

# Remuneration report

In accordance with Chapter 8, Section 53 a, of the Swedish Companies Act, below a report is presented on the 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 of Careium, adopted by the Annual General Meeting of Careium in April 2022, were applied in 2023. The report also contains information on remuneration to the CEO, Christian Walén. 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 59-60 of the 2023 Annual Report. Information about the work of the remuneration committee during 2023 can be found in the corporate governance report on pages 39-41 of the 2023 Annual Report. Board fees are not covered by this report. Such fees are adopted annually by the Annual General Meeting and are disclosed in Note 5 on pages 59-60 of the 2023 Annual Report. The CEO summarises the company's overall performance in his report on pages 9-10 of the 2023 Annual Report. The main purpose of the Report is to give shareholders the opportunity to form an opinion of how the guidelines have been applied with regard to the remuneration covered by the guidelines in accordance with Chapter 8, Section 51, of the Swedish Companies Act, i.e. guidelines for salary and other remuneration to Board members, CEO and Deputy CEO. 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 can be noted that interim CEO Maria Khorsand left her position in March 2023 and was replaced by CEO Christian Walén. The Company has not registered any deputy CEO.

*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, long-term 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, behaviour 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

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.

**TABLE – TOTAL REMUNERATION TO THE CEO IN 2023 (SEK thousand)\***

CEO	Fixed compensation**	Variable compensation	Other benefits	Pension costs	Total Compensation	Proportion of fixed/variable compensation
Christian Walén	1 743	410	21	493	2 667	85/15

\* The table reports compensation paid for the period 27 March – 31 October 2023, as well as the decided not yet paid bonus for the financial year 2023. During 1 January – 27 March 2023 Maria Khorsand acted as interim CEO on a consulting basis. She received a consulting fee of SEK 1,154 thousand during the year.

\*\* Adjusted for length of service, the remuneration to the CEO has decreased by 33 per cent.

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 remuneration must be designed in such a way that the Board has the option to limit or refuse to pay variable remuneration if such a measure is deemed reasonable. Such remuneration may not exceed an amount equivalent to 30 per cent of the fixed annual salary, and may 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 per cent. 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.<sup>1</sup>

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***

The Board prepares principles for remuneration to the Group management and decides on proposals for guidelines for remuneration of 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 remuneration of the CEO will be decided within the framework of approved principles by the Board. The CEO's decision regarding remuneration to other senior executives will be made within the framework of established principles and following reconciliation with the Board. 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 full 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.<sup>2</sup>

Malmö, March 2024

Careium AB (publ)  
The Board