

The Board of Directors report on the result of the evaluation of remuneration to senior executives according to item 9.1 and 10.3 of the Swedish Corporate Governance Code

The Board of Directors of Starbreeze AB (publ) has established a Remuneration Committee. The Remuneration Committee shall follow and evaluate programs for variable remuneration for the company management, the application of guidelines for remuneration to senior executives, and the applicable remuneration structures and remuneration levels in the company.

In accordance with the Swedish Corporate Governance Code, the Remuneration Committee has evaluated the remuneration to the company's senior executives, which includes an evaluation of variable remuneration, the application of the guidelines for remuneration and other terms of employment to senior executives, which were decided by the Annual General Meeting 2019, and the applicable remuneration structures and remuneration levels in the company.

According to the Remuneration Committee's evaluation the current guidelines for remuneration to senior executives fulfill their purpose of recruiting and retaining senior executives, and the application of these guidelines has been appropriate, and the outcome of variable remuneration is in accordance with the objectives achieved.

Due to new EU rules on shareholders' rights that have been implemented through amendments to the Companies Act and the Swedish Corporate Governance Code, the remuneration guidelines in the Board's proposal differ from the guidelines adopted by the Annual General Meeting 2019.

Overall, the Board of Directors will continue to evaluate the remuneration structures and remuneration levels in the company.

Stockholm in May 2020
The Board of Directors of Starbreeze AB (publ)