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## BOARD OF DIRECTORS IN CELLAVISION AB (PUBL) ACCOUNT OF THE REMUNERATION COMMITTEE'S EVALUATION OF REMUNERATION TO SENIOR EXECUTIVES

According to the Swedish Code of Corporate Governance (the "Code"), the Board of Directors of a company whose shares are listed on a regulated market must set up a Remuneration Committee whose task is to prepare the Board's decision on matters regarding remuneration principles, remuneration and other terms of employment for the company management. Furthermore, the Remuneration Committee has the task of monitoring and evaluating ongoing and completed programs for variable remuneration for senior management during the year, as well as following and evaluating the application of the guidelines for remuneration to senior executives that the Annual General Meeting decides by law. In addition, the Remuneration Committee must follow and evaluate current remuneration structures and remuneration levels in the company.

The Board has appointed a remuneration committee consisting of Sören Mellstig (chairman), Åsa Hedin and Christer Fåhraeus.

The Remuneration Committee has discussed the guidelines set by the 2019 Annual General Meeting regarding remuneration to senior executives, as well as the company's remuneration structures and remuneration levels, including incentive programs. Furthermore, a proposal has been drawn up for reporting on the remuneration committee's evaluation work.

In its work, the Remuneration Committee has taken into account that the company must have the remuneration levels and terms of employment required to recruit and retain a management with good competence and capacity to achieve set goals and that the overall principle for salary and other remuneration to senior executives should be market-based. .

In 2017, the Board of Directors decided on a long-term cash-based incentive program for senior executives. The outcome of the program was dependent on how the annual average growth of the company's earnings per share developed. The maximum remuneration was based on the annual average growth of the company's earnings per share during the period 1 January 2017 - 31 December 2019 amounted to at least 15%. At the maximum outcome, the company's costs were estimated to amount to SEK 2.6 million (excluding social security contributions), based on the fact that nine senior executives participate in the incentive program. The conditions were largely achieved and a total of SEK 2.5 million (excluding social costs) was paid out in 2020.

In 2018, the Board of Directors decided on a further long-term cash-based incentive program for company management, as stated below. The outcome of the program depends on how the annual average growth in the company's earnings per share is developed. The maximum remuneration is paid if the annual average growth of the company's earnings per share during the period 1 January 2018 - 31 December 2020 amounts to at least 15%. At the maximum

outcome, the company's costs for the incentive program are estimated to amount to SEK 2.9 million (excluding social security contributions), based on the fact that nine senior executives participate in the incentive program. In order to find out the outcome of the incentive program, the senior executive must be employed by the company as of December 31, 2020. Any payment will be made in 2021.

In 2019, the Board of Directors decided on a further long-term cash-based incentive program for company management, as stated below. The outcome of the program depends on how the annual average growth in the company's earnings per share is developed. The maximum remuneration is paid if the annual average growth of the company's earnings per share during the period 1 January 2019 - 31 December 2021 amounts to at least 15%. At the maximum outcome, the company's costs for the incentive program are estimated to amount to SEK 3.2 million (excluding social security contributions), based on the fact that nine senior executives participate in the incentive program. In order to know the outcome of the incentive program, the senior executive must be employed by the company as of December 31, 2021. Any payment will be made in 2022.

In addition to the above-mentioned programs, management was entitled to a certain bonus, provided that certain targets regarding operating income and sales as well as certain individual targets were reached in 2019. The targets were set by the Board. The bonus that applied to management during 2019 was calculated, at unchanged salary level and size of management group, a total cost of a maximum of SEK 2.4 million per year (excluding social costs). The conditions were met to a great extent in 2019 and a total of SEK 2.1 million (excluding social costs) was paid out in 2020.

The Remuneration Committee has found that the guidelines for remuneration to senior executives have been followed during the year and that the company's remuneration structures and levels are market-based and appropriate.

Lund in May 2020

**Cellavision AB (publ)**

The Board of Directors