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THE BOARD'S REPORT OF THE COMPENSATION COMMITTEE'S EVALUATION OF REMUNERATION TO SENIOR EXECUTIVES

The Board has, since the annual general meeting 2012, established a committee to carry out the tasks of a compensation committee under the Swedish Corporate Governance Code. The committee's tasks include monitoring and evaluation of variable remuneration programmes for senior executives, the application of the company's guidelines for remuneration to senior executives as well as current remuneration structures and levels within the company.

The Board hereby presents the following report of the committee's evaluation, in accordance with rule 10.3 in the Swedish Corporate Governance Code.

The committee takes the view that the company's guidelines for remuneration to senior executives resolved by the annual general meeting 2019 have fulfilled their purposes, worked well and been applied in a correct manner. Moreover, the committee considers the company's remuneration structures and levels to be well-balanced and in accordance with market practice.

The annual general meeting 2016 adopted a long-term performance based incentive programme (LTI 2016). The annual general meetings of 2017, 2018 and 2019 adopted equivalent programmes (LTI 2017, LTI 2018 and LTI 2019). In 2019 and under the terms of LTI 2016 17,000 shares were transferred directly to the participants and 152,400 shares were sold on Nasdaq Stockholm by Concentric on behalf of the participants.

Delivery of shares will be made no later than October 2020 under LTI 2017, no later than October 2021 under LTI 2018 and no later than October 2022 under LTI 2019. The committee notes that the outcome of the programmes is dependent upon the value of the company's shares on the market and that the conditional right to exercise the performance stock options is dependent upon the criteria specified in the annual general meeting's resolution on the respective program. Detailed information on all of the company's outstanding incentive programmes can also be found in the annual report.

Concentric AB (publ)
The Board of Directors