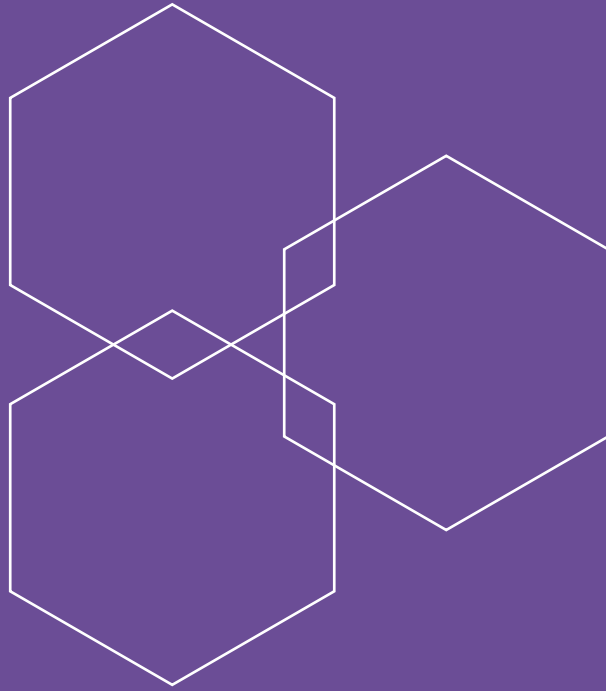


Remuneration report **2020**



Introduction

This report describes how the guidelines for executive remuneration of OssDesign AB were implemented in 2020. The report also provides information on remuneration to the CEO and a summary of the company's outstanding share-related and share-related and share price-related incentive plans. The report has been prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board's *Rules on Remuneration to the Board and Executive Management and on Incentive Programs*.

Further information on executive remuneration is available in note 5 (Salaries and remuneration to employees) on page 63 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 5 on page 63 in the annual report 2020.

Key developments 2020

The CEO summarizes the company's overall performance in his statement on page 6 in the annual report 2020.

The company's remuneration guidelines: scope and purpose

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 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 a competitive total remuneration. Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The variable cash remuneration shall be linked to financial or non-financial criteria. They may be individualized, 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 promote the executive's long-term development.

Share-based remuneration

The company has one employee stock option program and three warrant programs. The current CEO, Morten Henneveld, does not participate in any of these programs at present. The previous CEO, Anders Lundqvist, continues to participate in the warrant program 2019/2022:1. Participation in any of the three warrant programs has been funded by the participants themselves at fair market value. None of the programs contains any performance requirement. No stock options or warrants have been granted during 2020.

Due to the above, the Company concludes that, by definition, there is no participation in any incentive program to be disclosed in this remuneration report. Further information on all incentive programs is available in note 7 (Share-related remuneration) on page 64 in the annual report 2020.

Variable remuneration

The variable remuneration is linked to one or more predetermined and measurable criteria, which can be financial, such as net sales, or non-financial, such as qualitative targets. The criteria have been selected to realise the Company's strategy and to encourage actions that are in the Company's long-term interest. By linking the targets, in a clear and measurable way, to the Company's financial and operational development, they contribute to the implementation of the Company's business strategy, as well as the Company's short- and long-term development, including its sustainability.

Total CEO remuneration in 2020 (TSEK)

Name of director, position	Fixed remuneration		Variable remuneration				Total remuneration	Proportion of fixed and variable remuneration***
	Base salary	Other benefits*	One-year variable**	Multi-year variable	Extra-ordinary items	Pension expenses		
Morten Henneveld, CEO	1 000	21	1 250	0	0	263	2 534	51/49
Anders Lundqvist, prev CEO	2 202	93	0	0	0	369	2 664	100/0

* Benefit of company car

** Including sign-on bonus (not paid out)

*** Pension expense which in its entirety relates to Base salary and is premium defined has been counted entirely as fixed remuneration

Performance of the CEO in the reported financial year

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
Morten Henneveld, CEO	Acquisition incl funding against a defined target	30%	a) N/A (100%) b) TSEK 180
	Net sales against a defined target	25%	a) TSEK 24 872 (100%) b) TSEK 150
	Non-financial targets	45%	a) N/A (100%) b) TSEK 270

Change of remuneration and company performance over the last five reported financial years (FY) (TSEK)

Annual change	FY 2016 vs FY 2015	FY 2017 vs FY 2016	FY 2018 vs FY 2017	FY 2019 vs FY 2018	FY 2020 vs FY 2019	FY 2020
Directors' remuneration						
CEO remuneration*	+187 (11%)	+130 (+7%)	+159 (+8%)	+1 121 (+51%)	+1 861 (+56%)	5 198
Group Net sales	+1 270 (+43%)	+3 487 (+83%)	+5 581 (+73%)	+3 610 (+27%)	+7 999 (+47%)	24 872
Group Operating Profit	-13 715 (-61%)	-5 037 (-14%)	-8 760 (21%)	-33 381 (-67%)	-408 (0%)	-83 934
Average remuneration on a full time equivalent basis of employees**	+10 (+2%)	+37 (+7%)	+274 (+48%)	+40 (+5%)	-12 (-1%)	868

* CEO and prev CEO 2020 (incl severance pay)

** excl CEO and other senior executives as per the Annual Report