

N.B. This is an unofficial English translation

Account by the Board of Directors of the Remuneration Committee's evaluation of remuneration to senior executives

The Board of Directors of Handicare Group AB (publ) has established a Remuneration Committee consisting of three members of the Board of Directors: Lars Marcher (Chairman), Joakim Andreasson and Christina Lindstedt. The Remuneration Committee shall monitor and evaluate the company's programmes for variable salary to the executive management. Further, the Remuneration Committee shall monitor and evaluate the application of the remuneration guidelines for senior executives resolved on by the Annual General Meeting as well as current remuneration structures and levels of remuneration.

The Remuneration Committee has evaluated the company's programs for variable salary and presented the results of this evaluation to the Board of Directors. The variable salary is deemed appropriate and in accordance with market terms, although it also is considered that a continuation of the performance based long-term incentive program adopted at the 2019 Annual General Meeting could contribute to a further strengthening the company's long-term development. Therefore, the Remuneration Committee has recommended the Board of Directors to propose that the 2020 Annual General Meeting resolves to adopt a new performance based long-term incentive program based on the same principles as the long-term incentive program that was adopted at the 2019 Annual General Meeting.

In addition, the Remuneration Committee has evaluated the application of the remuneration guidelines adopted for senior executives. The Remuneration Committee concludes that these have been complied with. In consideration of this, the Remuneration Committee, in its assessment, has found that the current structures and levels of remuneration are appropriate. The Remuneration Committee considers Handicare's remuneration guidelines for senior executives to accurately reflect the link between the remuneration to the senior executives and Handicare's results, taking into account sustainability aspects. However, the proposal for remuneration guidelines for senior executives to be adopted at the 2020 Annual General Meeting has been updated for to more clearly describe the remuneration structures and how the remuneration structures promote Handicare's business strategy, long-term interests and sustainability, in accordance with the recently updated rules of the Swedish Companies Act (Sw. *aktiebolagslag (2005:551)*) relating to remuneration guidelines.

Apart from this, the Remuneration Committee has made the assessment that the current structures and levels of remuneration for the senior executives are in accordance with market terms, well balanced and well functioning.

This account has been prepared pursuant to the Swedish Corporate Governance Code.

Stockholm, April 2020
Handicare Group AB (publ)
Board of Directors