

Remuneration report 2020

Introduction

This report describes how the guidelines for executive remuneration of Abliva AB, adopted by the annual general meeting 2020, were implemented in 2020. The report also provides information on remuneration to the CEO. 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 11 (Employees and personnel costs) on pages 54-56 in the annual report 2020. Information on the work of the remuneration committee in 2020 is set out in the corporate governance report available on pages 27-30 in the annual report 2020.

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 11 on page 55 in the annual report 2020.

Key developments 2020

The CEO summarizes the company's overall performance in his statement on page 4-5 in the annual report 2020.

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, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. The company's remuneration guidelines 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 remuneration, variable remuneration, other benefits and pension. The variable remuneration shall be based on the outcome of predetermined financial and operational targets. Variable remuneration shall be based on the fulfilment of the company's targets for project results and value growth divided in personal targets for the financial year. The terms and conditions and basis of computation of variable remuneration shall be determined for each financial year. The targets promote the company's business strategy, long-term interests and sustainability by linking the remuneration to senior executives to the company's project- and growth development.

The guidelines are found on pages 31-32 in the annual report 2020. During 2020, the company has complied with the applicable remuneration guidelines adopted by the general meeting. 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 <https://abliva.com/investors/corporate-governance/>. No remuneration has been reclaimed.

Table 1 – Total CEO remuneration in 2020 (KSEK)

	1		2		3	4	5	6
	Fixed remuneration		Variable remuneration					
Name of director (position)	Base Salary*	Other Benefits**	One-year variable	Multi year variable	Extraordinary items	Pension expense	Total remuneration	Proportion of fixed and variable remuneration***
Erik Kinnman, CEO	2,265	6	661	-	-	482	3,414	81/19

* Including holiday pay of KSEK 28.

** Travel allowance

***Pension expense (column 4), which in its entirety relates to Base salary and is premium defined, has been counted entirely as fixed remuneration.

Application of performance criteria

The performance measures for the CEO's variable remuneration have been selected to deliver the company's strategy and to encourage behavior which is in the long-term interest of the company. In the selection of performance measures, the strategic objectives and short-term and long-term business priorities for 2020 have been taken into account. The non-financial performance measures further contribute to alignment with sustainability as well as the company values.

Table 2 - Performance of the CEO in the reported financial year: variable remuneration

Name of director (position)	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance and b) actual award/ remuneration outcome
Erik Kinnman, CEO	Project results and value growth	100%	a) 70% b) 661 KSEK

Comparative information on the change of remuneration and company performance

Table 3 – Change of remuneration and company performance over the last five reported financial years (RFY) (KSEK)*

	2020 vs 2019	RFY 2020
CEO remuneration	+300 (+10%)	3,414
Group operating profit	+17,006 (-22%)	-59,994
Average remuneration on a full time equivalent basis of employees*** of the parent company	-160 (-22%)	560

*As this document is the first produced remuneration report, the below table only entails information for financial year 2020 and in relation to 2019.

**Excluding members of the group executive management

Incentive program

The company does not have any outstanding shares or share price related incentive programs.