



*The English text is an unofficial translation of the Swedish original.*

*In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

# Remuneration report 2022

## Introduction

This report describes how the guidelines for executive remuneration of Attendo AB (publ), adopted by the annual general meeting 2020, were implemented in 2022. The report also provides information on remuneration to the CEO and a summary of the company's outstanding share-related and share price-related incentive plans. The report has been prepared in accordance with the Swedish Companies Act and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Further information on executive remuneration is available in note C5 (Information on Board members, senior executives and employees) on pages 80-82 in the English language version of the annual report 2022. Information on the work of the compensation committee in 2022 is set out in the corporate governance report available on page 49 in the English language version of the annual report 2022.

Remuneration 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 C5 on page 80 in the English language version of the annual report 2022.

## Key developments 2022

### Overall company performance in 2022

The CEO summarizes the company's overall performance in his statement on pages 10-13 in the English language version of the annual report 2022.

### New remuneration system from 2021

Prior to 2021, Attendo's CEO and Executive Management were remunerated in the form of a combination of fixed salary and variable cash remuneration. The variable cash remuneration could amount to a maximum of 8 monthly salaries (67 percent of the fixed salary) for the CEO and a maximum of 6 monthly salaries (50 percent of the fixed salary) for the other members of the Executive Management. The precondition for payment of the variable cash remuneration was that Attendo achieved targets related to quality and customer satisfaction, employee satisfaction and financial results.

In 2021, the Board resolved to abolish the system with variable cash remuneration to the CEO and Executive Management. Variable cash remuneration has been replaced with a gradual increase of the fixed salary of 20 percent, in total, over two years (10 percent per year during 2021 and 2022, respectively).

From 2022, the CEO and Executive Management participate in both of the company's long-term incentive programs, which are further described below.



## The company's remuneration guidelines: scope, purpose and deviations in 2022

### Remuneration and sustainable value creation

A prerequisite for the successful implementation of Attendo's business strategy and safeguarding of its long-term interests is that the company can recruit and retain qualified personnel. To this end, the company must offer competitive remuneration.

Attendo's business strategy is based on sustainable value creation through Attendo's proven care model. The strategy rests on two guiding objectives: To create conditions for a higher quality of life for every single person in Attendo's care, and to be a preferred partner to public payors. Attendo thus integrates sustainability into its business strategy and guiding objectives. A central part of Attendo's strategy for sustainable care is our quality work. This includes the important ambition to create well-being and meaning in everyday life and to be a leader in customer satisfaction. For this reason, Attendo's long-term performance share program is linked to goals regarding customer satisfaction. This is intended to contribute to a strong quality and customer focus and provide a clear link between long-term incentives and the company's sustainability work.

### Application of the remuneration guidelines

The remuneration guidelines adopted by the general meeting enable the company to offer executives a competitive total remuneration. Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The guidelines are included in full on pages 66-66 in the English language version of the annual report 2022. As set out above, the board resolved in 2021 to no longer use the possibility of variable cash remuneration.

The remuneration guidelines, adopted unanimously by the annual general meeting 2020, have been fully applied in 2022. No deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made. The auditor's report regarding the company's compliance with the guidelines is available on [www.attendo.com/corporategovernance](http://www.attendo.com/corporategovernance). No remuneration has been reclaimed.

In addition to remuneration covered by the remuneration guidelines, the annual general meetings of the company have resolved to implement long-term share-related incentive programs.



**Table A – Total remuneration of the CEO in 2022 (kSEK)**

Ksek	1						2a			2b			3			4			5			6		
	Fixed remuneration						Variable remuneration***			Share related remuneration****			Extraordinary items			Pension expense			Total remuneration			Proportion of a) fixed, b) variable and c) share related remuneration ****		
	2022		2021		2020		2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020	2022	2021	2020
Base salary*	Other benefits**	Base salary*	Other benefits**	Base salary*	Other benefits**																			
CEO and president	9,774	92	8,707	110	7,723	128	-	-	2,587	1,025	894	158	-	-	-	2,889	2,574	2,295	13,780	12,285	12,891	a) 93%	a) 93%	a) 79%
																						b) 0%	b) 0%	b) 20%
																						c) 7%	c) 7%	c) 1%

\* Fixed salary (base salary) includes annual leave pay.

\*\* Other benefits mainly include company car.

\*\*\* The system with variable cash remuneration was abolished in 2021. Reported variable remuneration for 2020 includes both the accrued cost for short-term variable remuneration and vested subsidies for acquisitions of call options and warrants. From 2021, vested subsidies for acquisitions of instruments in the company's long-term incentive programs are accounted as share-based payments as such subsidies are part of the programmes. Variable cash remuneration for 2020 was earned as a result of achieved targets regarding quality and customer satisfaction as well as employee satisfaction (not financial results), which was paid in 2021. The CEO Martin Tiv us decided to donate the variable remuneration that was paid to him to Attendo for use for employee purposes.

\*\*\*\* Share related remuneration includes forecasted outcome of long-term incentive programmes, calculated in accordance with IFRS 2 and expensed during the year. As set out above, vested subsidies for acquisitions of investments in the company's long-term incentive programs are accounted as share-based payments from the year 2021.

## Share based remuneration

### Outstanding share and share-price related incentive programs

**Warrant programs: investment in warrants that give right to subscribe for new shares, if the share price develops well**

The annual general meetings 2020-2022 have resolved to adopt long-term incentive programs to senior executives in the Attendo Group based on warrants. The programs entail that the participants have been offered to acquire warrants at market value, calculated in accordance with the Black & Scholes valuation formulae.

The CEO's investment in the respective programs as well as the conditions for the programs are set out in the tables below.

Participant	Number of warrants		
	2022/2026*	2021/2024**	2020/2025***
Program			
CEO	300,000	140,000	158,730
Other Executive Management	350,000	305,340	127,302
Other	-	-	41,027
<b>Total number of issued warrants</b>	<b>650,000</b>	<b>445,340</b>	<b>327,059</b>

\* Each warrant entitles to subscription of one new share in Attendo, during the two-week period from the day of publication of the interim report for the period 1 January- 30 June (Q2) 2025, 1 January-30 September (Q3) 2025, 1 January-31 December (Q4) 2025 and during the two-week period from the day of publication of the interim report for the period 1 January – 31 March (Q1) 2026.

\*\* Each warrant entitles to subscription of one new share in Attendo, during the two-week period from the day of publication of the interim report for the period 1 January – 31 March (Q1) 2024 and during the two-week period from the day of publication of the interim report for the period 1 January – 30 June (Q2) 2024.

\*\*\* Each warrant entitles to subscription of one new share in Attendo, during the two-week period from the day of publication of the interim report for the period 1 January – 31 March (Q1) 2023, 2024 or 2025 and during the two-week period from the day of publication of the interim report for the period 1 January – 30 September (Q3) 2023, 2024 or 2025.



Warrants	Market value (at acquisition), SEK
Warrant program 2022/2026	3.56
Warrant program 2021/2024	4.12
Warrant program 2020/2025	6.30

Assumptions in market valuation*			
Program	2022/2026	2021/2024	2020/2025
Share price	24.92	41.63	39.91 SEK
Volatility	30	30	29%
Risk free interest rate	1.58	-0.26	-0.23%
Exercise price, calculated in accordance with the terms established by the general meeting	29.90	50.20	49.90

\* Valuation according to Black & Scholes by independent audit firm.

Attendo shall, according to the resolutions by the general meeting, subsidize the option premium paid by the participants for the acquisition of warrants, in order to facilitate and promote a personal long-term interest in Attendo for senior executives, in accordance with the company's guidelines for remuneration. The subsidy shall correspond to approximately 50 percent of the option premium, post-tax, in the form of a cash payment to be paid 24 and 36 months, respectively, after the subscription date (with 50 percent at each of the respective dates).<sup>1</sup>

#### **Share performance programs: possibility to receive shares in Attendo, if financial and sustainability related conditions are met**

The annual general meetings 2020- 2022 have also resolved to adopt performance based long-term incentive programs to senior executives and key employees in the Attendo group. These programs entail that the participants are granted, free of charge, performance-based share awards that entitle to shares in Attendo, after three years, subject to the participants still being employed and that the performance conditions for the programs are fulfilled. The CEO is not a participant in share performance program 2020 or 2021. These programs are further described in note C5 on page 82 in the English language version annual report.

The CEO (and other members of the Executive Management) participate in the company's performance share program from 2022. Performance share program 2022/2025 comprises a maximum of 500,000 shares and is directed to Executive Management, including the CEO, and approximately 50 other key employees.

Ordinary allotment of share awards to the CEO in the program corresponds to a maximum of three monthly salaries.<sup>2</sup> At the time of publication of the remuneration report, the outcome in the performance share program 2022 is known (see further below in table C). The sustainability related performance condition, i.e. quality (customer satisfaction), was reached for Attendo Finland. As a result, the CEO has a right to 17,534 shares (corresponding to 0,65 monthly salaries), to be received in 2025 subject to continued employment.

<sup>1</sup> Participants residing in Finland may be granted a higher subsidy if that is needed to achieve a tax position corresponding to the one of participants residing in Sweden.

<sup>2</sup> Executive Management, including the CEO, were, in the 2022 program, entitled to double ordinary allocation, as part of the transition from the old remuneration system with variable remuneration.



### Call options issued by Nordstjernan

Attendo's principal owner, Nordstjernan, has during 2018 and 2019, respectively, issued call options to certain senior executives and key employees in Attendo. In total 875,815 options were issued in 2018, and in total 739,725 options were issued in 2019. The options may be exercised 3-5 years from the time of the acquisition. The investment in the options which were acquired in 2018 was subsidized by Attendo with approximately 50 percent of the option premium, post-tax (up to an established maximum amount), which was paid in 2020 and 2021.

The CEO has invested in a total of 1,083,892 call options. The subsidy to the CEO for the investment in call options in 2018 corresponded to approximately 14 percent of the option premium post-tax.

### Application of performance criteria for variable compensation

As set out above, the Board resolved to abolish the system with variable cash remuneration to the CEO and Executive Management in 2021. See above and the Board's remuneration report for 2021 for a full description of the previous remuneration structure and the structure applied for 2021 onwards.

### Table C - Performance of the CEO in the reported financial year: share-based incentives

Performance share program 2020 had targets based on EBITA for the financial year 2022. The CEO did not participate in this program.

The CEO (and other members of the Executive Management) participate in the company's performance share program 2022. Ordinary allotment of share awards to the CEO in the program corresponds to a maximum of three monthly salaries.<sup>3</sup> The terms and conditions for this program are set out below.

Name of director (position)	Name of plan	1	2	3
		Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance and b) actual award / remuneration outcome
CEO and president	Performance share program 2022/2025	a) Lease adjusted EBITA for Attendo Finland and Attendo Scandinavia, respectively, in 2022 b) Quality (Customer satisfaction 2022/2023)	a) 75% b) 25%	N/A*

\* Program is still running. At the time of publication of the remuneration report, the outcome in the performance share program 2022 (criteria a) and b) above) is known. The sustainability related performance condition, i.e. quality (customer satisfaction), was reached for Attendo Finland. As a result, the CEO has a right to 17,534 shares (corresponding to 0,65 monthly salaries), to be received in 2025 subject to continued employment.

<sup>3</sup> Executive Management, including the CEO, were, in the 2022 program, entitled to double ordinary allocation, as part of the transition from the old remuneration system with variable remuneration.



## Comparative information on the change of remuneration and company performance

**Table D – Remuneration and company performance (absolute numbers in kSEK) and change (%)**

	2019***	2020***	2021***	2022***
CEO remuneration	11,067	12,891 (+16%)	12,285 (-5%)	13,780 (+12%)
Group operating profit (EBITA)*	812,000	797,000 (-2%)	836,000 (+5%)	674,000 (-19%)
Average remuneration on a full time equivalent basis of employees of the parent company	3,250	3,273 (+1%)	3,311 (+1%)	3,773 (+14%)
Average remuneration on a full time equivalent basis of employees** of the group	427	396 (-7%)	399 (+1%)	411 (+3%)

\* Operating profit (EBITA) is used as a performance measure because it shows the development of operating activities without the effect of amortisation and impairments of intangible assets from acquired companies and independently of financing. Operating profit (EBITA) refers to profit before amortisation of acquisition-related intangible assets, financial items and tax. Operating profit (EBITA) is excluding items affecting comparability.

\*\* Excluding members of the group Executive Management.

\*\*\* Reported figures, i.e. including effects from IFRS16.