

Proposal by the Board of Directors regarding guidelines for executive remuneration

These principles for remuneration shall apply to Attendo's executive management. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting 2020. These guidelines do not apply to any remuneration decided or approved by the general meeting.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

Attendo's business strategy, in short, is to provide and develop high-quality care, mainly by the establishment of care homes in own operations. Attendo's offer includes care services for elderly people, people with disabilities, social psychiatry and care for individuals and families.

Care is highly important to customers, relatives, employees, as well as the society as a whole. The demographic trend indicates a sharp increase in the population aged 85+ in Attendo's markets in the next 15 years. For a company like Attendo, the key for long-term success is the ability to provide high and stable quality with satisfied customers, well-supported relatives and with competent and committed employees.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the executive management a competitive total remuneration.

Performance criteria for variable remuneration and the company's business strategy

Long-term share-related incentive programs have been implemented in the company. Such programs have been resolved by the general meeting and are therefore excluded from these guidelines. The long-term share-related incentive programs proposed by the Board of Directors for approval by the Annual General Meeting 2020, including one directed to the executive management, are excluded for the same reason.

The performance criteria used to assess the outcome of the long-term share-related programs are distinctly linked to the business strategy and thereby to the company's long-term value creation, including its sustainability. At present, these performance criteria comprise long-term financial results (EBITA) and the programs are conditional upon a holding period of several years. For more information regarding outstanding incentive programs, including the criteria which the outcome depends on, please see note K5 in the Annual report 2019.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

Types of remuneration, etc.

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one or several years. For the CEO, the variable cash remuneration may amount to not more than 75 per cent of the total fixed cash salary under the measurement period for such criteria. The variable cash remuneration to other members of the executive management may amount to not more than 50 per cent, correspondingly.

Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 25 per cent of the fixed annual cash salary and may not be paid more than once each year per individual.

Furthermore, Attendo shall, in order to promote a personal long-term interest in Attendo's development, be able to pay cash remuneration to executive management in relation to acquisitions of shares or share-related instruments under long-term incentive programs, in addition to the maximum variable remuneration in accordance with these guidelines (and any extraordinary remuneration as set out above). Each such payment shall not exceed 25 percent of the fixed cash remuneration during the period for such incentive programs.

Any resolution on remuneration as described in the sections above shall be made by the Board of Directors based on a proposal from the compensation committee.

For the CEO, pension benefits, including health insurance (Sw: sjukförsäkring), shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. For other executives, pension benefits, including health insurance, shall be premium defined unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary. Variable cash remuneration shall qualify for pension benefits to the extent required by mandatory collective agreement provisions.

Other benefits should be on market terms and contribute to the executives' ability to fulfill the employment duties and may include, for example, life insurance, medical insurance (Sw: sjukvårdsförsäkring) and company car. Such benefits may amount to not more than 25 per cent of the fixed annual cash salary.

Termination of employment

The notice period may not exceed twelve months if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the CEO's fixed cash salary for two years, and one year for other executives. The period of notice may not to exceed six months without any right to severance pay when termination is made by the executive.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed executive is not entitled to severance pay. The remuneration shall be based on the fixed cash salary at the time of termination of employment.

Criteria for awarding variable cash remuneration, etc.

The variable cash remuneration shall be linked to predetermined and measurable criteria, which can be financial or non-financial. They may also be individualized, quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development. Criteria for variable cash remuneration should be based on financial targets (for the group and the respective business areas, as appropriate), as well as measurable quality, customer satisfaction and employee satisfaction. At least 60 percent of the variable cash remuneration should be subject to shareholder value based criteria. The criteria for variable cash remuneration are based on the most important and

measurable prerequisites for the long-term success of Attendo, as described above, and thereby contribute to the company's business strategy, long-term interests and sustainability.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/ determined when the measurement period has ended. The compensation committee is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the compensation committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a compensation committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The compensation committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The members of the compensation committee are independent of the company and its executive management. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the compensation committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Information on remuneration resolved but not yet due / Information on derogations from the remuneration guidelines resolved by the annual general meeting 2019

For information on remuneration resolved but not yet due, please see note K5 in the Annual report for 2019. No derogations from the guidelines resolved by the Annual General Meeting have been noted during 2019.