

Sectra AB (PUBL), 556064-8304

## **The Board's presentation of the Remuneration Committee's evaluation of remuneration of senior executives**

The Board of Directors of Sectra AB has established a Remuneration Committee consisting of the Chairman of the Board, Jan-Olof Brüer, who is also the Chairman of the Committee, and Christer Nilsson. The main task of the Remuneration Committee is to prepare the Board's decisions on matters pertaining to principles for remuneration to the President and the company management, remuneration and other terms of employment for the President, and the guidelines for remuneration of the senior executives that the Annual General Meeting (AGM) is legally obliged to establish. Remuneration and other terms of employment for senior executives directly subordinate to the President are decided on by the President in accordance with the salary policy established by the Board and the guidelines adopted by the AGM.

The Remuneration Committee's tasks are also to:

- monitor and evaluate all programs for variable remuneration of company management.
- monitor and evaluate the application of the guidelines for remuneration of senior executives that the AGM is legally obliged to establish, as well as the current remuneration structures and levels in the company.

The Remuneration Committee presented its evaluation at a Board meeting on June 30, 2020. Based on the Committee's report, the Board hereby submits the following presentation of the evaluation and assessment in accordance with the Code, Rule 9.1, second and third points.

In 2019/2020, the Remuneration Committee monitored and evaluated programs for variable remuneration of senior executives, incentive programs that are both ongoing and ended during the year, and the application of the guidelines for remuneration of senior executives. In its evaluation, the Remuneration Committee found that these were appropriate. Additionally, the Remuneration Committee concluded that the remuneration received by senior executives in 2019/2020 was in line with the guidelines adopted by the AGM, and that these guidelines, in light of the described outcome, served their purpose well and functioned as intended. The Remuneration Committee therefore assesses that the application of the guidelines for remuneration of senior executives has been correct. In addition, the Remuneration Committee has monitored and evaluated the remuneration structures and levels in the company for senior executives, whereby the Committee considers these competitive and well-balanced.

Linköping, June 30, 2020

Sectra AB

The Board of Directors