

Remuneration Report

In accordance with the Swedish Companies Act, Chapter 8, Section 53 a below a report on remuneration to board members, the CEO and the deputy CEO (the Report). Any remuneration to board members in addition to board fees is also covered by this report, if applicable. The report describes how the guidelines for remuneration to senior executives for Doro AB, adopted by the 2021 Annual General Meeting, were applied during 2021. The report also contains information on remuneration to the CEO and a summary of the Company's outstanding share and share price-related incentive programmes. The report has been prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board.

Rules on remuneration to senior executives and on incentive programmes

Further information on remuneration to senior executives can be found in Note 5 (Employees and personnel costs) on pages 58–59 in the Annual Report for 2021. Information about the remuneration committee's work during 2021 can be found in the Corporate Governance Report on page 36 in the Annual Report for 2021. Board fees are not covered by this report. Such fees are decided annually by the Annual General Meeting and are reported in Note 5 on page 58 in the Annual Report for 2021.

DEVELOPMENT IN 2021

The CEO summarises the Company's overall results in their report on pages 9–10 in the Annual Report for 2021.

The main purpose of the Report is to give shareholders the opportunity to form an opinion on how the guidelines have been applied with regard to such remuneration as is covered by the guidelines in accordance with the Swedish Companies Act, Chapter 8, Section 51, that is guidelines for salary and other remuneration to board members, the CEO and the deputy CEO.

Principles and governance model for remuneration are set out in the Policy, which states that remuneration must be in line with the Company's business strategy, long-term interests and sustainability and that it must ensure that conflicts of interest are avoided.

In connection with the special listing of Careium, Doro appointed Jörgen Nilsson as the new CEO and Group President. Former President Carl-Johan Zetterberg Boudrie left Doro and went on to become CEO and Group President of the separately listed company Careium. No Deputy CEO is registered.

At the 2021 Annual General Meeting, Victor Saeijs was appointed as a board member. At the Extraordinary General Meeting on 22 November 2021, which decided on the issue of all shares in Careium AB, the members elected by the

Annual General Meeting, Lennart Jacobsen, Cecilia Ardström and Towa Jexmark, and the employee representative Mona Sahlberg resigned as board members. It was resolved that the Board would consist of three members and the AGM resolved to re-elect Henri Österlund, Juha Mört and Victor Saeijs. Henri Österlund was elected Chair of the Board. Fredrik Löthgren was appointed as an employee representative.

EXCERPT FROM THE POLICY IS MARKED WITH "" BELOW AND THEN FOLLOWS A DESCRIPTION IN FIGURES WITH COMPARATIVE MATERIAL;

""The guidelines' promotion of the Company's businessstrategy, long-term interests and sustainability

In order for Doro successfully to implement the Company's business strategy described on the website and the safeguarding of the Company's long-term interests, including its sustainability, the Company

must be able to recruit and retain and continue to motivate qualified employees.

Remuneration to senior executives and employees of Doro Group shall in both the short and long term reflect the individual's performance, behaviour and their responsibilities. When assessing the performance of the CEO and the Group CEO, in relation to a number of predetermined well-defined goals (both individually, departmentally and for a group), Doro applies a structured process to be able to correctly assess performance. This process not only takes into account "what" is delivered but also "how" it is delivered, that is performance in combination with behaviour. Decisions on the payment of compensation shall only be made, based on the guidelines set out in policies and instructions. Discrimination related to factors such as race, gender, age, religious or ethnicity is not permitted under any circumstances.

TABLE 1 – TOTAL REMUNERATION TO THE CEO 2021 (SEK THOUSAND)*

CEO	Fixed remuneration	Variable remuneration	Pension cost	Other benefits	Total remuneration	Share of fixed or variable remuneration**
Carl-Johan Zetterberg Boudrie	2,779	1,271	741	112	4,903	74/26
Jörgen Nilsson	135	31	37	12	215	63/14

* The table presents remuneration payable in 2021. This applies regardless of whether or not payment has been made in the same year.

** Pension costs (column 4), which relate in their entirety to Basic salary and are defined contribution, have been recognised in full as fixed remuneration.

REMUNERATION REPORT

Remuneration to senior executives and employees normally consist of:

- Fixed base salary
- Short-term variable remuneration paid in cash (key personnel)
- The opportunity to participate in long-term incentive plans (key people) and
- Pension and other customary benefits

The fixed base salary shall consist of a fixed annual cash salary that corresponds to a remuneration for the role and position. The size of the remuneration is affected by: the complexity of the work, responsibilities, performance, local market conditions and in what way it contributes to achieving the business goals. Because the fixed salary must reflect the performance of the executive, it is individual and differentiated.”

It is noted that the CEO has not received any remuneration from another company within the same group.

Furthermore, it is noted that there was no deviation from the decision-making process prescribed in the guidelines for determining the compensation.

A fixed-term variable remuneration shall be based on the achievement of predetermined set targets and the variable remuneration shall have a predetermined ceiling. The result must be linked to measurable goals (qualitative, quantitative, general and individual). No remuneration can be paid if there is no clear connection to the goals being achieved. With regard to financial targets, the assessment shall be based on the most recently published financial information by the Company. A short-term pro-

gramme with variable pay aims to ensure the Company's long-term sustainability and a maximum cost including social security contributions for variable remuneration must not exceed the fixed remuneration to the Company's senior executives.

Conditions for variable salary must be designed so that the Board has the opportunity to limit or omit payment of variable salary if such a measure is deemed reasonable. Such remuneration may not exceed an amount corresponding to 30 percent of the fixed annual salary and may not be paid more than once a year and per individual for a member of Group Management, with the exception that for the CEO, this may amount to 50 percent. Decisions on such remuneration shall be made by the Board on the proposal of the Remuneration Committee.

Additional variable cash compensation may be paid in exceptional circumstances, provided that such extraordinary arrangements are limited in time and are only made at the individual level either for the purpose of recruiting or retaining executives, or as compensation for extraordinary work in addition to the person's ordinary duties.

The Board's view is that the total remuneration to the CEO is in accordance with the Company's guidelines. The remuneration contributes to the Company's long-term results in that it is market-based and that it is based on predetermined set goals. The CEO's remuneration is a consequence of the fact that measurable goals (qualitative, quantitative, general and individual) have been achieved. These goals are stated in the Policy and the process reported in it in accordance with the follow-up and as-

essment thereof carried out by the Board. During the period, the Company did not recover any variable remuneration. The Company's process with regard to the payment of variable remuneration is such that payment is made only after verification that the relevant goals have been achieved, but provides an opportunity for recovery, if a situation arises that raises the issue.

”Long-term incentive plans

These can be introduced for some of the Company's employees to create confidence in and commitment to the Group's long-term financial results. The establishment of a long-term incentive plan is proposed by the Board and decided at the Annual General Meeting.

The 2018 Annual General Meeting resolved on a new option programme and the issue of warrants (the “Option Programme set out on the website”). A total of no more than 1,000,000 warrants were proposed to be issued in the Option Programme, which includes senior executives and other employees. The right to subscribe for warrants was added to the wholly owned subsidiary Doro Incentive AB, for later transfer of the options to employees in the Group. The warrants were issued free of charge to Doro Incentive AB. Transfer of warrants to the participants has taken place at a price corresponding to the warrants' market value (that is the option premium) calculated according to the so-called Black & Scholes formula. The valuation of the options has been performed by independent valuation institutes or auditing companies.”

The option programme ended in November 2021. In connection with the

TABLE 2 – CHANGES IN REMUNERATION AND THE COMPANY'S RESULTS IN THE LAST FIVE REPORTED FINANCIAL YEARS (SEK THOUSAND)*

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021***
Remuneration to the CEO*	-1,071 (-22%)	+413 (-23%)	+1,555 (+37%)	-2,294 (-40%)	+769 (+22%)	4,185
Group operating profit	-47,517 (-50%)	+30,374 (+33%)	-10,242 (-8%)	-26,440 (-24%)	+33,063 (+39%)	118,725
Average remuneration based on the number of full-time equivalent employees in the parent company**	-17.8 (-3%)	-122.5 (-23%)	+14.2 (+3%)	-4.0 (-1%)	+58.1 (+14%)	479.3

* The remuneration excludes severance pay (for more information, see Note 5 in the annual report).

** Excluding members of the group management.

*** The result for 2021 is without discontinued operations.

TABLE 3 – SHARE OPTION PROGRAMME (CEO)

CEO	Programme	Period	Date of allocation	Share options at the beginning of the year	Change during the year	Share options at the end of the year
Carl-Johan Zetterberg Boudrie	2018-2021	2018-2021	2018-08-10	121,100	-121,100	0

*** The result for 2021 is without discontinued operations.

employees' exercise of warrants, a new issue of 327,932 shares was made as of 29 November 2021.

EXCERPT FROM THE POLICY

"" Preparation and Decision-Making Process

There is a remuneration committee within the Board and the committee's tasks include preparing principles for remuneration to Group Management and for the Board's decision on proposals for guidelines for remuneration to senior executives. New guidelines shall be drawn up at least every four years and submitted for resolution at the Annual General Meeting. The guidelines always apply until new guidelines have been adopted by the Annual General Meeting.

The Remuneration Committee shall also monitor and evaluate programmes for variable remuneration to Group Management, the application of guidelines for remuneration to senior executives and current remuneration structures and remuneration levels in the Company. The CEO's remuneration shall be decided within the framework of approved principles by the Board after preparation and recommendation by the Remuneration Committee. The CEO's decision on remuneration to other senior executives shall be made within the framework of established principles and following reconciliation with the Remuneration Committee. The members of the Remuneration Committee are independent in relation to the Company and Group Management. The CEO or other persons in Group Management, insofar as they are affected by the issues, do not attend the processing of and decisions on remuneration-related issues.

Deviation from the Guidelines

The Board may decide to deviate from the guidelines in whole or in part, if in an individual case there are special reasons for this and a deviation is necessary to satisfy the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, it is part of the remuneration committee's tasks to prepare the Board's decisions on remuneration issues, which includes decisions on deviations from the guidelines.""

It follows from the Swedish Companies Act Chapter 8, Section 52, second paragraph 6 that the guidelines for remuneration to senior executives must contain a description of the decision-making process applied to establish, review and implement the guidelines and what measures are taken to avoid or manage conflicts of interest. At the same time, the Board is given an opportunity under certain conditions that in accordance with the Swedish Companies Act Chapter 8, Section 53 if there is support for this in the guidelines, temporarily and in individual cases deviate from these. However, there has been no deviation from the guidelines or from the decision-making process. The auditor's opinion on the Company's compliance with the guidelines is available on the Company's website <https://www.doro.com/sv-se/corporate>.

In connection with a consideration at the Annual General Meeting of a previous report on remuneration, no comments have been made that give reason to provide any supplementary information or account of the Board's assessment in the Report.

