

*The English text is a translation of the Swedish original version. In the event of a conflict between the English and the Swedish texts the Swedish text shall prevail.*

**Report by the board of directors on the remuneration committee's evaluation of remuneration to senior executives, etc.**

The board of directors of Coor Service Management Holding AB has established a remuneration committee, comprising of Mats Granryd (chairman) and Kristina Schauman and Monica Lindstedt. Since the annual general meeting on May 2, 2019, the committee has held three meetings at which minutes were kept, with informal contacts between these meetings when necessary.

The remuneration committee's main tasks are to prepare the board's decisions on issues concerning principles for remuneration, remunerations and other terms of employment for the senior executives, monitor and evaluate programs for variable remuneration, both ongoing and those that have ended during the year, for the senior executives, and monitor and evaluate the application of the guidelines for remuneration that the annual general meeting is legally obliged to adopt, as well as the current remuneration structures and levels in the company.

As set forth in rule 10.3 of the Swedish Corporate Governance Code, the board of directors hereby gives the following report on the results of the evaluation by the remuneration committee. The report covers the period after the annual general meeting on May 2, 2019 at which the presently applicable guidelines were adopted.

The remuneration committee is of the opinion that the adopted guidelines for remuneration to senior executives have been applied in a correct manner, and that the guidelines have fulfilled their objectives and functioned well. Moreover, the committee considers the company's remuneration structures and levels to be in line with market practice and well-balanced. In relation to variable remuneration, the committee notes that the company during 2018 has implemented a share-price related long-term incentive program (LTIP program) consisting of performance shares and call options and 2019 has implemented a LTIP program consisting of performance shares only. The committee has in its evaluation found that the incentive programmes serves as good complements to the current variable remuneration program. The committee will therefore propose that a new such program, LTIP 2020, consisting of performance shares, is adopted by the AGM 2020.

---

Stockholm in February 2020

**Coor Service Management Holding AB (publ)**

*The board of directors*