

REMUNERATION REPORT

In accordance with the Swedish Companies Act Chapter 8(53 a) below, a report on remuneration to Board members, the CEO and the Deputy CEO (the Report). Remuneration to board members over and above-board fees is also covered in this report, where applicable. The report describes how the guidelines for remuneration to senior executives for Careium, adopted by an Extraordinary General Meeting of Careium's former parent company, Doro AB, in November 2021, were applied in 2021. The report also contains information on remuneration to the CEO. The report has been prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board.

Rules on remuneration to senior executives and on incentive programs

Further information about remuneration to senior executives can be found in Note 5 (Employees and staff costs) on pages 64–65 in the 2021 annual report. Information about the work of the remuneration committee during 2021 can be found in the corporate governance report on pages 43–44 of the 2021 annual report. Board fees are not covered by this report. Such fees are decided annually by the Annual General Meeting and are disclosed in note 5 on pages 64–65 of the 2021 Annual Report. The CEO summarises the company's overall performance in his report on pages 9-10 of the 2021 Annual Report. The main purpose of the Report is to give shareholders the opportunity to form an opinion on how the guidelines have been applied with regard to such remuneration as is covered by the guidelines in accordance with Chapter 8(51) of the Swedish Companies Act, that is guidelines for salary and other remuneration to board members, the managing director and the deputy managing director. The principles and the governance model for remuneration are set out in the Policy, which states that remuneration must be in line with the company's business strategy, long-term interests and sustainability, and that it must ensure the avoidance of conflicts of interest. It may be noted that CEO Carl-Johan Zetterberg Boudrie still holds this position, and that no Deputy CEO has been registered.

Excerpts from the policy are marked with “” below, followed by a statement in figures with comparative material;

“The guidelines promote the company's business strategy, longterm interests and sustainability In order for Careium successfully to implement the company's business strategy, as described on the company's website, and to safeguard the company's long-term interests, including its sustainability, the company needs to be able to recruit, retain and continue to motivate qualified employees. The remuneration to senior executives and employees within Careium must reflect the individual's performance, behavior and responsibilities, both in the short and the long term. When assessing the performance of the CEO and the group management, in relation to a number of predetermined, well-defined goals (individual, departmental and team-related), Careium applies a structured process in order to assess performance accurately. This process takes into account not only “what” is delivered, but also “how” it is delivered, i.e. performance in combination with behaviour. Decisions regarding the payment of remuneration should only be made on the basis of the guidelines set out in policies and instructions. Discrimination relating to factors such as race, gender, age, religion or ethnicity is not permitted under any circumstances.

The remuneration to senior executives and employees normally consists of:

- Fixed basic salary
- Short-term variable remuneration paid in cash (key individuals)
- The potential to participate in long-term incentive plans (key individuals) and
- Pension and other customary benefits

Tabel 1 – Total remuneration to the CEO in 2021 (SEK thousand)*

CEO	Fixed Remuneration	Variable remuneration	Other benefits	Pension costs	Total compensation	Share of fixed or variable remuneration **
Carl-Johan Zetterberg Boudrie	193.5	0	10.6	72.9	277	100/0

**The table shows compensation that amounts to the year 2021, from 1 December 2021.*

*** Pension costs (column 4), which relate in their entirety to Basic salary and are defined contribution, have been recognised in full as fixed remuneration*

The fixed basic salary should consist of a fixed annual cash salary corresponding to remuneration for the role and the position. The size of the remuneration is influenced by: the complexity of the work, responsibility, performance, local market conditions and the way in which it contributes to achieving the business goals. As the fixed salary should reflect the performance of the employee, it is individual and differentiated.

A fixed term, variable remuneration must be based on the achievement of predetermined targets, and the variable remuneration must have a predetermined ceiling. The outcome must be linked to measurable targets (qualitative, quantitative, general and individual). No remuneration can be paid if there is no clear link to the achievement of the targets. In the case of financial targets, the assessment must be based on the latest financial information published by the company.

A short-term programme with variable salary aims to safeguard the company's long-term sustainability, and a maximum cost including social security contributions for variable remuneration may not exceed the fixed remuneration of the company's senior executives.

Terms and conditions for variable salary must be designed in such a way that the Board of Directors has the potential to limit or refuse to pay variable salary if such a measure is deemed reasonable. Such remuneration must not exceed an amount corresponding to 30 percent of the fixed annual salary and must not be paid more than once per year per individual for a member of the group management, with the exception of the CEO, who may receive up to 50 percent. Decisions regarding such remuneration must be made by the Board of Directors following a proposal by the Remuneration Committee.

Additional variable cash remuneration may be paid in extraordinary circumstances, provided that such extraordinary arrangements are for a limited time period and are only made at an individual level, either for the purpose of recruiting or retaining employees, or as remuneration for extraordinary work over and above the person's regular duties.”””

The board's view is that the total remuneration to the CEO is in accordance with the company's guidelines. The remuneration contributes to the company's long-term results by being market-based and founded on predetermined targets. The CEO's remuneration is a consequence of the achievement of measurable goals (qualitative, quantitative, general and individual). These goals are set out in the Policy and the process presented therein, in accordance with the follow-up and assessment thereof carried out by the board of directors. During the period, the company has not recovered any variable remuneration. The company's process regarding the payment of variable remuneration is such that payment is only made following verification that the relevant targets have been achieved but provides the potential for recovery if a situation arises that brings the issue to the fore.

Excerpts from the policy

““Preparation and decision-making process A remuneration committee exists within the board of

directors. The committee's duties include preparing principles for remuneration to the group management and for the board's decision regarding proposed guidelines for remuneration to senior executives. New guidelines will be drawn up at least every four years and be submitted for a decision at the annual general meeting. The guidelines always apply until new guidelines have been adopted by the general meeting. The remuneration committee will also follow and evaluate programmes for variable remuneration to the group management, the application of guidelines for remuneration to senior executives and applicable remuneration structures and remuneration levels within the company. The CEO's remuneration will be determined within the framework of approved principles by the board of directors following preparatory work and a recommendation by the remuneration committee. The CEO's decision regarding remuneration to other senior executives will be made within the framework of established principles and following reconciliation with the remuneration committee. The members of the remuneration committee are independent in relation to the company and the group management. The CEO or other members of the group management, to the extent that they are affected by the issues, are not present during the board's discussion of and decisions on remuneration-related matters.

Departures from the guidelines

The board may decide to temporarily suspend the guidelines in whole or in part if, in an individual case, there are special reasons for doing so and a deviation is necessary to satisfy the long-term interests of the company, including its sustainability, or to ensure the company's financial viability. As stated above, it is part of the remuneration committee's task to prepare the board's decisions on remuneration issues, which includes decisions on deviations from the guidelines.””

Malmö, March
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Board of Directors