239
Unutilized funds restored	–	3	-3	0
Translation differences	-9	-8	-2	-20
Closing balance 2020	89	121	30	240
<i>Of which:</i>				
Short-term				210
Long-term				30

SEK M	FDA	Personnel	Other	Total
Opening balance 2021	89	121	30	240
Provisions	–	90	–	90
Used amount	-59	-129	-11	-199
Unutilized funds restored	–	-22	-11	-33
Translation differences	1	5	-2	3
Closing balance 2021	31	65	5	102
<i>Of which:</i>				
Short-term				85
Long-term				17

Expected timing of outflow, SEK M	Total
Within 1 year	85
Within 3 years	12
Within 5 years	3
> 5 years	2
Closing balance 2021	102

Provision FDA

In reaction to the US Food and Drug Administration's (FDA) comments on several of the quality management processes and documentation procedures in Acute Care Therapies' manufacturing units in 2013, quality work were initiated in the form of a remediation program.

Getinge committed SEK 995 M in 2014 related to improvements under the remediation program, and in 2016 SEK 400 M was committed for the same purpose. An additional provision of SEK 488 M was made in 2017 and the total cost of the remediation pro-

gram thus amounted to SEK 1,983 M, of which SEK 100 M is fines. During 2021 Getinge has completed its remediation measures, in accordance with the Consent Decree in year 2015 with the FDA. This does not automatically mean that Getinge is out of the Consent Decree, but that all entities covered by the Consent Decree now can put their efforts into forward-looking activities. However, a number of costs are expected to arise after the fourth quarter of 2021 and are expected to be covered by existing reserves according to the table above.

NOTE **22** Other provisions

SEK M	Guarantee reserve	Personnel	Other	Total
Opening balance 2020	207	155	2,054	2,416
Acquisitions	–	1	42	43
Provisions	154	12	162	328
Used amount	-73	-22	-362	-457
Unutilized funds restored	-22	–	-172	-194
Translation differences	-13	-6	-237	-256
Closing balance 2020	253	140	1,488	1,881
<i>Of which:</i>				
Short-term				519
Long-term				1,362

SEK M	Guarantee reserve	Personnel	Other	Total
Opening balance 2021	253	140	1,488	1,881
Acquisitions	–	–	364	364
Provisions	145	63	740	948
Used amount	-91	-56	-238	-384
Unutilized funds restored	-30	–	-10	-41
Reclassification	88	–	-27	61
Translation differences	10	3	169	183
Closing balance 2021	375	151	2,487	3,012
<i>Of which:</i>				
Short-term				2,331
Long-term				681
Expected timing of outflow, SEK M				Total
Within 1 year				2,331
Within 3 years				634
Within 5 years				17
> 5 years				30
Closing balance 2021				3,012

Provisions under the item other primarily refer to claims related to Atrium Medical Corporation's surgical mesh products.

In the third quarter of 2018, Getinge made a provision of SEK 1.8 billion for expected costs related to Atrium Medical's surgical mesh product liability claims filed in the US and Canada. The claims consist of individual lawsuits, consolidated state cases and consolidated multi-district federal litigation. The provision is intended to cover all costs related to the claims, including defense and handling of claims. The use of polypropylene mesh is the established standard for hernia repair and the patients are claiming damages for complications allegedly sustained after receiving surgical mesh implants. A material increase in the number of claims filed began in late 2017, following the consolidation of individual cases in the group action. The claims are being contested by Getinge and there have, to date, been no adverse verdicts against Atrium Medical. The legal proceedings against the insurance companies, Moderna Försäkringar (Swedish branch of Tryg Forsikring A/S Danmark) and If Skadeförsäkringar AB (publ), are expected to continue in 2022. The litigations against the insurers have not impacted the provision amount.

At the start of December 2021, Getinge's subsidiary Atrium Medicals entered into a settlement agreement with the plaintiff's lead counsel related to the multidistrict litigation (MDL) linked to surgical mesh product liability in the US. An additional provision of SEK 600 M has been made to account for the settlement in addition to litigation expenses incurred to date.

The settlement agreement was executed to resolve matters pending in the District Court of New Hampshire, US. Getinge expects the settlement to become final and payment to be made during the first half of 2022. The settlement is not an admission of liability or wrongdoing by the company. Getinge will continue to defend against any litigation that the final agreement does not resolve. Costs for such litigations are not expected to be material.

NOTE 23 | Contract liabilities

SEK M	2021	2020
Advances from customers	793	692
Service	613	471
Other	227	192
Total	1,633	1,355

Contract liabilities refers to advances from customers, deferred income relating to service and other. Contract liabilities in the form of deferred income and advances from customers in the beginning of the year were essentially recognized in income during the financial year.

NOTE **24** Provisions for pensions and similar obligations**Defined-contribution plans**

In several countries, the Group's employees are covered by defined-contribution pension plans. The pension plans are primarily retirement pensions. The premiums are paid continuously throughout the year by each Group company to separate legal entities, such as insurance companies. The size of the premium paid by the employees and Group companies is normally based on a set proportion of the employee's salary and in certain cases the employees pay for a portion of the premiums themselves. The expense for defined-contribution plans amounted to SEK 357 M (363) during 2021.

Defined-benefit plans

Getinge has large defined-benefit pension plans in Sweden, Germany and the US. The pension plans primarily comprise retirement pensions. Each employer normally has an obligation to pay a lifelong pension. The pension is earned according to the number of employment years and the employee must be affiliated with the plan for a certain number of years to achieve full retirement pension entitlement. Pension commitments are calculated based on actuarial assumptions and gains and losses of changed actuarial assumptions are recognized as part of comprehensive income.

Sweden

Most of the Group's defined-benefit pension commitments in Sweden are so called PRI liabilities. These plans are closed for new employees but remain open for the employees encompassed by the plans. The commitments pertain to lifelong retirement pensions and the benefits are primarily based on the employees' final salary. The pension commitments were calculated at a discount rate based on the return on the market rate of Swedish mortgage bonds. These bonds are deemed to be of high quality since they are guaranteed by assets and the mortgage bond market in Sweden is considered to be deep and liquid. The terms of the bonds correspond to the average term of the commitments, which is 22 years.

At year-end, the amount of the Group's defined-benefit pension commitments in Sweden totaled SEK 627 M (697). The Swedish

pension commitments decreased year-on-year mainly due to a higher discount rate. Plan assets exist to only a minor extent and are attributable to a small plan that is not credit-insured.

Germany

Some employees in Germany are part of defined-benefit pension plans. These plans are closed for new employees but remain open for the employees encompassed by the plan. The benefits are based on the employees' final salary and the remaining weighted average term of the total commitment is 16 years. The pension plans are insured in accordance with statutory requirements.

Total defined-benefit pension commitments increased to SEK 2,404 M (2,281) during the year. The increase was mainly due to higher inflation rate assumptions and currency rate fluctuation. The discount rate is based on high-quality corporate bonds with a term corresponding to the average remaining term of the commitment.

USA

The Group's defined-benefit pension commitment in the USA is closed for new employees and also to the employees encompassed by the plan, meaning that no new pension rights are vested. The commitment's remaining average term is 14 years.

The total defined-benefit commitment decreased to SEK 1,230 M (1,240), mainly due higher discount rate offset by currency rate fluctuation. A fully funded part of the defined-benefit scheme was settled during the year, which also decreased the obligation but had no material impact on the net liability.

The value of the plan assets increased from SEK 778 M to SEK 802 M, mainly due to currency rate change and return on plan assets, offset by funds were used for the settlement. Both the defined-benefit commitment and the return on the plan assets were calculated using a discount rate based on high-quality corporate bonds with a term corresponding to the average remaining term of the commitment.

Dec 31, 2021, SEK M	Funded pension plans	Unfunded pension plans	Total
Present value of commitments	-1,283	-3,127	-4,410
Fair value of plan assets	856	–	856
Net provision in the balance sheet	-427	-3,127	-3,554
Dec 31, 2020, SEK M	Funded pension plans	Unfunded pension plans	Total
Present value of commitments	-1,265	-3,090	-4,355
Fair value of plan assets	831	–	831
Net provision in the balance sheet	-434	-3,090	-3,524

Pension commitments, SEK M	2021	2020
Opening balance	-3,524	-3,715
Costs for service in the current year	-58	-58
Net interest expenses	-46	-52
Return on plan assets	22	71
Gains/(losses) attributable to changed demographic assumptions	-2	13
Gains/(losses) attributable to changed financial assumptions	-44	-136
Experience-based gains/(losses)	4	42
Special employer's contribution on actuarial assumptions	16	-4
Restriction in plan surpluses with regard to asset ceilings	-1	1
Exchange-rate differences	-92	164
Contributions paid by employer	62	40
Paid benefits	109	110
Closing balance	-3,554	-3,524
<i>Of which:</i>		
Interest-bearing pension commitments	-3,378	-3,359
Non-interest-bearing pension commitments	-175	-165

The defined-benefit pension commitment and composition of plan assets 2021, SEK M	Present value of commitments	Fair value of plan assets	Net provision for pensions
Sweden	-627	26	-601
Germany	-2,404	21	-2,383
USA	-1,230	802	-428
Other countries	-149	7	-142
Total	-4,410	856	-3,554

Significant actuarial assumptions, %	2021	2020
<i>Weighted average, %</i>		
Discount rate	1.7	1.6
Expected salary increase rate	2.4	2.6
Expected inflation	1.9	1.6

Significant actuarial assumptions 2021, %	Sweden	Germany	USA	Other countries
<i>Weighted average, %</i>				
Discount rate	1.9	1.2	2.6	1.0
Expected salary increase rate	2.0	2.5	–	2.7
Expected inflation	2.0	1.7	–	1.6

Sensitivity of defined-benefit commitments to changes in the significant assumptions 2021, SEK M	Expected value of pension commitments	Change compared with used calculation assumptions
Pension commitments according to original valuation	-4,410	
Discount rate +1 percentage point	-3,824	586
Inflation +1 percentage point	-4,881	-471
Salary increases +1 percentage point	-4,479	-69

The sensitivity analyses above are based on a change in an assumption, while all other assumptions remain constant. It is unlikely that this will happen in practice, and changes in some of the assumptions may correlate. The calculation of sensitivity in the

defined-benefit commitments for material actuarial assumptions uses the same method as that used in the calculation of pension liabilities¹⁾.

1) The present value of defined-benefit commitments by applying the Projected Unit Credit Method at the end of the reporting period.

Composition of plan assets, SEK M	2021	2020
Equities	182	186
Financial instruments	549	546
Properties	38	29
Cash and cash equivalents and similar assets	10	12
Other	77	58
Total	856	831

The weighted average term of the pension commitments is 16 years (16). For the 2022 fiscal year, the fees for defined-benefit plans are expected to amount to SEK 98 M.

Information regarding recognition of multi-employer defined-benefit pension plans

The commitment for retirement pensions and family pensions for salaried employees in Sweden is safeguarded through insurance with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10, this is a multi-employer defined-benefit plan. For the 2021 fiscal year, the company did not have access to such information that makes it possible to recognize this plan as

a defined-benefit plan. The pension scheme in accordance with ITP, which is safeguarded through insurance with Alecta, is thus recognized as a defined-contribution scheme. During the year, fees for pension insurance covered by Alecta amounted to SEK 46 M (37). Alecta's surplus can be distributed to the insurers and/or the insured. At year-end 2021, Alecta's surplus in the form of the collective consolidation level was approximately 172% (148). The collective consolidation level comprises the market value of Alecta's assets as a percentage of the insurance commitment calculated in accordance with Alecta's actuarial calculation assumption, which does not correspond with IAS 19.

NOTE 25 | Accrued expenses and deferred income

SEK M	2021	2020
Salaries	1,638	1,539
Social security expenses	401	379
Commissions	186	169
Interest expenses	6	22
Consultancy fees	82	51
Other	480	709
Total	2,794	2,868

NOTE 26 | Pledged assets and contingent liabilities

Pledged assets

The Group had no pledged assets

Contingent liabilities, SEK M	2021	2020
Guarantees	336	294
Other	60	90
Total	396	384

NOTE **27** | Acquisition of operations

Net assets acquired, SEK M	2021	2020
Intangible assets	125	418
Tangible assets	2	13
Inventories	34	84
Accounts receivables	7	99
Other current receivables	3	49
Cash and cash equivalents	1	30
Other provisions	-12	-5
Other interest-bearing liabilities	-	-11
Deferred tax liabilities	-12	-80
Accounts payable	-5	-39
Other non-interest-bearing liabilities	-6	-107
Identifiable net assets	137	451
Goodwill	909	610
Total purchase prices	1,046	1,061
<i>Add/Less:</i>		
Additional purchase prices and other adjustments	2	6
Acquisition of shares from non-controlling interests	32	-
Unpaid purchase prices	-364	-38
Cash and cash equivalents in the acquired operations	-1	-30
Impact on the Group's cash and cash equivalents	715	999

Acquisitions in 2021

Talis Clinical and development activities from Verrix were acquired in 2021. In addition, shares in the subsidiary Pulsion Medical Systems SE were acquired for SEK 32 M and an amount of SEK 2 M was paid due to adjustments of working capital related to the acquisition of Quadralene. The table above presents the fair value of acquired identifiable net assets, recognized goodwill and the impact on the Group's cash and cash equivalents.

Talis Clinical

In December 2021, 100% of Talis Clinical LLC, a US-based leading innovator of High Acuity cloud-based software solutions, was acquired. The company's offering complements Getinge's existing products for the perioperative care process, critical care support and ECMO therapy. Talis Clinical has 56 employees and generated sales of SEK 57 M in 2021. The purchase price amounted to SEK 844 M, of which SEK 248 M comprised contingent purchase prices that may be paid in 2024 if specific regulatory approval and certificates are obtained. In addition, a maximum of USD 26.5 M may be paid in earn-outs if certain financial targets are met. The

costs of the acquisition amounted to SEK 12 M and were charged to earnings for 2021. The goodwill that arose in connection with the acquisition amounted to SEK 782 M, and is primarily attributable to strategic advantages and sales-related synergies. The acquisition has not had any material impact on Getinge's sales and earnings in 2021. At the time of publication of this report, the acquisition analysis was preliminary.

Verrix

In September 2021, Getinge acquired development activities related to biological indicators from Verrix, an American start-up company. The products are in a development phase and not yet commercially available but in the long-term are intended to strengthen the Group's offering in sterile reprocessing. The purchase price amounted to SEK 202 M, of which SEK 127 M pertained to goodwill that is primarily attributable to strategic advantages in the form of growth opportunities and a broader product range. The costs of the acquisition amounted to SEK 3 M and were charged to earnings. At the time of publication of this report, the acquisition analysis was still preliminary.

NOTE 28 | Financial risk management

Most of Getinge's operations are located outside Sweden. This situation entails that the Group is exposed to different types of financial risks that may cause fluctuations in net profit, cash flow and equity due to changes in exchange rates and interest rates. In addition, the Group is exposed to refinancing and counterparty risks. The primary role of the Group's finance function is to support the business activities and to identify and in the best way manage the Group's financial risks in line with the Board's established finance policy and related directives, which are revised annually. Getinge's financial activities are centralized to benefit from economies of scale, to ensure good internal control and to facilitate monitoring of risk.

Currency risks

Currency risks comprise exchange-rate fluctuations, which have an impact on the Group's earnings and equity. Currency exposure occurs in connection with payments in foreign currency (transaction exposure) and when translating foreign subsidiaries' balance sheets and income statements to the presentation currency SEK (translation exposure). The effect of exchange-rate fluctuations is presented in the section on financial risk management in the Administration Report.

Transaction exposure

The Group's payment flows in foreign currencies are mainly generated by export sales, with the largest flows in USD, EUR, CNY and JPY. Getinge's finance policy stipulates that forecast net flows in foreign currency can be hedged for up to 24 months. Hedging is conducted using currency forwards, currency swaps and currency options. The market value of financial currency derivatives that meet the cash flow hedging requirements amounted to SEK -22 M (23) at December 31, 2021.

Translation exposure — income statement

When translating the results of foreign subsidiaries into SEK, currency exposure occurs, which affects the Group's earnings when exchange rates fluctuate. Getinge does not hedge this risk.

Translation exposure — balance sheet

Currency exposure occurs when translating net assets of foreign subsidiaries into SEK, which can affect consolidated other comprehensive income. Although Getinge does not have the specifically stated goal of hedging translation exposure, the finance policy states that the Group's lending is to take place in currencies that limit translation exposure.

Interest-rate risk

Interest-rate risks are the changes in market interest rates that affect the Group's net interest. How quickly interest-rate changes impact net interest depends on the fixed-interest term of the loans. At December 31, 2021, the average fixed-interest term in the loan portfolio was five months.

If the average interest rate for currencies represented in the Group's loan portfolio at the end of the year changed by 1 percentage point, this would affect profits by +/- SEK 19 M on an annual basis. The market value of financial interest-rate derivative instruments that meet the cash flow hedging requirements amounted to SEK -4 M (-12) at December 31, 2021.

Financing and liquidity risk

Financing risk is defined as the risk of the cost being higher and financing opportunities limited as the loan is renegotiated. This also includes that payment obligations cannot be met as a result of insufficient liquidity or difficulties in securing funding. Financing risk can arise through disruptions in the financial markets, for example, decisions on new regulations or the implementation of recently enacted laws. Getinge endeavors to have an investment grade rating. The Group's existing credit facilities are currently deemed to be sufficient.

The Group's sources of financing primarily comprise equity, cash flow from operating activities and borrowing. To reduce financing risks, the Group strives to diversify its sources of financing and maturities according to the Group's finance policy and financing strategy. The single largest loan is a syndicated loan of EUR 490 M with seven banks, of which EUR 70 M falls due in 2023 and EUR 420 M in 2024. In 2021, the Group renewed the existing MTN program from 2012 in accordance with the new regulations for issuing bonds in the Swedish capital market. At the end of 2021, SEK 1,170 M was outstanding under this program, of which SEK 570 M is a three-year social bond in accordance with the ICMA Social Bond Principles, entailing that the proceeds will exclusively be used to increase production of ECMO machines and DPTE®-BetaBags.

In addition to these credit facilities, the Group has short-term uncommitted credit lines. For further information on these credit lines, refer to Note 18. In 2021, loan agreements in EUR, USD and SEK, corresponding to a net SEK 6 billion, were amortized or repaid in advance.

At December 31, 2021, the Group's borrowings were in line with the requirements under the finance policy pertaining to diversification of lenders and maturity dates.

Credit and counterparty risks

The Group's financial transactions cause credit risks with regard to financial counterparties. Financial credit risks or counterparty risks constitute the risk of losses if the counterparties do not fully meet their commitments. The management of the Group's financial credit risk is regulated in the finance policy by accepting only creditworthy counterparties and fixed limits, which are continuously controlled. At December 31, 2021, the total counterparty exposure in derivative instruments was SEK 0 M (14). The Group has signed standard netting agreements (ISDA) with counterparties for currency transactions and interest-rate swaps. These agreements permit relevant financial assets and liabilities to be offset. Transactions take place within established limits and exposures are continuously monitored.

Commercial credit risks are limited by a diversified customer base with a high credit rating. The Group's customers are found primarily in the public sector, which means that its credit risk is generally very low. The credit risk for Getinge's customers in the private sector is also deemed to be low. When deemed necessary, credit risk is managed using letters of credit or export credit-related guarantees. The loss allowance at year-end totaled SEK 253 M (243).

The Group's accounts receivable are presented in Note 14, which shows that the share of past due accounts receivable at December 31, 2021 amounted to SEK 1,270 M in relation to

the total volume of accounts receivable, which amounted to SEK 4,948 M. For 40% of past due accounts receivable, payment is past due by a maximum of one month.

Financial derivatives

Getinge uses financial derivatives to manage interest and currency exposure arising in its business. The effectiveness of a hedge is assessed when the hedging relationship is entered into. The hedged item and the hedging instrument are continuously assessed to ensure that the relationship meets the requirements for hedge accounting. When the Group hedges purchases/sales in foreign currency, a hedging relationship is entered into whereby the critical terms of the hedging instrument match the terms of the hedged item. In this way, a qualitative assessment of the effectiveness of the hedging relationship is performed and the relationship is expected to be effective for the period for which it is valid.

The Group also enters into interest-rate swap agreements that have the same critical terms as the hedged item. Critical terms may be benchmark interest rates, reset dates, currencies, maturities and nominal amount. The Group does not hedge 100% of the principal and thus identifies only a portion of the outstanding principal that corresponds to the nominal amount of the swap. At December 31, 2021, all financial derivatives outstanding held for hedging purposes were deemed to be effective. Consequently, hedge accounting was applied for these.

All derivatives are classified under level 2 of the value hierarchy. Fair value measurements for currency forwards are based on published forward rates in an active market. The measurement of interest-rate swaps is based on forward rates as expressed in market yield curves.

Phase 2 of the Interest Rate Benchmark Reform, whereby IBOR has served as a global tool and benchmark for interest rates for short-term unsecured loans between banks, is now being rolled out from January 2022. Based on amendments to existing loan agreements, Getinge has waived its right to call in the currencies and tenors affected by the current LIBOR reform of the syndicated loan (EUR 490 M). In parallel with this, an agreement has been made, valid until June 2023, for an outstanding loan of USD 75 M (falls due in July 2024), and the ISDA 2020 IBOR Fallbacks Protocol was signed. Accordingly, the effects of the reform are deemed to be minor and the financial risk low.

Fair value disclosures pertaining to borrowing and other financial instruments

Essentially, all loans have floating interest rates and, accordingly, the fair value is assessed as corresponding to the carrying amount. The fair value of contingent purchase prices is assessed in accordance with Level 3 of the fair value hierarchy. For other financial assets and liabilities, fair value is assessed as corresponding to the carrying amount due to the short expected maturity in time.

Cash flow for financial liabilities

The table below shows the Group's financial liabilities and derivative instruments that comprise financial liabilities, subdivided into the periods remaining on the closing date until the agreed date of maturity. The amounts stated in the table comprise contractual, undiscounted cash flows.

At December 31, 2021, SEK M	< 1 year	1–2 years	2–5 years	> 5 years
Bank loans and bond loans (including interest)	-509	-318	-2,589	–
Derivative instruments	-27	-1	–	–
Leasing liabilities	-368	-275	-441	-164
Accounts payable	-1,921	–	–	–
Total	-2,825	-594	-3,030	-164

Outstanding derivative instruments

SEK M	2021		2020	
	Nominal amount	Fair value	Nominal amount	Fair value
Interest-rate derivatives	1,178	-4	1,655	-12
Currency derivatives	2,151	-22	309	23
Total	3,329	-26	1,964	11

SEK M	2021		2020	
	Asset	Liability	Asset	Liability
Interest-rate derivatives – cash flow hedges	1	5	2	14
Currency derivatives – cash flow hedges	1	23	23	–
Total	2	28	25	14
<i>Of which:</i>				
Short-term	2	27	23	–
Long-term	–	1	2	14

Paid and accrued interest on interest-rate derivatives is continuously recognized in profit or loss. The fair value of derivative instruments is established using valuation techniques based on observable market information.

Financial instruments by category

	Assets at amortized cost		Assets at fair value through profit or loss		Derivatives used for hedging purposes		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Financial assets, SEK M								
Derivative instruments	–	–	1	1	1	24	2	25
Accounts receivable and other receivables, excluding interim receivables	5,479	6,140	–	–	–	–	5,479	6,140
Cash and cash equivalents	4,076	6,056	–	–	–	–	4,076	6,056
Total	9,555	12,196	1	1	1	24	9,557	12,221

	Liabilities at amortized cost		Liabilities at fair value through profit or loss		Derivatives used for hedging purposes		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Financial liabilities, SEK M								
Borrowing	3,270	9,216	–	–	–	–	3,270	9,216
Derivative instruments	–	–	–	0	28	14	28	14
Leasing liabilities	1,036	990	–	–	–	–	1,036	990
Contingent purchase prices	–	–	404	38	–	–	404	38
Accounts payable and other financial liabilities	2,521	2,235	–	–	–	–	2,521	2,235
Total	6,827	12,441	404	38	28	14	7,259	12,493

Distribution of currency for outstanding derivative instruments in nominal amounts, SEK M

	2021	2020
CHF	2	–
CNY	771	–
DKK	71	13
EUR	1,129	79
PLN	38	–
SEK	500	1,000
USD	818	872
Total	3,329	1,964

Maturity structure for outstanding derivative instruments in 2021, SEK M

	2022	2023	2024	2025	2026	Total
Interest-rate derivatives	1,178	–	–	–	–	1,178
Currency derivatives	2,075	76	–	–	–	2,151
Total	3,253	76	0	0	0	3,329

The table refers to net flows

Maturity structure for outstanding derivative instruments in 2020, SEK M

	2021	2022	2023	2024	2025	Total
Interest-rate derivatives	–	1,655	–	–	–	1,655
Currency derivatives	309	–	–	–	–	309
Total	309	1,655	–	–	–	1,964

The table refers to net flows

Reserve of cash flow hedges

The table below shows the composition of the Group's reserve of cash flow hedges and the change in each component during the year.

SEK M	Currency forwards	Interest-rate swaps	Total
Opening balance 2020	9	11	20
Change in fair value of hedging instruments recognized in other comprehensive income	22	-26	-4
Reclassification to profit or loss	-12	0	-12
Deferred tax	-2	6	4
Closing balance 2020	17	-9	8
Opening balance 2021	17	-9	8
Change in fair value of hedging instruments recognized in other comprehensive income	-7	8	1
Reclassification to profit or loss	-22	-1	-23
Deferred tax	6	-1	5
Closing balance 2021	-6	-3	-9

Derivative instruments – currency forwards

Currency forwards, in the three largest currency pairs, impact the Group's financial position and earnings as follows:

Derivative instruments - currency forwards CNY/SEK, SEK M	2021	2020
Recognized amount (liability)	-7	-
Nominal amount CNY M	543	-
Maturity	Jan 2022–Mar 2022	-
Hedge ratio	1:1	-
Change in discounted forward rates for outstanding hedging instruments since January 1	-7	-
Change in value of hedged item to determine effectiveness	7	-
Weighted average of forward rates at year-end (including forward points)	1.43	-
Derivative instruments - currency forwards EUR/SEK, SEK M	2021	2020
Recognized amount (liability(-)/asset)	-9	3
Nominal amount EUR M	110	8
Maturity	Jan 2022–Nov 2022	Jan 2021–Jun 2021
Hedge ratio	1:1	1:1
Change in discounted forward rates for outstanding hedging instruments since January 1	-9	3
Change in value of hedged item to determine effectiveness	9	-3
Weighted average of forward rates at year-end (including forward points)	10.31	10.42
Derivative instruments - currency forwards USD/SEK, SEK M	2021	2020
Recognized amount (liability(-)/asset)	-2	17
Nominal amount USD M	14	22
Maturity	Apr 2022 – Jul 2023	Jan 2021–Nov 2021
Hedge ratio	1:1	1:1
Change in discounted forward rates for outstanding hedging instruments since January 1	-2	17
Change in value of hedged item to determine effectiveness	2	-17
Weighted average of forward rates at year-end (including forward points)	8.85	8.94

Derivative instruments – interest-rate swaps

Interest-rate swaps impact the Group's financial position and earnings as follows:

SEK M	2021	2020
Recognized amount (liability)	-4	-12
Nominal amount	1,178	1,655
Maturity	Oct 2022	Aug 2022–Oct 2022
Hedge ratio	1:1	1:1
Change in value of outstanding derivative instruments since January 1	7	-26
Change in value of hedged item to determine effectiveness	-7	26
Weighted average rate for outstanding interest-rate swap at year-end (including forward points)	0.73%	0.50%

NOTE **29** | Employee costs

SEK M	2021			2020		
	Board and CEO	Other	Total	Board and CEO	Other	Total
Salaries and remuneration	-247	-7,728	-7,975	-290	-7,991	-8,281
Social security expenses	-38	-1,130	-1,168	-51	-1,289	-1,340
Pension expenses	-23	-392	-415	-21	-400	-421
Total	-308	-9,250	-9,558	-362	-9,680	-10,042

Remuneration and other benefits in 2021

SEK 000s	Board fee ¹⁾	Base salary	Short-term variable remuneration	Long-term variable remuneration	Other benefits	Pension expenses	Total
Chairman of the Board	-1,615	–	–	–	–	–	-1,615
Board members	-6,280	–	–	–	–	–	-6,280
Mattias Perjos, President & CEO	–	-23,315	-18,652	-4,663	-3,668	-9,326	-59,624
Other Senior Executives (9 people)	–	-27,241	-19,713	-9,367	-3,128	-7,347	-66,796
Total	-7,895	-50,556	-38,365	-14,030	-6,796	-16,673	-134,315

1) Also includes fees for work on Board Committees.

Comments on the table

- Other Senior Executives pertains to remuneration to members in the Getinge Executive Team, other than the CEO. Excluding the CEO, the Getinge Executive Team comprised nine individuals at year-end. Only remuneration that has been received as a member of the Getinge Executive Team is included in the amounts recognized, which includes individuals that joined and left the Getinge Executive Team during the year.
 - For information on Board fees for each member, refer to pages 44–46.
 - In addition to the board fees stated above, Kristian Samuelsson, via company, received consultancy fees during the financial year 2021 for services provided to the legal advisors representing Getinge subsidiaries in, matters relating to disputes regarding claims for surgical mesh implants and insurance disputes.
- The consultancy assignments were initiated prior to Kristian Samuelsson's appointment as a Board member. To a limited extent, the assignment continued some time after Kristian Samuelsson acceded the position as Board member. For the period after he acceded the position as Board member, Kristian Samuelsson via company, received during 2021 consultancy fees amounting to SEK 106 thousand.
- Short-term variable remuneration refers to bonuses for the 2021 fiscal year, which will be paid in 2022.
 - Long-term variable remuneration refers to amounts earned in a long-term bonus program for 2019–2021, which will be paid in 2022.
 - Other benefits refer to holiday pay, and benefits such as company car, medical insurance (sw: sjukvårdsförsäkring), etc.

Remuneration and other benefits in 2020

SEK 000s	Board fee ¹⁾	Base salary	Short-term variable remuneration	Long-term variable remuneration	Other benefits	Pension expenses	Total
Chairman of the Board	-1,555	–	–	–	–	–	-1,555
Board members	-6,040	–	–	–	–	–	-6,040
Mattias Perjos, President & CEO	–	-23,250	-18,600	-12,810	-2,752	-9,294	-66,706
Other Senior Executives (9 people)	–	-25,860	-18,603	-14,104	-3,342	-8,507	-70,416
Total	-7,595	-49,110	-37,203	-26,914	-6,094	-17,801	-144,717

1) Also includes fees for work on Board Committees.

Annual General Meeting's guidelines for remuneration to Senior Executives

The 2021 Annual General Meeting resolved on guidelines for remuneration to Senior Executives, which are described in pages 81–83. Getinge applied the guidelines adopted by the AGM as follows:

Principles: The Annual General Meeting decides on remuneration to the Chairman of the Board and Board members. Employee representatives do not receive Board remuneration. Remuneration to the CEO and other Senior Executives comprises base salary, variable remuneration, other benefits as well as pensions. Other Senior Executives comprise the individuals, who together with the CEO, comprise the Getinge Executive Team. For the Getinge Executive Team structure, see pages 48–49. The allocation between base salary and variable remuneration should be proportionate to the Senior Executive's responsibility and authority. The CEO's variable remuneration is maximized to 80% of base salary. For other Senior Executives, the variable remuneration is maximized to between 60 and 90% of the base salary.

Annual variable remuneration: The variable remuneration for Senior Executives is based on performance targets set by the Board and in order to promote the company's development, all members of the Getinge Executive Team have identical targets. For the 2021 fiscal year, the goals were related to earnings, organic sales growth and tied-up working capital. All performance targets were fully achieved, which resulted in a maximum bonus outcome.

Variable long-term remuneration: In addition to base salary and the above annual variable remuneration, Senior Executives may also receive a variable long-term bonus that rewards and promotes the company's long term value creation. The earnings period for this bonus must be at least three fiscal years and the bonus may amount to a maximum of 100% of base salary. In addition, a limitation rule applies to the CEO regarding the payment of variable long-term remuneration that payment of the annual variable remuneration and variable long-term remuneration together may

not exceed 100% of basic salary. The part of long-term variable remuneration that cannot be paid due to the limitation rule will be payable in coming years or later to the extent that the limitation rule is not exceeded for the current year.

Pensions: The CEO is entitled to a pension from the age of 62. The pension is premium based and pension expenses amount to 40% of base salary. Variable cash remunerations do not qualify for pension benefits. For other Senior Executives, the retirement age is 65 years, except for one Senior Executive whose retirement age is 62 years in accordance with local regulations in the country of residence. All pension benefits are transferable, i.e. not conditional on future employment.

Severance pay: The period of notice for the CEO is a minimum of six months. If termination of employment is initiated by the company then severance pay of 12 months' pay will be awarded. Severance pay is not offset against any other income. After the end of the period of notice, severance pay corresponding to one annual salary is paid. The company is entitled to deduct any income the CEO may receive from other employment or business activities from the severance pay. Upon termination of employment of any other Senior Executives, they have the right to severance pay of a minimum of six months and a maximum of one year.

Drafting and decision-making process: During the year, the Remuneration Committee gave the Board its recommendations concerning policies for the remuneration to Senior Executives. The Board discussed the Remuneration Committee's proposals and decided in line with the Remuneration Committee's recommendations. Remuneration to the CEO for the 2021 fiscal year was decided by the Board taking into account the Remuneration Committee's recommendations. Remuneration to other Senior Executives was decided by the Remuneration Committee following a recommendation by the CEO and in consultation with the Chairman of the Board.

NOTE **30** | Average number of employees

By country	2021				2020		
	Men	Women	Unknown	Total	Men	Women	Total
Australia	132	79	–	211	143	80	223
Belgium	59	12	–	71	61	12	73
Brazil	59	41	–	100	58	39	97
Colombia	20	11	1	31	19	11	30
Denmark	95	41	2	138	97	41	138
Finland	28	7	3	38	28	9	37
France	668	460	–	1,128	671	398	1,069
United Arab Emirates	49	19	–	69	44	19	63
Hong Kong	31	27	–	58	31	27	58
India	206	34	–	240	218	36	254
Ireland	12	1	–	13	11	1	12
Italy	100	39	–	139	98	41	139
Japan	169	59	–	228	169	59	228
Canada	81	39	–	120	81	41	122
China	374	177	3	554	374	177	551
Mexico	25	18	1	45	26	17	43
Netherlands	179	54	–	233	174	56	230
Norway	27	2	–	29	31	1	32
Poland	208	330	9	547	202	314	516
Portugal	16	6	–	22	16	6	22
Russia	27	29	1	57	25	29	54
Switzerland	43	7	–	50	44	8	52
Serbia	6	4	–	10	7	4	11
Singapore	46	36	–	81	44	37	81
Slovakia	4	1	–	5	3	1	4
Spain	78	34	1	114	80	31	111
Great Britain	233	94	–	327	220	74	294
Sweden	887	332	3	1,222	909	340	1,249
South Africa	6	12	–	18	8	13	21
South Korea	6	5	–	11	7	5	12
Taiwan	21	18	–	39	21	16	37
Thailand	91	47	–	137	92	46	138
Czech Republic	29	10	1	40	26	12	38
Türkiye	203	267	–	470	246	276	522
Germany	1,180	633	1	1,813	1,207	677	1,884
USA	1,399	873	–	2,272	1,429	884	2,313
Vietnam	1	–	–	1	–	–	–
Austria	34	1	–	35	34	3	37
Total average number of employees	6,831	3,861	25	10,717	6,954	3,841	10,795

Distribution of Senior Executives and Board members at the closing date, %

	2021	2020
Women:		
Board members of the Parent Company	33%	33%
Other members of the company's management, incl. CEO	30%	30%
Men:		
Board members of the Parent Company	67%	67%
Other members of the company's management, incl. CEO	70%	70%

NOTE 31 | Transactions with related parties

Transactions between Getinge AB (publ) and its subsidiaries, which are related companies to Getinge AB (publ), were eliminated in the consolidated financial statements. Business terms and conditions as well as market-regulated pricing apply for delivery of products and services between Group companies. No Board member or senior executive has, or has had, any direct or indirect participation in any business transactions, between themselves and the company, that are or were non-transparent in nature, regarding the applicable terms or conditions. In 2018, Board members and the Executive Team of Getinge AB (publ) acquired synthetic options in Getinge issued by the company's principal owner Carl Bennet AB. Getinge was not a party to the transactions and the offering was submitted on Carl Bennet AB's own initiative,

without Getinge's participation. The options were acquired at a price corresponding to the estimated market value. After the end of the financial year, the program was closed and all synthetic options were vested.

Following the distribution of Arjo in December 2017, Getinge carried out normal commercial transactions with Arjo for the sale and purchase of goods and services. Getinge's receivables from Arjo amounted to SEK 0 M (6) and liabilities amounted to SEK 4 M (8) at December 31, 2021.

In addition to the above, there were no significant transactions with related parties. For remuneration and benefits to senior executives and Board members, see Note 29.

NOTE 32 | Events after the end of the fiscal year

Except what is described below, no significant events have occurred after the end of the financial year.

New Executive Vice Presidents appointed

In January 2022, Getinge appointed two new Executive Vice Presidents and members of the Getinge Executive Team: Elin Frostehav and Eric Honroth. All changes are effective as of April 1, 2022.

Elin Frostehav has been appointed President Acute Care Therapies and member of the Getinge Executive Team. Elin currently serves as Vice President Critical Care, a product area within Acute Care Therapies in Getinge. Elin joined Getinge in 2019 and previously held leading global positions within Semcon, an international technology company, in the areas of product development and digitalization. Prior to Semcon, Elin held various positions at FlexLink, a global factory automation company. Elin succeeds Jens Viebke who will take on a new role in Getinge as Executive Vice President Research & Business Development, focusing on Getinge's Research Programs and M&A activities. In this role, Jens Viebke will continue to report to Mattias Perjos, President & CEO, but no longer be a member of the Getinge Executive Team.

Eric Honroth has been appointed President Life Science and member of the Getinge Executive Team. Eric is currently President North America Region in Getinge and has been with the company

since 2018. He has more than 20 years of extensive experience in global leadership roles in the medical devices industry, including roles at Becton Dickinson, CareFusion and Abbott Vascular. Eric succeeds Harald Castler who after a long and successful career at Getinge has decided to retire.

Acquisition of Irasun GmbH

After the end of the reporting period, Getinge completed a minor acquisition of Irasun GmbH, which is based in Munich. The company develops products for venous drainage and temperature control, which can be used in combination with heart lung machines and equipment for extracorporeal life support (ECLS). Through the acquisition, Getinge broadens its portfolio to include innovative solutions in surgical perfusion.

Russia's invasion of Ukraine

The Russian invasion of Ukraine could have a negative impact on Getinge Group's financial results and financial position. Currently, it is not possible to assess the consequences of the conflict for Getinge.

The Group's net sales in Russia and Ukraine during 2021 was approximately 1% and the equity was less than 1% of the Group's total equity.

NOTE 33 | Supplementary disclosure to cash flow statement

Cash and cash equivalents, SEK M	2021	2020
Investments	0	2,081
Cash and bank balances	4,075	3,975
Total	4,076	6,056
Adjustments for items not included in cash flow, SEK M	2021	2020
Gain(-)/loss(+) from divestment/disposal of non-current assets	-85	32
Write-down of inventories	-	102
Write-down of operating receivables	-	88
Changes in provisions, restored(-)/added(+)	601	-183
Other	-56	21
Total	460	60
Interest paid and received, SEK M	2021	2020
Interest received	10	5
Interest paid	-161	-265
Total	-151	-260

NOTE 34 | Capitalized development costs

SEK M	2021	2020
Research and development costs, gross	-1,197	-1,462
Capitalized development costs	346	429
Research and development costs, net	-851	-1,033

NOTE 35 | Government grants

During the year, Getinge received SEK 50 M (45) in government grants, of which SEK 5 M (27) was related to the outbreak of COVID-19. Getinge has also during the year repaid government grants and the total amount of received and refunded contributions related to COVID-19 therefore amounted to net of SEK -6 M (27). Grants received amounted to SEK 5 M (27) and repaid amounted to SEK -11 M (0), of which SEK -4 M has been reported in the income statement. The corona related grants mainly

concerned allowance for short-term work and compensation for sick leave costs from authorities in several different countries.

Total government grants reported in the income statement amounted to SEK 28 M (42), of which SEK 30 M (21) was reported as other operating income and SEK -6 M (0) as other operating expenses and SEK 4 M (21) reported as a reduction in the costs related to the grants. In addition to these, government grants have been received net of SEK 11 M (3) which reduced the carrying amount of the assets to which the grants were related.

Parent Company's income statement

SEK M	Note	2021	2020
Administrative expenses	2, 16, 17	-31	-58
Other operating income		-	38
Operating result		-31	-20
Result from participations in Group companies	5	1,820	308
Interest income and other similar income		1	1
Interest expenses and other similar expenses	6	-263	-394
Profit after financial items		1,527	-105
Appropriations	7	102	243
Taxes	8	-29	-22
Net profit for the year		1,600	116

Parent Company's statement of comprehensive income

SEK M	Note	2021	2020
Net profit for the year		1,600	116
Other comprehensive income		-	-
Comprehensive income for the year		1,600	116

Parent Company's balance sheet

SEK M	Note	2021	2020
ASSETS			
Non-current assets			
Intangible assets	3	8	24
Tangible assets	4	4	6
Participations in Group companies	9	28,795	28,090
Deferred tax assets		94	106
Total non-current assets		28,901	28,226
Current assets			
Accounts receivable		233	295
Current tax assets		5	5
Other receivables		10	6
Prepaid expenses and accrued income		21	17
Cash and cash equivalents	12	1,330	950
Total current assets		1,599	1,273
TOTAL ASSETS		30,500	29,499
EQUITY AND LIABILITIES			
Equity			
	18		
<i>Restricted equity</i>			
Share capital		136	136
Statutory reserve		2,525	2,525
<i>Non-restricted equity</i>			
Share premium reserve		4,264	4,264
Retained earnings		13,277	13,978
Net profit for the year		1,600	116
Total equity		21,802	21,019
Long-term liabilities			
Interest-bearing long-term liabilities	10, 12	1,170	–
Other provisions, long-term		15	32
Total long-term liabilities		1,185	32
Current liabilities			
Interest-bearing current liabilities	11, 12	–	1,248
Accounts payable		30	23
Liabilities to Group companies		7,238	6,932
Other liabilities		3	4
Accrued expenses and deferred income	13	242	241
Total current liabilities		7,513	8,448
TOTAL EQUITY AND LIABILITIES		30,500	29,499

Refer to Note 14 for information concerning pledged assets and contingent liabilities.

Changes in Parent Company equity

SEK M	Restricted equity		Non-restricted equity		Total equity
	Share capital ¹⁾	Statutory reserve	Share premium reserve	Retained earnings and net profit for the year	
Opening balance at January 1, 2020	136	2,525	4,264	14,387	21,312
Comprehensive income for the year	–	–	–	116	116
Dividend	–	–	–	-409	-409
Closing balance at December 31, 2020	136	2,525	4,264	14,094	21,019
Opening balance at January 1, 2021	136	2,525	4,264	14,094	21,019
Comprehensive income for the year	–	–	–	1,600	1 600
Dividend	–	–	–	-817	-817
Closing balance at December 31, 2021	136	2,525	4,264	14,877	21,802

1) The share capital consists of 18,217,200 Class A shares and 254,152,373 Class B shares. Each share's quotient value is SEK 0.50 and all shares carry equal rights to dividends. One Class A share carries ten votes and one Class B share carries one vote.

Parent Company's cash flow statement

SEK M	Note	2021	2020
Operating activities			
Operating result		-31	-20
Adjustments for items not included in cash flow		-4	14
Interest received and similar items		1	1
Dividend received		2,191	712
Interest paid and similar items		-264	-351
Taxes paid		-17	-19
Cash flow before changes in working capital		1,876	337
Changes in working capital			
Current receivables		-87	77
Current liabilities		314	3,718
Cash flow from operating activities		2,103	4,132
Investing activities			
Divestment of fixed assets	3	5	-
Investments in subsidiaries		-2,363	-63
Repayment of shareholders' contribution		1,287	-
Cash flow from investing activities		-1,071	-63
Financing activities			
Raising of loans	12	1,170	-
Repayment of loans	12	-1,248	-3,203
Dividend paid		-817	-409
Group contributions received		243	493
Cash flow from financing activities		-652	-3,119
Cash flow for the year		380	950
Cash and cash equivalents at the beginning of the year		950	0
Cash flow for the year		380	950
Cash and cash equivalents at year-end		1,330	950

NOTE 1 | Parent Company's accounting policies

The financial statements of the Parent Company were prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Reporting of Legal Entities. In accordance with the regulations stipulated in RFR 2, in the annual financial statements for a legal entity, the Parent Company is to apply all of the IFRS/IAS regulations and statements that have been endorsed by the EU where possible within the framework of the Swedish Annual Accounts Act and with consideration of the link between accounting and taxation. The recommendation specifies which exceptions and additions are to be made from IFRS/IAS. Provisions conforming to IFRS/IAS are stated in Note 1 Accounting policies, for the consolidated financial statements.

The Parent Company applies the accounting policies detailed for the Group with the exception of the following:

Remuneration to employees

The Parent Company complies with the Swedish Pension Obligations Vesting Act and directives from the Swedish Financial Supervisory Authority when calculating defined-benefit pension plans.

Financial derivatives

For derivatives, the exemption in RFR 2 pertaining to IFRS 9 is applied, meaning that measurement and recognition of financial instruments is based on cost pursuant to the Swedish Annual Accounts Act.

Shares and participations

Subsidiaries are recognized in accordance with the acquisition method, implying that holdings are recognized at cost in the balance sheet less any impairment. Dividends from subsidiaries are recognized as dividend income.

Group contributions

Group contributions received and paid are recognized as appropriations according to the alternative rule in RFR 2.

Operational leases

All leasing agreements in the Parent Company are recognized as operational leases.

NOTE 2 | Depreciation/amortization according to plan

SEK M	2021	2020
Equipment, tools, fixtures and fittings	-2	-1
Intangible assets	-11	-10
Total	-13	-11

NOTE 3 | Intangible assets

Intangible assets, SEK M	2021	2020
Opening cost	53	53
Sales/disposals	-18	-
Closing accumulated cost	35	53
Opening amortization	-29	-19
Amortization for the year	-11	-10
Sales/disposals	13	-
Closing accumulated amortization	-27	-29
Closing carrying amount	8	24

NOTE 4 | Tangible assets

Equipment, tools, fixtures and fittings, SEK M	2021	2020
Opening cost	11	11
Sales/disposals	-2	-
Closing accumulated cost	9	11
Opening depreciation	-5	-4
Depreciation for the year	-2	-1
Sales/disposals	2	-
Closing accumulated depreciation	-5	-5
Closing carrying amount	4	6

NOTE 5 | Result from participations in Group companies

SEK M	2021	2020
Dividends from Group companies	2,188	712
Liquidation gain	3	-
Impairment of shares in subsidiaries	-371	-404
Total	1,820	308

NOTE 6 | Interest expenses and other similar expenses

SEK M	2021	2020
Interest expenses to Group companies	-252	-143
Interest expenses	-10	-39
Currency losses	-	-206
Other	-1	-6
Total	-263	-394

NOTE 7 | Appropriations

SEK M	2021	2020
Group contributions received	102	243
Total	102	243

NOTE 8 | Taxes

SEK M	2021	2020
Current tax	-17	-16
Deferred tax	-12	-6
Total	-29	-22

The relationship between the year's tax expense and the recognized profit before tax, SEK M

Recognized profit before tax	1,629	138
Tax according to current tax rate in Sweden (20.6%)	-336	-30
Tax effect of non-deductible costs	-132	-130
Tax effect of non-taxable income	456	166
Foreign withholding tax	-17	-16
Adjustment of tax expenses from earlier years	-	-12
Recognized tax expense	-29	-22

NOTE 9 | Participations in Group companies

Parent Company's holdings	Reg. office	Swedish Corp. Reg. No.	No. of shares	Percentage holding	Carrying amount 2021, SEK M	Carrying amount 2020, SEK M
Getinge Finance Holding AB	Gothenburg	556473-1700	23,062,334	100	9,672	10,959
Getinge Sterilization AB	Halmstad	556031-2687	50,000	100	623	623
Getinge Business Support Services AB	Gothenburg	556535-6317	1,000	100	1,481	1,481
Getinge Disinfection AB	Halmstad	556042-3393	25,000	100	118	118
Getinge Australia Pty Ltd	Australia		56,975	100	72	72
Getinge Danmark A/S	Denmark		10,000	100	41	41
Getinge IT Solutions ApS	Denmark		533,000	100	27	27
Getinge Finland Oy Ab	Finland		15	100	0	0
Getinge Infection Control SAS	France		1,666,712	85	698	698
Getinge/Castle International Ltd	Greece		100	100	0	0
Getinge Treasury Ireland DAC	Ireland		2	100	216	583
Getinge Norge AS	Norway		4,500	100	4	4
Neuromedica SA	Spain		40,000	100	16	16
Getinge Shared Services Sp. z o.o.	Poland		60,600	100	29	33
Getinge Holding USA, Inc.	USA		10,000	100	15,542	13,179
Getinge Group Shared Services CR Sociedad	Costa Rica		–	–	–	0
Getinge Polska Sp. z o.o.	Polen		2,109	35	13	13
Getinge Group Japan KK	Japan		800	100	243	243
Total carrying amount					28,795	28,090

The Parent Company's holding of shares in the subsidiaries constitutes the entire capital of the respective company, which also corresponds to 100% of the voting rights, unless otherwise stated.

Subsidiaries of sub-groups

Getinge Group, with operations in many countries, is organized into sub-groups in several categories, and accordingly, the legal structure cannot be reflected in a simpler manner in a tabular presentation.

Group companies directly or indirectly owned by Getinge AB are specified below. The ownership interest is 100% except in cases where the ownership interest is stated in parentheses.

Sweden

- Getinge Finance Holding AB, 556473-1700, Gothenburg
- Arjo Ltd Med. AB, 556473-1718, Gothenburg
- Getinge Disinfection AB, 556042-3393, Halmstad
- Getinge Logistics AB, 556547-8798, Halmstad
- Getinge International AB, 556547-8780, Halmstad
- Getinge Sterilization AB, 556031-2687, Halmstad
- Getinge Sverige AB, 556509-9511, Halmstad
- Getinge Treasury AB, 556535-6309, Gothenburg
- Maquet Critical Care AB, 556604-8731, Solna
- Getinge Business Support Services AB, 556535-6317, Gothenburg
- Maquet Nordic AB, 556648-1163, Solna

Australia

- Getinge Australia Pty Ltd

Belgium

- Getinge Belgium NV

Brazil

- Getinge do Brasil Equipamentos Médicos Ltda

Colombia

- Getinge Colombia SAS

Denmark

- Getinge Cetrea A/S
- Getinge Danmark A/S
- Getinge IT Solutions ApS
- Getinge Water Systems A/S
- Polystan A/S

Finland

- Getinge Finland Oy Ab
- Maquet Finland Oy

France

- Getinge France SAS
- Getinge Infection Control SAS
- Getinge Life Science France SAS
- Intervascular SAS
- Maquet SAS

United Arab Emirates

- Getinge Group Middle East FZ-LLC

Greece

- Getinge/Castle International Ltd

Hong Kong

- Getinge Group Hong Kong Ltd

India

- Atrium Medical India Pvt Ltd
- Getinge India Pvt Ltd
- Getinge Medical India Pvt Ltd

Ireland

- Getinge Treasury Ireland DAC
- Getinge Ireland Ltd.
- Quadralene International Ltd.

Italy

- Getinge Italia Srl

Japan

- Getinge Group Japan KK

Canada

- Getinge Canada Ltd

China

- Getinge (Shanghai) Trading Co., Ltd
- Maquet (Shanghai) Medical Equipment Co., Ltd
- Maquet (Suzhou) Co., Ltd
- Suzhou Maquet Medical Engineering Co., Ltd

Mexico

- Maquet Mexicana, S. de R.L. de C.V.

Netherlands

- Getinge Holding Netherlands B.V.
- Datascope B.V.
- Getinge Netherlands B.V.
- Maquet Verwaltungs B.V.
- Applikon Biotechnology B.V.

Norway

- Getinge Norge AS

Poland

- Getinge Polska Sp. z o.o.
- Getinge IC Production Poland Sp. z o.o.
- Getinge Shared Services Sp. z o.o.

Portugal

- Getinge Group Portugal Unipessoal Lda

Russia

- Maquet LLC

Switzerland

- Getinge Schweiz AG

Serbia

- Getinge Group South East Europe d.o.o. Beograd

Singapore

- Getinge Singapore Pte. Ltd.
- Getinge South East Asia Pte. Ltd.

Slovakia

- Getinge Slovakia s.r.o.

Spain

- Getinge Group Spain SL
- Neuromedica SA

UK

- Getinge IT Solutions Ltd
- Getinge Extended Care UK Ltd
- Getinge Holding Ltd
- Getinge Production UK Ltd
- Getinge UK Ltd
- Getinge Ltd
- Scantrack Healthcare Ltd
- Quadralene Holdings Ltd
- Quadralene Ltd
- Biocleanse Ltd
- Bioclear Ltd
- Dentisan Ltd
- Teknon Ltd

South Africa

- Maquet Southern Africa (Pty) Ltd

South Korea

- Getinge Medical Korea Co., Ltd

Taiwan

- Getinge Group Taiwan Co., Ltd.

Thailand

- Getinge (Thailand) Co., Ltd. (49 %)

Czech Republic

- Getinge Czech Republic, s.r.o.

Türkiye

- Getinge Stericool Medikal Aletler San. Ve Tic. A.Ş.
- Maquet Cardiopulmonary Medikal Teknik San.Tic.Ltd. Şti.
- Getinge Medikal Sistemler San. ve Tic. A.Ş.

Germany

- Getinge Holding GmbH
- Getinge Vertriebs Holding GmbH
- Maquet Cardiopulmonary GmbH
- Getinge Financial Services GmbH
- Maquet GmbH
- Getinge Holding B.V. & Co KG
- MediKomp GmbH
- Maquet Medical Systems AG
- Getinge Deutschland GmbH
- Getinge IT Solutions GmbH
- Pulsion Medical Systems SE (80 %)

Ukraine

- Maquet Ukraine LLC

USA

- Atrium Medical Corporation
- Getinge USA Sales, LLC
- Genisphere, Inc.
- Getinge Group Logistics Americas, LLC
- Getinge Holding USA, Inc.
- Getinge Sourcing LLC
- Lancer Sales USA Inc
- Maquet Cardiovascular LLC
- Maquet Cardiovascular US Sales, LLC
- Datascope Corp.
- Steritec Products Mfg. Co., Inc.
- Applikon Biotechnology Inc.
- Lunatron Incorporated
- AFx LLC
- CardioThoracic Systems LLC
- Origin Medsystems LLC
- Talis Clinical LLC

Vietnam

- Getinge Vietnam Company Ltd

Austria

- Getinge Österreich GmbH

NOTE 10 | Interest-bearing long-term liabilities

SEK M	2021	2020
Liabilities to credit institutions	1,170	–
Total	1,170	–

All loans fall due for payment within five years.

NOTE 11 | Interest-bearing current liabilities

SEK M	2021	2020
Liabilities to credit institutions	–	1,248
Total	–	1,248

NOTE 12 | Parent Company's net interest-bearing debt

SEK M	2021	Change	2020
Interest-bearing current liabilities	–	-1 248	1,248
Interest-bearing long-term liabilities	1,170	1,170	–
Less cash and cash equivalents	-1 330	-380	-950
Total	-160	-458	298

SEK M	Cash and cash equivalents	Interest-bearing liabilities	Total
Net debt at January 1, 2020	0	4,392	4,392
Cash flow affecting net debt	-950	-3,203	-4,153
Exchange-rate differences	0	59	59
Net debt at December 31, 2020	-950	1,248	298

Net debt at January 1, 2021	-950	1,248	298
Cash flow affecting net debt	-380	-78	-458
Exchange-rate differences	0	–	0
Net debt at December 31, 2021	-1,330	1,170	-160

NOTE 13 | Accrued expenses and deferred income

SEK M	2021	2020
Salaries	96	102
Social security expenses	129	121
Interest expenses	1	2
Other	16	16
Total	242	241

NOTE 14 | Pledged assets and contingent liabilities**Pledged assets**

The Parent Company had no pledged assets.

Contingent liabilities, SEK M	2021	2020
Guarantees FPG/PRI	294	289
Other guarantees	785	857
Total	1,079	1,146

NOTE 15 | Average number of employees

	2021	2020
Men	39	37
Women	39	38
Total	78	75

Distribution of senior executives at the closing date

	2021	2020
Women:		
Board members of the Parent Company	4	4
Other members of the company's management, incl. CEO	2	2
Men:		
Board members of the Parent Company	8	8
Other members of the company's management, incl. CEO	4	4

NOTE 16 | Employee costs

2021, SEK M	Board and CEO	Other	Total
Salaries and remuneration	-58	-105	-163
Social security expenses	-20	-48	-68
Pension expenses	-9	-24	-33
Total	-87	-177	-264

2020, SEK M	Board and CEO	Other	Total
Salaries and remuneration	-65	-120	-185
Social security expenses	-22	-47	-69
Pension expenses	-9	-33	-42
Total	-96	-200	-296

NOTE 17 | Auditing

Fee to PwC, SEK M	2021	2020
Auditing assignment	-9	-15
Auditing activities other than auditing assignments	-0	-0
Other services	-10	-1
Total	-19	-16

Öhrlings PricewaterhouseCoopers AB has the auditing assignment for the Parent Company. Auditing assignments refer to auditing of the financial statements, statutory accounts and other required legal audit. Auditing activities other than auditing assignments include mainly the review of interim reports as well as other services

related to financial reporting. Other services mainly pertain to services in connection with acquisitions. Of other services SEK 3 M (1) was attributable to the registered auditing firm Öhrlings PricewaterhouseCoopers AB.

NOTE 18 | Proposed appropriation of profit**The following non-restricted equity in the Parent Company is at the disposal of the Annual General Meeting, SEK M:**

Share premium reserve	4,264
Retained earnings	13,277
Net profit for the year	1,600
Total	19,141

The Board and CEO propose that a dividend of SEK 4.00 per share shall be distributed to shareholders to be carried forward	1,089
Total	18,052
	19,141

NOTE 19 | Events after the end of the fiscal year

No significant events occurred after the end of the fiscal year.

Auditor's Report

To the general meeting of the shareholders of Getinge AB (publ),
corporate identity number 556408-5032

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Getinge AB (publ) for the year 2021. The annual accounts and consolidated accounts of the company are included on pages 76-142 in this document with the exception of the Remuneration Report on pages 86-89.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgement, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the Key audit matter
<p>Valuation of intangible assets <i>With reference to Note 1 and Note 12.</i> Goodwill and other intangible assets with an indefinite useful life represents a significant part of the Balance Sheet of Getinge. The company performs an impairment assessment of the assets based on a calculation of the discounted cash flow for the cash generating units in which goodwill and other intangible assets are reported.</p> <p>This impairment test is based on a high level of judgments and assumptions regarding future cash flows. Information is provided in Notes 1 and 12 as to how the company's management has undertaken its assessments, and also provides information on important assumptions and sensitivity analyses. Key variables in the test are growth rate, profit margins and discount factor (cost of capital). It is presented that no impairment requirement has been identified based on the assumptions undertaken.</p>	<p>In our audit, we have evaluated the calculation model applied by management.</p> <p>We have reconciled and critically tested essential variables against budget and strategic plan for the Company. We have analyzed the accuracy on how previous years assumptions have been met and assessed any adjustments to assumptions compared to previous year, as a result from changes in the business and external factors.</p> <p>We have tested the sensitivity analysis for key variables in order to assess the risk of need for impairment.</p> <p>We have also assessed the correctness of the disclosures included in the consolidated accounts.</p>
<p>Revenue recognition <i>With reference to Note 1 and Note 2.</i> Sales of the group include products, services and rental. Sales are primarily made via the global sales organization of the group.</p> <p>Revenue recognition represent a significant area in our audit given its importance to the financial reporting of the group.</p> <p>Specific attention is given to that revenue transactions represent valid revenue transactions in accordance with accounting framework and that these are accounted for in the proper period. The group have routines and procedures to monitor and secure that revenue recognition is made in the right period and with the right amount.</p>	<p>We have reviewed the system and procedures related to the revenue process and evaluated that the accounting principles of the group are consistent to IFRS.</p> <p>Our audit and procedures include sample testing of revenue transactions in local entities to supporting documentation such as customer agreement, sales order, delivery related documentation, customer invoices, price lists and customer confirmation in combination with or alternatively to verification of subsequent payments.</p> <p>We have evaluated manual transactions using computer assisted techniques and specifically any adjustments of revenue recognition.</p> <p>We have additionally assessed the correctness of the disclosures related to account's receivables included in the consolidated accounts.</p>
<p>Accounting for provisions relating to legal exposures <i>With reference to Note 1 and Note 22.</i> Provisions relating legal exposures comprise a significant area in the Group's financial reports.</p> <p>The main provision relates to expected costs associated with surgical mesh product liability claims previously produced by the Group. The assessment of relevant provisions for legal exposures is inherently associated with a large degree of uncertainty and subjectivity.</p>	<p>In our audit, we have particularly focused our audit activities on the assessment of the provisions related to surgical mesh product liability claims.</p> <p>We have received Management's calculations for exposures related to surgical mesh product liability claim and received statements from external legal advisors to relevant matters. We have assessed the reasonability in Management's calculations taking into consideration information from legal advisors.</p> <p>We have additionally assessed the disclosures of the consolidated accounts.</p>

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–33 and 148–163, the Corporate Governance Report on pages 34–58, the Remuneration Report on pages 86–89 and the Sustainability Report on pages 60–73. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Chief Executive Officer are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Chief Executive Officer are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Chief Executive Officer intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on

Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Chief Executive Officer of Getinge AB (publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Chief Executive Officer be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Chief Executive Officer shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors and the Chief Executive Officer in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the Esef-report Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Chief Executive Officer have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Getinge AB (publ) for the financial year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report #[569cfad5df787c290ef-7c05a4bb3d3c269014e8e3f9f8d709a039b63cbdb28e2] has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinions

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Getinge AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled Our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Director's and the Chief Executive Office

The Board of Directors and the Chief Executive Officer are responsible for ensuring that the Esef report has been prepared in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Chief Executive Officer determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to form an opinion with reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The reasonable assurance engagement involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Chief Executive Officer, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The reasonable assurance engagement also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Chief Executive Officer.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, statement of financial position, statement of changes in equity and the statement of cash flow.

Öhrlings PricewaterhouseCoopers AB, was appointed auditor of Getinge AB (publ) by the general meeting of the shareholders on the 20 April 2021 and has been the company's auditor since the 17 April 2008.

Göteborg 30 March 2022
Öhrlings PricewaterhouseCoopers AB

Peter Nyllinge
Authorized Public Accountant
Auditor in charge

Karin Olsson
Authorized Public Accountant

Other information

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The Getinge share

Getinge's Class B share has been listed on Nasdaq Stockholm AB since 1993. The share is included in the Nasdaq Nordic Large Cap segment and the OMXS30 index. At December 31, 2021, the number of shareholders was 54,567 and the percentage of foreign-owned shares amounted to 43.7%. Institutional owners accounted for 58.6% of the share capital, of which Swedish institutional owners accounted for 27.8 percentage points.

Share trend, liquidity and dividend policy

At year-end, Getinge's share was listed at SEK 395.1, which was an increase of 105.7% (9) during the year. The highest price paid in 2021 was SEK 429.4 (November 15) and the lowest was SEK 192.5 (January 7). At year-end, market capitalization amounted to SEK 107.6 billion. During the year, 208.9 million shares were traded (330.5).

At year-end 2021, share capital in Getinge totaled SEK 136,184,786.50 distributed among 272,369,573 shares. All shares carry the same dividend entitlement. One Class A share carries ten votes and one Class B share carries one vote. The Board of Directors of Getinge has adopted a dividend policy entailing that future dividends will be adjusted in line with Getinge's profit level, financial position and future development potential. The aim is for the dividend to correspond to 30–50% of net profit.

Sell-side analysts covering Getinge

AlphaValue, ABG Sundal Collier, Carnegie, Danske Bank, DNB Markets, Handelsbanken, J.P. Morgan, Kepler Cheuvreux, Morningstar, Nordea, Pareto Securities, Redburn and SEB Enskilda.

Getinge's peers

Getinge's peers consist of the listed companies named in the section for each business area in this Annual Report.

Shareholder information

Financial information about Getinge is available on the Group's website. Questions about this Annual Report and other financial communication can be put directly to the investor relations function of the company.

Getinge as an investment

Long-lasting and close customer relations

Since it was first founded more than 100 years ago, Getinge has concentrated all its energies on creating customer value. This has led to close and long-lasting customer relations in which both customers and partners in many cases are deeply involved in product development. This is the key reason for the company's historic and future success.

Stronger market positions

Over the years, Getinge has developed leading global technology together with its partners and customers to enhance the quality, safety and productivity of health care around the world. This has resulted in the company commanding leading positions in most of its product segments. This generates high customer loyalty and robust protection from competition.

Excellent conditions for growth

Demographic and socio-economic factors show that the need for effective health care will increase for a long time to come, in all parts of the world. Getinge has a clear growth strategy which mainly focuses on product areas with good future prospects regarding demand and where the company can offer attractive and differentiated solutions. The strategy includes both organic and acquired growth, which is facilitated by the solid financial position.

Attractive non-cyclical market

Patient needs for high-quality, safe and sustainable health care are not affected by economic upturns and downturns, which is why sales are relatively impervious to economic fluctuations. However, the conditions for growth could be short term affected in the event of a major economic crisis. But in such a case the need for sustainable health care rises, which benefits Getinge's solutions.

Continuous improvements of margins and cash flows

Getinge has been implementing an improvement process to increase the customer value and the sales as well as margins and cash flows. Progress to date has been successful and continued positive contributions are expected for several years in the future.

Sustainability a top priority

Getinge operates in an industry in which sustainability is important. Accordingly, it is a top priority and compasses everything from environment and quality to ethics and social responsibility. Getinge believes that this not only contributes to a better society but is also an advantage for the company's business.

Long-term owners

Getinge has a long-term owner base that wants to generate long-term value for shareholders and other stakeholders, such as customers, patients and society at large. This provides stability that helps to create long-term value.

Performance in 2021



Performance 2017–2021



Development of share capital

Transaction	No. of shares after transaction	Share capital after transaction, SEK
1990 Formation	500	50,000
1992 Split 50:1, par value SEK 100 to SEK 2	25,000	50,000
1992 Private placement	5,088,400	10,176,800
1993 Private placement	6,928,400	13,856,800
1995 Non-cash issue	15,140,544	30,281,088
1996 Bonus issue 2:1	45,421,632	90,843,264
2001 New issue 1:9 at SEK 100	50,468,480	100,936,960
2003 Split 4:1, par value SEK 2 to SEK 0.50	201,873,920	100,936,960
2008 New issue 1:16 at SEK 120	214,491,404	107,245,520
2009 New issue 1:9 at SEK 83.5	238,323,377	119,161,689
2017 New issue 1:7 at SEK 127	272,369,573	136,184,787

Ownership structure 2021

Shares	% of capital	% of votes	Owner-ship	Owner-ship
1–100	0.4%	0.2%	31,291	57.3%
101–200	0.4%	0.2%	6,804	12.5%
201–500	0.9%	0.6%	7,539	13.8%
501–1,000	1.1%	0.7%	4,167	7.6%
1,001–2,000	1.3%	0.8%	2,527	4.6%
2,001–5,000	1.6%	1.0%	1,398	2.6%
5,001–10,000	1.0%	0.6%	386	0.7%
10,001–20,000	0.9%	0.5%	165	0.3%
20,001–50,000	1.1%	0.7%	97	0.2%
50,001–100,000	1.6%	1.0%	59	0.1%
100,001–200,000	1.8%	1.1%	33	0.1%
200,001–500,000	5.2%	3.2%	43	0.1%
500,001–1,000,000	6.2%	3.9%	24	0.0%
1,000,001–2,000,000	6.0%	3.7%	13	0.0%
2,000,001–5,000,000	11.8%	7.4%	11	0.0%
5,000,001–10,000,000	20.1%	12.5%	8	0.0%
10,000,001–20,000,000	0.0%	0.0%	0	0.0%
20,000,001–	27.5%	54.7%	2	0.0%
Anonymous ownership	11.3%	7.0%	N/A	N/A
Total	100.0%	100.0%	54,567	100.0%

Getinge's largest shareholder at December 31, 2021

	Class A shares	Class B shares	% of capital	% of votes
Carl Bennet	18,217,200	36,332,969	20.0%	50.1%
Fjärde AP-fonden		20,287,418	7.4%	4.6%
AMF Pension & Fonder		9,380,924	3.4%	2.1%
Handelsbanken Fonder		7,759,021	2.8%	1.8%
BlackRock		7,244,062	2.7%	1.7%
Schroders		6,824,249	2.5%	1.6%
Vanguard		6,774,570	2.5%	1.6%
Norges Bank		5,703,063	2.1%	1.3%
Swedbank Robur Fonder		5,606,780	2.1%	1.3%
Didner & Gerge Fonder		5,348,266	2.0%	1.2%
Other		142,891,051	52.5%	32.7%
Total	18,217,200	254,152,373	100.0%	100.0%

Share capital distribution

	Class A	Class B	Total
No. of shares	18,217,200	254,152,373	272,369,573
No. of votes	182,172,000	254,152,373	436,324,373
% of capital	7%	93%	100%
% of votes	42%	58%	100%

Five largest countries – capital, %

Sweden	56.3%
USA	14.7%
UK	4.8%
Norway	4.0%
France	2.3%
Other owners	6.7%
Anonymous ownership	11.3%
Total	100.0%

Ownership by category – capital, %

Swedish institutional owners	27.8%
Foreign institutional owners	30.8%
Other owners	22.4%
Swedish individuals	7.7%
Anonymous ownership	11.3%
Total	100.0%

Multi-year overview

Group

Amounts in SEK M unless otherwise stated	2021	2020	2019	2018	2017
Order situation					
Order intake	28,258	30,568	26,832	24,347	23,228
Net sales	27,049	29,819	26,559	24,172	22,495
<i>of which, international sales, %</i>	98.2	97.3	98.0	97.7	97.5
EBITDA	6,185	7,251	4,595	1,524	3,459
Adjusted EBITA	5,212	5,724	3,310	2,689	2,842
Operating profit/loss (EBIT)	4,371	4,784	2,372	-284	1,493
Net financial items	-183	-299	-463	-340	-560
Profit/loss after financial items	4,188	4,485	1,909	-624	933
Taxes	-1,187	-1,213	-653	-315	184
Net profit/loss for the year	3,000	3,273	1,256	-939	1,117
Margin measures					
EBITDA margin, %	22.9	24.3	17.3	6.3	15.4
Adjusted EBITA margin, %	19.3	19.2	12.5	11.1	13.8
Operating margin (EBIT), %	16.2	16.0	8.9	-1.2	6.6
Personnel					
Number of employees, December 31	10,729	10,818	10,538	10,515	10,684
Amounts in SEK M unless otherwise stated	2021	2020	2019	2018	2017
Balance sheet					
Intangible assets	24,148	22,085	24,283	24,098	23,045
Tangible assets	3,060	2,956	3,146	3,160	2,911
Right-of-use assets	1,060	1,017	941	-	-
Financial assets	1,217	1,526	1,849	1,946	1,586
Inventories	4,767	4,513	4,691	4,544	4,879
Other receivables	6,227	6,862	8,549	8,331	8,155
Cash and cash equivalents	4,076	6,056	1,254	1,273	1,526
Total assets	44,555	45,014	44,713	43,352	42,102
Equity	25,176	21,486	20,973	19,655	19,806
Provisions for pensions, interest-bearing	3,378	3,359	3,555	3,035	3,081
Leasing liabilities	1,036	990	908	-	-
Other interest-bearing liabilities	3,270	9,216	9,112	10,829	11,237
Other provisions	4,186	3,115	3,588	3,771	2,202
Other non-interest-bearing liabilities	7,508	6,848	6,577	6,062	5,776
Total equity and liabilities	44,555	45,014	44,713	43,352	42,102
Net debt, including pension liabilities ¹⁾	3,609	7,509	12,321	12,591	12,792
Net debt, excluding pension liabilities ¹⁾	231	4,150	8,766	9,556	9,711
Cash flow					
Cash flow from operating activities	6,560	7,199	3,832	2,503	2,763
Cash flow per share, SEK	24.1	26.4	14.1	9.2	11.0
Net investments in non-current assets	-614	-993	-1,111	1,335	1,633
Return indicators					
Return on operating capital, %	17.3	16.3	8.3	6.7	7.3
Return on equity, %	12.9	15.1	6.2	-4.7	6.6
Financial indicators					
Equity/assets ratio, %	56.5	47.7	46.9	45.3	47.0
Net debt/equity ratio, multiple	0.14	0.35	0.59	0.64	0.65
Operating capital, average	28,561	32,374	33,735	32,868	42,045
Equity, December 31	25,176	21,486	20,973	19,655	19,806
Data per share, amounts in SEK unless otherwise stated					
Earnings per share	10.90	11.89	4.48	-3.55	5.49
Market price, December 31	395.10	192.10	174.00	79.90	119.00
Dividend	4.00 ²⁾	3.00	1.50	1.00	1.50
Dividend yield, %	1.01	1.56	0.85	1.25	1.26
Price/earnings ratio ²⁾	36.25	16.16	38.84	N/A	21.68
Dividend as profit percentage, %	36.70	25.23	33.48	N/A	27.33
Equity per share	92.43	78.88	77.00	72.16	72.72
Average number of shares (million) ³⁾	272.4	272.4	272.4	272.4	250.7
Number of shares, December 31 (million) ³⁾	272.4	272.4	272.4	272.4	272.4

1) From 2019, leasing liabilities is included in the term net debt.

2) Dividend proposed by the Board of Directors.

3) Adjusted for bonus issue effect of the rights issue.

Business areas

ACUTE CARE THERAPIES, SEK M	2021	2020	2019	2018	2017
Order intake	15,335	19,208	14,778	13,069	12,383
Net sales	15,527	18,719	14,637	13,013	12,201
Adjusted gross profit	9,596	11,536	8,660	7,627	7,403
<i>Margin, %</i>	61.8	61.6	59.2	58.6	60.7
Adjusted EBITDA	5,272	6,833	4,026	3,259	3,174
<i>Margin, %</i>	34.0	36.5	27.5	25.0	26.0
Depreciation, amortization and write-downs of tangible and intangible assets	-828	-1,002	-916	-726	-674
Adjusted EBITA	4,444	5,831	3,110	2,533	2,500
<i>Margin, %</i>	28.6	31.1	21.2	19.5	20.5
LIFE SCIENCE, SEK M	2021	2020	2019	2018	2017
Order intake	4,120	3,413	2,640	2,295	2,011
Net sales	3,558	2,854	2,487	2,194	1,947
Adjusted gross profit	1,492	1,176	962	815	790
<i>Margin, %</i>	41.9	41.2	38.7	37.1	40.6
Adjusted EBITDA	870	522	432	348	435
<i>Margin, %</i>	24.5	18.3	17.4	15.9	22.3
Depreciation, amortization and write-downs of tangible and intangible assets	-141	-128	-109	-71	-66
Adjusted EBITA	729	393	323	277	369
<i>Margin, %</i>	20.5	13.8	13.0	12.6	19.0
SURGICAL WORKFLOWS, SEK M	2021	2020	2019	2018	2017
Order intake	8,803	7,948	9,414	8,983	8,834
Net sales	7,965	8,246	9,435	8,965	8,347
Adjusted gross profit	3,304	3,163	3,779	3,501	3,459
<i>Margin, %</i>	41.5	38.4	40.1	39.1	41.4
Adjusted EBITDA	949	495	863	567	878
<i>Margin, %</i>	11.9	6.0	9.1	6.3	10.5
Depreciation, amortization and write-downs of tangible and intangible assets	-559	-622	-641	-425	-433
Adjusted EBITA	390	-127	222	142	445
<i>Margin, %</i>	4.9	-1.5	2.4	1.6	5.3

The Group's 20 largest markets

	2021			2020			2019		
	SEK M	%	#	SEK M	%	#	SEK M	%	#
USA	9,040	33.4%	1	9,948	33.4%	1	9,315	35.1%	1
China	2,639	9.8%	2	2,186	7.3%	2	1,854	7.0%	2
Germany	1,997	7.4%	3	2,016	6.8%	3	1,783	6.7%	3
Japan	1,298	4.8%	4	1,476	5.0%	4	1,478	5.6%	4
France	1,272	4.7%	5	1,288	4.3%	5	1,228	4.6%	5
UK	989	3.7%	6	977	3.3%	7	880	3.3%	6
Italy	818	3.0%	7	1,011	3.4%	6	727	2.7%	7
Canada	620	2.3%	8	754	2.5%	9	516	1.9%	11
India	579	2.1%	9	384	1.3%	15	531	2.0%	9
Australia	558	2.1%	10	705	2.4%	10	660	2.5%	8
Spain	530	2.0%	11	651	2.2%	11	453	1.7%	12
Sweden	492	1.8%	12	804	2.7%	8	524	2.0%	10
Netherlands	399	1.5%	13	522	1.8%	13	411	1.5%	14
Hong Kong	309	1.1%	14	329	1.1%	16	200	0.8%	24
Belgium	303	1.1%	15	460	1.5%	14	416	1.6%	13
South Korea	267	1.0%	16	305	1.0%	18	288	1.1%	16
Switzerland	260	1.0%	17	322	1.1%	17	286	1.1%	17
Denmark	241	0.9%	18	231	0.8%	23	230	0.9%	23
Russia	240	0.9%	19	284	1.0%	19	246	0.9%	21
Thailand	237	0.9%	20	257	0.9%	21	283	1.1%	18

The ten largest markets by business area

	2021			2020			2019		
	SEK M	%	#	SEK M	%	#	SEK M	%	#
ACUTE CARE THERAPIES									
USA	6,294	40.5%	1	7,358	39.3%	1	6,567	44.9%	1
China	1,491	9.6%	2	1,372	7.3%	2	1,090	7.4%	2
Germany	916	5.9%	3	1,008	5.4%	3	830	5.7%	3
Japan	726	4.7%	4	890	4.8%	4	745	5.1%	4
France	533	3.4%	5	538	2.9%	7	436	3.0%	6
Italy	516	3.3%	6	737	3.9%	5	441	3.0%	5
India	465	3.0%	7	296	1.6%	13	389	2.7%	7
Canada	399	2.6%	8	572	3.1%	6	307	2.1%	9
UK	362	2.3%	9	496	2.7%	9	315	2.2%	8
Spain	356	2.3%	10	498	2.7%	8	278	1.9%	10
LIFE SCIENCE									
USA	1,252	35.2%	1	1,030	36.1%	1	818	32.9%	1
China	441	12.4%	2	153	5.4%	4	135	5.4%	5
Germany	400	11.2%	3	228	8.0%	3	218	8.8%	3
France	348	9.8%	4	345	12.1%	2	389	15.7%	2
UK	194	5.4%	5	131	4.6%	6	150	6.0%	4
Belgium	99	2.8%	6	141	5.0%	5	106	4.3%	6
Japan	91	2.6%	7	70	2.4%	9	89	3.6%	7
Netherlands	88	2.5%	8	127	4.5%	7	45	1.8%	11
Italy	58	1.6%	9	34	1.2%	15	51	2.0%	10
Denmark	58	1.6%	10	37	1.3%	14	23	0.9%	18
SURGICAL WORKFLOWS									
USA	1,494	18.8%	1	1,560	18.9%	1	1,930	20.5%	1
China	706	8.9%	2	661	8.0%	3	629	6.7%	4
Germany	682	8.6%	3	780	9.5%	2	734	7.8%	2
Japan	482	6.0%	4	517	6.3%	4	644	6.8%	3
UK	433	5.4%	5	349	4.2%	7	415	4.4%	5
France	391	4.9%	6	405	4.9%	6	403	4.3%	6
Sweden	315	4.0%	7	423	5.1%	5	369	3.9%	8
Australia	314	3.9%	8	297	3.6%	8	379	4.0%	7
Italy	243	3.1%	9	240	2.9%	9	235	2.5%	9
Canada	177	2.2%	10	144	1.7%	15	176	1.9%	12

Acquisition history

Year	Company	Business	Country	Sales
2021	Talis Clinical LLC	High Acuity cloud-based software solutions	US	SEK 57 M
2021	Development activities from Verrix	Biological indicators	US	SEK 0 M
2020	Applikon Biotechnology BV	Life Science	NL	SEK 350 M
2020	Quadralene Holdings Ltd	Disinfection	GB	SEK 75 M
2017	Carus HMS GmbH	Integrated workflow solutions	DE	SEK 20 M
2017	Simm Company and Surgeon Aids	Distributor	TH	SEK 75 M
2016	AccuMed	Production facility for medical textiles	DR	SEK 100 M
2016	1st Call Mobility Ltd	Medical-device solutions for bariatric patients	GB	SEK 100 M
2015	GOA Teknoloji Danismanlik Elektronik	Low temperature sterilization technology	TR	SEK 20 M
2014	Pulsion AG	Systems for hemodynamic monitoring	DE	SEK 300 M
2014	Altrax Group Ltd	Systems for traceability and quality assurance for sterilization	GB	SEK 35 M
2014	Cetrea A/S	Systems for resource planning	DK	SEK 30 M
2014	Austmel Pty Ltd	Sterilization and thermal processes	AU	SEK 80 M
2013	LAAx Inc.	Cardiac and vascular surgery	US	SEK 8 M
2013	Trans Medikal Devices Inc.	Manufacture of sterilizers and distribution of disinfectors	TR	SEK 55 M
2013	STS East LLC	Service	US	SEK 25 M
2012	Product rights from Avalon Laboratories	Cardiopulmonary	US	–
2012	Eirus Medical	Critical Care	SE	–
2012	Acare Medical Science Ltd	Healthcare beds	CH	SEK 135 M
2012	USCI	Distributor	JP	SEK 150 M
2012	Tecno Hospitalia	Distributor	CO	SEK 4 M
2012	Therapeutic Support Systems (TSS)	Wound care	US	SEK 1,600 M
2012	Steritec Products Mfg Inc.	Consumables	US	SEK 70 M
2011	Blanchet Medical Service	Service	FR	SEK 3 M
2011	Atrium Medical Inc	Products for the cardiovascular market	US	USD 200 M
2011	Combimobil AB	Rehabilitation aids	SE	SEK 2 M
2011	Fumedica	Distributor	CH	SEK 70 M
2011	IDS Medical Equipment	Distributor	SG	SEK 25 M
2011	Mak Saglik	Distributor	TR	SEK 20 M
2011	STS Holding West	Service	US	SEK 20 M
2010	Odelga	Service	AT	SEK 25 M
2008	Datascope	Cardiac assist and vascular surgery	US	USD 231 M
2008	Cardio Research Pty Ltd.	Distributor	AU	AUD 5.1 M
2008	Subtil Crepieux	Service	FR	EUR 8 M
2008	Getus Services Ltd	Service	NZ	NZD 1.1 M
2008	Olmed AB	Distributor	SE	SEK 70 M
2008	Boston Scientific's Cardiac and Vascular surgery divisions	Endoscopic vessel harvesting (EVH), anastomosis, stabilizers and instruments for surgery on beating hearts and vascular implants	US	SEK 1,733 M
2007	NS Nielsen Equipment A/S	Distributor	DK	–
2006	Huntleigh Technology	Special mattresses for pressure-ulcer treatment, beds for intensive, specialist and elderly care vein thrombosis prophylaxis and equipment for fetal and vascular diagnostics.	UK	SEK 2,675 M
2006	Comercio E Industria Medicia	Consumables for open-heart surgery	BR	SEK 25 M
2006	OTY GmbH	Telemedicine specializing in products and solutions for hospitals' IT infrastructure focused on the operating room.	DE	SEK 20 M
2006	Getinge Czech Republic	Distributor	CZ	SEK 10 M
2005	Lancer UK	Distributor	UK	SEK 104 M
2005	La Cahléne	Isolator technology and electron sterilization technology	FR	EUR 40 M
2004	Dynamed	Distributor	CA	SEK 85 M
2004	BHM Medical Inc.	Patient management products for the care and elderly care segments	CA	SEK 206 M
2003	MAQUET AG, Swiss dealer	Distributor	CH	CHF 4.9 M
2003	Siemens LSS	Ventilators and anesthesia equipment for the hospital market	SE	EUR 230 M
2003	Jostra GmbH	Equipment and consumables for cardiac surgery	DE	EUR 90 M
2003	Copharm B.V.	Distributor	NL	EUR 10 M
2002	Heraeus Medical	Surgical lamps, ceiling service units and therapy accessories and gas distribution for operating rooms	DE	EUR 52 M
2001	ALM	Surgical lamps	FR	FRF 490 M
2000	Maquet	Surgical tables	DE	EUR 155 M
2000	Parker Bath	Bathing systems for the semi-institutional care market	UK	SEK 150 M
2000	Lenken Healthcare	Distributor	IE	SEK 65 M
2000	Gestion Techno-Medic	Patient lifting systems	CA	SEK 22 M
1999	Lunatron Aps	Comprehensive IT solutions for the maintenance of sterilization departments	DK	DKK 15 M
1999	MPT Corp.	Washer disinfectors for the Life Science market	US	SEK 35 M
1998	Egerton Hospital Equipment	Specialist beds and anti-decubitus mattresses for hospitals and care facilities	UK	SEK 45 M
1998	Royal Linden B.V.	Infection control	NL	SEK 60 M
1998	Medibo	Patient lifting and pressure-ulcer treatments	BE	SEK 28 M
1998	OMASA	Infection control	IT	SEK 100 M
1998	SMI/BBC	Infection control	FR	SEK 75 M
1998	Kemiterm	Water distillers pure-steam generators for pharmaceutical industry	DK	DKK 25 M
1998	Pegasus	Anti-decubitus products for hospitals and elderly care	UK	SEK 350 M
1996	MDT/Castle	Infection control	US	–
1996	Van Dijk Medizintechnik GmbH	Infection control	DE	SEK 30 M
1995	Arjo	Products for aging care related to hygiene and patient management	SE	SEK 1,538 M
1994	Lancer	Disinfection products	FR	FRF 70 M

Reconciliation of alternative performance measures

Alternative performance measures refer to financial measures used by the company's management and investors to evaluate the Group's earnings and financial position and that cannot be directly read or derived from the financial statements. These financial measures are intended to facilitate analysis of the Group's performance. The alternative performance measures are not to be considered a substitute for, but rather a supplement to, the financial statements prepared in accordance with IFRS. The alternative performance measures recognized are not calculated in

accordance with IFRS but are provided since Getinge believes that they are important to investors' assessments of the Group and the Getinge share, and that these performance measures are widely used by investors, securities analysts and other stakeholders as supplementary measures of the earnings trend and financial position. Getinge's performance measures that are not defined in accordance with IFRS are not necessary comparable with similar measures presented by other companies and have certain limitations as analysis tools.

THE GROUP'S PRIMARY PERFORMANCE MEASURES

	2021	2020
Adjusted gross profit, SEK M		
Gross profit	13,580	14,722
<i>Add-back of:</i>		
Depreciation, amortization and write-downs of tangible and non-acquired intangible assets	813	1,017
Other items affecting comparability	–	135
Adjustment for write-downs included in other items affecting comparability	–	–
Adjusted gross profit	14,392	15,874
Adjusted EBITDA, SEK M		
Operating profit/loss (EBIT)	4,371	4,784
<i>Add-back of:</i>		
Depreciation, amortization and write-downs of tangible and non-acquired intangible assets	1,542	1,973
Amortization and write-down of acquired intangible assets	273	494
Other items affecting comparability	473	59
Acquisition and restructuring costs	95	177
Adjustment for write-downs included in other items affecting comparability and restructuring costs	–	–
Adjusted EBITDA	6,754	7,487
EBITA, SEK M		
Operating profit/loss (EBIT)	4,371	4,784
<i>Add-back of:</i>		
Amortization and write-down of acquired intangible assets	273	494
EBITA	4,643	5,278
Adjusted EBITA, SEK M		
Operating profit/loss (EBIT)	4,371	4,784
<i>Add-back of:</i>		
Amortization and write-down of acquired intangible assets	273	494
Other items affecting comparability	473	269
Acquisition and restructuring costs	95	177
Adjustment for write-downs of acquired intangible assets included in other items affecting comparability and restructuring costs	–	–
Adjusted EBITA	5,212	5,724
Adjusted EBIT, SEK M		
Operating profit/loss (EBIT)	4,371	4,784
<i>Add-back of:</i>		
Other items affecting comparability	473	300
Acquisition and restructuring costs	95	177
Adjusted EBIT	4,939	5,261
Net debt/equity ratio, multiple		
Net interest-bearing debt, SEK M	3,609	7,509
Equity, SEK M	25,176	21,486
Net debt/equity ratio¹⁾	0.14	0.35

1) Net interest-bearing debt in relation to equity.

ADJUSTED EBITA PER SEGMENT

	Acute Care Therapies	Life Science	Surgical Workflows	Group functions and other	Total
Adjusted EBITA, 2021, SEK M					
Operating profit (EBIT)	3,685	702	369	-386	4,371
<i>Add back of:</i>					
Amortization and write-down of acquired intangible assets	229	25	19	–	273
Other items affecting comparability	529	–	-56	–	473
Acquisition and restructuring costs	1	2	58	35	95
Adjusted EBITA	4,444	729	390	-351	5,212
Other items affecting comparability, 2021, SEK M					
Provision related to surgical mesh implants	601	–	–	–	601
Capital gain on divestment of properties	-72	–	–	–	-72
Other	–	–	-56	–	-56
Total	529	–	-56	–	473
Adjusted EBITA, 2020, SEK M					
Operating profit (EBIT)	5,312	337	-489	-375	4,784
<i>Add back of:</i>					
Amortization and write-down of acquired intangible assets	454	26	14	–	494
Other items affecting comparability	3	30	236	–	269
Acquisition and restructuring costs	62	0	113	2	177
Adjusted EBITA	5,831	393	-127	-374	5,724
Other items affecting comparability, 2020, SEK M					
Write-down of R&D	73	29	108	–	210
Impairment of receivables	55	–	7	–	62
Write-down of inventories	38	1	92	–	131
Reversed unutilized provision	-183	–	–	–	-183
Other	20	–	29	–	49
Total	3	30	236	–	269

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The list includes significant operating Group companies

Definitions

Financial terms

Adjusted EBIT: Operating profit (EBIT) with add-back of acquisition and restructuring costs and other items affecting comparability.

Adjusted EBITA: EBITA with add-back of acquisition and restructuring costs and other items affecting comparability.

Adjusted EBITDA: EBITDA with add-back of acquisition and restructuring costs and other items affecting comparability.

Adjusted earnings per share: Adjusted net profit for the year attributable to Parent Company's shareholders in relation to average number of shares.

Adjusted gross profit: Gross profit with add-back of depreciation, amortization and write-downs and other items affecting comparability.

Adjusted net profit: Net profit for the year with add-back of amortization and write-down of acquired intangible assets, acquisition and restructuring costs, other items affecting comparability and tax effect of add-back of income statement items.

Adjusted profit before tax: Profit before tax with add-back of amortization and write-down of acquired intangible assets, acquisition and restructuring costs and other items affecting comparability.

Capital goods: Durable products that are not consumed when used.

Cash flow after net investments: Cash flow from operating activities and investing activities, excluding acquisitions and divestment of operations.

Cash flow per share: Cash flow from operating activities divided by the average number of shares.

Consumables: Products that are continuously consumed as well as service, spare parts and similar items.

Currency transaction effect: Exchange of current year's volumes of foreign currency at this year's exchange rates, compared with the exchange rates in the preceding year.

Dividend yield: Dividend in relation to the market share price on December 31.

Earnings per share: Net profit for the year attributable to Parent Company's shareholders in relation to average number of shares.

EBIT: Operating profit.

EBITA: Operating profit (EBIT) with add-back of amortization and write-down of acquired intangible assets.

EBITDA: Operating profit (EBIT) with add-back of amortization, depreciation and write-downs.

EBITDA margin: EBITDA in relation to net sales.

EBITA margin: EBITA in relation to net sales.

Equity/assets ratio: Equity in relation to total assets.

Equity per share: Equity in relation to the number of shares at the end of the period.

Gross margin: Gross profit in relation to net sales.

Interest-coverage ratio: Adjusted EBITDA in relation to net interest.

Items affecting comparability: Comprises acquisition and restructuring costs and other items affecting comparability. Other items affecting comparability are significant revenue/expenses that impact comparability between accounting periods. These items include, but are not limited to, write-downs, disputes and major gains and losses attributable to divestments of assets or businesses.

Net debt/equity ratio: Net interest-bearing debt in relation to equity.

Operating capital: Average total assets with add-back of cash and cash equivalents, other provisions, accounts payable and other non-interest-bearing liabilities.

Operating margin: Operating profit (EBIT) in relation to net sales.

Organic change: A financial change adjusted for currency, acquisitions and divestment of operations.

P/E ratio: Share price (final price) in relation to earnings per share.

Return on equity: Profit after tax in relation to average equity.

Return on operating capital: Adjusted EBIT in relation to operating capital.

Medical terms

Artificial grafts: Artificial vascular implants.

Cardiopulmonary: Pertaining or belonging to both heart and lung.

Cardiovascular: Pertaining or belonging to both heart and blood vessels.

DPTE®-BetaBag: A bag that ensures contamination-free transfer of components.



ECMO: Extracorporeal membrane oxygenation, meaning oxygenation outside the body through a membrane. Put simply, a modified cardiac and respiratory machine that exchanges oxygen and carbon dioxide, like an artificial lung.

Endoscope: Equipment for visual examination of the body's cavities, such as the stomach.

Endovascular: Vascular treatment using catheter technologies.

Extracorporeal life support: Oxygenation of the patient's blood outside the body (extracorporeal) using advanced medical technology.

Hemodynamic monitoring: Monitoring the balance between blood pressure and blood flow.

Low temperature sterilization: A device used to sterilize surgical instruments which cannot be sterilized with high temperature steam. It is mainly used for instruments used in the minimal invasive and robotic surgery.

NAVA: Neurally Adjusted Ventilatory Assist (NAVA) identifies the electric activity that activates the human diaphragm and using these signals adapts the ventilation to the patient's respiratory rhythm.

Perfusionist: Medically trained person which operates the heart-lung machine during surgery.

Stent: A tube for endovascular widening of blood vessels.

Sterilizer: A device to eliminate microorganisms on surgical instruments, usually by high temperature with steam.

Vascular intervention: A medical procedure conducted through vascular puncturing instead of using an open surgery method.

Ventilator: Medical device to help patients breath.

Geographic areas

Americas: North, South and Central America.

APAC: Asia and Pacific.

EMEA: Europe, Middle East and Africa.

Annual General Meeting and Nomination Committee

Annual General Meeting

The Annual General Meeting will take place on April 26, 2022 at 11:30, in the Congress Hall, Hotel Tylösand, Halmstad. Detailed information about participation and postal voting is available at the company's website, www.getinge.com/us/about-us/corporate-governance/general-meetings/annual-general-meeting-2022/

Registration

Shareholders wishing to participate at the Annual General Meeting should:

- Be registered in the shareholders' register kept by Euroclear, not later than April 14, 2022
- Inform the company of their intention to participate not later than April 20, 2022

Shareholders may register in the following ways:

- Getinge's website: www.getinge.com
- By conventional mail to:
Getinge AB (publ)
"AGM 2021"
c/o Euroclear Sweden AB
Box 191, SE-101 23 Stockholm, Sweden

- By telephone: +46 (0) 10 335 08 18 (weekdays 09:00–16:00)

Shareholders who wish to participate in the Annual General Meeting by postal vote should cast their postal vote in accordance with instructions available at Getinge's website, www.getinge.com/us/about-us/corporate-governance/general-meetings/annual-general-meeting-2022/

Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee through a bank or other nominee must be entered in their own name in the shareholders' register maintained by Euroclear Sweden AB not later than April 14, 2022 in order to be entitled to participate at the AGM. Shareholders must inform the nominees well in advance of this date.

For shareholders represented by agents power of attorney must be issued, which should be sent before the meeting. A power of attorney form can be downloaded via www.getinge.com/us/about-us/corporate-governance/general-meetings/annual-general-meeting-2022/

The one who representing legal entity must show certified copy of registration certificate or equivalent authorization documents showing authorized signatory.

Nomination Committee

Getinge's interim reports for the third quarter of 2021 contained instructions for shareholders on how to proceed to submit proposals to Getinge's Nomination Committee and how to propose motions to be addressed at the Annual General Meeting.

Dividend

The Board of Directors and CEO propose that a dividend of SEK 4.00 (3.00) per share, a combined total of SEK 1,089 M (817), be paid for 2021. The proposed record date is April 28, 2022. Euroclear is expected to distribute the dividend to shareholders on May 3, 2022.

Financial information

Updated information on, for example, the Getinge share and corporate governance is available on Getinge's website www.getinge.com.

The Annual Report, year-end report and interim reports are published in Swedish and English and are available for download at: www.getinge.com.

A printed copy of the Annual Report can also be ordered at www.getinge.com.

Financial information

Preliminary dates for financial information are as follows:

- April 26, 2022: Interim report January–March 2022
- April 26, 2022: Annual General Meeting
- July 19, 2022: Interim report, January–June 2022
- October 19, 2022: Interim report January–September 2022
- February 1, 2023: Year-end report 2022
- March 2023: 2022 Annual Report

Reading guide and distribution policy

Reading guide

- The Getinge group is referred to as Getinge in the Annual Report.
- Figures in parentheses pertain to operations in 2020, unless otherwise specified.
- Swedish kronor (SEK) is used throughout.
- Millions of kronor are abbreviated SEK M.
- All figures pertain to SEK M, unless otherwise specified.
- For practical reasons, numbers are not rounded off in the Annual Report therefore it can occur that notes and tables do not sum up.
- Information provided in the Annual Report concerning markets, competition and future growth constitutes Getinge's assessment based on both external information and material compiled internally.

Distribution policy

The Annual Report is available for download at www.getinge.com. A printed version of the report can also be ordered from the website. The decision not to automatically send a printed version to the company's shareholders is based on the ambition to reduce Getinge's negative impact on the environment.

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