

---

# THE BOARD OF DIRECTOR'S REMUNERATION REPORT FOR THE FINANCIAL YEAR 2021

## INTRODUCTION

This report describes how the guidelines for remuneration of executive management in RaySearch Laboratories AB (publ), as adopted by the 2021 Annual General Meeting, were implemented in 2021. The report also provides information on remuneration of the CEO. The report has been prepared in accordance with the Swedish Companies Act and the *Rules on Remuneration of the Board and Executive Management and on Incentive Programmes* issued by the Swedish Corporate Governance Board.

The Board has considered establishing a remuneration committee, but has decided to handle the remuneration committee's tasks within ordinary Board work. This means that the entire Board, excluding the CEO, fulfills the tasks that come before a remuneration committee. Information about the Board's work on these issues can be found on page 83 of the 2021 Annual Report.

Further information on the remuneration of executive management is available in Note 5 (Employees, personnel costs and remuneration of senior executives) on pages 60–61 of the 2021 Annual Report. Remuneration of the Board of Directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and such information is disclosed in Note 5 on page 61 of the 2021 Annual Report.

## THE COMPANY'S DEVELOPMENT DURING 2021

A summary of the company's overall performance and development is presented in the letter from the CEO on pages 4–5, and in the multi-year overview on page 42 of the 2021 Annual Report.

## THE COMPANY'S REMUNERATION GUIDELINES: SCOPE, PURPOSE AND DEVIATIONS

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability work, is that the company can recruit and retain qualified personnel. To this end, the company must offer competitive remuneration. The company's remuneration guidelines enable the company to offer executives competitive total remuneration.

Under the remuneration guidelines, the remuneration of executive management shall be on market terms and may consist of the following components: fixed remuneration, variable remuneration (bonuses), pension terms, and other benefits. The variable cash remuneration shall be linked to predetermined and measurable financial or non-financial criteria. They may be individualised, quantitative or qualitative objectives. The criteria shall be designed 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 promotion of the executive's long-term development.

The guidelines can be found on pages 36–37 of the 2021 Annual Report. In 2021, the company complied with the applicable remuneration guidelines adopted by the Annual General Meeting. No deviations from the guidelines were made and no deviations from the procedure for implementation of the guidelines were made. The auditor's report on the company's compliance with the guidelines will be available on the company's website (<https://www.raysearchlabs.com/investor/corporate-governance/annual-general-meeting/>) no later than three weeks prior to the 2022 Annual General Meeting. No remuneration of executive management was reclaimed by the company.

## REMUNERATION OF THE CEO

**TABLE 1 – TOTAL REMUNERATION OF THE CEO IN THE 2021 FISCAL YEAR (KSEK)**

Name of Director (position)	1 Fixed remuneration		2 Variable remuneration		3	4	5	6
	Base salary <sup>1</sup>	Other benefits <sup>2</sup>	One-year variable <sup>3</sup>	Multi-year variable	Extraordinary items	Pension benefits <sup>4</sup>	Total remuneration	Proportion of fixed and variable remuneration, % <sup>4</sup>

Johan Löf (CEO)	5,980	471	0	-	-	539	6,990	100% fixed
-----------------	-------	-----	---	---	---	-----	-------	------------

<sup>1</sup> Base salary includes holiday pay.

<sup>2</sup> Mainly company car, the remaining part refers to medical insurance and meal benefits.

<sup>3</sup> Variable remuneration refers to bonuses attributable to 2021. In 2022, 100% of variable remuneration will be paid. No variable remuneration has been paid attributable to the 2021 fiscal year.

<sup>4</sup> Pension benefits, which in their entirety are premium defined, have been reported as fixed remuneration in their entirety.

#### REMUNERATION OF BOARD MEMBER OUTSIDE BOARD ASSIGNMENT

In addition to his role as Chairman of the Board, Lars Wollung had one advisory assignment related to revenue recognition in 2021. He was paid a fee of SEK 1 M excluding VAT for this consultancy assignment in addition to his ordinary Board fee.

#### SHARE-BASED REMUNERATION

The company has not decided to introduce any long-term share or share price-related incentive programs.

#### ANNUAL PROFIT-BASED REMUNERATION AND APPLICATION OF PERFORMANCE CRITERIA

The variable cash remuneration shall be linked to predetermined and measurable criteria whose fulfillment shall be measured annually. The performance criteria for the CEO's variable remuneration have been selected to deliver on the company's strategy and to encourage behavior that is in the long-term interest of the company, including sustainability. In the selection of performance criteria, the strategic objectives as well as short-term and long-term business priorities for 2021 have been taken into account.

According to the guidelines, the criteria for variable remuneration shall be related to the Group's earnings before tax and the outcome shall be based on the most recently published annual report by the company. The remuneration has a one-year performance and vesting period and for the CEO, variable remuneration may be paid with a maximum of 12 fixed monthly salaries per year.

**Table 2 – Performance of the CEO in the reported fiscal year: variable cash remuneration**

Name of director (position)	The name of the program	1 Description of the criteria related to the remuneration component	2 Relative weighting of the performance criteria	3
				a) Measured performance and b) actual award/remuneration outcome
Johan Löf (CEO)	Annual profit-based remuneration	Earnings before tax (EBT) for the RaySearch Group 2021	100%	a) 0% b) KSEK 0

#### COMPARATIVE INFORMATION ON CHANGES IN REMUNERATION AND COMPANY PERFORMANCE

**Table 3 – Changes in remuneration and company performance over the past three fiscal years (KSEK)**

	2021	2021/2020	2020/2019
REMUNERATION OF THE CEO	6,990	+387 KSEK (+6%)	-1,139 KSEK (-15%)
Consolidated operating profit	-53,341 KSEK	--49 875 KSEK (-1,439%)	-71,635 KSEK (-105%)
Group average remuneration on a full-time equivalent basis of employees <sup>1</sup>	KSEK 845	-16 KSEK (-2%)	KSEK -90 (-9%)

<sup>1</sup> Excluding members of Group management. The remuneration consists of base salary, holiday pay, other benefits, variable remuneration and pension benefits, which corresponds to the components included in the CEO's remuneration (Table 1). Total remuneration has been divided by the number of full-time equivalents in the Group, excluding Group management, in order to receive the average remuneration.

**Stockholm, April 2022**  
**RaySearch Laboratories AB (publ)**  
**The Board of Directors**