

We drive  
*the future*  
of welfare

ANNUAL AND  
SUSTAINABILITY  
REPORT 2021



Humana





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The legal annual report is found on pages 13–32, 46–62, 67–68 and 71–103. Humana’s statutory sustainability report is on pages 13–32, 62 and 67–68. Humana also prepares a Sustainability Report according to the GRI Standards, Alternative Core, whose scope is defined on pages 112–114.



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## 01

## This is Humana

We drive *the future*  
*of welfare*

HUMANA IS THERE for people with functional impairment, psychosocial disorders and mental illness as well as for the elderly. Our vision is *Everyone is entitled to a good life.*

With assignments in hundreds of municipalities, 9,000 customers and clients, 18,000 employees and several hundred units in Sweden, Finland, Norway and Denmark, we play a significant role in Nordic welfare today.

Continuous development to maintain the highest quality is an essential aspect for us. Our work is based on the individual's circumstances and needs. Our care is grounded in scientific evidence and the best available know-how, and is provided by knowledgeable, dedicated employees.

Our ambition is to establish a new and higher standard of care – we want to drive the future of Nordic care and welfare!

*Everyone is entitled to a good life.  
Humana works to make this a reality.*





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# Humana – *Nordic* welfare provider



## Large provider of personal assistance

Humana provides personal assistance to individuals with functional impairments. The ambition is to give more people an opportunity to live a good life. Our customers are of all ages and can be found all over Sweden and Norway.



## Specialised services in individual and family care

Humana offers a range of care services that include housing, health care and treatment for individuals with psychosocial disorders and mental illness in Sweden, Norway, Finland and Denmark. We also offer housing with special service, both under contract and under our own management.



## Growing in elderly care

Humana provides elderly care through its high-quality homes for the elderly, both under its own management and under contract, in Sweden and Finland.

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Humana

Organised into five business areas<sup>1)</sup>



Operations in four countries<sup>1)</sup>



<sup>1)</sup>The diagram shows revenue breakdown. <sup>2)</sup>In Sweden.

**18,329** employees

**9,384** customers

**8,188** revenue, SEK million



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# Humana in 2021

## Opening of eleven new-built Humana homes

During the year, Humana opened five new-built elderly care homes, operated under own management. We have also started a further six new-built group homes.

- > [Read about Elderly Care on page 37](#)
- > [Read about Individual & Family on page 34.](#)



## Top-ranking sustainability

The Sustainability Brand Index 2021 ranked Humana as the most sustainable brand among healthcare providers in Sweden. "Sustainability is at the core of Humana, and we are pleased it has been noticed", says Maria Jansson, Sustainability Manager.

- > [Read about the sustainable strategy on pages 14–30.](#)



## Four acquisitions and more assistance customers

In 2021, four newly acquired businesses were welcomed into the Humana Group: three in individual and family care and one in personal assistance – all in Sweden. In Norway, the number of customers within the personal assistance market increased and made a positive contribution to organic growth.

- > [Read about Humana's offering on pages 33–40.](#)



## The pandemic still in focus

The challenges brought about by the Covid-19 pandemic continued within all of Humana's operations and countries in 2021. Despite this, the procedures for preventing the virus to spread, proved to be effective.

- > [Read about Quality operations and the response to the pandemic on page 17.](#)



### Key ratios

	2021	Vs 2020 (%)
Operating revenue, SEK million	8,188	5.0
Operating profit, SEK million	493	4.7
Operating margin, %	6.0	0
Profit for the year, SEK million	276	5.3
Operating cash flow, SEK million	785	0.8
Interest-bearing net debt, SEK million	4,226	20.4
Interest-bearing net debt/adjusted EBITDA, times	4.6	0.3
Average number of employees, full-time equivalents	10,996	3.8
Average number of customers	9,102	3.5

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# Strong performance and stability despite challenges

In 2021, Humana was able to demonstrate strength and adaptability as a leading Nordic care group. Managing the pandemic that continued to rage across the globe was an important aspect – especially the successful efforts to reduce the risk of infection for our residents and employees. But it was also a year in which we opened five new elderly care homes and six new group homes, made a number of important acquisitions, strengthened our quality organisation and intensified quality initiatives.

Every year has its milestones. I would like to highlight a few examples from 2021. I can state with pride that in early December we passed 1,000 flats at our elderly care homes. Hard work went into that, as during the year we completed and opened five new homes under our own management while entering several additional contracted operations. In the area of group homes, we reached close to 100 units in Sweden. For the first time in many years, 2021 saw a reasonable increase in the state reimbursement allowance for personal assistance. In addition, there are now political proposals in the assistance area that could give thousands more people the right to personal assistance in the future. Humana is equipped to help more people lead a good life.

Recruitment is becoming increasingly challenging, but the fact that we received almost 90,000 job applications in 2021 is proof that we are attractive as an employer – and this will be crucial for success as a care provider in the future.

### **Increasingly complex client needs altering demand**

More generally, I note that our contractors are seeking support for increasingly comprehensive and complex client needs. During the year we worked hard to restructure and quality-assure operations to meet this changing demand even more effectively in the coming years.

In the autumn, the National Board of Health and Welfare announced that it recommends one of the treatment methods for which Humana is a

method guarantor, namely TFCO, Treatment Foster Care Oregon for treatment families, as a method that all municipalities should have in their toolbox for young people at high risk of norm-breaking behaviour, such as criminality. The Swedish Agency for Health Technology Assessment and Assessment of Social Services, SBU, previously conducted a research study into TFCO with positive results, and the fact that the National Board of Health and Welfare now followed this up with a recommendation was thus a very positive announcement.

### **Focus on research**

Throughout my years in the care industry, I have learned the importance of continuous learning and ongoing improvement. Research and development are needed to achieve this over



*As the political rhetoric subsidies and care needs have to be met, Humana and other providers are standing ready with solutions to meet the challenges.*





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the long term. As the largest provider of individual and family care in the Nordic region, we have a responsibility to make a contribution. We do this in various ways, but we want to do more. In early 2022, it was announced that Humana will enter a collaboration with Linnaeus University on a research study of Humana's self-developed treatment method – IHF (Intensive Home-Based Family Treatment).

#### Expansion of quality initiatives

Humana's vision is to set a new and higher standard for Nordic care, and quality issues are naturally key to achieving this. In recent years we have become better at measuring quality and handling situations when things go wrong despite our best efforts, in order to reduce the risk of them happening again. The tragic event last summer in Hagfors in which a boy died affected the entire organisation and accelerated both the development and enhanced monitoring of the Group's systematic quality initiatives. Although everyone at Humana was deeply affected by the accident, it hit the boy's closest relatives hardest. Our thoughts continue to be with the boy, his parents, and relatives.

#### Focus on social and financial sustainability

There was a strong focus on sustainability in 2021, and rightly so. In the

  
*Our biggest contribution and impact in the area of sustainability relates, of course, to social and economic sustainability.*

public debate, much revolves around environmental and climate issues. Doing what we can to reduce our climate impact is, in my view, a hygiene factor. For Humana, this could involve building in an energy-efficient and climate-smart way, avoiding unnecessary travel and ensuring that our cars are climate-smart. Our biggest contribution and impact in the area of sustainability relates, of course, to social and economic sustainability. In short, Humana's raison d'être is social sustainability and contributing to societal development. We do this by helping individual clients and customers be the best versions of themselves every day and by making health and social care accessible that without our offering might not otherwise have been possible. We also create attractive jobs with decent conditions and a good working environment.

Proof of the fact that our sustainability initiatives are reaching people came in the spring when the Sustainable Brand Index for 2021 was presented. This is the largest independent brand study focused on sustainability in Europe and describes how consumers feel about a company's sustainability performance. It ranked Humana as the most sustainable brand in the health care providers category in Sweden for 2021.

#### Sincere thanks to all employees

I am extremely proud of what Humana achieved during the year. 2021 was a tough year, but despite this we made a great success of it. It goes without saying that we would never have succeeded without Humana's 18,000 fantastic employees. A heartfelt thank you to everyone from both me and former CEO Rasmus Nerman, whom I succeeded at the end of the year (17 December).

As I write this, it is March 2022. Russia has invaded Ukraine and we are nothing but shocked and follow the situation with with dismay.

Humana, which has extensive experience in helping vulnerable people, is now doing everything in its power to contribute by doing what we know best: offering those who are fleeing accommodation and support, finding more family-based care homes, recruiting employees with specific language skills and reviewing the possi-

bility of helping those who have fled to later find work within the care sector.

#### Humana offers solutions

I am both grateful and humbled to have been entrusted to take over the role of Group CEO after a few years in other positions within Humana.

Finally, I would like to take the opportunity to direct attention to the path ahead. The need for Humana's services is increasing, not least in light of increasing demographic and psychosocial challenges. Given there is very broad support for preserving and developing the Nordic welfare model, despite limited public resources, there is a need for providers who are able to deliver the necessary high-quality care services in an economically prudent way. As the political rhetoric subsides and care needs have to be met, Humana and other providers are standing ready with solutions to meet the challenges.

Everyone is entitled to a good life, and Humana does all it can to enable that.

Stockholm, 30 March 2022

**Johanna Rastad**  
*President and CEO*





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# 02

## Trends and *market*

The need for care in the Nordics is increasing, driven mainly by demographic factors and increasing psychosocial challenges in society. If the extensive needs and challenges in the Nordic welfare system are to be met, every provider – whether private, public or non-profit – will have to play a vital role.







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# Several trends are *driving demand* for care services

The need for care is increasing, which in turn is leading to an increase in the demand for innovative and cost-effective care services. Several underlying trends are driving this development.

## ► Demographic changes in the Nordics

The number of elderly people will increase dramatically over the next ten years. The reasons for this are better living conditions, medical advancements and a large population group born during the 1940s. This is greatly increasing the need for elderly care. However, the population at large is also growing, which on the whole means more people in need of care, e.g. within the framework of LSS. At the same time, the number of people of working age is not increasing to the same extent. A changed demographic composition in which there are fewer people to provide for greater numbers applies to all Nordic countries. However, there are certain differences. For example, due to more immigration of mostly younger people, Sweden's differing age distribution could mean better access to a workforce in areas like the health and social care professions.

Humana elderly care and special service housing operations are growing, so we will be able to meet some of the increased needs with our care facilities.

## ► A tougher social climate and mental health problems

Serious mental health problems have been increasing for many consecutive years now. To this can be added other major societal challenges such as gang criminality, honour-related violence and drug abuse, all of which lead to new care needs. Demand in the area of individual and family care has gradually shifted over the past few years, with both the number and proportion of clients with very complex problems increasing. The need for psychiatric and social care services will continue to be substantial – and likely will increase – while few municipalities are able to meet every psychosocial need since they often lack both breadth and expertise in the area.

Humana has considerable expertise in the individual and family area and enables more individuals to get the right help and support through its various care services. We work continuously on restructuring and quality assurance to adapt our operations to needs and developments in society.

## ► Greater demand for quality, specialisation and personalisation

More prosperity also means more demands on the welfare system, including expectations for high-quality care. One key trend that is changing the very foundations of care is the view of the individual and their right to participate in decisions about their own health and social care. Person-centred care represents a transition from a model in which the client is the recipient of a medical or social intervention determined by the care staff, to one in which an agreement is made with the client, often in collaboration with their family, for active participation in planning and implementation of the patient's own health and social care. The National Board of Health and Welfare has developed a working method called IBIC that entails basing help and support on individual needs, not on the existing selection of services. This is increasing the need for specialist interventions.

Today, Humana has one of the Nordic region's largest combined offerings of specialist expertise in mental health care and psychosocial change management.





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### ► Public finances under pressure and inadequate capacity

Municipalities are facing major financial challenges, especially in Sweden and Finland. For example, demand for, and the costs associated with, health and social care are rising, while tax revenues are not expected to increase at the same rate. The pandemic has also had a negative impact on the economy. So far, the state has compensated the municipalities to avoid them having to make massive cuts. However, if unemployment rates were to increase and tax revenues fall, pressure on both the state and municipalities would increase further.

Infrastructure in many municipalities has been neglected, and their property holdings are showing their age. There is an extensive need for more elderly care homes and housing for people with functional impairments. The other Nordics have similar needs. The municipalities will not be able to build and operate the care homes required. The need for innovative and cost-effective care will increase going forward.

Humana is contributing to this by building new elderly care homes and group homes for people with functional impairments. Humana's care services also contribute to healthy competition which saves the state and municipalities large amounts each year.

### ► Shortage of qualified health and social care staff

There is a great need for recruitment in the welfare system, and the lack of qualified care personnel is a growing problem in the Nordics. There is a great shortage of nurses with specialist skills, assistant nurses and treatment assistants.

During the remainder of the 2020s, the Swedish welfare system is expected to need to recruit several hundred thousand people, many of them to replace people retiring, but also to meet an increasing demand. The forecasts for Finland, Norway and Denmark are comparable. Ensuring access to skilled labour is crucial in terms of securing society's long-term ability to deliver the care that its citizens need and expect. Being an attractive employer will be critical for success in the care system of the future.

Humana has great potential for attracting employees with the right skills. Surveys show that Humana's employees are more motivated, more satisfied with their managers and healthier than care sector employees in general. In 2021, Humana received almost 90,000 job applications.

### ► Sustainability, digitalisation and technological innovation

The world expects all companies to take considerable responsibility for sustainability, and requirements are increasing continuously. Pressure is coming from all sides: legislators, contractors, customers and clients, banks, shareholders, investors and employees. The UN's Global Goals for Sustainable Development and the Paris Agreement have been two important catalysts, which have led, for instance, to the EU developing an action plan for sustainable finance that places high demands on investors and companies going forward.

The Covid-19 pandemic has accelerated digitalisation and driven alternative ways of working, even in the health and social care sector. Technological innovations and digital solutions have also resulted in many opportunities to bolster residents' and clients' independence and allow them to influence their own care.

Humana's vision and overarching objective encompass sustainability for individuals and society, and we run our operations based on a sustainable strategy.

Humana partners with technology and software companies and academia to implement new technology when constructing new elderly care and group homes and to implement new digital tools in our care operations.

### ► Politics and regulations

There is currently a public debate about profits within welfare in both Sweden and Norway. The issue was in focus in the Norwegian parliamentary elections during the autumn of 2021 and will be so again in the Swedish parliamentary elections. There is also a push for increased regulatory pressure on providers of care services, which could involve changes in staffing requirements, increased monitoring and changes in conditions.

Despite the political rhetoric surrounding profits within welfare, municipalities need private providers for both financial and logistical reasons. Increased regulations can be a challenge in the short term, but contribute to continued consolidation of the care market.

Humana has an ongoing dialogue with politicians and advocacy groups, and regularly acts as a consultation body. As a company, Humana welcomes a stronger focus on quality, social economics and long-term sustainability.



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# The need for *care* is increasing

The care sector is a vital component of the Nordic welfare system. An ageing population and various societal challenges are leading to greater demands for care services. The total care sector in the Nordics is worth approximately SEK 650 billion, with private providers accounting for SEK 165 billion. Market growth is expected to be stable or increasing and focus on quality and efficiency is expected to increase. These factors benefit major, serious providers such as Humana.

## Sweden

In 2021 elderly care continued to be impacted by the Covid-19 pandemic. Both occupancy rates and the availability of staff were negatively affected. However, there is still a substantial underlying need for elderly care.

The trend in personal assistance of fewer hours of assistance continued nation-wide. May 2021 saw the publication of the official government report entitled 'Expanded assistance', which proposes changes in legislation that would make more people eligible for more personal assistance. Even before the period of consultation had ended, the Minister for Health and Social Affairs announced that the government intended to proceed with all the proposed changes. Should this be the case, the market for personal assistance will grow in the coming years.

Demand for accommodation with special services and initiatives for children within individual and family care increased faster than in prior years and more than in other segments. The

pandemic is continuing to have a negative impact on children's and young people's mental health and although waiting times have decreased, qualified support initiatives do not suffice.

The Swedish care sector is expected to grow faster in the coming years than its equivalent in Finland and Denmark, and the private market share will also grow. Market consolidation continued in 2021.

Following the fall of the January agreement, the Social Democratic-led government has had to lean more towards the Left Party in terms of budget, which has somewhat increased the risk of market restrictions in the welfare sector. The political debate is intense when it comes to privately run care, but in practice it is difficult to see how the public sector could meet the needs of welfare services in a sufficiently effective way in the foreseeable future. To meet demand, all providers are needed.



<b>Market size</b>	SEK 260 billion (2020)
<b>Of which private providers</b>	26%
<b>Humana's position</b>	#1 in individual and family care as well as personal assistance. A growing provider in elderly care.
<b>Competitors</b>	Ambea, Attendo, Team Olivia, Norlandia, Frösunda

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## Finland

An ageing population and increasing mental health problems are significant health and social welfare issues in Finland too, which has led to an increase in demand for care services. Private providers are expected to continue to play an important role to reduce the gap between supply and demand.

Even though a small number of providers dominate the market, it is still fragmented, and there will probably be further consolidation going forward.

Several significant legislative reforms were introduced 2021. Finland’s health care reform, the SOTE reform, was finally approved in June. As of 2023, responsibility for health and social care in Finland will be transferred from the

municipalities to welfare counties. Staffing requirements within elderly care began to increase during the year.

Increased legislative requirements as regards staffing and specialist skills reduce the availability of qualified care staff. Recruitment initiatives and the ability to retain qualified staff are key factors for care providers. In Finland, the care market is also moving more and more towards greater participation, autonomy and freedom of choice for the individual along with more open forms of care.

## Norway

Norway has the lowest proportion of privately run care among the Nordic countries, and the debate about freedom of choice still polarises the political scene.

The care market stagnated during 2020, but is expected to grow more rapidly than the market in Sweden. During the pandemic, the greatest growth was seen in home care service and personal assistance. Demand for these services is expected to increase due to an ageing population, but also due to increasing mental health problems. The child social services segment decreased in 2020 but is expected to increase as an effect of the pandemic on child and youth mental health.

## Denmark

The Danish care system is primarily state-funded and highly centralised, which constrains private providers. The local elections in 2021 indicated that freedom of choice and market liberalisation are becoming even more relevant.

The market in Denmark has grown more slowly than in Sweden and Norway, and the ageing population is the main driver of demand. Growth is expected to accelerate up to 2025 against a background of increasing demand for home care service, elderly care and child social services.

Market size	SEK 100 billion (2019)
Of which private providers	43%
Humana’s position	#1–2 in individual and family care, #4 in elderly care
Competitors	Attendo, Mehiläinen, Esperio

Market size	SEK 154 billion (2020)
Of which private providers	15%
Humana’s position	#1 personal assistance #2–3 within individual and family care
Competitors	Stendi/Ambea, Ecura, Norlandia/Aberia Team Olivia

Market size	SEK 132 billion (2020)
Of which private providers	23%
Humana’s position	Minor provider
Competitors	Altiden/Ambea, Team Olivia





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# 03

## Sustainable *strategy*

Humana provides high-quality, cost-effective care to the Nordic welfare system. We govern activities using a sustainable strategy that focuses on quality, attractiveness as an employer, profitable growth and social responsibility. The strategy rests on strong core values.

Humana’s statutory sustainability report is on pages 13–32, 62 and 67–68. The sustainability report was prepared in accordance with the GRI Standards, Core option. The GRI Index can be found on pages 112–114.





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# Strategy for *sustainable care*

Humana’s vision and objective deal with sustainability at an individual and societal level. Sustainability is therefore an integral part of our strategy. Only by working with sustainability for our customers, employees and company, alongside the society, we can we achieve our goals.

Four strategic target areas, together with strong core values, steer Humana’s operations towards the vision that everyone is entitled to a good life.

### Customers – Quality operations

High quality is central to Humana’s strategy and operations. It is only when customers, clients and contractors feel that our care services are of a high standard that we are getting closer to the vision of everyone being entitled to a good life.

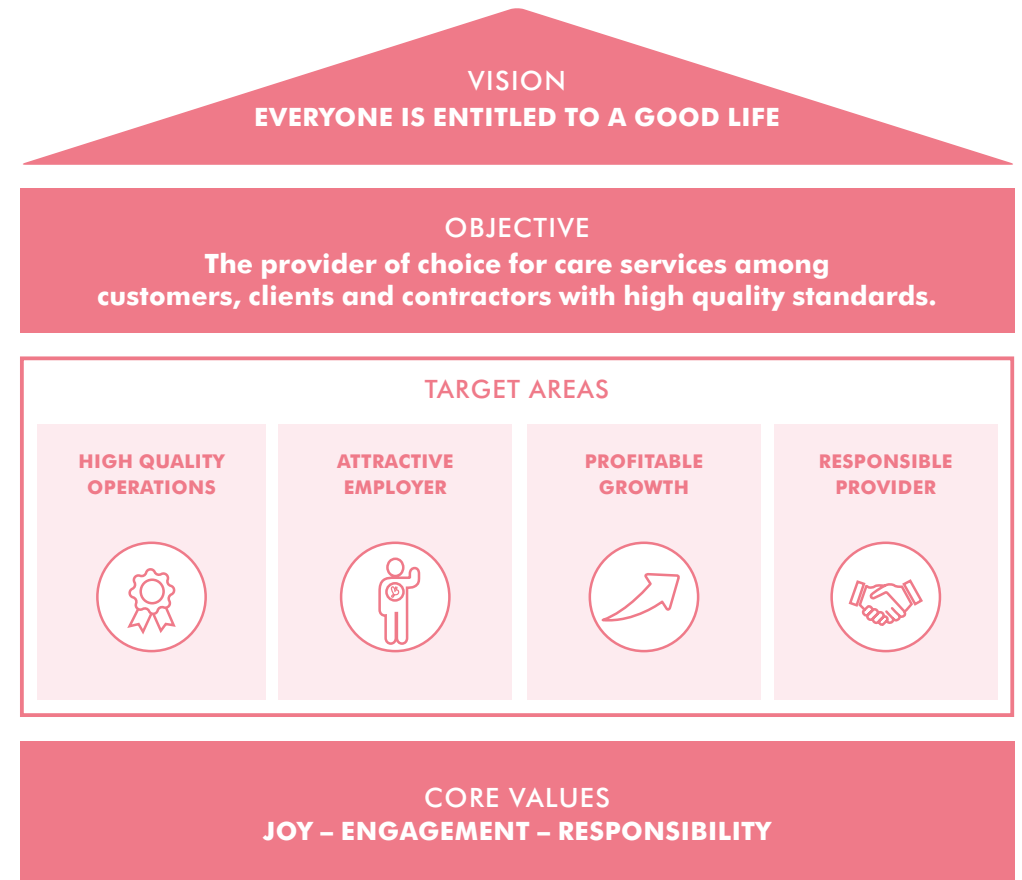
We monitor Humana’s progress towards delivering high-quality care in all operational areas through internal and external surveys. The purpose of our quality index, Humana Quality Index (HQI), is to measure the result of the care initiative for the individual customer/client.

### Employees – Attractive employer

Delivering high quality to customers and clients requires knowledgeable and dedicated employees. Attractiveness as an employer is essential to attracting the best employees. Humana wants to be the first choice for everyone working in the care sector and strives to offer all employees a nice working environment, good leadership and exciting career development opportunities.

### The company – Profitable growth

Humana is a growth company with a focus on profitability. By continuing to strengthen our position in the care market, we can attract more customers over time, thereby helping more people to have a good life. Humana has clear financial targets. To be a sustainable company, we grow with high quality and profitability in mind. Being a Humana shareholder is to invest in high-quality care services and a responsible provider to the Nordic welfare system.





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**Society – Responsible provider**

Humana contributes meaningful values to society through our core operations but we also take responsibility beyond that. Humana wants to help support a sustainable welfare system and sound public finances. We share our knowledge and experience to help develop and improve the quality of the care industry. We demonstrate that high-quality care can be combined with sound public finances. Humana also works to promote diversity and inclusivity. In addition, Humana takes responsibility by reducing negative environmental effects from its own operations.

**Core values**

Humana’s core values form the foundation for our four strategic target areas and they are one of the Group’s most important assets. The key words are commitment, happiness and responsibility. Humana’s operations are strictly regulated, but regulations cannot solve everything. That is why it is important that our employees are empowered to take responsibility and make decisions based on their own skills and core values. Our core values affect everything from employment procedures and training to our view of participation in the workplace. It is mainly the commitment, happiness and sense of responsibility of our employees that make Humana a leading care provider.

**Business ethics and anti-corruption approach**

Every individual who represents Humana must act ethically in every relationship and situation. Operations should be characterised by highly ethical and sound business practices, accountability and impartiality.

Humana’s code of conduct and our values state that employees should always avoid the risk of bribery and other illegal or unsuitable influences in their relationships. Price collusion, cartels or abuse of market position are not acceptable.

The code of conduct is included in the compulsory onboarding programme for new employees and in every employment contract. Serious breaches and deviations from Humana’s code of conduct can be reported through the company’s whistleblower function.

The content of our code of conduct for suppliers is based on the ten principles of the UN Global Compact and our suppliers must adhere to it.

**Related sustainability policies:**

- ▶ Code of conduct and core values
  - ▶ Code of conduct for suppliers
- Find out more at [humanagroup.com](http://humanagroup.com).



*Being genuine is important, talking is not enough.”*



**Fatima Alassaad**  
Business developer  
Individual & Family, Sweden

**Fatima, you’ve been engaged in Humana’s core values for a long time. Why?**

Since Humana agreed on a vision and three value words, everyone has to sign off on them. Being genuine is important, talking is not enough, we must actively work on it.

**In what way are you working with the core values?**

I write a monthly newsletter with content regarding our core values that all employees and client groups in the Child and Youth Division in Sweden work with. In 2022, the UN Convention on the Rights of the Child will be a recurring theme.

Previously, I head a group of core value leaders who met six times a year to develop and root the core values in the operations.

**What made you interested?**

It really took off in 2016 when we were LGBTQ certified in the Uppland region. Amongst other things, we looked at pay differences between the genders and became aware of grounds for discrimination, and underwent training in norm criticism. We then noticed what we had learned and our discussions led to improvements in the work environment.

**How is the work relating to the core values reflected in your working day?**

We are creating a better approach, for our adolescents, each other and everyone we meet when at work. We now always talk about core values in connection with issues relating to placements and recruitments.





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## Strategic targets

TARGET AREA	QUALITY OPERATIONS	ATTRACTIVE EMPLOYER	PROFITABLE GROWTH	RESPONSIBLE PROVIDER	CORE VALUES
<b>INDICATORS</b>	<p><b>Humana Quality Index (HQI)</b></p> <p>A high quality index that moves over time towards the long-term target value of 100.</p> <p><b>Target 2021: 96</b> <b>Outcome 2021: 94</b></p> <p><b>Follow-up of individual plans</b></p> <p>All customers and clients should be offered an individual plan with personal goals that are followed up as scheduled. The long-term target is for 100% to be followed-up as scheduled.</p> <p><b>Target 2021: 95%</b> <b>Outcome 2021: 88%</b></p>	<p><b>Satisfied and loyal employees</b></p> <p>An industry-leading Employee Net Promoter Score (eNPS), that is, the percentage of employees that answer 9 or 10 on a scale of 1–10 whether they would recommend their company as an employer. The long-term eNPS should be &gt; +25.</p> <p><b>Target 2021: +20</b> <b>Outcome 2021: +19</b></p> <p><b>Gender equality</b></p> <p>Gender balance in senior positions, i.e. line managers at business area level and in Group management.</p> <p><b>Target 2021: 40–60%</b> (of either gender) <b>Outcome 2021: 64% (women)</b></p>	<p><b>Revenue growth</b></p> <p>Strong annual organic revenue increase of 5% over the medium term that can also be complemented with 2–3% from bolt-on acquisitions.</p> <p><b>Target 2021: 5%</b> <b>Outcome 2021: 3%</b></p> <p><b>Profitability</b></p> <p>Annual operating margin of 7% over the medium term.</p> <p><b>Target 2021: 7%</b> <b>Outcome 2021: 6%</b></p> <p><b>Capital structure</b></p> <p>Interest-bearing net debt not exceeding 4.5 times EBITDA, i.e. operating profit before depreciation, amortisation and impairment. Debt may temporarily exceed the target level.</p> <p><b>Target 2021: 4.5 times</b> <b>Outcome 2021: 4.6 times</b></p>	<p><b>Inclusiveness</b></p> <p>Create many employment opportunities annually in the Nordics for people who stand furthest from the labour market.</p> <p><b>Target 2021: 200</b> <b>Outcome 2021: 105</b></p> <p><b>Reduced environmental impact</b></p> <p>Reduce environmental impact by working on measurable activities.</p> <p><b>Target 2021: Reduced environmental impact by 2022</b></p> <p><b>Outcome 2021: -15% reduction in greenhouse gas emissions</b></p>	<p><b>Vision</b></p> <p>Employees are well-informed about the company’s vision. This should be at least 95% over the long term.</p> <p><b>Target 2021: 95%</b> <b>Outcome 2021: 90%</b></p> <p><b>Values</b></p> <p>Employees should be aware that it is values that guide Humana. Over time, the awareness level should exceed 4.2 on a scale of 1–5, with 5 being the highest score.</p> <p><b>Target 2021: 4.0</b> <b>Outcome 2021: 3.9</b></p>
<b>READ MORE</b>	<b>&gt; Pages 17–20</b>	<b>&gt; Pages 21–24</b>	<b>&gt; Pages 25–26</b>	<b>&gt; Pages 27–30</b>	







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# Quality operations

Humana’s care is always based on the individual’s situation and needs. Our approach is evidence-based, and care is provided by proficient and dedicated employees. Through welfare technology and by developing treatment methods, we improve quality for our customers and clients. Both our own and external surveys confirm that we succeed in what we do.

Humana’s opinion is that it takes commitment and structure in equal measure to achieve the best possible results for our customers and clients, and to ensure uniform high-quality services. This work rests on four pillars:

**1 Individualised solutions**  
 Customers and clients always come first. We believe everyone is entitled to autonomy, integrity and a good life. Everyone is different, so our solutions must reflect this. Each client should have an individual plan with personal goals and should participate in preparing and reviewing the plan. In elderly care, the targets are aimed mainly at creating quality of life on the individual’s terms. For young people in residential or family-based care, the targets define goals for the individual’s development. For example, they may focus on completing their education or eliminating self-harming behaviours.

**Common core values**  
**2** Humana’s shared core values are the basis for both our strategic planning and our day-to-day contact with customers, clients and contractors. The commitment, sense of responsibility and happiness of our employees make Humana a leading care provider.

**3 Evidence-based practices**  
 For Humana, an evidence-based approach is central to ensuring high-quality care for customers and clients. A common organisational structure for quality and methods ensures that Humana’s specialists work in accordance with the best available knowledge and evidence-based methods.

**4 A high level of expertise**  
 Humana is a business made by people, for people. We recruit dedicated individuals and offer continuous development. Our staff includes experienced social workers, nurses, assistant nurses, treatment assistants, psychologists, legal experts and doctors.





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**Treatment methods based on studies and evidence**

Two examples of methods that Humana works with are Treatment Foster Care Oregon (TFCO) and Connect. Humana is the licence holder in the Nordics for both methods.

TFCO is designed for young people and families with serious problems that may call for placement in a residential care home. Within the framework of Humana’s use of TFCO, a study is being done in which we follow 50 young people from treatment start to treatment finish. We measure school attendance, frequency of doing homework and the person’s mental and physical health. TFCO is now on the National Board of Health and Welfare’s list of recommended treatment methods that all municipalities should be able to offer.

Connect is a structured programme with the aim of helping parents and other caregivers find a new understanding of both the child’s and their own behaviours and reactions. The effects on children and the family-based care after the family-based caregivers have gone through Connect training are currently being studied in a randomised controlled trial (RCT) of Connect. The project is a collaboration involving Humana, Simon Fraser University in Canada and the School of Social Work at Lund University in Sweden.

**Humana contributes to research**

Humana conducts and contributes to research projects at universities and colleges. This gives us a stronger scientific basis for the methods we use, and helps expand knowledge generally within our fields. Humana’s own method developers play a vital role in collaborations with researchers and projects.

**Control through quality measurement**

Since 2017, Humana has worked with the Humana Quality Index, HQI, which is an aggregate quality metric for the Group, alongside the follow-up of individual plans, which are aimed at ensuring the fulfilment of the goals of individual customers and clients.

HQI takes account of seven quality indicators. (From 2022, twelve indicators will be covered, see the table to the right.) At the beginning of 2017, the result of HQI was 89. Humana’s long-term target is 100. The result has improved since then, and in 2021, HQI was 94.

HQI includes the Group-wide Customer satisfaction index (CSI). In 2021, the CSI reached 86, three percentage points better than in 2020 and 2019, and one percentage point above our long-term target of 85. Over the past two years, the major focus has been on handling the Covid-19 pandemic and it is pleasing to see a confirma-

tion in the CSI that Humana coped very well with this.

The percentage of clients whose individual plan is followed up according to schedule is monitored monthly. Since we started measuring this in 2017 we have seen an increase in several business areas, even though the long term target of 98 percent has not yet been achieved. For 2021, the proportion of individual plans followed-up according to schedule amounted to 88 percent for the Group.

**Improving HQI**

The introduction of HQI as an in-house quality system for Humana has proved very valuable, as it provides the opportunity to monitor the quality of the services we deliver. Humana’s Quality organisation continued to develop the quality monitoring tool during 2021, and has developed a new HQI. The aim is to come closer to the result of the initiative for the individual customer/client.

**The new Humana Quality Index is based on twelve parameters**

What we want to achieve	What we measure
1. Satisfied customers and clients	Customer/client satisfaction index
2. The right support, care or service for customers and clients	Proportion of individual plans followed up
3. A safe service delivered	The number of critical deviations reported to the authorities
4. Delivery in accordance with legislation	Proportion of official inspections which contained serious criticisms
5. Ensure systematic learning	Proportion of deviations repeated
6. Correct processing of personal data	Proportion of personal data incidents reported to the authorities
7. Satisfied employees	Employee Satisfaction Index (ESI)
8. Employees’ health and well-being	Sick leave rate
9. Safe work environment	Number of incidents and occupational injuries notified to the authorities
10. Ongoing professional development	Proportion of employees who have undergone training in the learning portal
11. High-quality training	Follow-ups on the quality of each training course
12. Employees contribute to operational development	Number of suggestions for improvement



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**Multiple indicators make the index more comprehensive**

Humana’s operations vary: a satisfactory result for a young person in a residential care home is not directly comparable with a good life for an elderly person in elderly care. For that reason, we have increased the number of indicators in the index from seven to twelve to enable us to take more aspects into account. The indicators reflect relevant and critical elements of quality, and together provide a useful picture of our activities.

Measuring does not in itself lead to improvement, but it is an absolute prerequisite for identifying the areas in which improvement is required. Humana’s new HQI does not cover every aspect, and we will continue to develop the tool systematically. Our new HQI represents a major step in the right

direction, and we aim to continue to set new and higher standards for social measures.

**Management systems for quality every day**

Our quality control work is aided by the management system Parus (process, activity, routine, follow-up, teamwork). The management system makes it easy for the user to navigate different processes and find the activity that needs to be carried out in each situation. Thanks to Parus, we can perform risk analyses, follow up goals and carry out internal inspections.

**Quarterly quality reports**

To promote continuous development, Humana is meticulous about openly communicating our quality and deviations both internally and externally.

Since 2019, the quality of our care is accounted for in quarterly quality reports on our websites, humana.se or humanagroup.com, as well as in the company’s annual quality report.

Humana’s quality management should help reduce serious deviations in operations. Employees are encouraged to report deviations so that events can be analysed, and repeated mistakes be avoided. Serious breaches and deviations can be reported through the company’s whistleblower function. Information about serious deviations is reported on our website, humana.se, in accordance with Lex Sarah (Sarah’s Law) and Lex Maria (Maria’s Law).

has a special organisational structure with data protection officers in each country and a coordinator at Group level. Humana analyses incidents and has an obligation to report serious incidents to the Swedish Authority for Privacy Protection within 72 hours.

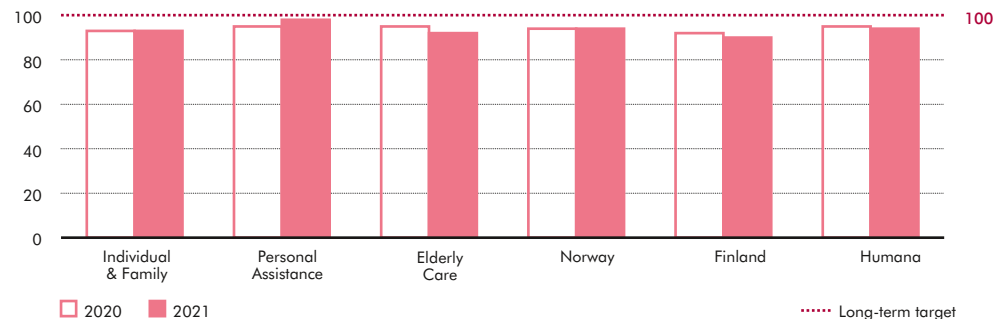
In 2021 Humana experienced 58 personal data breaches in Sweden, of which 11 were reported to the responsible authority.

Norway had 39 incidents, Finland 35 and Denmark 0, of which 0, 1 and 0 incidents, respectively, were reported to the responsible authority.

**Related sustainability policies:**

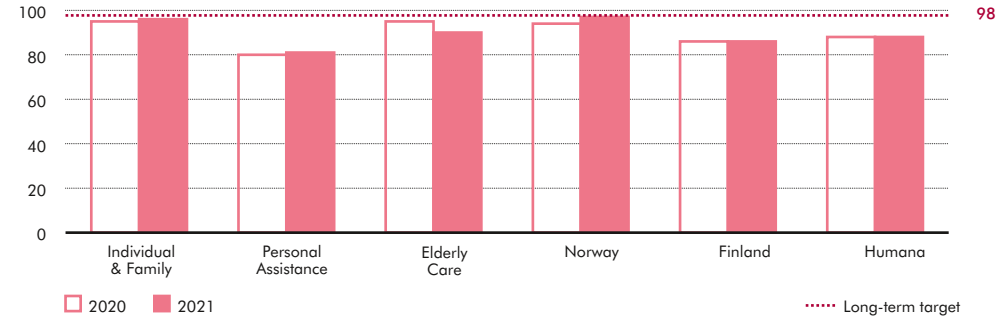
- ▶ Quality Policy
  - ▶ Data Security Policy
- Find out more at humanagroup.com.

**Humana Quality Index, HQI**



Key figures are measured on a scale of 1–100 and are weighted together into an index with a long-term target for Humana of 100. In 2021, Humana’s HQI was 94, which was the same outcome as in 2019 and one percentage point lower than for 2020.

**Proportion of individual plans followed up**



The follow-up rate differs between the business areas. The largest positive change in 2021 was measured in the Norway business area, where the follow-up rate rose to 97 percent. The numbers are monitored monthly. The long-term target is for all operations to achieve at least 98 percent.





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*Evidence-based treatment is key.*

**Jörgen Andersson**  
Head of Methods,  
Individual & Family, Sweden



**Jörgen, you are Head of Methods at Humana, what does that mean?**

I ensure that our individual and family care employees in Sweden receive the correct training and supervision for their assigned tasks and that we underpin our methods with scientific documentation so they have the intended effect. I also have the great pleasure of leading a team of methods guarantors and supervisors.

**What does a methods guarantor do?**

Methods guarantors are unique to Humana. They are experts on various methods and are responsible for methods training and support in the operations. The methods guarantors are crucial to us being able to provide our clients with the best possible support and treatment.

**Tell us about the recently launched criminality programme.**

It is a rehabilitation programme rooted in evidence-based treatment protocols. We call this particular protocol B12 since it's about behaviour modification over 12 structured sessions between the case worker and the client. We are currently implementing it in our residential care homes for young people and adults.

**What's happening in 2022?**

We'll be taking a big step forward to promote social work in Sweden by having initiated two research services associated with leading academic institutions like Linnaeus University and Uppsala University. We want to create long-term, continuous collaborations with researchers through this initiative.



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# Attractive employer

Humana aims to be the first choice for everyone who works within the care sector. We prioritise a pleasant and safe work environment, good leadership and career development opportunities for all employees. Our work relating to our core values permeates the organisation, and Humana promotes an inclusive work environment that is characterised by gender equality and diversity.

## Humana’s employees

Humana has 18,000 employees, all of whom strive to make a real difference for other people, every single day of their working lives. Most are employed as personal assistants, treatment assistants and assistant nurses, others, for example, as nurses, housing support staff and family-based care consultants. Collectively, our employees possess both broad and in-depth knowledge, and we work proactively to encourage the transfer of skills, both within and between our care areas.

## We want our employees to thrive and enjoy their work

Our ambition is to be the first choice for everyone who wishes to work within the care sector in the Nordic region. We want our employees to thrive, develop and stay with Humana. Recruitment is a key priority area, as is our proactive work relating to the work

environment, investments in leadership development and skills development.

Providing care of the very highest quality requires both expertise and commitment. As care needs increase across the Nordic region, demand for employees within the care sector is generally also rising. The attractiveness of a care provider as an employer will, therefore, be a decisive factor in the quality of care and the chance that the provider will succeed.

## Humana receives thousands of applications

In 2021 Humana received almost 90,000 job applications, an increase of 26 percent since 2017. In Humana’s annual employee survey, the employee satisfaction index (ESI) was once again high at 75 (75), while the Employee Net Promoter Score (eNPS) was +19 (+15). These are positive signs that our employee initiatives are paying off. It does not mean, however, that we



intend to rest on our laurels – we will continue moving in the same positive direction.

## Lasting the course

During the year, the Covid-19 pandemic continued to have an impact on Humana’s operations. We have established procedures for managing the spread of infection within the various operations and handled the pandemic

in a responsible manner. We systematically carry out risk assessments with a focus on employee health and safety, enabling us to implement the right measures at the right time. We are pleased to see that restrictions have been eased, but our operations have had to continue to implement measures to ensure a safe and pleasant work environment.



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**We put safety first**

Humana is working systematically to offer a safe and enjoyable work environment to our employees, both physically and mentally. Our workplaces are spread geographically and vary depending on the nature of the operation involved. Many people work at one of the Group’s hundred or so care units, at treatment homes or in an office environment. Humana’s more than 10,000 personal assistants have the assistance customers’ homes as their workplace.

**Work environment policies**

Humana’s code of conduct, work environment policy and diversity and inclusion policy set out the basic principles for a safe and pleasant work environment.

The Group-wide work environment policies are supplemented by procedures and guidelines which have been collated and made available to all employees via the management system. These have been drawn up for each business area and operation and include procedures for the assessment and management of occupational health and safety risks, along with procedures for preventing and managing crisis situations. Responsibility for the occupational health and safety within Humana rests with our managers and is clearly delegated.

**Our employees undergo training relating to occupational health and safety**

The onboarding process for all our employees includes training relating to core values, sustainability and basic hygiene procedures. An example of a specific initiative aimed at improving the employees’ work environment is that we provide occupational health and safety trainings throughout the year. The focus of this training is on managing occupational health and safety issues in practice, carrying out risk assessments and ensuring a systematic approach to occupational health and safety.

Humana’s annual employee survey, WeYouMe, shows that a systematic approach to occupational health and safety is producing results. Amongst all employees, 75 (74) percent stated in 2021 that they felt very involved at work.

**Leadership Lift continues**

Good managers are very important with regards to employee job satisfaction and providing the right conditions for doing a good job. In 2021, Humana continued to invest in leadership, mostly through Leadership Lift. Leadership Lift includes a Group-wide leadership programme, a web-based manager school, a mentor programme and an onboarding for new managers.



“ We quite simply have a good time, even though we are working.”

**Stig-Olof Lundqvist,**  
Nursing assistant at Humana’s Lillsjö Badväg elderly care home in Kungsängen.

Within the framework of Humana’s manager school, we have covered topics such as occupational health and safety, gender equality, diversity and inclusion, workplace bullying, self-leadership, difficult conversations and employment law. We have also held a number of courses to improve our managers’ digital knowledge, both by learning more about new digital working methods and by becoming more efficient in our digital support system. We have also reiterated the importance of protecting personal data through a new GDPR training course in Humana Academy’s learning portal.

**Humana’s leaders get good marks**

Humana’s employees give our leaders high marks – the leadership index for the year was 79 (78).





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**Professional development through Humana Academy’s learning portal**

Through Humana Academy’s learning portal, our employees have free access to quality-assured professional development in areas such as occupational health and safety, customer interaction, quality, leadership and legislation. Around 100 of the courses are web-based and can be taken as and when the employees need them. In addition, instructor-led courses are offered for specific subject areas and roles. A total of 20,206 training courses were conducted throughout the Group during the year, most of them digital.

In order to promote the professional development of our employees, Humana encourages internal mobility, both within and between business

areas and countries. Offering career paths enables Humana to retain capable employees over a long time.

**Core values promoting inclusion, gender equality and diversity**

Humana has a proactive approach to promoting inclusion, gender equality and diversity. In this regard, the Group-wide work relating to core values represents an important cornerstone.

Our core value leaders are appointed to continually bring to life the core values in Humana’s operations. Issues relating to values are frequently brought up at workplace meetings amongst the various operations. During 2021, we stepped up our work relating to core values by appointing senior core value leaders within the business areas and working in net-

works in order to promote good examples.

Our annual core value week is a welcome feature to strengthen Humana’s culture further.

Humana’s code of conduct is covered as part of the compulsory onboarding for new employees and forms part of every employment contract.

**Gender equality at all levels**

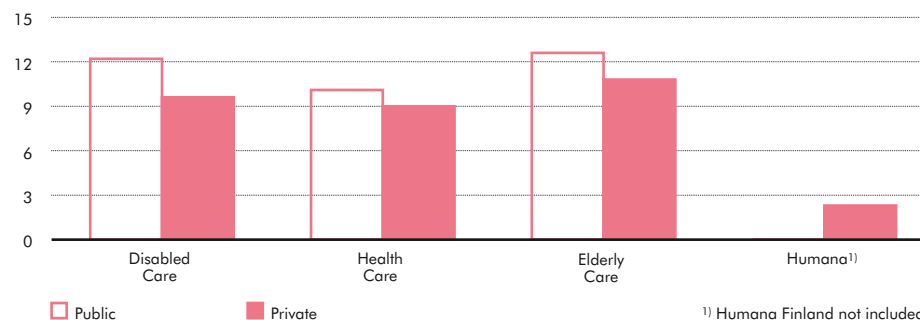
In its recruitment of managers, Humana strives to include candidates from both genders during the final phase. The proportion of women among top managerial positions in 2021 was 64 percent (65). In total, 70 (71) percent of Humana’s employees are women and 30 (29) percent are men. The company’s goal is to attract more men to areas that are dominated

by women. Humana’s approach to gender equality has attracted attention externally, e.g. by the AllBright Foundation, which voted Humana the most gender-equal company on the Swedish stock exchange in 2017 and 2018. In 2020, we made the top three, while in 2021 we recruited women to no less than 80 percent of the positions in Group management and, for this reason, were not amongst the top positions in the ranking. In 2021, Humana gained its first female CEO through the appointment of Johanna Rastad.

**One in three born outside Sweden**

When it comes to diversity, Humana is aiming for at least 20 percent of our managers to have an international background. By international background, we mean being born outside the Nordics, having at least one parent who was born outside the Nordics or having lived outside their home country for more than three years. At present, 30 (20) percent of employees in Group management have an international background. We estimate that about one third of all employees were born outside the Nordics or have parents who come from outside the Nordics.

**Sick leave (long-term)**



Humana’s employees have a lower level of long-term sickness absence than the public sector, at 2.0 percent for 2020, excluding Humana Finland. Possible reasons for this are clear leadership and far-reaching commitment, areas in which Humana is given high marks in our employee survey.

**Age structure**

	<30	30–50	>50
Total	26%	45%	29%
Managers	5%	68%	27%





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gate deviations and ensure systematic work is carried out on these issues. We see inclusion as normal practice and believe that nobody should be discriminated against or harassed.

Certain aspects of our Individual & Family business area are LGBTQ-certified.

**Offering a path to work**

In Sweden, Humana offers jobs (for example, with employment subsidies) to people who are excluded from the labour market. This is done in collaboration with organisations like the Swedish Public Employment Service and Samhall. In 2021 we created 105 new jobs within the framework of this initiative, despite the ongoing pandemic. The aim was to create 200 jobs. Working actively to create jobs for people excluded from the labour market is one of Humana’s corporate goals.

**Lower levels of sick leave than within the public sector**

During the year, short-term sick leave within Humana amounted to 4.6 (4.1) percent, while long-term sick leave amounted to 2.3 (2.0) percent (excluding Finland for 2020). Overall sick leave during the year was 6.9 percent. The fact that short-term sick leave went up compared with the previous year is primarily linked to the pandemic. Humana’s employees have lower levels of long-term sick leave than those in public health and social care, which

benefits not only the employees, but also customers and clients, the company’s productivity and profitability and, ultimately, taxpayers.

**Cohesive management**

Group Management and, specifically, the Director of Human Resources are responsible for employee management matters at Humana. This responsibility is then delegated to the operational managers who have direct personnel responsibility. The Director of Quality and the quality function are responsible for the Humana Academy and most of the Group’s continuing professional development.

**Related sustainability policies:**

- ▶ Work Environment Policy
  - ▶ Diversity and Inclusion Policy
- Find out more at [humanagroup.com](http://humanagroup.com).



*Enjoyment and humour is important!”*

**Anna Duedahl**

Administration Coordinator  
Family-based Care, Norway



**Anna, you work with family-based care, what is the best thing about your job?**

No question, it’s when I get to hear that a child has received a safe and permanent home through our family-based care. It’s also a real delight to see the whole process from when I get a phone call from an adult who wants to be a family-based caregiver, through to the finish with an actual placement. I have so much respect for these warm-hearted and committed people who open their homes to new children.

**What is the atmosphere like at your workplace?**

One reason that I enjoy working at Humana so much is the company of all the positive and dedicated managers and colleagues who always have an ‘onwards

and upwards’ attitude. They give me energy, determination and a belief that I do a good job. And even though we have a working day which revolves around serious matters and tasks, we can still laugh and joke a lot with each other. Enjoyment and humour is important!

**Why do you want to work at Humana?**

I am proud to work here since every single day I see people with professional gravity and genuine dedication do their utmost to ensure that both young and old have a better life. Don’t forget that every day we actually help other people have a better outcome than their situation would suggest. I have to stop occasionally and think about that when the day is going a little too fast.





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## Profitable growth

Through growth, Humana can help more people lead a good life. The company has clear financial targets and growth presupposes maintaining high quality of care services and profitability. Organic growth is based on society's increasing need for care in combination with a demand for contractors that guarantee high quality. In addition, the company continuously evaluates opportunities for acquisitions.

### Profitability

Humana is a company focused on profitable growth and has presented stable margins over time. Over the last five years, the Group has had total annual revenue growth of 5.7 percent with an average operating margin of 5.6 percent. The target is to continue growing with stable profitability while maintaining quality. In the medium term, the aim is for profitability of 7 percent annually.

### Pandemic impacted profit

Operations continued to focus on managing the pandemic in 2021. The pandemic affected the Group in a number of ways. Lower occupancy had a negative effect on revenue while a high number of sickness absences and greater use of PPE increased costs. Overall, the financial impact on the Group was somewhat negative for the full year.

### Organic growth

Primarily, Humana's growth is to occur organically and over the medium term should amount to 5 percent annually. Humana is growing organically by developing the existing range of services and by starting new operations.

Organic growth derives from society's increasing care needs and is explained by a growing population with more elderly people, an increase in serious mental illness and major societal challenges, for example related to gang crime, honor killings and drug abuse. This, combined with the municipalities' demand for larger contractors who can guarantee high quality and help solve the municipalities' care challenges, leaves room for Humana to grow organically.

There is a clear growth strategy for growing organically for all of Humana's five business areas.

Five new Humana elderly care homes were opened during the year in



Vallentuna, Ängelholm, Falkenberg and Norrtälje (two homes). The new homes can accommodate 320 residents. The construction of a new elderly care home in Täby with 90 bed vacancies was launched during the year and is scheduled to open in 2022.

### Acquisition-driven growth

Humana complements and accelerates organic growth through acquisitions that could increase revenue by 2–3

percent. The acquisition strategy has three primary aims:

- to strengthen geographical presence, existing operations and/or the degree of specialisation in the offering
- to drive innovation and complement existing operations with new service areas where there is growth potential
- to achieve volume and economies of scale.





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Humana evaluates opportunities for acquisitions in line with the Group’s strategy. Humana looks for operations that have growth potential and whose values, leadership and quality are in line with those of Humana. Four businesses were acquired during the year:

- Team J-son was acquired in February, an operation in Jönköping with residential care homes and group homes, a school and a health team. The company’s full-year earnings are approximately SEK 90m and it has around 120 employees.

- Fideli Omsorg AB was acquired in September, a company that manages care facilities for adults in Småland and the Stockholm area whose full-year earnings are approximately SEK 73 million with 160 employees.
- Balans Behandling AB was acquired in October, a care provider in Norrland that principally provides enhanced family-based care. The company’s full-year earnings are approximately SEK 60m and it has around 20 employees.

- In November, the assistance company Enigheten personlig assistans AB was also acquired. The company is headquartered in Borlänge and has full-year earnings of approximately SEK 50m with around 150 employees.
- The acquired operations contributed SEK 146 million to consolidated revenue in 2021.

to adjusted EBITDA, increased to 4.6 times (4.3) in 2021. The financial target is for the leverage ratio to not exceed 4.5 times, even if it may be temporarily higher, for example in connection with acquisitions.

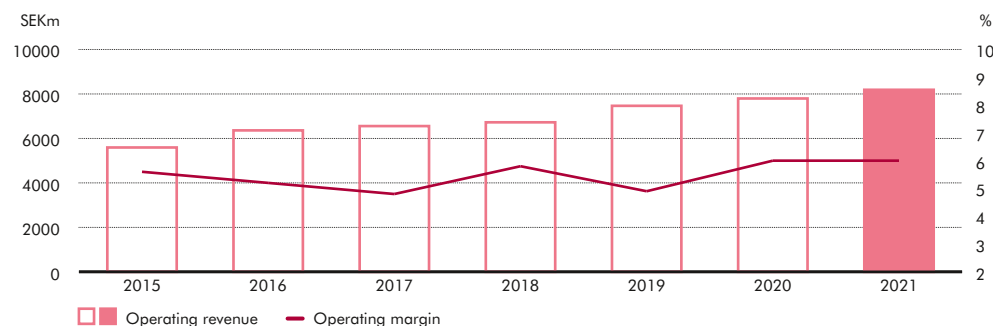
**Risks**  
Humana’s risk management is described on pages 62–69.

**Debt**  
Humana’s leverage ratio, measured as interest-bearing net debt in relation

**Financial targets**

	Target	Outcome 2021	(2020)
Profitability (operating margin)	7%	6.0%	(6.0%)
Revenue growth (organic growth, acquisitions can add 2–3%)	5%	3.1%	(4.1%)
Capital structure (interest-bearing net debt relative to adjusted EBITDA)	4.5 times	4.6 times	(4.3 times)

**A history of revenue growth and stable profitability**



**Economic value created and distributed, SEK million**

	2021	Percent	2020	Percent
Economic value created				
Customers and contractors	8,192		7,803	
Economic value distributed				
Suppliers <sup>1)</sup>	1,362	17%	1,287	16%
Employees <sup>2)</sup>	6,333	77%	6,039	77%
Lenders	143	2%	145	2%
Public sector <sup>3)</sup>	78	1%	70	1%
Shareholders <sup>4)</sup>	0	0%	0	0%
Economic value retained in the company	276	3%	262	3%

<sup>1)</sup> Amounts paid to suppliers including VAT.  
<sup>2)</sup> Employee salaries and pensions. This also includes amounts paid to the public sector in the form of payroll tax, social security fees, etc. on behalf of employees.  
<sup>3)</sup> Corporate tax  
<sup>4)</sup> The Board’s proposal to the 2022 AGM is that no dividend be paid for the 2021 financial year.

Humana creates sustainable value for its stakeholders. The economic value is generated through revenue from customers and contractors. This is further distributed to various stakeholders: suppliers through the purchase of food, consumables and other products needed for operations as well as various services, employees via salaries, other remuneration and social security contributions, lenders through interest on lent capital, the public sector through taxes and shareholders through dividends. Some of the earned value is retained by the company for further development of new methods, acquisitions, capital investments and as payment for balancing the exposure to the capital market.





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# Responsible provider

Humana's core operations contribute important values on both the individual and societal levels. Our social responsibility also entails that we inspire and drive development towards better quality throughout the care sector, act as a driving force for diversity and inclusivity, support sound public finances and work to reduce our impact on the environment and climate.

Humana's vision is about everyone being entitled to a good life. We work to attain this vision through all our operations: personal assistance, individual and family care and elderly care. Focus is on the core operations, but we also work actively to spread knowledge gained from our areas of expertise outside the company, influence significant industry issues, offer jobs to people who stand furthest from the labour market and help reduce negative influences on the environment and climate.

## Mental health services

As the leading Nordic provider of care for individuals and families, Humana focuses on providing care and treatment in psychosocial change and social psychiatry to families and individuals. Our services promote mental health and well-being. We often help individuals that find themselves on the fringes of society to re-enter and become part of it again, which is good

for them, their loved ones and the community.

## Spreading knowledge throughout the care sector

By providing contractors and other stakeholders access to Humana's comprehensive knowledge, we strengthen collective knowledge about care and social work. Our aim is to inspire and help improve the quality of the entire care industry. In 2021, we gave 90 digital webinars that attracted more than 6,000 participants. Since 2021, we have also published a magazine called *Humant* that spreads knowledge about our business areas in Sweden.

## Influence in industry issues

Humana acts to influence industry issues to create the right conditions for the company, and industry, to fulfil their commitments throughout the Nordics. We meet regularly with politicians at a national and local level as well as with municipal and state officials.



Humana also participates in trade associations such as the Association of Private Care Providers, for which Eva Nilsson Bågenholm, Humana's quality director, is the chairperson. Since 2021, Mona Lien, Humana's CEO in Norway, has been chairperson of the

health and welfare industry sector within NHO Service and Commerce. Humana is also active in other associations such as Svenska Vård in Sweden, Proffentlig-nettverket in Norway and Hyvinvointiala HALI ry in Finland.



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**Stronger right to personal assistance**

In Sweden, the focus has been on pressing for entitlement to personal assistance for individuals with great need. Several years of stricter interpretations of the rules have led to increasingly fewer chances for receiving personal assistance, even though the need has not decreased. Humana has worked to both change legislation and revise interpretation of regulations, and has acted as a consultant in government studies.

**An important win**

In 2021, Humana won an important victory in the Supreme Administrative Court where we drove the issue of whether municipalities should have the

right to deduct for parental responsibility in cases of temporarily expanded need due to absence from school. The Supreme Administrative Court held, in line with Humana’s appeal, that they would not conduct a new examination of the scope of parental responsibility if the child is home from school temporarily, which is very positive news for many families entitled to personal assistance in Sweden.

**Humana’s care saves taxpayers money**

Humana shows that it is possible to combine high-quality care with cost-effectiveness. As a large Nordic care group, we can both invest in method and quality development to an extent and at a level that is difficult for indi-



*The ruling sets a precedent.”*

**Hanna Brundin**

Lawyer

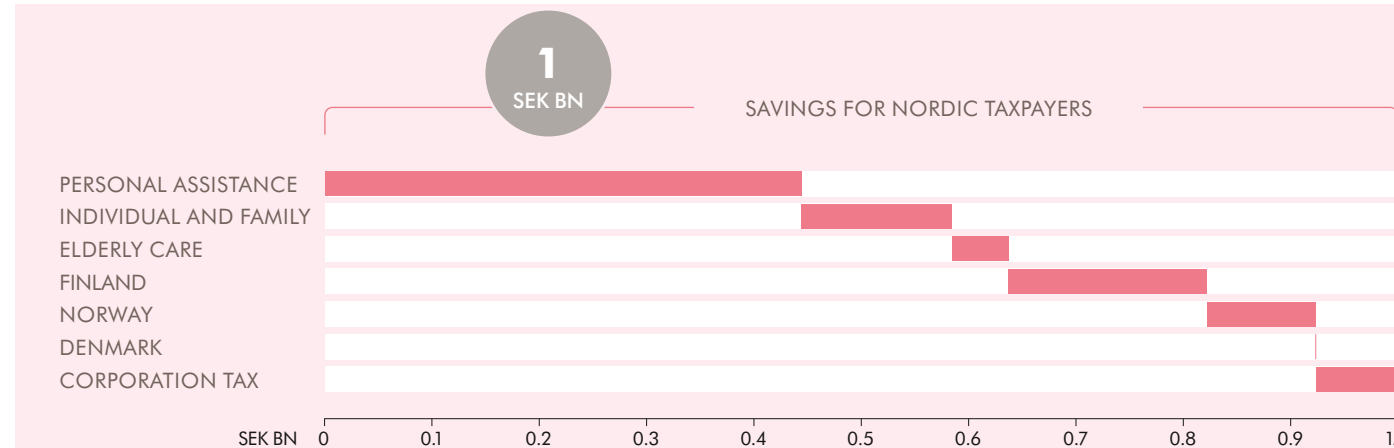
Personal Assistance, Sweden



**Hanna, you drove the parental responsibility issue to the Supreme Administrative Court and won. How does that feel?**

It feels fantastic! As the verdict sets a precedent, it will affect all children who have been granted personal assistance with deductions for any time they spend in school. All municipalities now need to

comply with what the Supreme Administrative Court has established, which means that children's right to personal assistance has finally been clarified and reinforced. In brief, it is an incredibly important win and proof that it's possible to make a difference!



Humana saved Nordic taxpayers SEK 1.0 billion in 2021<sup>1)</sup> compared to if states, regions and municipalities had run the operations themselves. We achieve this through an efficient use of resources and effective treatment methods.

<sup>1)</sup> Sources used are: Swedish Association of Local Authorities and Regions, Statistics Sweden, NHO Service in Norway, Statistics Norway, Norwegian Directorate for Children, Youth and Family Affairs, Kuisikko in Finland, Swedish Prison and Probation Service, Swedish National Board of Institutional Care, Swedish Agency for Health Technology Assessment and Assessment of Social Services, Grant Thornton, Menon Economics, HALI ry, accessible municipal and regional financial reports and Humana’s own calculations.



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vidual municipalities to compete with, and at the same time benefit from the cost-effective economies of scale that large-scale operations give rise to. Both aspects make us competitive in procurement.

Besides our expertise in care services, we also have years of experience in establishing and planning operations. We build care homes together with property developers, which also reduces the municipalities' capital needs. When Humana builds care homes, we optimise them logistically to reduce unnecessary transports and take care to ensure that employees have a good working environment. Our knowledge of good scheduling is also key to planning resources efficiently. In 2021, the public sector in the Nordics saved an estimated SEK 1 billion by using Humana compared with if they had run the operations themselves.

**Inclusiveness in the labour market**

In Sweden, Humana offers jobs (for example with employment subsidies) to people who stand furthest from the labour market. This is done in collaboration with organisations like the Swedish Public Employment Service and Samhall. In 2021, we created 105 new jobs within the framework of this initiative, despite the ongoing pandemic. The aim was to create 200 jobs.

**Environmental policy guides environmental work**

Humana's environmental work is based on the company's environmental policy. Here, climate and resource efficiency are defined as guiding criteria. Our environmental efforts are based on the principles of precaution and substitution. Each of Humana's units strives continuously to work resource-efficiently and to minimise environmental impact and lower costs. It is mandatory for all of Humana's employees to undergo the company's digital sustainability training.

Humana impacts the environment and climate mostly through road transport and through the development and operation of care homes. In opera-



tions, this includes heating and electricity as well as purchases and handling of for example food, beverages and consumables.

**Environmentally aware new builds**

Humana requires that energy use in all new builds is at least 20 percent lower than legal requirements, that solar panels are installed where possible and that all lighting uses low-energy technology.

Humana's new elderly care home in Norrtälje Hamn, which opened in 2021, is certified at the Silver level by the Green Building Council, meaning that it meets strict standards for acoustic environment, ventilation and sun shading.

All five elderly care homes that Humana opened under own management in 2021 are equipped with comfort cooling to keep the living environment comfortable during heat waves. They also have charging points for electric vehicles. Several existing elderly care and group homes already have solar panels and charging points.

Humana's elderly care home in Växjö is a nearly-zero energy building certified to LEED Platinum and Dark Green in Skanska's own environmental system.

All of Humana's operations work to reduce food waste and rubbish.

**Environmental and quality certification**

The management teams in the Individual & Family business area have

**Humana's greenhouse gas emissions, CO<sub>2</sub>e (tonnes)**

	2021	2020 <sup>4)</sup>
<b>Scope 1</b> Emissions from own vehicles and own energy generation (company cars and oil) <sup>1)</sup>	3,911	3,753
<b>Scope 2</b> Indirect emissions from purchased electricity and district heating <sup>2)</sup>	2,619	3,931
<b>Scope 3</b> Emissions from business travel (air) <sup>3)</sup>	91	85
<b>TOTAL</b>	<b>6,621</b>	<b>7,769</b>

<sup>1)</sup> Based on actual fuel volume for own vehicles. Oil consumption is based on actual and estimated fuel volumes.

<sup>2)</sup> Based on actual and estimated electricity and district heating consumption.

<sup>3)</sup> Based on business travel suppliers' calculations of emissions generated from air travel that was booked centrally in Sweden and Norway.

<sup>4)</sup> Compared with the total figure of 5,781 CO<sub>2</sub>e reported for 2020 in the 2020 annual and sustainability report, updates of the following data have been made in the calculations, which have changed the total figure: the emission factor for electricity has changed in line with the GHG protocol and has been calculated using a market-based method. The emission factor for vehicle emissions has been adjusted to correspond to direct emissions, while an RFI factor has been added for business trips by air.





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ISO 14001 management system certification for the environment and ISO 9001 certification for quality. We are also working on structures and processes for our units where they develop their own environmental plans.

**Environmental impact**

Humana strives to reduce the climate impact of our operations. We measure and report on our greenhouse gas emissions according to the Greenhouse Gas Protocol (GHG). The calculations are based on measured and estimated data from all operations and countries in the Group and emission factors.

The table illustrates emissions divided according to the GHG Protocol’s three scopes. Scope 1 covers direct emissions from car travel within Humana’s operations and from heating with fuel oil. Scope 2 covers indirect emissions from purchased electricity and district heating. Scope 3 covers indirect emissions from centrally booked air travel.

In 2021 we screened other areas within scope 3 and started a measures and target analysis for our continued work on climate issues.

According to the data collection and delimitations made, Humana’s emissions for 2021 total 6,621 tonnes of carbon dioxide equivalents compared to 7,769 tonnes in 2020. This is a reduction of 15 percent, primarily

thanks to new agreements on renewable electricity in Norway and the phasing out of oil-fired boilers. The goal is to reduce emissions further in 2022.

Humana encourages employees to travel climate-smart and to use company vehicles efficiently. Besides reducing travel, Humana wants to facilitate remote working as much as possible.

Humana has agreements for renewal electricity in Sweden and Norway. In all countries, heating systems that use oil are continuing to be replaced.

**Code of conduct for suppliers**

The content of Humana’s code of conduct for suppliers is based on the ten principles of the UN Global Compact and our suppliers must adhere to it.

**Most sustainable brand**

Humana was ranked as the most sustainable brand among healthcare providers in Sweden in 2021, by the largest independent brand study on sustainability in Europe, the Sustainable Brand Index.



**Related sustainability policies:**

- ▶ Diversity and Inclusion Policy
  - ▶ Environmental policy
  - ▶ Code of conduct for suppliers
- Find out more at [humanagroup.com](http://humanagroup.com).

**EU taxonomy reporting**

The EU taxonomy is a tool for achieving the EU’s climate targets. Through the introduction of a common classification system, the purpose is to be able to identify and compare environmentally sustainable investments.

As of the 2021 reporting year, all companies with more than 500 employees affected by the EU’s corporate sustainability reporting directive, Humana being one of them, must state the proportion of its business’s economic activities that are EU taxonomy eligible, expressed in turnover, capital expenditure and operating expenditure. As of the 2022 reporting year, the eligible activities’ significant contributions to climate change mitigation and/or climate change adaptation must also be reported.

**Humana in relation to the EU taxonomy**

Humana provides care services and social services in the form of personal assistance, individual and family care and elderly care. Many of the company’s care recipients live in properties leased to Humana. In the EU taxonomy, “residential care activities” is listed as an economic

activity, as are property-related activities.

To ensure that Humana complies with the legal reporting requirements, an in-depth inventory and analysis of the company’s operations has been carried out in relation to the economic activities described in the EU taxonomy, as well as in relation to the taxonomy’s reporting requirements and criteria.

**Zero reporting**

The result of the analysis is that Humana’s financial activities are not applicable for reporting based on the taxonomy’s definitions. Therefore, Humana’s reported proportion of eligible economic activities will be zero percent for turnover, as well as for capital expenditures and operating expenditures for 2021.

The main reason for this is that “residential care activities” are not classified as “enabling activities” in the EU taxonomy, which, according to the criteria, excludes reporting of turnover.

Despite the fact that Humana takes active measures to limit climate change, for example by replacing energy systems, the extent of this is not deemed to be significant in terms of the business’s total turnover or expenditures.



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# Stakeholder engagement

Humana’s sustainability initiatives are based on the company’s clear ambition to contribute to the sustainable development of society. We continuously analyse where and how our operations affect people, society and the environment. The purpose is to be able to integrate the most material areas into our strategy.

Understanding what our stakeholders consider to be important regarding their judgments about Humana is cen-

tral to these efforts. We have an ongoing dialogue with our key stakeholders, who are customers and contractors, clients, employees, shareholders and investors, credit institutions and authorities.

Our monitoring includes internal and external surveys. Focus is on the quality of the care and how Humana is perceived as an employer. Supported by annual customer surveys, we develop a Group-wide Customer/Client

Satisfaction Index (CSI). In addition, each business area conducts its own more in-depth customer surveys. We use Humana’s annual employee survey WeYouMe to monitor the Employee Satisfaction Index (ESI). We also collect employee observations to help Humana evolve as an employer.



## Dialogue with our stakeholders

Stakeholder group	Channel for dialogue	Issues highlighted as especially important
CUSTOMERS AND CLIENTS	Continuous dialogue in operations, annual customer/client surveys, surveys specific to operations, comment function on Humana’s website.	High-quality care services, including safety and security of care recipients, choice that meets individual needs, continuous dialogue between caregiver and care recipient.
CONTRACTORS IN MUNICIPALITY, REGION AND STATE	Procurements, meetings, contract follow-ups, Humana’s website, customer surveys from social services	High-quality care services, including safety and security of care recipients, help solve social challenges, systematic occupational health and safety management, various environmental requirements including environmental management system.
EMPLOYEES	Continuous dialogue in operations, annual employee survey and performance appraisal, various manager and meeting forums, intranet	Safe and secure working environment, professional development opportunities, opportunity to contribute to better social welfare, compliance with core values, sustainability.
SHAREHOLDERS AND INVESTORS	Annual general meeting, individual meetings and group meetings with shareholders, investors and the banks’ analysts, for example in connection with interim reports and investor conferences.	High margins and increasing profits. High-quality care services, development and innovation to meet society’s increasing needs. Sustainability/ESG issues are raised regularly.
AUTHORITIES	Rules and regulations, reports, inspections, reviews, incident reporting, inquiries	Compliance with regulations, high quality and safety in care services, meet individual requirements and needs, transparency.
RESEARCHERS/ACADEMIA	Joint meetings and research projects	Development of social services, treatment methods.
SUPPLIERS	Procurements, orders, purchases and meetings with suppliers	Business integrity, highly ethical and objective with procurements and purchases. Transparency with requirements and sustainability aspects.





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# Humana *actively supports* the UN's global goals for sustainable development

Humana's goal to be the provider of choice for care services among customers, clients and contractors with high quality standards means that we work actively on six of the global goals adopted by the UN.



## Goal 3 – Good health and well-being

Humana's overarching goal is to improve people's lives based on their individual circumstances.

We make an active contribution to sub-goal 3.4 **Promote mental health and well-being** through our various care services, expertise and employees, thus making a difference for people's mental health and well-being. As the leading Nordic provider of care for individuals and families, we focus on providing care in psychosocial change processes and social psychiatry to families and individuals of all ages.

## Goal 5 – Gender equality

Humana's core values are rooted in the equal value of all human beings. Being an attractive and good employer is a strategic goal area for Humana. We are working towards gender balance in all leadership positions in the company, thereby contributing to sub-goal 5.5. **Ensure women's full and effective participation.** We also work with visible and invisible structures in

order to unlock our employees' full potential and to reflect our customers and clients in the best way possible.

## Goal 8 – Decent work and economic growth

As a socially responsible provider, Humana wants to inspire others to help raise the standards and quality of the entire care industry. By developing welfare techniques and methods, Humana develops operational efficiency and quality, and actively contributes to sub-goal 8.2. **Achieve higher levels of economic productivity through diversification, technological upgrading and innovation.** In Individual & Family, we ensure that the right treatment methods are used and that they are based on science and proven experience.

Humana also contributes to sub-goal 8.5 **Full employment and decent work with equal pay.** We have collective agreements and conduct salary analyses to uncover any unfair wage differences. Several of Humana's busi-

nesses offer jobs to those who are furthest from the labour market.

## Goal 10 – Reduced inequalities

Humana works for an inclusive society where everyone is entitled to a good life. We therefore actively contribute to sub-goal 10.2 **Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.**

Regardless of the individual circumstances of our customers and clients, our employees work for our customers' and clients' right to a better life.

## Goal 12 – Responsible consumption and production

Being a socially responsible provider is a strategic goal area and considering the environment in our operations is part of that. We aim to reduce our negative impact on the environment by actively contributing to sub-goals 12.5 **substantially reduce waste generation** and 12.8 **ensure that people everywhere have the relevant information**

and awareness for sustainable development and lifestyles in harmony with nature. Humana sets central policies for our environmental initiatives. The work is performed mainly in our local units and care homes throughout the Nordics. The units are encouraged to reduce waste. We encourage employees' knowledge of and commitment to sustainable development through good organisation and communication. Employees, customers and contractors can influence Humana's direction and tempo when it comes to the company's sustainability issues.

## Goal 13 – Climate action

Humana contributes to goal 13 **Climate action** by striving to reduce the climate impact of our operations through climate-smart travel and by enabling remote work, installing solar panels and switching to more environmentally-friendly heating systems. We are able to monitor our initiatives by measuring our greenhouse gas emissions.





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# 04

## Care is our offering

Humana provides care services in four Nordic countries: Sweden, Finland, Norway and Denmark. We provide individual and family care in all countries, while personal assistance is provided in Sweden and Norway and elderly care in Sweden and Finland. Humana’s operations are split into five business areas.





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# Individual & Family

Humana is a leading individual and family care provider in Sweden. We offer substantial expertise in psychosocial disorders, mental illness and functional impairment. By coordinating and planning the client's health and social care, we work for everyone's right to a good life.

## Offering

We offer residential care homes, special service housing, assisted living homes, family-based care, outpatient care, homes with special service in accordance with the Act concerning Support and Service for Persons with Certain Functional Impairments (LSS), schools and healthcare operations.

The type of support and how much support a person needs varies over time. The aim of our dynamic care is to meet the individual needs of clients and provide integrated care so that they can be transferred smoothly from one service to another. Humana's size, extensive expertise and internal coordination allow us to customise interventions and ease the burden on the welfare system and the planning of other public authorities.

## Child and Youth

For children and young people with psychosocial disorders and mental health issues, we assist in areas such as self-harm, neuropsychiatric functional impairments, abuse, criminality and substance abuse. We have around 60 residential care homes and assisted

living homes that can accommodate approximately 500 clients.

## Family-based and Outpatient Care

We offer interventions in family-based care supported by contracted consultants, in treatment centres and in outpatient care for children and young people from families with difficult challenges and complex needs, or who have problems with criminality and substance abuse. We can accommodate just over 650 children and adolescents. Adults in family-based care and outpatient care are also offered support.

## Adults

For adults with health and care needs, we offer special service housing, short-term housing and residential care homes. In all, we have around 30 units with space for just over 600 clients. We also offer housing for young people and adults with functional impairment along with occupational initiatives for adults covered by LSS. 72 of our housing units are run under own management and fifteen under contract. We also have four day care facilities.

## Developments in 2021

The Covid-19 pandemic also had a significant impact on 2021. We acquired three new operations and continued to give digital talks to share our extensive knowledge and help to shape opinions regarding key issues linked to individual and family care. In 2021, the Family-based care and Outpatient care service area focused on meeting the needs of municipalities regarding solutions for complex cases.

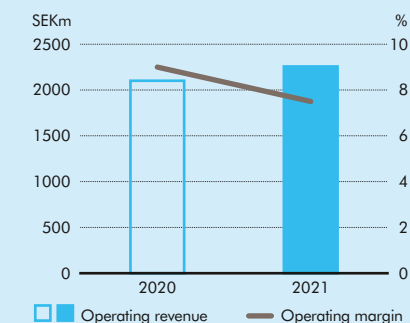
## Outlook

Mental illness continues to increase in society, especially due to the pandemic. The need and demand for our services is increasing at the same time as municipalities are increasingly trying to come up with their own solutions. Demand is increasing most in terms of more complex cases. The importance of procurements and framework agreements also continues to increase. In LSS day care, we are aiming for continued organic growth and are planning several start-ups in 2022.

Percentage  
of Group  
revenue 2021

28%

## Operating revenue and operating margin



Key ratios	2021	2020
Operating revenue, SEK million	2,257	2,101
Revenue growth, %	7.4	0
Organic growth, %	0.9	0.4
Share of Humana's revenue, %	28	27
Operating profit, SEK million	168	190
Operating margin, %	7.5	9.0
Average number of employees, full-time equivalents	2,169	2,065





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# Personal Assistance

Personal assistance enables people with functional impairments to live independently on their own terms. Humana is Sweden’s largest provider of personal assistance. Our expertise is extensive and we continue to grow while maintaining high quality.

## Offering

Personal Assistance is a service within the framework for LSS, the Act Concerning Support and Service for Persons with Certain Functional Impairments. It gives many people the opportunity to live an independent life and to participate in society.

Personal Assistance is a client-choice market, where the customer decides who will provide the assistance. Roughly 19,000 people in Sweden are entitled to receive personal assistance. Humana was chosen as the provider for almost 1,900 of them. This makes us Sweden's largest assistance coordinator, with operations across the country.

Humana provides individualised assistance. Our specialist expertise in recruitment and law is reassuring to the customers and gives the best prospects for allocating the correct amount of assistance hours. Besides assistants, the team includes an assignment manager responsible for coordinating all aspects of the customer’s needs, finances, recruitment and assistants. Large working groups also have a supervisor.

## Developments in 2021

Since fewer people are being granted personal assistance in Sweden, the market for personal assistance shrank over the past year. Despite this, Humana continued to grow and take a bigger share of the market. At the end of the year, Humana acquired the company Enigheten Personlig assistans AB. This acquisition strengthened our presence in the county of Dalarna.

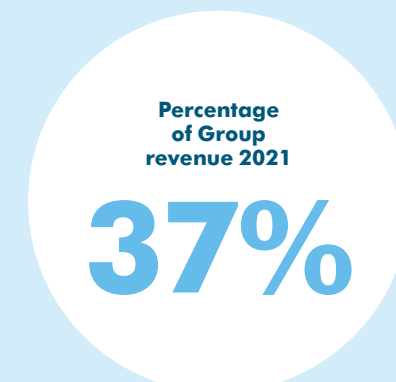
May 2021 saw the release of the report *Stärkt assistans* (“Consolidated assistance”) (SOU 2021:37). The report sets out proposals aimed at strengthening the right to personal assistance within self-care and supervision, and reducing ‘parental authority’. The proposals were distributed for consultation and, like other consultation bodies, Humana was largely positive.

In September 2021, the government commissioned a study to review beneficial ownership with regard to personal assistance. This beneficial ownership is currently shared between national and local governments. The results of the study will be presented by 1 March 2023. During the year, there was inevitably a strong focus on cus-

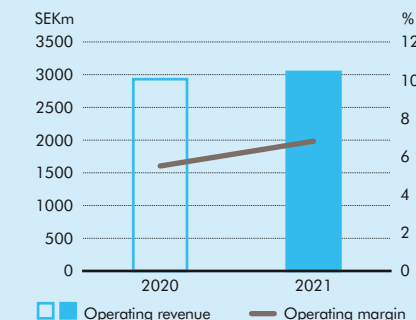
tomers and employee health and safety due to the Covid-19 pandemic. We have worked purposefully to improve the working environment through occupational health and safety training, expanded risk assessments, linguistic support, more safety inspections and skills development. We also ensured that protective equipment was available at every workplace.

## Outlook

The *Stärkt assistans* report suggests law changes to take effect on 1 January 2023. If this happens, the number of people entitled to assistance is expected to increase by 2,000. The sector’s margins will continue to be challenged due to low increases in the state reimbursement amount that do not cover increases in business costs. Humana’s goal is to win a bigger share of the market. Growth will be achieved by encouraging more people to choose Humana, and through acquisitions. The challenging operating environment in the assistance industry will require further consolidation of companies, and Humana plans to take an active approach.



Operating revenue and operating margin



Key ratios	2021	2020
Operating revenue, SEK million	3,042	2,931
Revenue growth, %	3.8	5
Organic growth, %	1.9	4.1
Share of Humana’s revenue, %	37	38
Operating profit, SEK million	208	160
Operating margin, %	6.8	5.5
Average number of employees, full-time equivalents	5,209	5,099



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*I feel confident having Humana as an employer.”*

**Kubra Mohammad Akram**  
Personal assistant, Sweden



**Kubra, you are both a mum and a personal assistant. What is that like?**

When I help my son, I do not think of myself as his mother. I am his assistant and meeting his needs is governing everything I do. He knows a bit of sign language and can say whether he wants to listen to music or maybe dance a bit – then we do that. He can also say things like that he is in pain, but I can't always be sure I understand where the pain is, then it's tough. When I help my son, I'm really happy. I feel like a strong person and forget everything else around me.

**How does it work with Humana as assistance coordinator?**

I got in touch with Humana in 2014. It works great and when I have a question I just make a call to them. We get help

whenever we need and Humana's staff members are very kind. I feel confident having Humana as an employer and I am happy that they understand me.

**What does it mean to you that Humana has many language-skilled employees?**

It means that I can speak both Persian and Swedish with Humana and this makes it a lot easier for us. It simply makes it easier to communicate. I haven't had the chance to go to school so much, and the fact that I can't speak Swedish very well has given me plenty of sleepless nights. I can speak freely from the heart with Humana's staff members, both in Persian and in Swedish.



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# Elderly Care

Humana provides elderly care homes run under own management and under contract. In 2021, we opened five newly built homes and took over three contracts. The care we provide is characterised by high quality, sustainability and innovation. Repeatedly, our elderly care homes receive high marks.

## Offering

Humana operates 23 elderly care homes in 16 municipalities in Sweden. We strive to offer comprehensive care in every home in a safe, secure and comfortable environment. Those who move into our elderly care homes have their own flats. They also have access to a dining room, sitting room and other common areas. Various activities are offered daily. Humana’s meal concept includes good, nutritious food eaten together with others.

Residents of Humana’s elderly care homes often have several diagnoses, such as dementia, diabetes, heart failure or different types of functional impairments. This places high demands on the staff. We have experienced managers and dedicated assistant nurses, nurses, physiotherapists and occupational therapists. We use evidence-based methods and offer employees continual opportunities for professional development, including via the Humana Academy.

## Developments in 2021

The Covid-19 pandemic continued to impact on elderly care in 2021, particularly regarding bed vacancies.

The abolition of the ban on visitors at all elderly care homes during spring 2021 enabled certain aspects of the operations to return to a more normal everyday life. Most employees have a positive attitude towards vaccination and levels of sick leave fell sharply during the year. However, occupancy and sick leave levels did not return to the pre-pandemic levels of early 2020.

From April to September, Humana opened five new elderly care homes under own management with a total of 320 flats. These properties are located in Falkenberg, Ängelholm, Vallentuna and Norrtälje (two homes). The opening of these operations proceeded entirely according to plan, and around 70 percent of bed vacancies had already been filled by December. During the year, we also took over the operation of two elderly care homes in Kalmar and one in Örebro.

Two more Humana elderly care homes received Silviahem certification in 2021. This means that all staff have

taken supplementary courses in good dementia care so they can provide the best possible quality of life for people with dementia and their families.

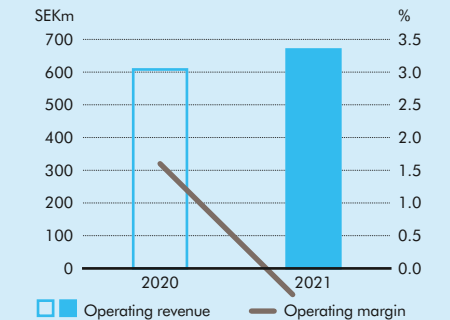
## Outlook

Humana has an ongoing project in Täby municipality concerning 90 flats, which is scheduled for completion by autumn 2022. This property will be run under own management and has a favourable geographical location close to a communication-hub.

Humana is planning to further expand its elderly care operations. The market is substantial and the number of persons aged over 80 will rise by around 50 percent over the coming ten years. This will result in strong demand for many new elderly care homes which can be operated both efficiently and with a high level of quality. Given the falling tax revenues amongst the municipalities, private alternatives able to run the operations cost-effectively while offering a stimulating and eventful daily life for the residents, will become even more important.



Operating revenue and operating margin



Key ratios	2021	2020
Operating revenue, SEK million	669	608
Revenue growth, %	10.1	8
Organic growth, %	10.1	7.7
Share of Humana’s revenue, %	8	8
Operating profit, SEK million	-3	10
Operating margin, %	-0.4	1.6
Average number of employees, full-time equivalents	955	862



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# Finland

Humana offers individual and family care as well as elderly care in Finland. In 2021, several new openings and growth initiatives took place. The focus is on securing growth and continuing to improve profitability, with a particular focus on sustainability and branding.

## Offering

In Finland, Humana offers institutional care for children and young people, outpatient care for families and children, as well as housing services for the elderly, individuals with functional impairments and individuals with mental illness and/or substance abuse problems.

Humana Finland operates approximately 95 care units and has 41 teams providing outpatient care. In total, Humana Finland serves approximately 4,000 clients and customers.

## Developments in 2021

For Humana Finland, the year was characterised by positive growth initiatives and several new openings, although Covid-19 continued to affect the business as the waves of the pandemic swept the country. Humana’s employees were very well-equipped to handle the pandemic.

The market for child institutional services was affected by the pandemic during the summer and autumn. Exceptionally low demand led to lower occupancy, though the occupancy rate normalised towards the end of the year.

Humana expanded its outpatient care services during the year and retained its position as Finland’s largest provider of individual and family outpatient care. Demand remained strong, as preventive health and social care is prioritised by the social services.

The need for child and youth care homes fluctuated during the year due to the Covid-19 pandemic. The underlying need for the services remained strong, and a number of investment decisions were made during the year regarding the opening of new units.

Humana opened several new child and youth operations during 2021. Two new institutional care homes opened in central Finland. Humana’s care services for other target groups also grew organically during the year, with the addition of one new unit.

## Outlook

Humana’s goal is to strengthen its position as a provider of high-quality care services in Finland. This includes improving growth and profitability. Humana’s outpatient care services are increasingly important. They include supporting parents with the challenges

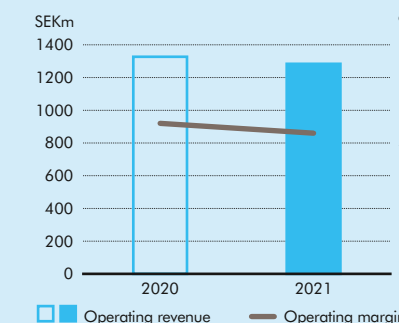
they face, serious mental illness and substance abuse problems.

By providing support on time, it is possible to rectify problems before they require more comprehensive measures. Humana leads the way in this area in Finland.

The need for institutional child and youth health and social care is expected to remain strong going forward. There will be a particular need for specialist expertise to support children who are suffering from neuro-psychiatric functional impairment or mental illness, or who show symptoms through drug abuse or violent behaviour. Humana will continue to offer extensive services for children with complex problems.



Operating revenue and operating margin



Key ratios	2021	2020
Operating revenue, SEK million	1,284	1,327
Revenue growth, %	-3.2	10
Organic growth, %	-0.5	7.4
Share of Humana’s revenue, %	16	17
Operating profit, SEK million	56	62
Operating margin, %	4.3	4.6
Average number of employees, full-time equivalents	1,605	1,669





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*We want to give the elderly a healthier day-to-day life.”*

**Jenni Lepistö and Toni Savolainen**

Assistant nurses, Elderly Care, Finland



**Jenni and Toni, you have been recognised as rehabilitation team ‘JETO’. What is that?**

JETO is an abbreviation of our names, Jenni and Toni, and is our own way of helping the elderly at our unit to have a good, more active life in their old age.

**What lies behind your commitment to the elderly?**

We are both assistant nurses specialised in elderly care. We have worked extensively with rehabilitation and wanted to try to see whether we could do more to give the elderly a healthier day-to-day life, something Humana encouraged.

**What is the key to successful rehabilitation?**

We start with the aids the elderly already use in their day-to-day lives, like a rollator. Then we customise the programmes for each individual person. In the end, good interaction, warmth and humour are a must. That might include winning their trust several times during the same shift if they have dementia.

**How has it been received?**

We see clear positive results – the elderly have become more active and their family members are really pleased. This in turn has given the entire work team a lot of positive energy because we have been able to share the success of the efforts with our colleagues.



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# Norway

In Norway, Humana provides services in personal assistance and individual and family care, as well as special service housing. Every day, Humana Norway helps its customers and clients to live a life like everyone else.

## Offering

Humana Norway offers social care services for children and young people, personal assistance (self-directed personal assistance/BPA), outpatient care, family-based care and special service housing for people with functional impairments and/or mental health problems.

Humana is one of the two largest care providers in Norway, with a growing number of customers.

## Developments in 2021

Despite the Covid-19 pandemic, the Humana Norway business area has yet another successful year behind it, with both the reputation and the position of the Norwegian market being strengthened further. Growth was especially strong in the personal assistance segment, and many new customers are queuing up to use our services. Humana is now Norway's largest provider of personal assistance.

The segment for special service housing for people with functional impairments and/or mental health problems is also growing fast. Humana's operations in this sphere have

contributed very good results, both qualitatively and financially. Institutional and family-based care operations continue to be a challenging segment for all providers. This area is also under political pressure.

Throughout 2021, Humana Norway has invested in marketing via digital channels, and achieved considerable success within recruitment and other areas. A national family-based care campaign was viewed over half a million times on social media, helping to raise awareness of Humana and all the good work we are doing. The campaign also resulted in many potential new family-based care homes. Furthermore, we have never had as many participants in our webinars as we had this year. The fact that we are sharing our knowledge is attracting more and more interest in our work and making people aware of how Humana can help to meet their needs.

## Outlook

Humana's Norwegian operations are stable and profitable. At the same time, there is great growth potential since the need for health and social

care in Norway, as in the rest of the Nordics, continues to increase.

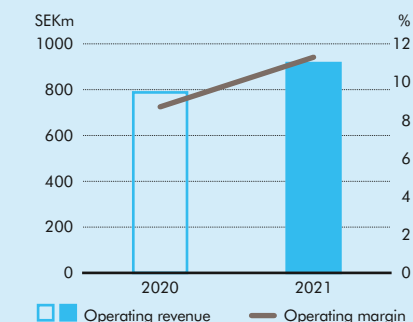
We work systematically to develop good managers and ensure satisfied employees over the long term. One sign that our investments in professional development, leadership development and high-quality services have succeeded is that more and more people are applying for jobs at Humana.

During 2021, Humana Norway continued to deliver excellent results with regard to quality. This positive trend is gratifying and increases our motivation to continue to develop our services.

Humana Norway will continue to work to take a bigger share of the market based on high quality and an understanding of the market's needs.



Operating revenue and operating margin



Key ratios	2021	2020
Operating revenue, SEK million	916	788
Revenue growth, %	16.4	-0.8
Organic growth, %	13.8	8.9
Share of Humana's revenue, %	11	10
Operating profit, SEK million	103	69
Operating margin, %	11.3	8.7
Average number of employees, full-time equivalents	994	838







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# 05

## Humana as an *investment*

Humana has been listed on Nasdaq Stockholm since 2016. An investment in Humana is an investment in sustainable welfare. Humana creates great value at an individual level and socio-economically. Clear financial targets, together with our commitment to continuous development and quality assurance, promote a long-term sustainable return.





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# Humana – a *sustainable* investment

An investment in Humana is an investment in sustainable welfare. Humana creates great value for society, at an individual level and socio-economically. The company has a strong position in the growing care market and a clear strategy for achieving its overall goal of being the obvious provider of care services in the Nordics for customers, clients and contractors who demand high quality.

Several underlying trends in the world at large show that the need for care is increasing and is expected to continue to increase over the coming years. Thus, demand for innovative, cost-effective and high-quality care services will also increase. These trends include, among other things, an ageing population, increasing mental illness, old property holdings and increased demand for quality, specialisation and individual adaptation.

Meanwhile, the increased need, combined with a changed demographic structure with fewer people in the labour market, leads to economic pressure on states and municipalities, which in turn increases the need for cost-effective care services. Another

challenge is finding skilled labour in the care industry.

All providers – public, private and non-profit alike – will be essential to meeting the need and coping with these major welfare challenges. As a long-term, high-quality care provider, Humana is part of the solution. The company has a clear strategy for how its operations will continue to develop, and clear financial targets that focus on growing profitably and sustainably – socially, economically and environmentally. Through investments in research and constant development to meet the changing needs of the market, Humana wants to set a new and higher standard of care in the Nordic region.





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# Seven reasons to *invest* in Humana

## 1 Care is a stable and growing market

**The market.** The care market in the Nordics totals SEK 650 billion, of which about a quarter is private.

**Continued growth.** A growing and ageing population along with increased mental illness is expanding the market. Non-cyclical market. The care market is less affected by business cycles.

## 2 Humana wants to grow and help more people have a good life

**Growth-oriented.** Humana is a growth-oriented company. We are proud of our business and the care we offer. Growing means that we help more people have a good life. In 2021, Humana gained around 600 new customers and clients. Our offering must be in line with underlying growth trends and meet the needs of a growing market.

**Consolidation.** The market is fragmented and consists of thousands of companies. The ongoing consolidation creates opportunities for a company like Humana to grow through acquisitions.

## 3 Strong position through high quality and specialised offering

**Market position.** Humana has a strong market position in personal assistance and individual and family care and is growing in elderly care.

**Specialisation.** Our continuous reorganisation efforts to adapt the business to more complex customer offerings and research initiatives give us competitive advantages in a market with increased demand for specialist expertise.

**Quality.** High quality care is a prerequisite for meeting demand and establishing a strong position in the market. Humana has developed its quality monitoring initiatives and implemented a new Humana Quality Index, HQL. This will give us the conditions to keep contributing to a higher standard of social care.

**Entry barriers.** Complex care services with advanced specialisation, permit requirements and investments create high entry barriers.

## 4 We drive the future of welfare

**A sustainable business concept.** Humana works to ensure sustainability at an individual level as well as socio-economic sustainability, which also includes taking responsibility for its environmental impact. Everyone is entitled to a good life, and Humana

wants to contribute by establishing a new and higher standard of care.

**Social sustainability.** An investment in Humana is an investment in the care of vulnerable individuals and a route for employees into the labour market. We help more people lead a good life by delivering high-quality care services, and invest in jobs for people who stand furthest from the labour market.

**Socio-economic sustainability.** In 2021, Nordic municipalities and states saved SEK 1 billion through Humana's cost-effective care services.

## 5 Continuous growth and profitability

**Growth.** Humana has a history of stable growth and stable margins. We are continuing to focus on growth through a relevant offering and cost efficiency.

**Revenue.** Over the last five years, Humana has had an annual average revenue growth of 5.7 percent.

**Operating margin.** Over the last five years, Humana has had an annual average operating margin of 5.6 percent.

**Earnings per share.** The average annual increase in EPS during the last five years has been 11.7 percent.

**Stability.** Demand for our operations is independent of economic conditions or other major socio-economic challenges, which guarantees long-term, sustainable returns.

## 6 Good cash conversion reduces risk

**Cash conversion.** Humana's revenues come primarily from national and local governments. They pay on time and are creditworthy. Increasing revenue and stable profitability help to strengthen operating cash flow and to generate cash flow, which is used partly to invest in growth. For the last three years, cash conversion (operating cash flow divided by EBITDA) amounted to 85 percent in 2019, 93 percent in 2020 and 86 percent in 2021.

## 7 Attractive financial targets

**Financial targets.** Humana will create good value for its shareholders. Humana will be profitable and have an operating margin of 7 percent.

Humana will grow 5 percent organically with an additional 2–3 percent possible from acquisitions. Humana will have a good capital structure with net debt not exceeding 4.5x EBITDA.

**Dividend policy.** Dividends may amount to 30 percent of net profit for the year. The Board has suggested that no dividend should be paid for 2021. Also for the years of 2019 and 2020, no dividend was paid.



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# The Humana share

Humana’s share is listed on Nasdaq Stockholm. Market capitalisation was SEK 3.9 billion at the end of 2021, an increase of 23 percent compared with the previous year.

## Trading and market capitalisation

Since March 2016, the Humana share has been listed on Nasdaq Stockholm in the Mid Cap segment under the ticker HUM.

In 2021, a total of 27.4 million shares were traded on Nasdaq Stockholm at a value of SEK 1.9 billion. The average daily share turnover totalled SEK 7.5 million. On all venues, Humana shares traded for a total of SEK 3.2 billion. The five venues with the largest turnover were Nasdaq

Stockholm (59 percent of trade closings), Cboe BXTR (16 percent), Cboe BXE (9 percent), Cboe DXE (8 percent) and Cboe BATS (3 percent).

## Share price movement

On the last trading day of the year, Humana’s share traded at a price per share of SEK 72.20, an increase of 23 percent in 2021. This corresponded to a market capitalisation of SEK 3.9 billion and an increase of SEK 717 million for the year. The highest share price paid for the year was SEK 84.90

on 17 November 2021. The lowest share price paid for the year was SEK 57.00 on 28 January 2021.

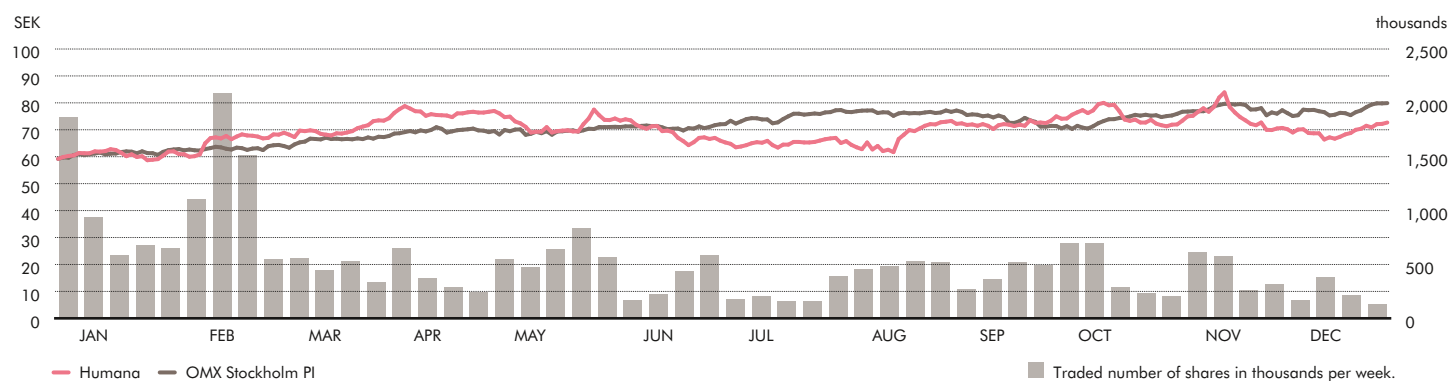
## Share capital

The total number of shares on 31 December 2021 was 53,140,064. Each share has a quotient value of SEK 0.022, which means that share capital amounts to SEK 1,180,879. Humana’s share capital consists of one class of shares, with each share having equal voting rights and equal entitlement to receive dividends.

## Ownership structure

Humana had 4,669 shareholders at the end of the year. The proportion of share ownership in Sweden was 58.5 percent. Foreign ownership totalled 41.5 percent. Shareholders in the UK held 14.2 percent of the votes and capital, shareholders in Luxembourg held 6.8 percent, shareholders in Norway held 6.3 percent and shareholders in the US held 6.0 percent. The ten largest shareholders held 72.9 percent of the votes and capital.

Humana’s share price in 2021



## Key ratios

	2021	2020
Number of shares at end of year, millions	53	53
Market capitalisation at end of year, SEK million	3,863	3,146
Number of shareholders	4,669	4,375
Share price at end of year, SEK	72.70	59.20
Price change during the year, %	23	-3
Year’s high, SEK	84.90	64.80
Year’s low, SEK	57.00	34.20
Earnings per share, SEK	5.67	4.94
Dividend per share, SEK	0.00	0.00
Dividend as % of earnings per share	0	0
Shares held in Sweden, %	58.5	54.5
Shares held by the 10 largest shareholders, %	72.9	70.4

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Members of Humana’s Group management owned a total of 58,029 shares as at 31 December 2021, corresponding to 0.1 percent of the votes and capital. Humana’s Board members and related parties owned 10,866,054 shares, corresponding to 20.4 percent of the votes and capital, of which Impilo, the principal owner, held 20.2 percent.

**Holdings of own shares**

The company’s own shareholdings totalled 4,247,859 as at 31 December 2021, corresponding to 8.0 percent of the votes and capital. See note G17 and note G24 for more information concerning share buybacks.

**Dividend and dividend policy**

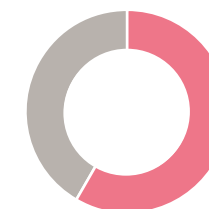
Humana’s target is for the dividend to amount to 30 percent of profit for the year and for the proposed dividend to consider Humana’s long-term development potential and financial position. Due to the prevailing situation in 2021 caused by the Covid-19 pandemic, the Board has proposed to the 2022 AGM that no dividend be paid to shareholders from the profit for the year 2021.

**Share-based incentive programmes**

At the end of 2021, Humana had no ongoing long-term share-related incentive programmes for senior executives or other employees.

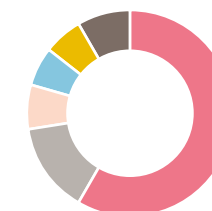
In June 2020, Impilo Care AB, Humana’s principal owner, made an offer to Board members and senior executives of Humana to acquire synthetic options in Humana issued by Impilo Care AB. Humana did not participate in the offer and the programme will not give rise to any costs for Humana. A total of 461,000 synthetic options were acquired. The total market value of the options on the transaction date is estimated at approximately SEK 1.4 million. The synthetic options are related to Humana’s share and expire after three years. The options can be exercised during the period 1 April 2023 to 30 June 2023. The exercise price is SEK 77.90 per option.

**Shareholder distribution**



■ Swedish shareholders, 58.5%  
■ Foreign shareholders, 41.5%

**Share ownership by country**



■ Sweden, 58.5%    ■ UK 14.2%  
■ Luxembourg 6,8%    ■ Norway, 6.3%  
■ US 6.0%    ■ Other countries 8.2%

**Financial calendar**

2022	5 May	Interim report January–March
	10 May	Annual General Meeting
	18 August	Interim report January–June
	10 November	Interim report January–September

**Banks monitoring Humana**

Company	Analysts / email address
ABG Sundal Collier	Jakob Lembke jakob.lembke@abgsc.se
Carnegie	Kristofer Liljeberg kristofer.liljeberg@carnegie.se
DNB, Den Norske Bank	Karl-Johan Bonnevier k.j.bonnevier@dnb.se
SEB	Mattias Vadsten mattias.vadsten@seb.se
Kepler Cheuvreux	Jon Berggren jberggren@keplercheuvreux.com

**Ten largest shareholders**

31 December 2021	Number of shares	% of votes and capital
Impilo Care AB	10,743,554	20.2
Incentive AS	7,674,523	14.6
Alcur fonder	5,229,566	9.8
Humana AB	4,247,859	8.0
SEB Investment Management	2,890,207	5.4
Nordea Investment Funds	2,657,031	5.0
Zirkona	1,990,127	3.8
Euroclear bank	1,629,623	3.1
Third Swedish National Pension Fund	938,609	1.8
MJM Invest	746,138	1.4
<b>Total, 10 largest</b>	<b>38,747,237</b>	<b>72.9</b>

Shareholders who are registered directly with Euroclear Sweden or who have confirmed their ownership directly to Humana. The shareholders list is continuously updated on Humanas web page.

**Shareholder structure, 31 December 2021**

Shareholding, number of shares	Number of shareholders	% of votes and capital
1–500	3,697	0.8
501–1,000	406	0.6
1,001–5,000	366	1.7
5,001–10,000	70	0.9
10,001–15,000	21	0.5
15,001–20,000	14	0.4
20,001–	95	95.1
<b>Total</b>	<b>4,669</b>	<b>100.0</b>

**Shareholder categories, 31 December 2021**

	%
Foreign shareholders	41.5
Swedish shareholders; financial companies and other legal entities	52.4
Private individuals	6.1
<b>Total</b>	<b>100.0</b>





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The corporate governance report forms part of the statutory administration report, which can be found on pages 71–75.

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Humana

# 06

## Corporate governance

The objective of Humana’s corporate governance is to establish efficient procedures and effective control, ensuring that shareholders’ interests are protected and promoting a sustainable and value-creating business.





# Chairman's statement

For Humana, 2021 can be summed up in three parts. The pandemic maintained its grip on society and continued to have a major influence on our daily work as caregivers. We took further steps towards our targets, in line with the plans established by the Board a couple of years ago. The end of the year saw a transition in the role of CEO, with Johanna Rastad taking the reins from Rasmus Nerman, a change that will guarantee both continuity and create space for expectations for the future.

Many of us believed that the pandemic would come to an end as early as autumn 2020, with behavioural rules, vaccinations and testing breaking the back of it. Instead it ended up continuing, shifting its form and becoming a part of our daily lives. Humana has played an important role as a care provider during this period and our organisation has continued to manage a challenging situation, both for those to whom the care relates and for our employees. A developed quality system, training initiatives and leadership have provided important support in these efforts.

## Socially responsible provider

Humana's role is to provide care in different areas and across four countries in the Nordic region – our core business is about social sustainability in

society. As a socially responsible provider, we also actively contribute to diversity and inclusion in society. For several years now, we have also shown how we can add significant value purely through savings that contribute to a healthy economy. When I meet politicians and public officials, they also often emphasise the importance of the freedom of choice provided by private operators' services and the possibility of comparing publicly provided care with an alternative. There is increasing freedom of choice in terms of elderly care homes and group homes, and that is valuable!

Two prerequisites of sustainable welfare are monitoring and transparency of quality. Humana also contributes in these areas, and is a forerunner in terms of measuring quality. We welcome clear and stated quality targets,

whether they concern procurement or monitoring.

## Implementation and target achievement

2021 was a year in which Humana took yet another step towards reaching its medium-term targets, but we still have a long way to go to fully achieve them. In relation to our targets it looked like this:

- An operating margin of 6.0 percent (6.0), compared with the target of 7 percent.
- Organic growth of 3.1 percent (4.1), compared with the target of 5 percent.
- Net debt/EBITDA ratio of 4.6 times (4.3), compared with the target of 4.5 times.



*Two prerequisites of sustainable welfare are monitoring and transparency of quality. Humana also contributes in these areas, and is a forerunner in terms of measuring quality.*





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This is for the Group as a whole and the situation in each country and business varied to a relatively large extent.

Norway, which faced challenges a few years ago, showed continued improvements, not least in terms of organic growth, and the currently well-managed business continued to win confidence in procurements.

Personal Assistance in Sweden, which is an esteemed caregiver and employer, continued to deliver stable results. Individual & Family in Sweden is also essentially a well-run business, though during the year the operations experienced multiple challenges relating to quality. The background to this is the multi-year trend of increasing complexity in the assignments we receive, which in turn is a consequence of greater challenges in society. Those who need care from society today are often in very difficult situations or have more complicated issues compared to previous periods, thus increasing demands on us as caregivers. We have invested heavily in quality assurance, which in some cases has also meant that we have chosen to close operations.

Elderly care in Sweden invested in growth during the year. We opened a handful of newly built elderly care homes under our own management, which initially led to significant overcapacity. That business area also won several procurements to run municipally-owned elderly care homes.

In Finland, where there has been an unsatisfactory performance following the major acquisition in 2019 and where management was almost completely renewed in 2020, we saw increasing results from the improvement programmes.

#### Multiple tasks to solve moving forward

As we sum up 2021, we have come a long way on the journey that the board mapped out in autumn 2019. The tasks we need to solve in 2022 and beyond are clear and concrete. The targets relate to Group level, but their implementation is of course the sum of each business area's programme, and although the starting points vary, they are pointing in a clearly positive direction. Humana operates in the Nordic region and has three operational branches: personal assistance, individual and family care and elderly care. It is also in these areas that we should expand and develop; we should grow both organically and through complementary acquisitions, primarily in areas with proven strength. Elderly care in Sweden has struggled with a lack of profitability, but is expected to be in a position to increase occupancy in the new housing units. Finland has all the prerequisites to succeed in bringing about the necessary improvements to profitability with its new management and an acquisition in the



*The outcome for 2021, our programmes for the future and the new leadership team all provide a sound basis for positive expectations for the future.*

capital region, that took place in the beginning of 2022.

#### Leadership transition

In December, Johanna Rastad took over as CEO. It was very gratifying to be able to recruit a new CEO with unusually extensive knowledge of care operations internally. This guarantees continuity, but she has also shown that she is skilled at driving change.

A change of leadership naturally entails a review of the Group's central functions, and Humana's management team has been renewed in the areas of HR and communication, as well as for the Individual & Family business area. In the area of quality, a new Director of Quality and Development will take up the role during the second quarter of 2022. Extensive digitalisation efforts

are already underway and will accelerate going forward. In order to be able to focus on the task of providing care, it must be easy and efficient for our employees to carry out their administrative work. Companies that succeed in this area can also stand out compared with smaller private and larger public employers.

To conclude, on behalf of the Board, I would like to express a heartfelt "thank you" to all of Humana's employees for a well-run 2021 and for their continuing efficient handling of the pandemic. I would also like to thank my colleagues on the Board for a great collaboration during another unusual year, where most of the meetings were digital.

The outcome for 2021, our programmes for the future and the new leadership team all provide a sound basis for positive expectations for the future. We will build on Humana's strengths and I look forward to a 2022 in which we make further improvements and see even faster developments.

Welcome!

**Sören Mellstig**  
Chairman of the Board





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# Regulations, control model and internal control

Humana's corporate governance is aimed at long-term and sustainable value creation. Humana endeavours to provide a clear and transparent governance model and division of responsibility, along with good control of risks and a healthy corporate culture.

Efficient and well-functioning corporate governance creates better control while providing scope for new business. The aim is to ensure that Humana is effectively governed and operated in accordance with current laws and regulations.

## Regulatory framework and governance model

Humana is a Swedish public limited company listed on Nasdaq Stockholm. The company, corporate ID number 556760-8475, has its registered office and head office in Stockholm. The corporate governance report is part of the company's Board of Directors' Report and is audited by the company's auditors.

The objective of Humana's corporate governance is to ensure that the Board and Group executive management work to develop the company's operations so that long-term value is created for all stakeholders, including customers, clients, employees and shareholders. The work involves ensuring a well-functioning organisation, clear operational goals, a system for

efficient management, effective monitoring, correct and transparent governance and internal control, and transparent internal and external reporting. The aim of corporate governance is to ensure that Humana is effectively governed and operated in accordance with current laws and regulations.

Responsibility for governance, management and control is distributed between the Board, its elected committees, the CEO and the shareholders. Humana's governance is based on external and internal governance instruments.

## External governance instruments

External governance instruments form the framework for Humana's corporate governance. The external instruments include the Swedish Companies Act, the Swedish Annual Accounts Act, Nasdaq Stockholm's Rules for Issuers and the Swedish Corporate Governance Code (the Code).

## Internal governance instruments

The internal control instruments include the Articles of Association as adopted by the Annual General Meeting, the rules of procedure for the company's Board of Directors and the CEO instruction, policies and internal rules and guidelines. Humana's Board has adopted several policies and guidelines that govern the company's operations. Humana has also adopted a set of instructions for financial reporting that are documented in the company's financial manual. Alongside the above-mentioned internal documentation, Humana follows a Group-wide vision, a business concept and four clearly defined target areas.

The structure and different components of Humana's corporate governance are shown in the illustration on the next page.

## Sustainability work and governance at Humana

At Humana, sustainability is an integral part of the company's business model and corporate governance.

For Humana, sustainability is closely connected with the company's value creation and acts as a quality provider in the care industry. Humana considers this work to be about making a major contribution to society, the company's customers, clients, contractors, employees and other stakeholders.

The work is based on Humana's core values, our strategic objectives and our code of conduct. Responsibility for overall strategies, objectives, measures and monitoring lies with Group executive management. Management reports to the Board, which monitors progress and is involved in driving the work forward.

Read more in Humana's sustainability report on pages 13–32, 62 and 67–68.



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## 1 Shareholders

Humana is listed on Nasdaq Stockholm. The total number of shares is 53,140,064. All shares carry the same voting rights and rights to the company’s earnings and capital. The company’s registered share capital on 31 December 2021 amounted to SEK 1,180,879. There is no provision in Humana AB’s articles of association restricting the transfer of shares.

Since the 2021 Annual General Meeting, there has been an outstanding authorisation for the Board to issue new shares corresponding to a maximum dilution of 10 percent of the total

number of outstanding shares in the company at the time of the meeting’s resolution concerning the authorisation, and to approve the buy-back of own shares so that the company’s overall holding of own shares amounts to not more than one tenth of all shares in the company. During the year the company bought back shares and took advantage of the opportunity to use shares as valuable consideration in an acquisition. Subsequently, the company’s total own shareholding amounts to 4,247,859 shares at year-end, which is 8.0 percent of the total number of outstanding shares and votes. After the financial year of 2020,

the company has utilised the full authorisation and bought back shares totaling to a holding of 5,314,006 shares, corresponding to 10 %.

Humana had 4,669 shareholders at the end of the year. The ten largest shareholders registered with Euroclear Sweden directly or as an owner group accounted for 69.4 percent of the votes and shares in the company. Swedish investors owned 59.9 percent of the votes and shares. The largest shareholder as at 31 December 2021 was Impilo Care AB with 20.2 percent of the votes and shares.

Humana’s Annual General Meeting was held on 11 May 2021 and was conducted through absentee voting (postal voting).

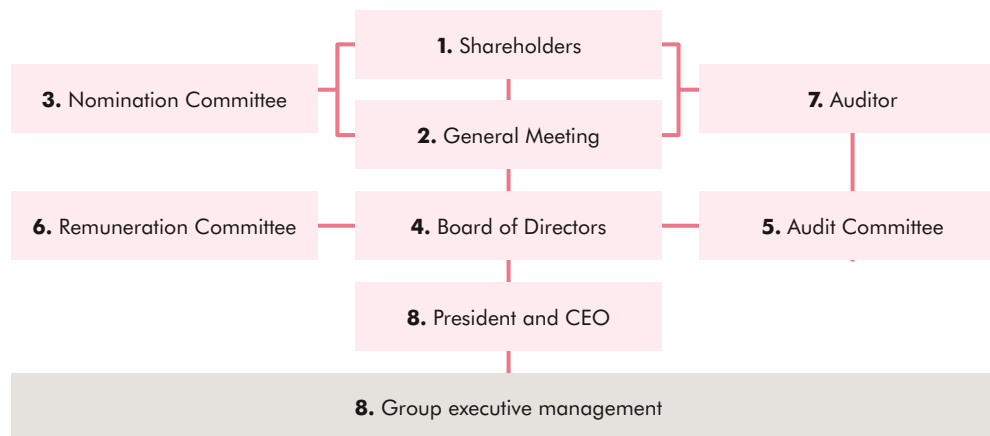
Resolutions passed at the 2021 AGM included:

- total available profits to be carried forward, meaning no dividend payment for the 2020 financial year
- the Board of Directors and CEO to be discharged from liability for the 2020 financial year
- the Board to be composed of seven ordinary members without deputies
- Sören Mellstig to be re-elected as Chairman of the Board, and Karita Bekkemellem, Kirsi Komi, Monica Lingegård, Anders Nyberg and Fredrik Strömholm to be re-elected as Board members
- payment of directors’ fees totalling SEK 2,310,000
- election of KPMG AB as auditing firm, with Helena Nilsson as chief auditor
- adoption of the guidelines on salaries and other remuneration of senior executives in accordance with the Board’s proposal
- authorisation for the Board to acquire own shares
- authorisation for the Board to transfer own shares
- authorisation for the Board to issue new shares on one or more occasions before the next AGM, but not exceeding 10 percent of the total

## 2 General Meeting

The General Meeting is Humana’s highest decision-making body, and all shareholders are entitled to attend. By exercising their voting rights, Humana’s shareholders can participate and decide on several important issues such as the election of directors and auditors, adoption of the financial statements, discharge from liability for the CEO and Board, and appropriation of the company’s profit.

All shareholders listed in the share register who have provided timely notification of their intention to attend according to the regulations contained in the notice convening the meeting are entitled to participate in Humana’s meeting and vote their shares. Shareholders may also be represented by proxy at the meeting.



### Governance model

Humana’s shareholders ultimately decide on the Group’s governance by appointing the company’s Board at the General Meeting. The Board, in turn, is responsible for ensuring that Humana’s corporate governance complies with laws and other external and internal governance instruments.



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### 2022 Annual General Meeting

Humana AB will hold its Annual General Meeting on Tuesday 10 May 2022 at the Lindhagen Conference Centre, Linhagensgatan 126, in Stockholm.

The meeting will be held in person but will offer the option of absentee voting (postal voting).

#### Right to participate and notification to the company

Anyone wishing to participate in the meeting through absentee voting must:

- be registered as a shareholder in the share register maintained by Euroclear Sweden AB on Monday 2 May 2022, and
- notify the company of their intention to attend the meeting by Thursday 4 May 2022 at the latest.

A shareholder who exercises their voting right through postal voting does not need to specifically report their participation in the meeting, see below under 'postal voting'.

#### Shares registered in the name of a nominee

In order to participate in the meeting, any party that has its shares registered in the name of a nominee through a bank or other nominee must register the shares in their own name with Euroclear Sweden AB by Wednesday 4 May 2022, and the nominee should thus be notified in good time before

the aforementioned date. Such registration may be temporary.

#### Notification of participation

Participation in the annual general meeting can be notified by phone, +46 (0)8 402 91 60, work days 9:00–16:00, or by post to the address:

Årsstämman i Humana AB, c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, or via the company's website: [www.humanagroup.se](http://www.humanagroup.se).

The notification should include the shareholder's name or company name, personal ID or company registration number, address, telephone number and the number of advisors.

If participation is by proxy, the original of the proxy (with any authorisation documents, such as registration certificate) should be received by Humana before the AGM.

#### Postal voting

Shareholders may exercise their voting rights at the meeting through postal voting.

A special form must be used for postal voting. This form can be found on the company's website, [www.humanagroup.se](http://www.humanagroup.se).

The form for postal voting is valid as notification.

The completed form, including any appendices, must be received by Euroclear Sweden AB (which administers the form on behalf of the company) by no later than Wednesday 4 May 2022. The form should be sent in good time before the meeting, either by e-mail to [GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com) or as the original example by post to Humana AB, "Årsstämman", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm. Shareholders may also cast their absentee vote electronically through verification by BankID via Euroclear Sweden AB's website, <https://anmalan.vpc.se/euroclearproxy>.

Shareholders may not endorse their postal vote with special instructions or conditions. Any such endorsements will render the vote (i.e. the postal vote in its entirety) invalid.

If a shareholder casts a postal vote through a proxy, a written, signed and dated power of attorney shall be enclosed with the postal voting form. In the case of legal persons, a certified copy of the legal person's certificate of incorporation or equivalent authorisation document for the legal person shall be enclosed.

Further instructions and conditions are given on the postal voting form.

number of shares outstanding in the company.

- to amend the Articles of Association regarding the company's name to a company name, and amendment of the timing of notification of participation in the Annual General Meeting. In addition, provisions were incorporated into the Articles of Association concerning the acquisition of powers ahead of an Annual General Meeting, and an option for shareholders to exercise their voting rights by post.

### 3 Nomination Committee

The Nomination Committee's task is to ensure that members of Humana's Board of Directors together have the relevant knowledge and experience to promote and be part of Humana's optimum development over time. The Nomination Committee assesses the Board's work, based on factors such as the Board's annual evaluation, the requirements of the Code, company-specific needs and comments provided to the Committee by Humana's Chairman.

The Nomination Committee's work also includes presenting proposals to the AGM on the number of Board members and the composition of the Board, and making proposals on remuneration of the Board, including fees for committee work. The Nomination Committee also proposes candi-





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dates for the positions of Chairman of the Board and Chairman of the AGM and makes proposals on the election and remuneration of auditors. The Nomination Committee's proposals regarding Board members, Board fees and the election of auditors are presented in the notice convening the meeting. A statement explaining the Nomination Committee's proposed Board composition is published on Humana's website when the notice is published.

In accordance with the Swedish Corporate Governance Code, Humana has a set of Nomination Committee instructions. The instructions require the company to have a Nomination Committee consisting of one representative from each of the four largest shareholders (in terms of votes), based on information from Euroclear Sweden AB on the last banking day in August, and the Chairman of the Board (the convener). The member representing the largest shareholder in terms of votes shall be appointed Chairman of the Nomination Committee. The Chairman of the Board shall not be Chairman of the Nomination Committee. Members of the Nomination Committee do not receive any remuneration.

Members of the Nomination Committee prior to the 2022 AGM:

- Fredrik Strömholm, representing Impilo Care AB, Chair of the Committee
- Alexander Kopp, representing Incentive AS
- Mats Hellström, representing Nordea Funds Ltd
- Simone Hirschvogel, representing SEB Investment Management AB
- Sören Mellstig, Chairman of the Board, Humana

The members of the Nomination Committee prior to the 2022 AGM represented approximately 44 percent of the votes in the company (as at 31 December 2021).

## 4 Board of Directors

The Board of Humana has overall responsibility for building a value-creating and sustainable business for shareholders with continuity and a long-term perspective. The Board is responsible for the company's overall strategy, ensuring well-informed decision-making processes and maintaining a clear perception of trends in the sector and Humana's business environment. Another important function of the Board is to ensure that the company has good risk management, control and business monitoring.

### Board members

According to the Articles of Association, the Board of Humana shall consist of three to eight members. Together, members of the Board must possess key skills and experience to ensure Humana's optimum development.

Since the 2021 AGM, Humana's Board has consisted of six elected members (three female and three male) without deputies. All Board members are independent of the company and its management. Four of the six are also independent of the company's principal owner, the exceptions being Chairman Sören Mellstig and Fredrik Strömholm. This means that Humana fulfilled Nasdaq Stockholm's

### Humana's Board in 2021 – Remuneration, independence, attendance, shareholdings and options

	Independent of		Meeting attendance			At 31 December 2021		Synthetic options, <sup>3)</sup> number	
	Director's fee (annual), SEK	Fees for committee work (annual), SEK	the company and its management	Principal owner	Board, (13)	Audit Committee, (5)	Remuneration Committee (4)		Shares, <sup>2)</sup> number
Sören Mellstig	700,000	100,000	Yes	No	13 of 13	5 of 5	4 of 4	100,000	100,000
Karita Bekkemellem	250,000	–	Yes	Yes	12 of 13	–	–	0	10,000
Magdalena Gerger <sup>1)</sup>	not current year	not current year	Yes	Yes	2 of 3	–	2 of 2	not relevant	not relevant
Kirsi Komi	250,000	40,000	Yes	Yes	12 of 13	5 of 5	–	10,000	10,000
Monica Lingegård	250,000	60,000	Yes	Yes	11 of 13	4 of 5	4 of 4	1,500	10,000
Anders Nyberg	250,000	20,000	Yes	Yes	13 of 13	–	4 of 4	11,000	10,000
Fredrik Strömholm	250,000	140,000	Yes	No	12 of 13	5 of 5	2 of 2	10,743,554	0

<sup>1)</sup> Resigned from the Board at the 2021 AGM (11 May).

<sup>2)</sup> Total shareholding – own, through related parties, endowment insurance and in companies.

<sup>3)</sup> The synthetic options are issued by Impilo Care AB. Humana did not participate in the offer and will not incur any costs for the programme.

The options are related to the Humana share, with a term of three years, and can be exercised in the period 1 April 2023 to 30 June 2023 at an exercise price of SEK 77.90.





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requirements for 2021 and the Swedish Corporate Governance Code's rules on the independence of board members.

A presentation of Board members can be found on page 59. See also the table on page 52.

The President and CEO attends all Board meetings. Humana's CFO also attends Board meetings and is Secretary to the Board.

### The work of the Board

The Board's duties and responsibilities are regulated by the Swedish Companies Act and Humana's Articles of Association. The Board's work is also governed by annually defined rules of procedure, which describe areas such as the division of duties and responsibility between Board members, the Chairman and the CEO.

The Board also draws up instructions for the Board's committees. The Board of Humana continuously monitors strategic direction, financial performance and the company's methods and processes in order to maintain well-functioning operations. Humana's Board is also responsible for ensuring good quality financial reporting and internal control and evaluating the business in relation to goals and guidelines defined by the Board. The Chairman of the Board and the CEO are responsible for monitoring the company's development, and for preparing and leading Board meetings. The Chairman is also responsible for ensuring that Board members conduct an annual evaluation of their work and that they receive the information they need to perform their duties effectively and satisfactorily.

The Board held thirteen meetings in 2021: eight ordinary meetings and five extra meetings. A report from the CEO and a review of results are permanent agenda items. The Board approves the interim reports four times during the year, at the meetings in February, May, August and November. The annual report and annual financial statements were dealt with at the February meeting. The Board also adopted and revised several policies, dealt with Humana's sustainability work and discussed acquisition-related matters. The Board held its annual strategy meeting in September, with a review and situation analysis of the market segments in which Humana operates and associated strategic action plans.

The Board regularly evaluates the work of the CEO. At the February Board meeting, Humana's chief auditor Helena Nilsson of KPMG reported on her observations and the Board also had a separate agenda item with the auditor during which members of Group management were not present.

In 2021, the Board focused on the implementation of Humana's strategy with a focus on achieving the goals. Examples of strategic issues which have been considered by the Board: organic expansion initiatives, acquisitions, financing, capital structure and Humana's quality initiatives. The Board

also increased its focus on Humana's digitalisation. The Covid-19 pandemic and its consequences have been closely followed and discussed by the Board. The Board also made decisions regarding acquisitions and new expansion investments. Other areas that have been discussed on a continuous basis as part of the Board's work are how Humana and the sector are being affected by politics and the political debate in each market, with a focus on elections in Norway, regional elections in Finland and upcoming elections in Sweden.

### Evaluation of the work of the Board

Humana's Chairman Sören Mellstig is responsible for ensuring an annual evaluation of the work of the Board and its committees (audit and remuneration) is conducted. An evaluation of the Board's work process, competence, background, experience and composition was carried out during the autumn. The results were presented to the Nomination Committee.

### Directors' fees

Total remuneration for Board and committee work in the period 2021–2022 amounted to SEK 2,310,000 (2,278,500).

### Board diversity policy

Humana's Board has adopted a diversity policy, which the Nomination Committee considers in the preparation of its proposal for the Annual General Meeting. The Nomination Committee also bases its work on Section 4.1 of the Swedish Corporate Governance Code.

As a group, members of Humana's Board should have the right expertise, experience and background to contribute to the company's development. The aim is for the Board to consist of members of varying ages, with both male and female representation, from varied geographical and ethnic backgrounds and complementing each other in terms of educational and professional backgrounds. The objective is for the Board to contribute independent and critical challenges.





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## 5 Audit Committee

The Audit Committee's main task is to support the Board in fulfilling its responsibilities in the areas of financial reporting, accounting, auditing, internal control and risk management. The Audit Committee works according to rules of procedure defined by the Board. The Committee's duties also include reviewing internal audit procedures as well as scrutinising and monitoring the auditor's impartiality and independence. The Audit Committee has regular meetings with the auditors in order to stay informed about the focus and scope of the audit and observations arising from the audit.

In 2021, the Audit Committee held five minuted meetings. All Audit Committee meetings have been reported to the Board.

### Audit Committee members 2021–2022

- Fredrik Strömholm, Chair
- Kirsi Komi
- Monica Lingegård
- Sören Mellstig

The Chair of the Committee, Fredrik Strömholm, has the accounting expertise required by the Swedish Companies Act. All members of the Committee are independent of the company. Kirsi Komi and Monica Lingegård are

independent of the company's largest owner; Fredrik Strömholm and Sören Mellstig are not.

## 6 Remuneration Committee

The Remuneration Committee works in accordance with rules of procedure adopted by the Board of Directors. The Remuneration Committee's main tasks are to submit proposals to the Board on remuneration and conditions of employment for the President and CEO, and remuneration policies for Group management, and to monitor and evaluate current and completed incentive programmes. The Committee also makes decisions on remuneration and conditions of employment for other members of Group management.

Remuneration Committee members are also responsible for monitoring and evaluating application of the guidelines for remuneration of senior executives adopted by the AGM.

The Committee is also responsible for succession planning and talent management.

The Remuneration Committee held four minuted meetings in 2021. The meetings have been reported to the Board.

### Remuneration Committee members 2021–2022

- Sören Mellstig, Chair
- Monica Lingegård
- Anders Nyberg
- Fredrik Strömholm

All members are independent of the company and its management. Monica Lingegård and Anders Nyberg are independent of the company's largest owner; Fredrik Strömholm and Sören Mellstig are not.

## 7 Auditor

The external auditor's tasks are to assess whether Humana's annual report has been prepared in accordance with the Annual Accounts Act and IFRS, and to examine the administration of the company. The external audit of the accounts of Humana AB, including the administration by the Board and Group management, is performed in accordance with International Standards on Auditing and generally accepted auditing practice in Sweden.

The auditor is appointed by the AGM following a proposal from the Nomination Committee and is elected for the period up to the next AGM. Humana's AGM on 11 May 2021 adopted a resolution to elect KPMG AB as the company's auditor until the end of the 2022 AGM.

KPMG has conducted its audit engagement and provided some related accounting advice, but no other additional services.

KPMG AB has been the company's auditor since 2008. However, as Humana was not listed until 2016, KPMG can remain in charge of the audit until 2026 and then be elected for a further 10 years.

Authorised public accountant Helena Nilsson has been chief auditor since 2018.



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## 8 President and CEO and Group executive management

The President and CEO is responsible for day-to-day management of Humana in accordance with applicable laws and regulations, including Nasdaq Stockholm's Rules for Issuers, the Code and instructions and strategies adopted by the Board.

The CEO ensures that the Board receives the information it needs to be able to make fully informed decisions. The CEO monitors compliance with

Humana's goals, policies and strategic plans adopted by the Board and is responsible for informing the Board about Humana's performance between Board meetings.

The CEO leads the work of Group executive management, which is responsible for overall business development.

The work and performance of the CEO are regularly evaluated by the Board.

### Group executive management

Humana's Group executive management comprises the President and

CEO, the managers of Humana's five business areas, the CFO, Director of Quality Assurance, Director of Marketing and Communication, and Director of Human Resources.

At the end of the year, Group executive management had a gender distribution of eight women and two men. A presentation of members of Group executive management can be found on pages 60–61. See also the table below.

#### Humana's Group executive management in 2021 – Shareholdings and options

Name	Position	Member of Group management since	Employed by Humana since	Number of shares 31 December 2021 <sup>6)</sup>	Number of synthetic options 31 December 2021 <sup>7)</sup>
Rasmus Nerman <sup>1)</sup>	President and CEO	2014	2014	not relevant	not relevant
Anders Broberg	Business Area Manager, Elderly Care	2018	2018	780	11,000
Anna Giertz Skablova <sup>2)</sup>	Director of Human Resources	2017	2017	not relevant	not relevant
Noora Jayasekara	CFO	2020	2018	1,021	15,000
Anu Kallio	Country Manager, Finland	2020	2020	–	25,000
Mona Lien	Country Manager, Norway	2014	2014	19,578	25,000
Titti Lilja <sup>3)</sup>	Business Area Manager Individual & Family	2021	2010	1,007	-
Nina Marklund Krantz <sup>4)</sup>	Director of Human Resources	2021	2017	4,512	-
Eva Nilsson Bågenholm	Director of Quality Assurance	2015	2015	3,682	25,000
Helena Pharmanson <sup>2)</sup>	Director of Marketing and Communications	2010	2010	not relevant	not relevant
Johanna Rastad <sup>5)</sup>	President and CEO	2019	2018	250	25,000
Anna Sönne <sup>4)</sup>	Director of Marketing and Communications	2021	2018	4,000	15,000
Andreas Westlund	Business Area Manager, Personal Assistance	2018	2009	23,199	25,000

<sup>1)</sup> To 16 December 2021 inclusive.

<sup>2)</sup> To 31 August 2021 inclusive.

<sup>3)</sup> From 12 November 2021 inclusive

<sup>4)</sup> From 1 September 2021 inclusive.

<sup>5)</sup> From 17 December 2021 inclusive. Formerly, from 2019 to 12 November 2021 inclusive, Business Area Manager for Individual & Family.

<sup>6)</sup> Total shareholding – own, through related parties, endowment insurance and in companies.

<sup>7)</sup> The synthetic options are issued by Impilo Care AB. Humana did not participate in the offer and will not incur any costs for the programme. The options are related to the Humana share, with a term of three years, and can be exercised in the period 1 April 2023 to 30 June 2023 at an exercise price of SEK 77.90.





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## Guidelines on remuneration of senior executives

### Current guidelines on remuneration of senior executives

The guidelines on remuneration of the Board, the CEO and other senior executives were adopted at the Annual General Meeting on 7 May 2020, and also apply for 2021 and 2022. The guidelines are shown in Note G5.

## The Board’s report on internal control

The purpose of internal control is to look at the current situation with the help of analyses and monitoring, and to use this as a basis for identifying which risks are significant and which ones should be managed with effective controls. Everything cannot, and should not, be equally controlled in an effective organisation. Internal control is about managing relevant risks by keeping one step ahead, thereby reducing the company’s overall risk exposure.

According to the Swedish Companies Act and the Swedish Corporate Governance Code, Humana’s Board is ultimately responsible for ensuring the company’s organisation is structured in such a way as to allow satisfactory monitoring and control of financial reporting, administration and operations.

Humana’s CEO has delegated responsibility to the CFO for implementing and maintaining formal procedures that ensure compliance with established principles on financial reporting and internal control. However, it is each employee’s responsibility to participate in internal governance and control. This includes complying with the financial manual and performing the controls that have been established to prevent, discover and deal with discrepancies and errors.

### Responsibility for internal control

At Humana, internal governance and control is an integral part of the company’s corporate governance. To clarify and create a structure for how the organisation manages its risks and who is responsible for what in Humana’s risk management, internal governance and controls, the company uses

a model based on three lines of responsibility for its control work.

The Board is ultimately responsible for the organisation and defines policies for risk management based on owner preferences and directives. The organisation’s President and CEO is subordinate to the Board and formally responsible for day-to-day management.

### First line of responsibility

Humana is a decentralised company that allows the individual a large measure of responsibility and freedom on a day-to-day basis to make decisions that help to improve and make life easier for the company’s customers and clients. The first line of responsibility in the process of managing operational risks is therefore the organisation in day-to-day operations, which includes regional managers, unit man-

agers, supervisors and employees in the business operations. They are owners of their own risks and are responsible for working on daily internal control by identifying, evaluating, controlling and mitigating risks, as well as ensuring that laws and rules are maintained and internal procedures and guidelines are complied with. They set up appropriate control activities and ensure that these are carried out correctly. Operational managers bear a significant responsibility. Both permits and regulatory frameworks are linked to the local leadership team. Operational effectiveness is dependent on key factors such as corporate culture and the sense of right and wrong that management establishes in the business, as well as the clarity of employees’ responsibility for their work.

### Second line of responsibility

The second line of responsibility is more functionally orientated. This involves Humana’s functions that work specifically on monitoring risk-taking and supporting the front line workers in their assignments. Their task is to ensure compliance with the Board’s level of risk-taking in the first line, which is achieved by setting requirements, defining instructions and policies, and monitoring compliance. These functions serve in a support and monitoring capacity and are not responsible for operation of the busi-







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ness. Humana has an efficient quality assurance function that works continuously to prevent and reduce risks in the business and to support operations. In its financial organisation, the company also has a function that works on risk control and compliance. This function helps to develop processes related to risk management and internal governance and control and is responsible for monitoring the work of the first line.

**Third line of responsibility**

The third line includes the internal audit function, which works on behalf of the Board and reviews the work of the first and second lines. Based on the Audit Committee’s assessment, the Board has decided against appointing a separate internal audit function. The company believes that the stronger quality management system and the controls in each business area and in the financial function provide the required control and monitoring. The Board assesses the need for an internal audit function every year.

**Internal control system – COSO model**

Humana’s internal control structure follows the Committee of Sponsoring Organisations of the Threadway Commission (COSO) framework principles. The framework is based on five main components that together allow good internal control: control environment, risk assessment, control activities,

information and communication, and monitoring. From the model’s components, several development priority areas have been identified in the internal control work.

**Control environment**

The Board is responsible for establishing an effective system of internal control and manages the work through the CEO. Members of Humana’s Group executive management work within their respective functions and areas of responsibility to spread, influence and increase employees’ knowledge and responsibilities in the area of control.

An efficient control environment involves a clear organisational structure, clear decision-making channels, shared values in terms of ethics, morality and integrity, and authority is clearly defined and communicated through governing documents. Examples of Humana’s governing documents include policies, guidelines, manuals, instructions and the code of conduct.

Humana’s quality management work is central to the business and includes quality management systems, systematic monitoring and control. Humana systematically invests in strengthening and developing its capital structure. With regular investments, Humana increases its competitiveness, while the company reduces its level of operational risk.

Important elements of Humana’s control environment and the process of building long-term structural capital include:

- Comprehensive quality assurance at every level within the company – A Group-wide management system with guidelines, internal controls and monitoring has been implemented throughout the Group. The Humana Quality Index (HQI), which is used for quality monitoring, has been developed, and a new model will be introduced in 2022.
- Group-wide policies in several key areas such as employees, communication, diversity and transparency. These include a quality policy, environmental policy, work environment policy, and diversity & inclusion policy.
- an organisational structure with a clear delegation of powers and responsibilities – responsibility for day-to-day operations lies with local teams who have a clear system of regular monitoring at most levels; region, division, business area and Group executive management.
- harmonised HR processes within the group that ensure succession planning for executive positions and key central positions. A Group-wide leadership development programme has been under way over the past few years. We are continuing to refine our employee processes,

partly by developing our Group-wide HR system.

- Constant skills supply – Humana Academy’s learning portal provides traditional training and web-based interactive training, both for its own employees and for municipalities and colleagues in the sector.
  - A strong corporate culture with well-grounded values that permeate the company – Through a well-established corporate culture with shared values, Humana’s employees are given a clear direction and mandate to work on personalised interaction with a focus on solutions in everyday life.
  - Clear guidelines on ethics and morality – To further strengthen the work, a Group-wide code of conduct has been drawn up and implemented.
- In addition, Humana has governing documents designed to support and help all employees to act in accordance with Humana’s internal rules and guidelines. Governing documents on accounting and financial reporting cover areas of importance in working to establish correct, complete and up-to-date accounting, reporting and information disclosure. The financial manual is Humana’s central governing document with respect to guidelines for achieving good internal governance and control over financial reporting. In the case of acquisitions, an essential part of the integration



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process involves ensuring that values and the control environment in general are aligned with Humana’s guidelines.

**Risk assessment**

Risks and risk management in Humana’s operations are described in more detail in the section entitled Risks and risk management on pages 62–69. The specific financial risks are described in more detail in note G20. Humana continuously updates its analysis of risks that may lead to errors in financial reporting. A Group-wide analysis of risks of errors in financial reporting is conducted annually. The risk reviews identify items in the financial statements and administrative flows and processes where the risk of errors is more substantial.

**Control activities**

Humana regularly conducts control activities for the significant risks that have been identified. The company’s CFO is responsible for ensuring that identified risks associated with financial reporting at Group level are managed. The control activities follow the structure of the reporting process and financial organisation. Each unit’s reporting is validated and checked at the local accounting stage before being transferred to the business areas and Group finance for consolidation. Controllers and financial managers in each business area make budgets, update estimates and analyse out-

comes. The checks and reports may be subject to special investigations where necessary. All business areas submit their financial results in monthly written reports.

**Information & Communication**

Humana’s Board receives monthly financial statements on the Group’s financial position, financial performance and an activity report. The Board deals with all quarterly and annual reports before they are published externally and monitors the audit of internal control and financial reports.

Humana’s communication and information channels enable prompt communication of information to relevant employees. Governing documents in the form of policies, guidelines and manuals, in the case of financial reporting, are primarily communicated through the intranet and the Group’s financial manual. In addition to written communication, there are also verbal discussions of news, risks, outcomes of controls and other matters during regular meetings. Communication also takes the form of monthly closing accounts meetings which are attended by financial managers.

Individual employees have a responsibility to report discrepancies and deviations that are discovered in controls, even if they have been remedied. The aim is to provide a good picture of how the work is conducted and

to be able to make improvements to the processes.

For communication with internal and external parties, there is a communication policy which provides guidelines on how this communication should take place. The purpose of the policy is to ensure full and correct compliance with all information obligations. Up-to-date information is communicated to external parties on Humana’s company-wide website, humanagroup.se, with the publication of news and press releases. Quarterly reports are published externally and are supplemented by webcasts, presentations and investor meetings. There is also an agenda for communication with shareholders in connection with the Annual General Meeting.

**Monitoring**

Each unit manager and financial organisation is ultimately responsible for ongoing monitoring of the financial information for the unit. The information undergoes further monitoring at the business area level, by corporate functions, by Group executive management and finally by the Board. A compilation of identified actions and their status is reported to the Board as part of the ongoing work of the Audit Committee. Humana’s Audit Committee is responsible for ensuring compliance with the company’s financial reporting and internal control and ensuring the company’s financial state-

ments are prepared in accordance with the law, applicable financial reporting standards and other listing requirements.



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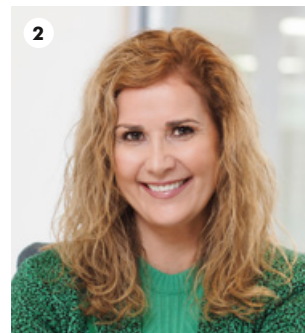
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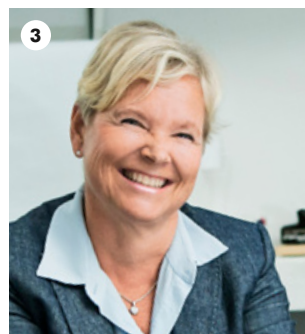
# Board of Directors



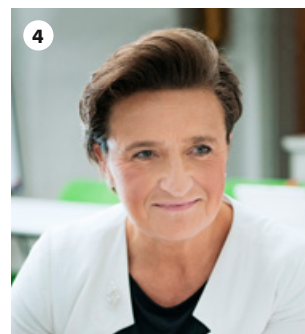
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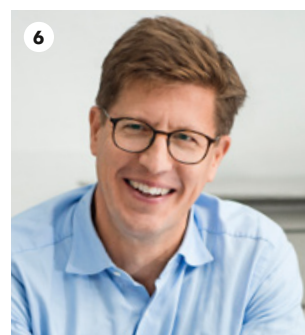
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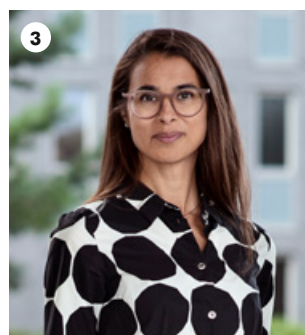
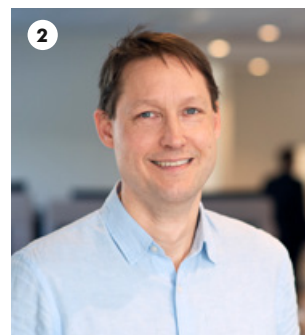
	Position and year of election	Education	Other current appointments	Professional experience and previous appointments
1	<b>Sören Mellstig</b> Born 1951. Chairman of the Board since 2019. Chair of Remuneration Committee, member of Audit Committee.	Bachelor of Applied Science in Business Administration and General Management from Uppsala University.	Chairperson of the Board, Remeo. Industrial Partner and co-founder of Impilo.	CEO of Gambro, managerial positions at Akzo Nobel and CFO and Vice President of Incentive. Chairperson, Trelleborg, Apotek Hjärtat, Aleris, Cellavision, Ellevio, Ferrosan Medical Devices, Textilia and Delivery 1 Ltd.
2	<b>Karita Bekkemellem</b> Born 1965. Board member since 2020.	Studied at Forsvarets Høgskole, Norway.	Since 2010, Managing Director, Legemiddelindustrien (LMI), the Norwegian pharmaceutical industry trade association.	Minister for Gender Equality, Children and Family, and Member of Parliament for the Labour Party in Norway.
3	<b>Kirsi Komi</b> Born 1963. Board member since 2017. Member of Audit Committee.	LLM Master of Laws, University of Helsinki.	Chairperson, Docrates Cancer Center in Helsinki and Liikennevirta Oy.	Chairperson Lindström Invest Oy, Veikkaus Oy and Blood Service under the Finnish Red Cross; Directors' Institute Finland, Deputy Chairperson, Patria Oyj; Board member, Metsä Board Oyj, Bittium Oyj, Citycon Oyj, Martela Oyj and Finnvera Oyj. Executive positions within the Nokia Group.
4	<b>Monica Lingegård</b> Born 1962. Board member since 2017. Member of the Audit Committee and Remuneration Committee.	MSc (Econ), Stockholm University.	CEO, SJ. Chairman, Swedish Space Corporation Group.	CEO, Samhall and G4S. Board member, Nobina, Wireless Maingate, Swedish International Development Cooperation Agency (SIDA), Orio, Confederation of Swedish Enterprise and Almega.
5	<b>Anders Nyberg</b> Born 1956. Board member since 2020. Member of Remuneration Committee.	Business Administration and Economics at Stockholm University.	Chairperson, Gordon delivery; Board member, Apopro (Denmark) and Centrofarm (Italy).	CEO, Apotek Hjärtat, Vice President, ICA and Axfood.
6	<b>Fredrik Strömholm</b> Born 1965. Board member since 2019. Chair of Audit Committee, member of Remuneration Committee.	MBA, Stockholm School of Economics, with studies at the Ecole des Hautes Etudes Commerciales in Paris; studies in French, Russian and East European political science at the universities of Uppsala and Stockholm.	Co-founder of Impilo and Chairperson of its investment committee; Board member, Ferrosan Medical Devices, the Fertility Partnership, Euro Accident and Ortic 3D; Chairperson, Natur & Kultur; Board member, Swedish School of Sport and Health Sciences (GIH) and Skellefteå AIK Hockey.	Founder of Altor Equity Partners and partner for 14 years. Head of Corporate Finance, Nordic Region, at Goldman Sachs for ten years. International and Investment Manager at Nordic Capital.





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# Group executive management



	Position	Education	Other current appointments	Professional experience and previous appointments	
1	<b>Johanna Rastad</b>	Born 1980. President and CEO since December 2021. Formerly, from 2019, Business Area Manager, Individual & Family, and from 2018, Director of Business Development.	M.Sc. (Econ), Stockholm School of Economics.	–	Several years of operational experience in executive positions in the health and social care industry in Sweden and the Nordic countries, including as business area manager at Team Oliva and Head of Medical Operations at Kry between 2013 and 2017. Before this, various roles in investments and banking.
2	<b>Anders Broberg</b>	Born 1969. Business Area Manager, Elderly Care since 2018.	Nursing Degree, Örebro University, M.A. Religious Studies, Uppsala University, Leadership Programme OWP, Institute for Management Development (IMD)	Director of The Association of Private Care Providers (Vårdföretagarna Bransch Äldreomsorg), Board member of the regional programme council for the Care Programme, Greater Stockholm.	CEO and President of Temabo AB, Administrative Director Elderly Care, City of Stockholm, and Consultant at Poolia Vård AB.
3	<b>Noora Jayasekara</b>	Born 1978. CFO since 2020. Group Chief Financial Officer from 2018.	MSc (Econ), Business Finance, at Södertörn University, Stockholm.	–	Previously, manager and consultant in accounting for the consulting firm EY.
4	<b>Anu Kallio</b>	Born 1968. Business Area Manager in Finland since 2020:	MSc in accounting and finance, Helsinki School of Economics, and eMBA in insurance and finance, University of Tampere.	Board member, LocalTapiola, General Mutual Insurance Company and Association of Private Care Providers in Finland. Chairperson of Kaisa Kallio Foundation.	CEO, Rinnekoti Foundation; CFO, Helsinki Deacones Institute and other executive positions in finance.
5	<b>Mona Lien</b>	Born 1962. Business Area Manager in Norway since 2015.	M.Sc.in Psychology, Oslo University, Trondheim and New York University. Two-year management programme at BI Norwegian Business School.	Chairperson of the Board, Confederation of Norwegian Enterprise (Health and Welfare), and Board member, Norwegian Federation of Service Industries and Retail Trade.	CEO and owner, Løft AS, Head of Business Development, INOM Norway. Various public sector roles within schools and psychiatry. Four years of self-employment as owner of a training centre.
6	<b>Titti Lilja</b>	Born 1967. Business Area Manager, Individual & Family, since 2021. Previously, from 2010, managerial positions within Humana's Elderly Care and Individual & Family Care.	Registered nurse, trained at Malmö University. Health administration studies at Lund University. Courses on leadership and quality development.	–	Self-employment within quality management systems and training. Many years' experience as a nurse.





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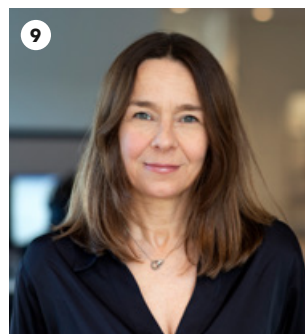
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	Position	Education	Other current appointments	Professional experience and previous appointments
<b>7 Nina Marklund Krantz</b>	Born 1974. Director of Human Resources since 2021. From 2017, Director of Human Resources for the Individual & Family business area.	B.A. from the Personnel and Working Life Programme at Kristianstad University. Supplementary courses relating to personnel and leadership.	–	Operational Manager, Human Resources Strategist, Human Resources Specialist, and Director of Human Resources at Attendo, 2006–2017.
<b>8 Eva Nilsson Bågenholm</b>	Born 1960. Director of Quality Assurance since 2015.	Nursing Degree, Umeå University. Medical Doctor degree, University of Gothenburg; licensed physician, specialist in internal medicine.	Chairperson, Association of Private Care Providers in Sweden; Board member, Almega, Confederation of Swedish Enterprise and Oriola Oy.	Specialised doctor at Sahlgrenska University Hospital. Chairperson, Swedish Medical Association. Swedish government national coordinator for the elderly 2011-2014. Government investigator, Plastic Surgery Study (Skönhetsutredningen) 2015.
<b>9 Anna Sönne</b>	Born 1969. Director of Marketing and Communications since 2021. Formerly, from 2018, Director of Investor Relations, and from 2021, Director of Investor Relations and Sustainability.	MSc (Econ), Stockholm University. Studied journalism at Poppius journalism school, and French at Sorbonne University, Paris.	–	Vice President and Editor-in-Chief at Dagens Samhälle, 2013–2018. Director of Content at East Capital, 2011–2013. Various editorial manager roles such as Editor-in-Chief and Director of News, and London correspondent and reporter for the financial newspaper Dagens industri, 1998–2011.
<b>10 Andreas Westlund</b>	Born 1978. Business Area Manager, Personal Assistance, since 2018. Previously (from 2009), CFO of the Business Area and Humana’s Payroll Manager.	Trainee programme, studies at Företagsuniversitetet, Executive Master of Strategy, Mgruppen and Orchestrating Winning Performance, IMD.	Director of The Association of Private Care Providers (Vårdföretagarna Bransch Personlig Assistans).	Various positions in economy and finance at Strålfors AB, Elajo AB and Admit AB. Founder of Effektiv Ekonomi. Professional ice hockey player for Brynäs.





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# Risks and risk management

As a large Nordic care group, Humana is exposed to various risks and uncertainties. In order to conduct high-quality operations, be a socially responsible provider and ensure long-term competitiveness, Humana works actively on risk management.

A risk is defined as an uncertainty about something that, if it occurred, could affect the company's ability to achieve defined objectives. Risks are natural parts of any business and it is neither possible nor cost-effective to entirely eliminate all risks. However, it is essential for the organisation to conduct effective risk management in order to control and mitigate risks and prevent them from materialising as far as possible. Humana's risk management process involves identifying, analysing, evaluating and managing risks in a systematic way.

The purpose of Humana's risk work is to:

- create management and Board awareness about the company's risks
- create effective governance and control of the business so that the company can achieve its objectives
- provide data and processes that support daily operations

- ensure investors and other stakeholders have effective information about the company's risk exposure

In its risk analysis, Humana has identified conceivable events, scenarios and activities that could have an impact on the company's operations and its ability to achieve defined objectives. These risks have been evaluated and condensed into a list of the risks considered to have the greatest potential negative impact based on probability and potential impact on the business, assessed using a time frame of 1–3 years.

The risks are monitored by Humana's Group management and in the Board's work. As Humana conducts operations in Sweden, Finland, Norway and Denmark, the risk assessment is based on the situation in the local markets and is then compiled into a Group-wide risk description.



**Humana has decided to classify the identified risks in four risk categories:**

- A** External environment
- B** Operations
- C** Compliance, responsibility and sustainability
- D** Financial risks





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**A External environment**

	Probability	Impact
Increased sector regulation	○●○	○●○
Political decisions aimed at restricting private welfare providers	○●○	○○●
Other political decisions and public sector economy	○●○	○●○
Climate risk	○●○	○○●

**B Operations**

	Probability	Impact
Risk of being unable to recruit the right employees	○●○	○○●
Operations subject to permit	○●○	○●○
Risks associated with expansion and growth	○●○	○●○
External cyber threats	○●○	○○●
IT system limitations and unauthorised access to sensitive personal data	○●○	○○●
Legal processes and investigations	○●○	●○○
Infectious diseases, epidemics and pandemics	○○●	○●○

**C Compliance, responsibility and sustainability**

	Probability	Impact
Data protection laws	○●○	○○●
Quality deficiencies affecting customers/clients	○●○	○○●
Occupational health and safety	○●○	○●○
Human rights violations	●○○	●○○
Corruption and fraud	●○○	●○○

**D Financial risks**

	Probability	Impact
Financing and liquidity	●○○	○●○
Interest rate risk	●○○	●○○
Credit risk	●○○	●○○
Currency risk	○●○	●○○





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## A External environment

External environment risks concern external factors, events and changes that could influence the conditions for achieving the company’s defined objectives. The company has limited scope to influence these types of risks, but they remain risks

Risk	Risk management
<p><b>Increased sector regulation</b></p> <p>The care sector is subject to an extensive regulatory apparatus in the form of laws and regulations at the national, regional and local levels. Legislation, rules and regulations, which vary in Humana’s countries of operation, cover areas such as availability of services, access to services, quality of services, staff qualifications and obligations and confidentiality rules.</p> <p>The trend is towards increased regulation, which generally means increased administration and costs and, in specific cases, staff shortages due to increased expertise requirements.</p> <p>On the other hand, it is Humana’s opinion that clear regulations help raise the quality and status of the care sector and benefit quality providers.</p>	<p>Humana works on documentation, quality monitoring and skills development to ensure that the care services that the company provides fulfil all requirements. Humana is far ahead in this area and, in some cases, engages in lobbying for increased sector regulation.</p>
<p><b>Political decisions aimed at restricting private welfare providers</b></p> <p>Several political parties in the Nordic region are questioning the privatisation of care and support services and advocating for restrictions on the ability to run private care companies for profit.</p> <p>Humana’s business model would be adversely affected by the introduction of legislation prohibiting profits, imposing profit caps, reducing the rate of privatisation or restricting the services eligible for privatisation. However, it is difficult to see that there will be any stringent proposals in the area of care during the coming year.</p> <p>The political debate also increases the risk of negative publicity linked to the issue. Welfare profits are expected to be a prominent issue in the run-up to the Swedish elections in 2022.</p>	<p>Humana adds important value to society through our core business at the individual level, through our contribution to a sustainable society and also socio-economically.</p> <p>Humana maintains regular dialogue with key stakeholders. The company participates actively as a consultation body in government investigations in the Nordic region and engages in active lobbying through representation in the relevant sector associations in Humana’s countries of operation.</p>

that Humana needs to address as a company. There are often two sides to every external environment risk: a downside, i.e., a risk or a threat, and an upside, i.e., an opportunity. The external environment risks identified by Humana are set out below:

Risk	Risk management
<p><b>Other political decisions and public sector economy</b></p> <p>The need for care is increasing in society. However, demand for private care providers’ services is dependent on political decisions made by municipalities, regions and government authorities. In all the markets in which Humana operates, the company is exposed to the risk of political decisions that change conditions and affect demand. When municipalities’ tax revenues do not grow as fast as the costs of meeting care needs, there is an increased risk of price pressure and reduced demand. For example, Humana secures long-term leases for premises used in its operations, while Humana’s framework agreements for operations under our own management do not normally include volume commitments from the municipalities.</p> <p>Humana’s Personal Assistance business area receives an allowance from the Swedish Social Insurance Agency (Försäkringskassan) and municipalities. The state reimbursement allowance is set annually through the budget proposal. There is a risk that the allowance will not compensate for cost increases and that Humana will be adversely affected by price pressure.</p>	<p>Humana works continuously on knowledge-gathering and relationship-building with key stakeholders, including through sector associations. Humana also regularly acts as a consultation body in investigations.</p> <p>The company also works constantly to establish flexibility and manoeuvrability in the organisation to ensure preparedness for significant changes in conditions. The company has a high level of expertise in care and is also well placed to remain a strong and significant care provider in the event of any changes. Humana adds important value to society through our core business at the individual level, and through our contribution to a sustainable society and a healthy social economy. Humana works to communicate about our activities and their contribution to society.</p>
<p><b>Climate risk</b></p> <p>Humana provides care services throughout the Nordic region. Many of the company’s customers and clients live in properties owned by or leased to Humana. Climate change is contributing to an increased risk of extreme weather, including floods, heatwaves and snowstorms. We have seen examples in our own localities.</p> <p>Should any of Humana’s operations be affected, the consequences could include a lack of electricity, heating and water, staff shortages, a lack of food supplies and physical and mental suffering. The quality of the care service would be negatively affected.</p>	<p>Humana endeavours to reduce the environmental and climate impact of its operations, which is also one of the Group’s strategic objectives. Humana’s environmental work is based on our environmental policy. Here, climate and resource efficiency are defined as guiding criteria. Our environmental efforts are based on the principles of precaution and substitution. Each of Humana’s units strives continuously to work resource-efficiently to minimise environmental impact and lower costs. All staff undergo the company’s digital sustainability training.</p> <p>In Humana’s elderly care, our homes under own management have built-in comfort cooling, to avoid residents being affected by extreme heat during the summer.</p>





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## B Operations

Operational risks are mainly related to factors and events that could adversely affect the company’s operating activities and brand. The operational risks identified by Humana are set out below:

Risk	Risk management	Risk	Risk management
<p><b>Risk of being unable to recruit the right employees</b></p> <p>Humana’s operations are highly labour-intensive and the company is dependent on its ability to attract, employ and retain qualified personnel at market conditions. Expertise requirements vary from business area to business area. In Personal Assistance, the formal expertise requirements are low, while some of the services offered in Individual &amp; Family operations require a high level of expertise and specialisation. Humana’s quality is dependent on employees’ ability to make the right decisions in their daily work. Should Humana fail to attract the right personnel, this could affect the quality of the company’s services and its growth opportunities.</p> <p>Welfare is facing increasing recruitment needs as the number of individuals in need of care increases. At the same time, the retirement rate is high and the working age population is declining in relative terms. Employee surveys show that employees are happy at Humana and many tens of thousands of job applications come in every year. However, the recruitment situation has become more challenging in certain geographical regions and in specific occupational categories.</p> <p>In Finland, staffing requirements in elderly care have increased competition for labour, particularly for nurses. Training requirements have also increased in Norway. In some geographical areas, the shortage of the right employees is particularly evident.</p>	<p>Humana has a clear strategy for skills supply, which is mainly based on active work on core values, opportunities for training, investments in leadership, autonomy and future career paths in order to attract new employees and retain qualified staff.</p> <p>By working to be an attractive employer that is the first choice for anyone who works in Nordic care, Humana can turn risk into opportunity.</p>	<p><b>Operations subject to permit</b></p> <p>Humana’s operations and growth are dependent on the company’s ability to secure and retain permits from social services and authorities to conduct care operations.</p> <p>The permits are normally linked to people with the right professional expertise and, if they leave the company, Humana will need to apply for new permits. Several of the permits for Humana’s operations are linked to specific properties and if these operations are moved, Humana will need to apply for new permits. In Sweden, applications are subject to an assessment, which also looks at ownership and management, and an administration fee is required for each permit application made to the Health and Social Care Inspectorate (Inspektionen för vård och omsorg, IVO). Humana’s operations in Finland, Norway and Denmark are also subject to permit applications. Permit processing times by authorities are often long.</p> <p>This means a risk of start-up delays and an associated increase in costs.</p>	<p>Humana works to ensure processes are efficient and works closely with social services and authorities to facilitate permit processing.</p>
		<p><b>Risks associated with expansion and growth</b></p> <p>The underlying growth in most of Humana’s sub-markets, in combination with increased sector requirements and a fragmented care market, create opportunities for both organic growth and participation in a continuing consolidation of the sector through selective acquisitions. Humana’s goal is to continue to grow, both organically and through acquisitions. Scope for growth through selective acquisitions is affected by the company’s financial position and ability to identify suitable acquisition candidates and negotiate purchase prices and terms.</p> <p>There are restructuring risks, business risks, tax risks and financial risks associated with growing, acquiring and integrating companies. Effective integration of acquisitions into existing operations is also of key importance.</p>	<p>Humana evaluates the organic growth process carefully and works actively to attract customers and employees and secure access to suitable properties in order to grow organically.</p> <p>We apply selectivity in the area of acquisitions, with a strong focus on effective integration processes.</p>



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Risk	Risk management	Risk	Risk management
<p><b>External cyber threats</b></p> <p>A cyber threat or cyber security threat is a malicious act aimed at damaging data, stealing data or generally disrupting digital life. Cyber threats include viruses, overload attacks, blackmail programs (malware that encrypts files or entire hard drives and then demands a ransom fee for decryption) and other types of cyber attacks.</p> <p>The number of cyber attacks and threats to companies' information systems has increased significantly in recent years. The consequences of cyber attacks can be extremely damaging to the business.</p>	<p>Humana's risk management includes work on risk prevention, external monitoring, regular system updates, training of users and monitoring to ensure that suppliers follow agreed security levels. There is also continuous monitoring of logs, external interfaces and the threat scenario.</p>	<p><b>Infectious diseases, epidemics and pandemics</b></p> <p>Infectious diseases happen in society. Common examples are influenza and gastroenteritis (gastric flu or Norovirus) and, since early 2020, Covid-19. These diseases can infect anyone, but the situation is most severe for people in risk groups: frail elderly people, people with functional impairments or people with multiple conditions.</p> <p>In Humana's operations, there are customers and clients in risk groups who are in danger of being severely affected. Infectious diseases may also mean that several employees become sick at the same time, which can lead to difficulties in staffing our facilities.</p>	<p>Humana's management system has guidelines and procedures for how operations shall prevent and manage various infectious diseases.</p> <p>The company also has procedures to establish a crisis management structure when needed, in order to further minimise the spread of disease and its impact on individuals and the company.</p> <p>Humana has managed the ongoing Covid-19 pandemic primarily through ongoing risk analysis and preventive measures to reduce the spread of the virus and by measures such as cohort care if infection is detected. A special crisis management structure has been established to support the work.</p>
<p><b>IT system limitations and unauthorised access to sensitive personal data</b></p> <p>Humana handles a large amount of data in the form of personal information, social and medical information journals and business-critical information.</p> <p>Breakdowns or disruptions in IT systems, including sabotage, computer viruses, operator error or software defects, could have a negative impact on the Group's operations. There is a risk of operational restrictions in the case of IT and system failures.</p>	<p>Humana works systematically to minimise the risk of such disruptions by means of administrative, logical and physical work on IT security. This involves regular system development and monitoring, streamlining of systems and procedures with operating partners and skills development. Improved requirements management, project management, testing, administration planning. Logging and random checks are performed to control unauthorised access to sensitive personal data.</p>	<p>If there is an epidemic (more cases of an infectious disease than expected) or a pandemic (an extensive spread of contagious disease in multiple countries, like Covid-19), this increases the risk of individuals being affected and the risk of skills supply problems. There is also an increased risk of impaired mental health, which may have a negative effect on staff sickness absence. In the case of an epidemic/pandemic, there is also a risk of revenue and expenses being negatively affected, for example, as a result of lower occupancy and incurring costs for sick leave.</p>	
<p><b>Legal processes and investigations</b></p> <p>Humana may be negatively affected by judicial rulings, settlements and costs associated with legal processes and investigations. There is a risk that Humana could be party to legal action arising from, for example, alleged malpractice or medication errors in its operations. In the event of incorrect processes or practice, Humana could be liable to pay damages or compensation.</p>	<p>Humana has patient insurance and third-party liability insurance for clients. The company conducts systematic quality assurance and regularly reviews procedures, processes and its access to expertise. If necessary, legal expertise is available within the company and from partners with specialist legal expertise.</p>		



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## C Compliance, responsibility and sustainability

Humana’s operations are subject to extensive regulatory requirements. The company must comply with laws, ordinances, rules and other regulations in Humana’s countries of operation. The risks associated with compliance, responsibility and sustainability identified by Humana are set out below:

Risk	Risk management
<p><b>Data protection laws</b></p> <p>Humana handles large amounts of data and has a responsibility to ensure that this is conducted in line with the EU’s General Data Protection Regulation (GDPR) and accompanying frameworks, such as the Swedish Patient Data Act. Humana has processes, procedures and security measures in place to protect the privacy of registered individuals. Failure to comply with the regulations can lead to violations of individuals’ privacy, damaged trust and significant penalties.</p>	<p>Humana has carried out a risk-based review of compliance with GDPR to ensure a higher level of control, awareness and quality and to assess whether risks are being managed effectively and appropriately. Humana also works continuously to improve processes, procedures and working methods; for example, the division of responsibilities between operations and the data protection officers has been clarified. Ongoing quality initiatives also include staff training in data protection and information security issues.</p>
<p><b>Quality deficiencies affecting customers/clients</b></p> <p>Humana has over 18,000 employees, the majority of whom work directly with the company’s customers and clients. There is a risk of staff not following Humana’s procedures, but instead developing their own approach to clients and customers. This may arise as a result of high staff turnover, staff recruitment difficulties or lack of leadership. A possible consequence is that customers and clients do not receive the treatment or intervention that has been decided.</p>	<p>Humana conducts extensive systematic quality work through our management system. This is followed up by the company’s quality management department; the guidelines for quality management work can be found in Humana’s quality policy. Internal controls are conducted in all operations. All employees have an obligation to report deviations and irregularities, which are then systematically followed up and analysed by the relevant manager. Clients can make complaints, both openly and anonymously. There is a whistle-blower function on Humana’s website.</p>

Risk	Risk management
<p><b>Occupational health and safety</b></p> <p>Care and healthcare are the sectors with the highest number of reported work injuries and illnesses caused by threats and violence. Humana’s operations are covered by regulations on occupational health and safety.</p> <p>The Covid-19 pandemic increases risks in occupational health and safety. Deficiencies in complying with such regulations could lead to fines or penalties.</p>	<p>Humana conducts systematic health and safety work, with action plans and controls through regular safety inspections. The work is based on Humana’s work environment policy, associated checklists and documented safety procedures. The company makes regular risk assessments from an occupational health and safety perspective and provides health and safety training for managers, which includes areas related to the current pandemic. To manage the pandemic, Humana has also established a special central crisis management structure to support our operations. There are specific checklists and prevention procedures for threats and violence. Employees are given relevant training, access to existing safety procedures and instructions on how to act in situations of threats and violence. By also working systematically to investigate, analyse and follow up on occupational injuries, the company can work preventively with the aim of reducing the risk of threats and violence and ill health.</p> <p>Humana applies collective agreements in all operations in the four countries in which we operate.</p>



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Risk	Risk management
<p><b>Human rights violations</b></p> <p>Humana is one of the largest care groups in the Nordic region with a large volume of customers, employees, suppliers and partners. We operate under stringent regulatory requirements, including laws on working conditions, health and safety and freedom of association in our countries of operation, in order to ensure safe and secure care for our customers and clients, but also for the sake of our employees. However, given the scale of operations, there is always a risk that not all commitments will be met everywhere.</p> <p>In relation to our suppliers, there is a risk that they will fail to meet their commitments, use unethical business practices and fail to comply with our labour law and human rights requirements. Irregularities of this kind risk affecting people in particular, but also Humana as a company and a brand.</p>	<p>Humana’s commitment to human rights is underlined in our code of conduct and in our supplier code of conduct which are based on the ten principles of the UN Global Compact. The Codes also provide guidance on identifying, preventing and mitigating risks related to human rights.</p> <p>To reduce the risk of human rights violations, Humana works continuously to ensure compliance with both national legislation and regulations and international human rights provisions. Diversity, inclusion and respect for human rights are normal practice and are described in the company’s policy for diversity and inclusion. Humana conducts active internal core value work, with internal training, established procedures and a whistle-blower function. All operations in Humana’s four countries are regulated by collective agreements and the Group’s code of conduct applies to all staff and operations.</p> <p>Most of Humana’s suppliers and partners are in the Nordic region.</p>

**Corruption and fraud**

Humana’s extensive operations involve a large volume of customer and supplier contracts. Agreements are signed and decisions are made at different levels in the organisation. Individual customer contracts, framework agreements or construction contracts are signed with the customers, who are often municipalities. Supplier tendering normally arises in strategic purchasing and new construction. There is a risk of employees acting unethically in customer and supplier relationships by, for example, taking or giving bribes. There is also a risk of employees acting fraudulently. Corruption and fraud may lead to legal penalties. Humana could suffer both financial and brand damage.

Humana counters corruption, bribery and fraud through procedures and internal control and has, for example, well-functioning authorisation rights with system support. A clear decision-making and certification system facilitates decentralised responsibility for tenders and customer and supplier contracts, and reduces the associated risk. The code of conduct for Humana employees and, since the start of 2021, a code of conduct for suppliers underpin the anti-corruption work. Humana also has a whistle-blower function.

Should a conflict of interest situation arise, through an employee owning a property in which Humana operates, for example, there are clear processes for dealing with the conflict of interest situation.



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## D Financial risks

In the course of its operations, the Group is exposed to various financial risks. The Group's financial policy for financial risk management has been formulated by the Board and provides a framework of guidelines and rules in the form of a risk mandate and limits for financing activities. Responsibility for the Group's financial transactions and risk management is dealt with by the CFO in consultation with

the Board and CEO. The overall goal of the finance function is to provide cost-effective financing and minimise adverse effects of market risks on consolidated earnings. The company's aggregate risks and measures are managed by the audit committee, which reports to the Board for assessment and approval. The financial risks identified by Humana are set out below:

Risk	Risk management
<p><b>Liquidity and financing risk</b> Liquidity risk is the risk of the Group being unable to discharge its payment obligations. Financing risk is the risk of the Group encountering problems in meeting its obligations associated with the company's financial liabilities.</p>	<p>The company's CFO manages liquidity and financing risk centrally for the Group. The Group's financial policy sets frameworks and guidelines for risk mandates and limits in financing activities. To facilitate liquidity planning and control, the Group has credit facilities, such as bank overdraft facilities and a cash pool. Humana also works on its liquidity through active working capital measures. Focusing on cash flow and making adjustments in the event of changed market conditions reduces the risk of being unable to discharge obligations under financing agreements. In 2021, a new financing agreement was signed with more favourable terms than the previous agreement, which has helped to reduce financing costs.</p>
<p><b>Interest rate risk</b> Humana's finance expenses are affected by market interest rates. Changes in interest rates could increase Humana's borrowing costs, which in turn could adversely affect the Group's earnings and cash flow.</p>	<p>Derivative instruments may be used to manage interest rate risk. With the new financing agreement signed during the year, Humana has better debt conditions, including lower interest, resulting in slightly lower interest rate risk.</p>

Risk	Risk management
<p><b>Credit risk</b> Humana's credit risks and credit losses are largely associated with trade receivables and the company's excess liquidity. The credit risk for receivables is the risk of non-payment of outstanding receivables and non-invoiced services performed for Humana's clients. The credit risk for excess liquidity is the risk of the bank being unable to meet its obligations.</p>	<p>Most of the Group's receivables are from state, municipal and county council entities, which are considered to have good credit-worthiness. The risk of credit losses is considered low. Humana's excess liquidity is invested at low risk in deposit accounts and contracts are only entered into with banks that have high credit ratings.</p>
<p><b>Currency risk</b> The Group operates in Sweden, Finland, Norway and Denmark and is, therefore, exposed to risks related to currency translation from EUR and NOK to SEK and, to a lesser extent, DKK to SEK. Amounts are translated at the average rate for the financial year (in the balance sheet at the closing rate). Currency risk also arises through business transactions, reported assets and liabilities, and net investments in foreign operations.</p>	<p>Humana's foreign currency exposure is partly offset by borrowing in the local currency.</p>





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The legal annual report can be found on pages 13–32, 46–62, 67–68 and 71–108, with the statutory sustainability report, presented in accordance with the Annual Accounts Act, found on pages 13–32, 62 and 67–68. The corporate governance report forms part of the statutory administration report and can be found on pages 46–61.



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# Board of Directors' Report

The Board of Directors and CEO of Humana AB, corporate identity number 556760-8475, registered office in Stockholm, hereby present the annual report and consolidated accounts for the 2021 financial year.

## Operations

Humana is one of the largest care companies in the Nordic region. The company's vision is "Everyone is entitled to a good life". Humana has approximately 18,000 employees, providing quality services to about 9,000 customers and clients in the areas of individual and family care, personal assistance, elderly care and special service housing. Humana has a market-leading position in individual and family care and personal assistance in Sweden and is growing in elderly care and special service housing. In Finland and Norway, Humana is the second-largest provider of services in individual and family care. In addition to its activities in individual and family care, Humana also offers elderly care in Finland and personal assistance in Norway. In Denmark, Humana has a small operation in individual and family care.

## Market

The Nordic care sector is an important component of Nordic welfare. The total care sector is worth approximately SEK 650 billion, with the private market accounting for SEK 165 billion of

this figure. The degree of privatisation differs from country to country and segment to segment.

The care market in the Nordic region is continuing to grow, driven in part by demographic factors. The same underlying drivers are present in all Nordic markets, although growth varies a little. The increasing needs are expected to bring continuing market growth. Political decisions can impact on market growth in both negative and positive ways.

## The Covid-19 pandemic

The pandemic affected all of Humana's care operations in 2021 as well. Revenue was negatively affected, primarily through lower occupancy in elderly care in Sweden and Finland but also in other operations. This impact increased during the fourth quarter when the new omicron variant of the virus spread rapidly, resulting in high levels of sick leave and absence linked to quarantine rules, which led to a challenging staffing situation. This in turn affected the ability to receive clients in certain cases. Sick leave and other related absences combined with the need for PPE increased costs.

Overall, the financial impact of the pandemic on the Group was somewhat negative for the full year.

Our procedures for managing the infection, such as basic hygiene procedures and routines for cohort care, worked well during the year. This management also includes conducting ongoing risk analyses and ensuring that our procedures are adapted to the current situation. A crisis management structure also supported these efforts within the operations.

## Financial overview

### Operating revenue and operating profit

The Group's operating revenue was SEK 8,188 (7,797) million, an increase of 5 percent. Organic revenue growth for the year was 3.1 (4.1) percent. Acquired operations contributed SEK 203 million to the organic growth. Operations under own management accounted for 95 percent of total revenue and contracted operations accounted for 5 percent. Operating profit for 2021 was SEK 493 (471) million, an increase of 4 percent. The operating margin was 6.0 (6.0) percent. Adjusted operating profit

amounted to SEK 495 (453) million, an increase of 9.3 percent. The adjusted operating margin was 6.0 percent (5.8). Operating profit has been adjusted to exclude retroactive repayment of previously paid-in pension premiums (SEK 11 million) in Personal Assistance and the final settlement of a dispute (SEK -13 million) in Finland, while the comparative period has been adjusted to exclude a capital gain from the sale of property totalling SEK 17 million. Adjusted operating profit increased despite a weak end to the year, burdened by non-recurring effects.

Depreciation increased to SEK -420 (-371) million. Profit before depreciation/amortisation, EBITDA, amounted to SEK 913 (842) million, corresponding to an EBITDA margin of 11.1 percent (10.8). Adjusted EBITDA amounted to SEK 916 (824) million, and the adjusted EBITDA margin to 11.2 percent (10.6).

## Individual & Family

Revenue for 2021 amounted to SEK 2,257 (2,101) million. Operating profit was SEK 168 (190) million, a decline of 12 percent compared with the previous





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year. The operating margin was 7.5 percent (9.0). Closed operations had a negative effect on the year, but was partly compensated by acquired operations. Furthermore, quality-enhancing measures in the operations and within the properties had a negative effect on profit.

#### Personal Assistance

Operating revenue was SEK 3,042 (2,931) million, an increase of 4 percent. The increase in revenue was mainly due to a higher attendance allowance and acquired operations, partly offset by fewer assistance hours. Operating profit increased by 30 percent to SEK 208 (160) million. The operating margin was 6.8 percent (5.5). Adjusted for retroactive repayment of previously paid-in pension premiums (SEK 11 million), operating profit amounted to SEK 197 (160) million and the adjusted operating margin was 6.5 percent (5.5). Operating profit and the operating margin increased due to more efficient cost

management, positive contributions from acquisitions and lower social security contributions for young employees.

#### Elderly Care

Revenue amounted to SEK 669 (608) million, with an organic growth of 10.1 percent (7.7). The revenue increase and organic growth are entirely due to new elderly care homes under own management. Operating profit fell to SEK -3 (10) million. The operating margin was -0.4 percent (1.6). Start-up costs for new elderly care homes under own management had a negative impact on profit. The improved results for established units under own management had a positive impact on profit despite continued negative effects of the pandemic, particularly later in the year.

#### Finland

Revenue amounted to SEK 1,284 (1,327) million, a decline of 3 percent. Organic growth was -0.5 percent (7.4). A weaker Euro had a negative effect

on revenue during the year. The negative organic growth was mainly due to decreased occupancy in institutional care for children and young people.

Operating profit was SEK 56 (62) million. Adjusted for a settled dispute SEK 13 million, operating profit amounted to SEK 69 (62) million. The operating margin was 4.3 (4.6) percent. The adjusted operating margin was 5.3 percent (4.6). The improved results are mainly due to improved contractual terms in elderly care and better operational efficiency.

#### Norway

Operating revenue was SEK 916 (788) million, an increase of 16 percent. Organic revenue growth was 13.8 percent (8.9). The increase in revenue and organic growth is mainly explained by an increased number of units in the segment for housing with special services and an increased number of customers within personal assistance. Operating profit increased by 50 percent to SEK 103 (69) million. The oper-

ating margin increased to 11.3 percent (8.7). Operating profit and operating margin rose due to an increased volume of personal assistance customers and operational improvements, particularly within children and young people.

#### Acquisitions during the year

Humana has made seven acquisitions in the last three years, of which four were in 2021:

- Team J-son AB (Individual & Family) February 2021. The company provides care services for children and young people with complex needs.
- Fideli Omsorg AB (Individual & Family) September 2021. The company provides care for individuals with disabilities.
- Balans Behandling AB (Individual & Family) October 2021. The company provides enhanced family-based care.
- Enigheten Personlig assistans AB (Personal Assistance) November 2021. The company provides personal assistance.

See note G3 for further information about the above acquisitions. If the acquisitions in 2021 had been made as at 1 January 2021, the consolidated revenue would total around SEK 8,308 million (SEK 120 million higher) for the year, and profit for the period would have been SEK 496 million (SEK 3 million higher).

#### Key ratios by business area

SEK millions	Individual & Family		Personal Assistance		Elderly Care		Finland		Norway	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Operating revenue, SEK million	2,257	2,101	3,042	2,931	669	608	1,284	1,327	916	788
Organic revenue growth, %	0.9	0.4	1.9	4.1	10.1	7.7	-0.5	7.4	13.8	8.9
Operating profit, SEK million	168	190	208	160	-3	10	56	62	103	69
Operating margin, %	7.5	9.0	6.8	5.5	-0.4	1.6	4.3	4.6	4.3	8.7
Average number of customers/clients	1,789	1,746	1,874	1,893	894	825	4,079	3,947	406	317
Average number of employees, full-time equivalents	2,169	2,065	5,209	5,099	955	862	1,605	1,669	994	838







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**Net financial items**

The Group's net financial items amounted to SEK -139 (-139) million in 2021. Financial expenses include effects of IFRS 16 account of SEK -90 (-79) million and interest expenses of SEK -49 (-62) million.

**Profit before tax**

Profit before tax was SEK 354 (332) million, an increase of SEK 22 million, corresponding to a profit margin before tax of 4.3 percent (4.3).

**Tax**

The year's recognised tax was SEK -78 (-70) million, corresponding to an effective tax rate of 21.9 percent (21.1).

**Profit for the year and earnings per share**

Profit for the year after tax for 2021 was SEK 276 (262) million, an increase of SEK 14 million compared to previous year. Basic and diluted earnings per share for the year amounted to SEK 5.67 (4.94).

**Balance sheet**

Humana's total assets were SEK 9,002 (8,044) million, an increase of SEK 958 million or 12 percent.

**Non-current assets**

Non-current assets include goodwill, property, equipment and right-of-use assets (leased property and cars). Non-current assets increased during

the year by SEK 948 million, or 15 percent, to 7,243 (6,295) million. Right-of-use assets amounted to SEK 2,669 (2,119) million and relates to leases recognised as assets under IFRS 16. Goodwill accounted for 57 percent of non-current assets and amounted to SEK 4,148 (3,815) million.

**Current assets**

Current assets amounted to SEK 1,759 (1,749) million, an increase of SEK 10 million. Trade receivables increased to SEK 923 (852) million. Cash and cash equivalents fell by SEK 64 million to SEK 695 (759) million during the year.

**Financing**

During the year, Humana entered a new financing agreement for SEK 3 billions with an option for an additional SEK 1 billion. The new agreement has a threeyear term with two extension options of one year each. The credit facilities carry an annual interest rate corresponding to the relevant IBOR plus a variable marginal rate based on Humana's net debt in relation to EBITDA. The weighted average interest rate for the credit facilities was 1.6 percent on 31 December 2021, most of which is variable. The credit facilities are conditional on Humana meeting certain market financial conditions, including certain financial key financial indicators, such as net debt/EBITDA and interest coverage ratio, which may not deviate negatively from the levels

specified in the agreement. Under the financing agreement, there are restrictions regarding the raising of new financing and financial indebtedness.

**Equity**

Equity amounted to SEK 2,553 (2,354) million as at 31 December 2021. The equity/assets ratio was 28.4 percent (29.3).

At the 2020 Annual General Meeting the Board was authorised to acquire shares as long as the company's total holdings of own shares does not exceed one-tenth of all shares in the company and to transfer own shares in the company. On 4 December 2020, the Board decided to exercise this mandate. In February and March 2021, Humana repurchased 2,357,348 shares at a cost of SEK 159 million, corresponding to an average price of SEK 67.51 per share. In September 2021, Humana used 769,200 shares as consideration in an acquisition. Subsequently, the company's total treasury shares amount to 4,247,859

**Capital structure**

SEK millions	2021	2020
Total assets	9,002	8,044
Capital employed	7,478	6,624
Equity	2,553	2,354
Interest-bearing net debt	4,226	3,511

shares, which is 8.0 percent of the total number of outstanding shares and votes. After the transactions, the total number of shares excluding treasury shares is 48,892,205.

**Liabilities**

The Group's interest-bearing net debt was SEK 4,226 (3,511) million at the end of the year, an increase of 20 percent compared to previous year. This increase is mainly due to an increase in lease liabilities.

The debt to EBITDA leverage ratio, i.e. interest-bearing net debt in relation to adjusted EBITDA, increased to 4.6x (4.3). Without the effects of IFRS 16, the ratio fell to SEK 2.6 times (2.8). The increase in leverage was due to investments in new units, acquisitions and share buybacks. The financial target for the company's capital structure for 2021 was a net debt to EBITDA ratio of no more than 4.5 times. Debt may temporarily exceed the target level, which may happen during acquisitions.

**Financial position**

SEK millions	2021	2020
Non-current interest-bearing liabilities	4,702	3,457
Current interest-bearing liabilities	218	813
Cash and cash equivalents	-695	-759
<b>Interest-bearing net debt</b>	<b>4,226</b>	<b>3,511</b>
Equity/assets ratio, %	28.4	29.3
Interest-bearing net debt/adjusted EBITDA 12 months, times	4.6x	4.3x





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**Cash flow**

Cash flow for the year was SEK -92 (-42) million. Cash flow from operating activities was SEK 900 (895) million. This increase is mainly due to increased profit and changes in working capital. Cash flow from investing activities amounted to SEK -260 (-37) million. Acquisitions of subsidiaries had an effect of SEK -153 (-18) million on cash flow. Disposal of properties affected cash flow by SEK 0 (114) million. Cash flow from financing activities was SEK -521 (-667) million, with changes in liabilities to credit institutions and share buybacks having a negative effect of SEK -50 (-227) million and SEK -159 (-156) million respectively.

**Seasonality**

Distribution of revenue during the year shows that Humana's operations are not significantly affected by seasonal variations. Changes in revenue between quarters and comparative periods are due to factors such as acquisition dates in 2021 and 2020. Revenue and profit are also positively affected by months that have a large proportion of working days and no public holidays. In terms of profit, the company's third quarter is the strongest, as this is when employees take holidays, resulting in changes in the holiday pay liability.

**Employees**

Humana's average number of full-time employees in 2021 was 10,996 (10,592), an increase of 4 percent from the previous year. The average number of employees working in central functions was 39 (36).

The average number of employees per country is distributed as follows:

- Sweden: 8,371 employees (+4 percent) or 76 percent
- Norway: 994 employees (+19 percent) or 9 percent
- Finland: 1,605 employees (-4 percent) or 15 percent
- Denmark: 26 employees (+1 percent) or 0 percent

Of the total number of employees, 68 (71) percent were women and 32 (29) percent were men. The proportion of women in Humana's top 67 managerial positions was 64 percent (65). The proportion of women in Humana's Group executive management during the year was 67 percent (67).

Humana continuously pursues internal initiatives to improve expertise in the company.

The number of employees completing internal training on the Humana Academy training portal in 2021 was 20,206 (19,561), an increase of 3 percent.

**Value-creating sustainability work**

Humana's core business is a matter of social sustainability. Sustainability is an integral part of Humana's strategy. The sustainable perspective permeates the company's vision, overall objectives, our four strategic target areas – high quality care, attractive employer, profitable growth, socially responsible provider – and the company's core values. Humana aims to offer high quality and cost-effective care services to clients and be an attractive employer for employees. As a socially responsible provider, Humana also strives to contribute to the development of care services in wider society. This is achieved, for example, by sharing our knowledge and experiences and supporting research in various ways. The company also wants to contribute to environmental sustainability, for instance by reducing its climate impact over time.

The statutory sustainability report, presented in accordance with Chapter 6 of the Swedish Annual Accounts Act, is on pages 13–32, 62 and 67–68. The report includes an in-depth description of the company's quality assurance work.

**Corporate governance**

A detailed description of the Group's governance, the Board's work and internal control can be found in the corporate governance report on pages 46–61.

**Risks and uncertainties**

In the course of its operations, Humana is exposed to different types of financial risks, which can be summarised as financing risk, liquidity risk, credit risk and interest rate risk. For a more detailed description, see G20.

The main operational risks and uncertainties that could affect performance are related to political decisions that have an impact on private care companies, inability to recruit employees with the right skills, permits to conduct operations, compliance with quality standards and integration of completed acquisitions.

Humana conducts operations that are financed by state, municipal and county council entities, which means that operations are affected by political decisions. As a result, Humana's opportunities for growth are highly affected by public opinion and political views on the company's areas of operation. Humana monitors the operating environment on an ongoing basis to assess risks and opportunities and to be able to quickly adapt the business to changes in that environment.

**Outlook**

Future demand for Nordic care services will be affected by changes in demographics, for example more elderly people. At the same time, it is expected that pressure on municipalities will increase due to weak finances. This could lead to both increased price





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pressure with simultaneous increased demand through a greater need for cost-effective care services.

Recruitment of personnel will continue to be a challenge in the coming years, as more care staff will be needed to cope with needs and there will be many more retirees. An attractive employer has a competitive advantage.

Humana operates in attractive segments and the company intends to continue to advance its position as a leading care company in the Nordic region. As a provider of high quality and cost-effective care services, Humana will be part of the solution to future social challenges and will continue to play an important role in society. In 2022, our focus will be on continuing to develop our operations and our offering. The objective for the year is to enhance profitability and grow, both organically and to some extent through acquisitions. The ongoing pandemic will continue to affect Humana's operations in 2022, which is expected to have some impact on revenue and costs.

### Parent Company

The Parent Company's registered office is in Stockholm. The Parent Company's main business consists of managing shares in subsidiaries. The Parent Company's expenses include expenses for the CEO and Board and costs for the Group's financing. Profit for the year was SEK 39 (69) million. The Parent Company's equity/assets ratio on 31 December was 42.1 percent (48.5).

### Appropriation of profits

The Board proposes that the consolidated income statement and balance sheet be submitted for adoption by the Annual General Meeting on 10 May 2022. The Board will recommend to the Annual General Meeting that no dividend be paid for the 2021 financial year.

SEK	2021
Share premium reserve	1,095,805,650
Retained earnings	371,363,716
Profit for the year	39,458,689
<b>Total available for appropriation</b>	<b>1,506,628,055</b>
The Board proposes that the profits be appropriated as follows:	
Dividend	
Profit carried forward	1,506,628,055
<b>Total</b>	<b>1,506,628,055</b>

The Corporate Governance Report on pages 46–61 contains a detailed description of the Group's governance, the work of the Board and internal control.

Note G5 on pages 91–93 contains guidelines on the remuneration of senior executives.



The 2020 AGM decided on guidelines for remuneration of senior executives. These will apply until a new decision is taken or no later than the 2024 AGM, and they are described in Note G5.

Humana's Sustainability Report can be found on pages 13–32, 62 and 67–68. Humana's goals, including financial targets, are also described in the report.



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# Financial statements

## Consolidated income statement

SEK millions (excl. earnings per share)	Note	Group	
		2021	2020
Operating revenue			
Net revenue		8,176	7,771
Other operating revenue	G2	12	26
<b>Total revenue</b>	G1	<b>8,188</b>	<b>7,797</b>
<b>Operating expenses</b>			
Other external expenses	G4, G6	-926	-913
Personnel costs	G5	-6,333	-6,039
Depreciation/amortisation and impairment of intangible assets and property, plant and equipment	G11-13	-420	-371
Other operating expenses	G2	-16	-2
<b>Operating profit</b>	G1	<b>493</b>	<b>471</b>
Financial income	G7	4	6
Financial expenses	G7	-143	-145
<b>Profit before tax</b>		<b>354</b>	<b>332</b>
Tax	G8	-78	-70
<b>Profit for the year</b>		<b>276</b>	<b>262</b>
Attributable to:			
Parent Company shareholders		276	262
<b>Earnings per share, basic and diluted, SEK</b>	G9	<b>5.67</b>	<b>4.94</b>

## Consolidated statement of comprehensive income

SEK millions	Note	2021	2020
<b>Profit for the year</b>		<b>276</b>	<b>262</b>
<b>Other comprehensive income</b>			
Items that have been/may be reclassified to profit or loss:			
Hedges of net investments in foreign operations	G20	-24	39
Exchange rate differences on translation of foreign operations	G20	51	-74
<b>Total other comprehensive income</b>		<b>27</b>	<b>-35</b>
<b>Comprehensive income for the year</b>		<b>303</b>	<b>227</b>
Attributable to:			
Parent Company shareholders		303	227
<b>Comprehensive income per share, basic and diluted, SEK</b>		<b>6.22</b>	<b>4.28</b>





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**Consolidated balance sheet**

SEK millions	Note	31/12/2021	31/12/2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	G3, G10	4,148	3,815
Other intangible assets	G11	11	5
Property, plant and equipment	G12	360	314
Right-of-use assets	G13	2,669	2,119
Deferred tax asset	G8	41	28
Financial assets		14	14
<b>Total non-current assets</b>		<b>7,243</b>	<b>6,295</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Trade receivables	G14	923	852
Tax receivables		70	68
Other receivables		7	9
Prepaid expenses and accrued income	G15	64	62
<b>Total current receivables</b>		<b>1,064</b>	<b>991</b>
Cash and cash equivalents	G16	695	759
<b>Total current assets</b>		<b>1,759</b>	<b>1,749</b>
<b>TOTAL ASSETS</b>		<b>9,002</b>	<b>8,044</b>

SEK millions	Note	31/12/2021	31/12/2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	G17	1	1
Other paid-in capital		1,096	1,096
Reserves		21	-6
Retained earnings, including profit for the year		1,436	1,264
<b>Total equity attributable to Parent Company shareholders</b>		<b>2,553</b>	<b>2,354</b>
<b>Total equity</b>		<b>2,553</b>	<b>2,354</b>
<b>Non-current liabilities</b>			
Non-current lease liability	G18	2,557	1,958
Deferred tax liability	G8	74	70
Other interest-bearing liabilities	G18	2,146	1,499
Provisions		4	-
<b>Total non-current liabilities</b>		<b>4,780</b>	<b>3,527</b>
<b>Current liabilities</b>			
Current lease liability	G18	216	232
Other interest-bearing liabilities	G18	3	581
Trade payables		165	128
Other current liabilities		279	257
Accrued expenses and deferred income	G19	1,006	965
<b>Total current liabilities</b>		<b>1,669</b>	<b>2,163</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,002</b>	<b>8,044</b>





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## Consolidated statement of changes in equity

SEK millions	Note	Equity attributable to Parent Company shareholders					Non-controlling interests	Total equity
		Share capital	Other paid-in capital	Translation reserve	Retained earnings, including profit for the year	Equity attributable to Parent Company shareholders		
	G17							
Opening equity, 1 Jan 2020		1	1,096	29	1,158	2,284	22	2,305
<b>Owner transactions</b>								
Sale of operation		-	-	-	-	-	-22	-22
Share buybacks		-	-	-	-156	-156	-	-156
<b>Total owner transactions</b>		-	-	-	-156	-156	-22	-178
<b>Comprehensive income for the period</b>								
Profit for the year		-	-	-	262	262	-	262
Other comprehensive income		-	-	-35	-	-35	-	-35
<b>Comprehensive income for the year</b>		-	-	-35	262	227	-	227
Closing equity, 31 Dec 2020		1	1,096	-6	1,264	2,354	-	2,354
<b>Opening equity, 1 Jan 2021</b>	G17	1	1,096	-6	1,264	2,354	-	2,354
<b>Owner transactions</b>								
Acquired operations settled with shares		-	-	-	55	55	-	55
Share buybacks		-	-	-	-159	-159	-	-159
<b>Total owner transactions</b>		-	-	-	-104	-104	-	-104
<b>Comprehensive income for the period</b>								
Profit for the year		-	-	-	276	276	-	276
Other comprehensive income		-	-	27	-	27	-	27
<b>Comprehensive income for the year</b>		-	-	27	276	303	-	303
Closing equity, 31 Dec 2021		1	1,096	21	1,436	2,553	-	2,553





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## Consolidated statement of cash flows

SEK millions	Note	2021	2020
<b>Cash flow from operating activities</b>			
Profit before tax		354	332
Adjustments for:			
Depreciation/amortisation and impairment		420	371
Financial income		-4	-6
Financial expenses		143	145
Capital gain/loss on sale of property		-	-17
Other non-cash items		-2	-
<b>Cash flow from operating activities before changes in working capital</b>		<b>912</b>	<b>824</b>
<b>Changes:</b>			
Decrease (+)/increase (-) in trade receivables		-34	-22
Decrease (+)/increase (-) in other operating receivables		-21	22
Decrease (-)/increase (+) in other operating liabilities		11	54
Decrease (-)/increase (+) in trade payables		32	16
<b>Cash flow from operating activities</b>		<b>900</b>	<b>895</b>
Interest received		1	1
Interest paid		-140	-144
Tax paid		-72	-90
<b>Net cash flow from operating activities</b>		<b>689</b>	<b>661</b>
<b>Investing activities:</b>			
Acquisition of subsidiaries, net cash impact	G3	-153	-18
Disposal of property, net cash impact		-	114
Investments in intangible assets and property, plant and equipment, net		-107	-133
<b>Cash flow from investing activities</b>		<b>-260</b>	<b>-37</b>
<b>Financing activities:</b>			
Loans raised	G20	1,489	24
Repayment of liabilities to credit institutions	G20	-1,540	-251
Repayment of lease liability		-312	-284
Share buybacks		-159	-156
<b>Cash flow from financing activities</b>		<b>-521</b>	<b>-667</b>
<b>Cash flow for the year</b>		<b>-92</b>	<b>-42</b>
Cash and cash equivalents at start of year	G16	759	836
Exchange differences in cash/cash equivalents		28	-35
Cash and cash equivalents at end of year	G16	695	759





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## Multi-year overview

SEK millions	2021	2020	2019	2018	2017
<b>Condensed consolidated income statement</b>					
Operating revenue	8,188	7,797	7,467	6,725	6,556
Operating profit before depreciation, amortisation and impairment (EBITDA)	913	842	697	461	376
Operating profit (EBIT)	493	471	369	391	316
Profit before tax	354	332	249	317	250
Profit for the year (attributable to Parent Company shareholders)	276	262	188	246	194
<b>Condensed consolidated income statement excluding effects of IFRS 16</b>					
Operating revenue	8,188	7,797	7,467	6,725	6,556
Operating profit before depreciation, amortisation and impairment (EBITDA)	531	499	397	461	376
Operating profit (EBIT)	427	416	323	391	316
Profit before tax	378	356	273	317	250
<b>Condensed consolidated balance sheet</b>					
<b>Assets</b>					
Goodwill	4,148	3,815	3,897	3,168	3,104
Right-of-use assets	2,669	2,119	2,089	-	-
Other non-current assets	426	361	415	577	432
Current assets	1,759	1,749	1,830	1,473	1,525
<b>Total assets</b>	<b>9,002</b>	<b>8,044</b>	<b>8,231</b>	<b>5,218</b>	<b>5,060</b>
<b>Condensed equity and liabilities</b>					
Equity	2,553	2,354	2,305	2,147	1,891
Non-current lease liabilities	2,557	1,958	1,902	-	-
Other non-current liabilities	2,223	1,569	1,839	1,333	1,417
Current lease liabilities	216	232	270	-	-
Other current liabilities	1,453	1,931	1,915	1,739	1,752
<b>Total equity and liabilities</b>	<b>9,002</b>	<b>8,044</b>	<b>8,231</b>	<b>5,218</b>	<b>5,060</b>
<b>Condensed consolidated statement of cash flows</b>					
Net cash flow from operating activities	689	661	631	332	241
Cash flow from investing activities	-260	-37	-323	-240	-60
Cash flow from financing activities	-521	-667	14	-166	-75
<b>Cash flow for the year</b>	<b>-92</b>	<b>-42</b>	<b>322</b>	<b>-74</b>	<b>106</b>
<b>Condensed consolidated statement of cash flows excluding effects of IFRS 16</b>					
Net cash flow from operating activities	397	398	402	332	241
Cash flow from financing activities	-209	-383	264	-166	-75

## Key ratios

SEK millions	2021	2020
<b>Operating revenue</b>	<b>8,188</b>	<b>7,797</b>
<b>Profit measures</b>		
Operating profit before depreciation, amortisation and impairment (EBITDA)	913	842
Operating profit (EBIT)	493	471
Profit for the year	276	262
Earnings per share, SEK	5.67	4.94
<b>Margin measures</b>		
Operating margin before depreciation, amortisation and impairment (EBITDA), %	11.2	10.8
Operating margin (EBIT), %	6.0	6.0
<b>Capital structure</b>		
Equity/assets ratio, %	28.4	29.3
Return on capital employed, %	6.6	7.1
Interest-bearing net debt	4,226	3,511
Interest-bearing net debt/adjusted EBITDA, times	4.6	4.3
Operating cash flow	785	779
<b>Per-share data</b>		
Number of shares at end of year	53,140,064 <sup>1)</sup>	53,140,064 <sup>1)</sup>
Operating cash flow per share, SEK	14.8	14.7
<b>Other</b>		
Number of full-time employees at end of year	10,945	10,639
Average number of customers	9,102	8,795

<sup>1)</sup> Of which 4,247,859 (2,659,711) are owned by Humana.







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### Parent Company income statement

SEK millions	Note	2021	2020
<b>Operating revenue</b>			
Operating revenue	P1	-	2
<b>Operating expenses</b>			
Other external expenses	P1, P2	-4	-6
Personnel costs	G5	-12	-11
<b>Operating profit</b>		<b>-16</b>	<b>-15</b>
<b>Profit from financial items</b>			
Financial income		40	108
Financial expenses		-103	-108
<b>Profit before tax and appropriations</b>		<b>-79</b>	<b>-15</b>
<b>Appropriations</b>			
Group contributions received		132	105
Change in tax allocation reserve	P4	-1	4
<b>Profit before tax</b>		<b>52</b>	<b>94</b>
Tax		-13	-25
<b>Profit for the year and comprehensive income for the year</b>		<b>39</b>	<b>69</b>





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### Parent Company balance sheet

SEK millions	Note	31/12/2021	31/12/2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Financial assets</i>			
Shares in subsidiaries	P3	1,684	1,629
<b>Total non-current assets</b>		<b>1,684</b>	<b>1,629</b>
<b>Current assets</b>			
<i>Current receivables</i>			
Receivables from Group companies		1,477	1,610
Tax asset		11	4
Prepaid expenses and accrued income		0	1
<b>Total current receivables</b>		<b>1,488</b>	<b>1,616</b>
Cash and bank balances		-	-
<b>Total current assets</b>		<b>1,488</b>	<b>1,616</b>
<b>TOTAL ASSETS</b>		<b>3,173</b>	<b>3,244</b>

SEK millions	Note	31/12/2021	31/12/2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital	G17	1	1
<i>Unrestricted equity</i>			
Share premium reserve		1,096	1,096
Retained earnings		371	405
Profit for the year		39	69
<b>Total equity</b>		<b>1,508</b>	<b>1,572</b>
<b>Untaxed reserves</b>			
Tax allocation reserve	P4	149	148
<b>Total untaxed reserves</b>		<b>149</b>	<b>148</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions	P5	1,508	946
<b>Total non-current liabilities</b>		<b>1,508</b>	<b>946</b>
<b>Current liabilities</b>			
Liabilities to credit institutions		0	571
Trade payables		4	2
Tax liability		-	-
Accrued expenses and deferred income	P6	4	4
<b>Total current liabilities</b>		<b>9</b>	<b>578</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,173</b>	<b>3,244</b>





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## Parent Company statement of changes in equity

SEK millions	Share capital	Share premium reserve	Retained earnings, including profit for the year	Total equity
Opening equity, 1 Jan 2020	1	1,096	562	1,659
Profit for the year and comprehensive income for the year	-	-	69	69
<b>Owner transactions</b>				
Share buybacks	-	-	-156	-156
<b>Total owner transactions</b>	-	-	-156	-156
Closing equity, 31 Dec 2020	1	1,096	476	1,572
Opening equity, 1 Jan 2021	1	1,096	476	1,572
Profit for the year and comprehensive income for the year	-	-	39	39
<b>Owner transactions</b>				
Share buybacks	1	1,096	-159	-159
Acquired operations settled with shares	-	-	55	55
<b>Total owner transactions</b>	1	1,096	-104	-104
Closing equity, 31 Dec 2021	1	1,096	412	1,508





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### Parent Company statement of cash flows

SEK millions	2021	2020
<b>Cash flow from operating activities</b>		
Operating profit	-16	-15
Adjustments for non-cash items		
Other non-cash items	-	3
	-16	-12
Group contributions received	132	105
Interest paid	-32	-49
Tax paid	-12	-35
<b>Cash flow from operating activities before changes in working capital</b>	<b>72</b>	<b>9</b>
<b>Cash flow from changes in working capital</b>		
Decrease (+)/increase (-) in receivables	114	376
Decrease (-)/increase (+) in current liabilities	0	-3
Decrease (-)/increase (+) in trade payables	2	0
<b>Cash flow from operating activities</b>	<b>188</b>	<b>383</b>
<b>Cash flow from investing activities</b>	<b>-</b>	<b>-</b>
<b>Financing activities</b>		
Loans raised	1,504	24
Repayment of liabilities to credit institutions	-1,534	-250
Share buybacks	-159	-156
<b>Cash flow from financing activities</b>	<b>-188</b>	<b>-383</b>
<b>Cash flow for the year</b>	<b>0</b>	<b>0</b>
<b>Cash and cash equivalents at start of year</b>	<b>0</b>	<b>0</b>
<b>Cash and cash equivalents at end of period</b>	<b>0</b>	<b>0</b>





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# Accounting policies

## Note GA1 General information

Humana AB is a Swedish-registered limited liability company with its registered office in Stockholm. Humana is a public company. The address of the head offices is Warfvinges väg 39, SE-112 51 Stockholm, Sweden. The company's shares were admitted to trading on Nasdaq Stockholm on 22 March 2016.

The consolidated financial statements cover the Parent Company and its subsidiaries (see Note G23), together referred to as the Group. The Group runs care operations in the Individual & Family, Personal Assistance, Elderly Care, Finland and Norway segments.

At 31 December 2021, Humana AB was 20.2 percent owned by Impilo Care AB (corporate identity number 559189-7722).

The financial statements were approved by the Board of Directors and CEO for publication on 30 March 2022. The annual report will be presented for adoption at the AGM on 10 May 2022.

## Note GA2 General accounting policies and estimates

### General accounting policies

#### Conformity with standards and laws

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the Interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted by the EU. In addition, the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups has been applied.

#### Basis of preparation

Assets and liabilities are measured at historical cost, apart from certain financial assets and liabilities which are measured at fair value. Financial assets and liabilities measured at fair value consist of derivative instruments and contingent considerations from acquisitions.

#### Functional currency and presentation currency

The Parent Company's functional currency is the Swedish krona (SEK). The presentation currency for the Parent Company and the Group is also the Swedish krona. All amounts are rounded to the nearest SEK million unless stated otherwise.

### Accounting estimates

Preparation of financial statements in compliance with IFRS requires management to make accounting estimates and assumptions which affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expenses. The actual outcome may differ from these accounting estimates and assessments.

Accounting estimates and assumptions are reviewed regularly. Changes in accounting estimates are recognised prospectively.

Critical accounting estimates made by management that have a significant impact on the financial statements and may entail a material adjustment in the

future are mainly related to goodwill impairment testing and the preparation of acquisition analyses.

#### Goodwill impairment testing

Goodwill is tested for impairment annually. These tests involve calculations that are based on management's assumptions about growth rates, operating margins and discount rates.

Current regulations were applied during the year's impairment testing. Assessments other than those made by the company may lead to completely different results and financial position. More information on impairment testing can be found in Note G10.

#### Fair value measurement in acquisition accounting

When a subsidiary or operation is acquired, an acquisition analysis is prepared, which includes an assessment of the fair values of assets and liabilities. These assets and liabilities are measured using various valuation methods. Assessments other than those made by management may result in a different future position. A high proportion of goodwill, for example, gives rise to an asset item that is subject to annual impairment testing rather than ongoing amortisation. More information about acquisition analyses can be found in Note G3.

#### Assumptions concerning the calculation of lease liabilities

When calculating lease liabilities in accordance with IFRS 16, management has made a number of estimations and assessments, which, if done differently, would have affected the amount of the lease liabilities. Humana categorises lease contracts according to their nature, e.g. real estate and cars. Changes in the discount rate affect the size of the liability and its associated interest expenses. A new discount rate is set when a new lease is added, when an extension option is used, or when there is a change in the scope of the lease. The basis for the discount rate is obtained from an external party on an annual basis. See note G13 for leases.

For more detailed accounting policies, see the significant accounting policies described in Note GA4.

## Note GA3 New IFRSs not yet effective

New and amended IFRSs with future application are not expected to have any material effect on the company's financial statements.

## Note GA4 Significant Accounting Policies

The accounting policies described below have been applied consistently to all periods presented in the Group's financial statements, with some exceptions, which are described in more detail. The Group's accounting policies have been consistently applied by the Group companies.

### New accounting policies applied from 1 January 2021

Humana has determined that new or amended standards and interpretations will not have any significant effect on the Group's financial statements.

### Classification

Non-current assets and liabilities are amounts that are expected to be recovered or paid more than 12 months after the reporting date. Current assets and liabilities are amounts that are expected to be recovered or paid within 12 months of the reporting date.

### Segment reporting

Humana has five business areas, which are also reported as five segments: Individual & Family, Personal Assistance, Elderly Care, Finland and Norway. Denmark and central functions are reported as Other operations. Sales and operating profit for each segment are reported after allocation of segment-specific costs, but not including costs for central functions. The Group's segment reporting corresponds to the internal reporting to the chief operating decision maker. However, the CEO and CFO only monitor the Group's total assets, not assets by segment. See Note G1 for a more detailed description of the breakdown and presentation of operating segments.

### Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and that the company will comply with the conditions attached to the grant. Government grants may for example include training, new employments, reductions in working hours, and compensation for increased costs for protective equipment and sick pay. Grants are recognised in the income statement over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis.

### Basis of consolidation and business combinations

#### Subsidiaries

The consolidated financial statements include the Parent Company Humana AB and its subsidiaries. Subsidiaries are entities over which the Parent Company has control. Control exists when the Parent Company has exposure to variable returns from its holding in an entity and can affect the returns through power over the entity. A subsidiary is consolidated from the date on which the Parent Company obtains control until such control ceases.

Humana is assumed to have control if the Group owns the majority of shares and the shares have equal voting rights attached, and a proportionate entitlement to a share of the returns of the entity and decisions about relevant activities are determined by majority votes. Humana is also assumed to have control if Humana selects the majority of the board, or the post of chairman in the event of an equal number of members, contractually even if not holding the majority of the shares.

### Non-controlling interests

Acquisitions from non-controlling interests are reported as transactions in equity, i.e. a transfer between equity attributable to Parent Company shareholders and non-controlling interests.

### Foreign currencies in subsidiaries

Items in the individual financial statements of each Group entity are presented in the currency of the country in which the entity operates (its functional currency).





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The consolidated financial statements are presented in SEK, which is the Parent Company's functional and presentation currency.

The assets and liabilities of Humana's foreign subsidiaries are translated at the closing rate. All income statement items are translated at the average rate for the year. Translation differences are recognised directly under consolidated other comprehensive income. Hedge accounting is applied within the Group; see the section for hedge accounting.

#### **Business combinations**

Humana recognises business combinations in accordance with the acquisition method from the date on which control is obtained. The consideration paid in connection with an acquisition is recognised at the acquisition-date fair value, as are the acquired assets and liabilities. The difference between the consideration and the fair value of the acquired assets and liabilities is recognised as goodwill. Goodwill is subject to annual impairment testing. See Note G10. In bargain purchases, which are acquisitions where the value of the net assets exceeds the consideration paid, the difference is recognised immediately in the income statement. Acquisition costs are expensed as incurred.

Contingent considerations are recognised at fair value on the date of acquisition and contingent considerations that are financial liabilities are remeasured at each reporting date with changes in value recognised under operating profit.

The consideration paid in connection with an acquisition does not include payments related to settlement of a pre-existing relationship. This type of settlement is recognised in profit or loss.

Assets and liabilities for companies acquired or divested during the year are recognised in the consolidated financial reports from the date on which control is obtained and are derecognised from the date on which control is lost. Internal sales and other balances within the Group have been eliminated in the consolidated accounts. Gains and losses which arise as a result of intragroup transactions are eliminated provided a loss does not lead to impairment.

Where appropriate, the accounting policies for subsidiaries have been amended in order to guarantee consistent application of the Group's policies.

#### **Revenue**

Humana provides assistance services and housing in the areas of elderly care, residential care homes, interim and regular family-based care, special service housing and assisted living homes. Humana also provides outpatient care services. The Group's services are provided on the basis of the signed operational contracts.

Within Humana's assistance operations, the services are mainly provided through contracts including monthly invoicing. Compensation is based on the number of care receivers and the number of assistance hours or similar services. The attendance allowance from the Swedish Social Insurance Agency (Försäkringskassan) is paid monthly in arrears.

In operations including homes under own management, vacancies are offered to municipalities which they purchase when needed through master agreements, subscription agreements, individual agreements, or alternatively via the Act on System of Choice in the Public Sector. The agreement with the customer is then considered to be in place in connection with placement. Humana's operations under own management are conducted in premises which are controlled by Humana. Revenue is recognised when the services are performed. Health and care services are largely provided under monthly invoicing agreements.

In operations under contract, the Humana business area performs the services on behalf of a municipality or district administration for a fixed period of time at a fixed price in accordance with a public procurement. The agreement with the customer is then considered to arise based on the applicable contract. The com-

penation is linked to the number of care days, time spent or other services approved by the municipality. In Humana's own homes, Humana receives rental income from the resident customers where appropriate.

#### **Personnel costs**

##### **Short-term benefits**

Employee benefits are recognised as an expense when the services have been performed. A liability for the expected costs of bonus payments is recognised when the Group has a legal or constructive obligation to make such payments as a result of employees having provided the services in question and when the amount can be measured reliably.

##### **Termination benefits**

Termination benefits are expensed at the earlier of the following: when the company can no longer withdraw the offer of the benefits or when the company recognises restructuring costs. Benefits expected to be settled after twelve months are recognised at their present value.

##### **Pension benefit obligations**

Humana has various pension plans which are classified as either defined contribution or defined benefit plans.

A defined contribution pension plan is a plan under which the Group's obligation is limited to the fixed contributions paid to the insurer in question. Thereafter the Group has no legal or constructive obligation to pay additional contributions.

Pension premiums under defined contribution plans are recognised as personnel costs in the income statement as they fall due. A defined benefit pension plan is a plan that is not based on defined contributions. Humana's defined benefit obligations for retirement benefits and survivor pensions for salaried employees in Sweden (ITP2) are covered by insurance with Alecta, which is a defined benefit multi-employer plan. For the financial year 2021, Humana did not have access to information enabling the company to recognise these plans as defined benefit, thus leading to them being recognised as defined contribution plans.

The Group has certain pension obligations that are covered by endowment insurance. The pension provision includes a special payroll tax and corresponds to the value of the assets in the endowment insurance at any given time.

##### **Share savings programme**

In 2017, a share savings programme was launched, enabling managers to purchase Humana shares. Participants' own investment in the form of saving shares at the investment-date share price, subject to continuing employment with the company, gives entitlement to matching shares at the end of the vesting period. In addition, performance shares may be allotted, subject to the achievement of certain pre-defined targets during the vesting period. The share savings programme is recognised directly in equity during the vesting period. The programme expired on 31 January 2020.

##### **Financial income and expenses**

Financial income consists of interest income and, where applicable, dividend income, as well as gains on the remeasurement or disposal of financial instruments. Financial expenses consist of interest charges on loans (including accrued transaction costs) and lease liabilities, and losses on changes in value or disposal of financial instruments. Exchange gains and losses are reported on a gross basis. Interest income and expenses are reported using the effective interest method. Dividends are recognised in the income statement when the right to receive payment of a dividend has been established.

#### **Leases**

##### **Leases where the Group is lessee**

The Group recognises a right-of-use asset and a lease liability on commencement of the lease.

The right-of-use asset is initially measured at cost, which consists of the lease liability's initial value and any lease payments made on or before the commencement date plus any initial direct costs. The right-of-use asset is depreciated on a straight-line basis from the commencement date until the end of the asset's useful life or the end of the lease term, whichever is earlier, but normally the end of the lease term.

The lease liability, which is divided into a current and a non-current portion, is initially measured at the present value of the remaining lease payments over the estimated lease term. The lease term is the non-cancellable period plus any periods covered by an option to extend the lease if the exercise of that option is reasonably certain at the commencement date.

Lease payments are normally discounted at the Group's incremental borrowing rate, which, in addition to the Group's/Company's credit risk, reflects the lease term, currency and quality of the underlying asset if it were provided as collateral. However, if the rate implicit in the lease can be readily determined, which is the case for the Group's leased cars, this is used instead.

The liability's carrying amount is increased by the interest expenses for each period and decreased by the lease payments. Interest expenses are calculated as the liability's carrying amount multiplied by the discount rate. The lease liability for the Group's premises that have index-linked rent is calculated on the rent that applies at the end of each reporting period. The liability is then adjusted, with a corresponding adjustment of the right-of-use asset's carrying amount. Correspondingly, the carrying amounts of the liability and the asset are adjusted when the lease term is revised. This occurs when the deadline for terminating the previously determined lease term for premises has passed, or when a significant event or a significant change in circumstances occurs that is within the Group's control and affects the current determination of the lease term.

Right-of-use assets and lease liabilities are not recognised for leases with a lease term of 12 months or less at the beginning of the lease, or leases where the underlying asset is of low value, i.e. less than USD 5 thousand. Lease payments for these leases are recognised as an expense on a straight-line basis over the lease term.

##### **Sale and leaseback**

The Group applies the revenue recognition rules to determine whether a sale and leaseback transaction should be recognised as a sale. If a transaction qualifies as a sale, the right-of-use asset arising from the leaseback transaction is measured at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the Group. Accordingly, only the amount of gain or loss that relates to the rights transferred to the buyer/lessor is recognised. To determine the proportion of the asset that is retained and the proportion that is transferred to the buyer, the relationship between the lease liability recognised in connection with the leaseback and the fair value of the sold asset is used. If the sale consideration is higher than the asset's fair value or if future lease payments are lower than market rates, the difference is recognised as a liability. The remaining consideration received for the sale of the asset is used as the basis for calculating any gain or loss on the transaction. In the reverse situation, the difference is recognised as a prepayment. If the transfer of an asset does not meet the requirements for revenue recognition, the Group continues to recognise the transferred asset and a financial liability corresponding to the consideration received.





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**Taxes**

Income tax consists of current tax and deferred tax. Income taxes are recognised in the income statement, unless the underlying transaction is recognised in other comprehensive income or in equity, in which case the associated tax effect is recognised in other comprehensive income or in equity.

Current tax is the amount of income taxes payable or recoverable for the current year. Current tax also includes any adjustments relating to prior periods.

Deferred tax is accounted for using the balance-sheet liability method. A deferred tax liability is recognised for temporary differences between the carrying amounts of assets and liabilities and their corresponding tax bases. Temporary differences are not considered in goodwill on consolidation or for the difference resulting from the initial recognition of assets and liabilities that are not business combinations, and that at the time of the transaction affect neither recognised nor taxable earnings. The measurement of deferred tax is based on how the underlying assets and liabilities are expected to be recovered or settled. Deferred tax liabilities and assets are measured using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets on temporary differences and deferred tax assets arising from the carry-forward of unused tax losses are only recognised to the extent that it is probable that they can be utilised. The carrying amounts of deferred tax assets are reviewed and reduced to the extent that it is no longer probable that the deferred tax asset can be utilised.

The effects of changes in applicable tax rates are recognised in the period in which the change is substantively enacted. Deferred tax receivables and liabilities are recognised on a net basis when there is a legally enforceable right to offset current tax receivables against current tax liabilities and the deferred taxes are attributable to the same taxable entity and tax authority. Interest calculated by tax authorities on additional and surplus current tax is classified as Interest expenses and Other interest income respectively.

**Intangible assets****Goodwill**

In a business combination, goodwill arises when the consideration paid exceeds the fair value of identifiable net assets in the acquired entity. Goodwill is measured, after initial recognition, at cost, less any accumulated impairment losses. Goodwill is tested for impairment rather than amortised. See the section regarding impairment below. See also Note G10.

When the Group adopted IFRS, it was decided not to apply IFRS retrospectively to goodwill arising from acquisitions prior to 1 January 2012. Consequently, the carrying amount on that date represents the Group's cost of acquisition after impairment testing.

**Other intangible assets**

When a business is acquired, the company assesses the extent to which there are identifiable intangible assets to be reported separately from goodwill, such as customer relationships, trademarks and customer contracts. In addition, Humana recognises capitalised expenditure on systems development and licences as an asset.

Other intangible assets are recognised at cost, including directly attributable borrowing costs, less accumulated amortisation and any impairment losses.

Intangible assets acquired in a business combination are identified and recognized separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

**Amortisation**

Amortisation is recognised in profit or loss on a straight-line basis over the intangible asset's useful life, unless it has an indefinite useful life. Useful lives are reviewed at least annually. Goodwill is tested for impairment annually and as soon as there are indications that the asset in question has decreased in value.

Intangible assets with finite useful lives are amortised from when they are available for use. The estimated useful lives are:

- licences 5–7 years
- customer relationships 5-7 years

**Property, plant and equipment**

Property, plant and equipment is recognised at cost, including directly associated borrowing costs, less accumulated depreciation and any impairment losses. In cases where part of property, plant and equipment consist of several components, where each component its own cost and estimated useful life that differs significantly from the item as a whole, each component is depreciated individually on the basis of the component's estimated useful life. Items of property, plant and equipment with sub-components that have different useful lives are treated as separate components of property, plant and equipment.

Gains or losses on the disposal or retirement of an asset are recognised in the income statement under other operating income/expenses.

Fair values for property, plant and equipment acquired in a business combination are normally valued using a cost approach, in which the fair value is derived based on depreciated replacement cost for the asset. Capitalized interest is calculated, based on the group's estimated average cost of borrowing. However, actual borrowing costs are capitalized if individually identifiable, such as interest paid on construction loans for buildings.

**Subsequent costs**

Subsequent costs are capitalised only if it is probable that future economic benefits associated with the cost will flow to the company. All other subsequent costs are recognised as expenses in the period in which they arise.

**Depreciation**

Depreciation is applied on a straight-line basis over the useful life of the asset. Leased assets are also depreciated over their estimated useful lives or over the agreed lease term if this is shorter. Land is not depreciated.

Estimated useful lives:

The following main groups of components have been identified and form the basis of depreciation of buildings:

- Building structure 40–100 years
- Supplementary structures, interior walls etc. 20–40 years
- Installations: heating, electricity, plumbing, ventilation etc. 25–40 years
- Exterior surfaces: façades, roofs etc. 20–70 years
- Interior surfaces, machinery etc. 10–25 years
- Equipment 5–10 years
- Leasehold, over the contract period

Depreciation methods, residual values and useful lives are reviewed at each year-end.

**Impairment**

The carrying amounts of the Group's assets are assessed at each reporting date to determine if there is any indication of impairment.

**Impairment of property, plant and equipment, intangible assets and right-of-use assets**

If there is an indication of impairment, the asset's recoverable amount is measured (see below). The recoverable amount is calculated annually for goodwill, other intangible assets with indefinite useful lives and intangible assets not yet ready for use. If an asset does not generate independent cash inflows and its fair value less costs to sell cannot be used, it is tested for impairment as part of the cash-generating unit to which it belongs, i.e. the smallest identifiable group of assets which generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

An impairment loss is recognised when the recoverable amount of an asset or a cash-generating unit (group of units) is less than its carrying amount. An impairment loss is recognised as an expense in profit for the year. Impairment losses recognised for a cash-generating unit are initially allocated to goodwill. They are then allocated to the other assets of the unit pro rata based on each asset's carrying amount.

The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. In measuring value in use, cash flows are discounted using a discount rate that reflects the risk-free rate of interest and the risks specific to the asset.

**Reversal of impairment losses**

Impairment of assets accounted for under IAS 36 is reversed if there is an indication that the impairment no longer exists and there has been a change in the assumptions on which the calculation of the recoverable amount was based.

However, goodwill impairment is never reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation where applicable, had no impairment loss been recognised.

**Earnings per share**

Calculation of basic earnings per share is based on the Group's profit/loss for the year attributable to Parent Company shareholders and the weighted average number of shares outstanding during the year.

Diluted earnings per share is calculated by dividing profit/loss for the year attributable to Parent Company shareholders (adjusted where appropriate) by the sum of the weighted average number of shares and potential shares that could give rise to a dilutive effect. The dilutive effect of potential shares is only recognised if a conversion to shares would result in a reduction in diluted earnings per share.

**Provisions**

A provision differs from other liabilities as there is uncertainty about the timing or amount required to settle the provision. A provision is recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date.

**Onerous contracts**

A provision for onerous contracts are recognized when the expected benefits to be derived by from a contract are lower than the unavoidable cost of meeting the obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, Humana recognises any impairment loss on the assets associated with that contract is provided for.





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**Financial assets and liabilities – Financial instruments**

Financial instruments reported under assets in the balance sheet are primarily cash and cash equivalents, derivatives and trade receivables. Financial instruments reported under liabilities include trade payables, loans and derivatives.

A financial asset or liability is recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument. A receivable is recognised when the company has performed and there is a contractual obligation for the counterparty to pay, even if an invoice has not yet been sent. Trade receivables are recognised when an invoice has been sent. Liabilities are recognised when the counterparty has performed and there is a contractual obligation to pay, even if an invoice has not yet been received. Trade payables are recognised on receipt of the invoice.

A financial asset is derecognised when the rights to receive benefits have been realised, expired or the company loses control over them. A financial liability is derecognised when the contractual obligation is discharged or extinguished in some other way.

A financial asset and a financial liability may be offset when, and only when, there is a legally enforceable right to set off the amounts and there is an intention to settle the items on a net basis.

Purchases and sales of financial assets are recognised on the trade date, which is the date on which the company commits itself to purchase or sell the asset.

**Measurement of financial instruments**

Financial instruments are classified on initial recognition and this classification determines the instruments' measurement.

**Classification and measurement of financial instruments**

**Derivatives:** Classified at fair value through profit or loss.

**Debt instruments:** Classification of financial assets that are debt instruments is based on the Group's business model for managing the asset and the characteristics of the asset's contractual cash flows. The classification categories for the instruments are as follows:

- amortised cost
- fair value through other comprehensive income, or
- fair value through profit or loss

All the Group's financial assets that are held in debt instruments are recognised at amortised cost. The Group's holdings in debt instruments mainly consist of trade receivables, cash and cash equivalents and accrued income. At initial recognition, financial assets classified at amortised cost are measured at fair value plus transaction costs. The assets are subsequently measured using the effective interest method. Under the business model, assets classified at amortised cost are held for collection of contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The assets are covered by a loss allowance for expected credit losses. Trade receivables are initially recognised at the invoiced amount.

**Classification and measurement of financial liabilities**

Financial liabilities are classified at amortised cost except for derivatives and contingent considerations for business combinations. Contingent considerations are normally financial liabilities and are recognised at fair value through profit or loss. At initial recognition, financial liabilities classified at amortised cost are measured at fair value including transaction costs. They are subsequently measured using the effective interest method.

Derivatives are classified at fair value through profit or loss unless they are classified as hedging instruments and the effective portion of the hedge is recognised in other comprehensive income.

**Impairment of financial assets**

For all the Group's financial assets that are recognised at amortised cost, the allowance for credit losses is based on expected losses. First, the assessment for trade receivables is made individually and then for non-individually impaired receivables, based on the degree of delay in payment. The Group's customers are municipalities and county councils, which have very good credit ratings. Bad debt losses have historically been very low, and this is expected to continue.

**Hedge accounting**

As from 1 January 2018, the Group applies hedge accounting to hedges of net investments in foreign operations.

Humana hedges net investments in EUR and NOK through loans in these currencies. The effective portion of exchange gains or losses on loans is recognised in other comprehensive income and these accumulated gains and losses are recognised in a separate component of equity, the translation reserve. Changes in value attributable to the ineffective portion are recognised immediately in profit or loss. The cumulative gain or loss on the hedging instrument in the translation reserve is reclassified to profit or loss on disposal of the foreign operation.

**Contingent liabilities**

A contingent liability is recognised when a possible obligation arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events outside the Group's control, or when there is an obligation which is not recognised as a liability or provision because it is not probable that an outflow of resources will be required to settle the obligation or the amount cannot be measured reliably.

**Note PA1** Parent Company accounting policies

The Parent Company's annual financial statements have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The Swedish Financial Reporting Board's issued statements for listed enterprises have also been applied. RFR 2 requires the Parent Company, as a legal entity, to prepare its annual financial statements in compliance with all IFRS and IFRIC interpretations adopted by the EU, to the extent that such application does not conflict with the Swedish Annual Accounts Act and Pension Obligations Vesting Act and taking into account the relationship between tax expense (income) and accounting profit. The recommendation also specifies exceptions from and additions to IFRS reporting.

**Differences between the Group's and the Parent Company's accounting policies**

Differences between the Group's and the Parent Company's accounting policies are described below. The accounting policies described below have been applied consistently to all periods presented in the Parent Company's financial statements.

**Shares in subsidiaries**

Shares in subsidiaries are recognised in the Parent Company using the cost method. This means that transaction costs are included in the carrying amount of the holdings in subsidiaries. In the consolidated accounts, transaction costs attributable to subsidiaries are recognised directly in the income statement as they arise.

**Financial instruments and hedge accounting**

Because of the relationship between tax expense (income) and accounting profit, the Parent Company does not apply the rules on financial instruments and hedge accounting contained in IFRS 9.

The Parent Company's non-current financial assets are carried at cost less impairment losses, while its current financial assets are measured using the principle of lowest value. The cost of interest-bearing instruments is adjusted for the accrued difference between the amount originally paid, net of transaction costs, and the amount paid at maturity (premium or discount).

**Leased assets**

The Parent Company does not apply IFRS 16, in accordance with exceptions in RFR 2. As a lessee, lease payments are recognised as a cost on a straight-line basis over the lease term, so rights of use and lease liabilities are not recognised in the balance sheet.

**Group contributions**

Group contributions are reported in the Parent Company using the alternative rule. Both group contributions received and paid are recognised as appropriations. Shareholder contributions are recognised directly in the recipient's equity and are capitalised in the issuer's shares and participating interests, to the extent that impairment is not required.

**Untaxed reserves**

Untaxed reserves are recognised inclusive of deferred tax liability in the Parent Company and not, as in the Group, divided into deferred tax liability and equity.







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# Notes, Group

## Note G1 Segment reporting and revenue

The Group's operations are divided into operating segments based on components of the business that are reviewed by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), who are the company's chief operating decision makers. This is referred to as the management approach. The Group's operations are organised in such a way that the CEO and CFO review the results of each business area. The business areas are also operating segments. Each operating segment has a manager who is responsible for the day-to-day operations and regularly reports the results of the segment's performance to the CEO and CFO. The Group's internal reporting is therefore structured in such a way as to allow the CEO and CFO to review the business areas' performance and results.

**Individual & Family** provides care and treatment in psychiatry and psychosocial change management to clients of all age groups. This is done through operations such as residential care homes, interim and regular family-based care, special service housing, outpatient care, assisted living homes, specially adapted housing for individuals with functional impairments and special education schools.

**Personal Assistance** provides care services and assistance to individuals with functional impairments.

**Elderly Care** mainly consists of elderly care homes, but also provides day care, flats adapted for the elderly, meeting places and family member services.

**Finland** offers individual and family care for children, young people and families with psychiatric diagnoses or psychosocial disorders, special service housing for individuals with functional impairments, elderly care homes and elderly day care.

**Norway** offers individual and family care, personal assistance and special service housing for individuals with functional impairments.

**Other** refers to the Group's costs for central administration, central project costs and costs for property management. It also includes income and expenses related to the sale and acquisition of companies as well as operations in Denmark. The earnings effect of the financial reporting standard IFRS 16 is also reported in this segment, while the business areas recognise lease/rental payments as an expense on a straight-line basis over the lease term.

### Income statement by segment

2021, SEK millions	Individual & Family	Personal Assistance	Elderly Care	Finland	Norway	Other	Group
Net revenue – external income	2,255	3,042	669	1,276	915	19	8,176
Other operating revenue	2	-	-	8	1	1	12
<b>Total revenue</b>	<b>2,257</b>	<b>3,042</b>	<b>669</b>	<b>1,284</b>	<b>916</b>	<b>20</b>	<b>8,188</b>
Profit before depreciation, amortisation and other operating expenses <sup>1)</sup>	206	209	14	74	116	295	914
Depreciation/amortisation	-37	-1	-16	-19	-12	-335	-420
Other operating expenses	-1	-	-	-	-	-	-1
<b>Operating profit</b>	<b>168</b>	<b>208</b>	<b>-3</b>	<b>56</b>	<b>103</b>	<b>-40</b>	<b>493</b>
Financial income							4
Financial expenses							-143
<b>Profit before tax</b>							<b>354</b>

2020, SEK millions	Individual & Family	Personal Assistance	Elderly Care	Finland	Norway	Other	Group
Net revenue – external income	2,101	2,931	608	1,326	788	17	7,771
Other operating revenue	-	-	-	1	-	26	26
<b>Total revenue</b>	<b>2,101</b>	<b>2,931</b>	<b>608</b>	<b>1,327</b>	<b>788</b>	<b>43</b>	<b>7,797</b>
Profit before depreciation, amortisation and other operating expenses <sup>1)</sup>	225	162	22	83	81	270	844
Depreciation/amortisation	-34	-2	-12	-22	-12	-289	-371
Other operating expenses	-1	-	-	-	-	-1	-2
<b>Operating profit</b>	<b>190</b>	<b>160</b>	<b>10</b>	<b>62</b>	<b>69</b>	<b>-20</b>	<b>471</b>
Financial income							6
Financial expenses							-145
<b>Profit before tax</b>							<b>332</b>

<sup>1)</sup> \*During the financial year, Humana received public subsidies primarily in the form of salary subsidies and compensation for sick pay, but also stimulus funding and compensation for protective equipment. The total received was SEK 73 (56) million.

### Breakdown of revenue

Revenue by service:

	2021	2020
Individual & Family	3,631	3,506
Personal Assistance	3,349	3,125
Elderly Care	1,189	1,140
Other	20	26
<b>Total revenue</b>	<b>8,188</b>	<b>7,797</b>

No customer accounted for more than 10 percent of revenue.





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**Revenue by geographic area**

	2021	2020
Sweden	5,970	5,664
Finland	1,284	1,327
Norway	916	788
Denmark	18	18
<b>Total</b>	<b>8,188</b>	<b>7,797</b>

**Non-current assets by geographic area<sup>1)</sup>**

	2021	2020
Sweden	4,988	4,100
Finland	1,622	1,604
Norway	572	544
Denmark	6	6
<b>Total</b>	<b>7,188</b>	<b>6,253</b>

<sup>1)</sup> Non-current assets do not include financial instruments, deferred tax assets and assets relating to post-employment benefits.

**Note G2** Other operating revenue and other operating expenses**Other operating revenue**

	2021	2020
Gains on sale of property/subsidiaries <sup>1)</sup>	1	26
Other	11	-
<b>Total</b>	<b>12</b>	<b>26</b>

<sup>1)</sup> Refers to sales of property for 2020

**Other operating expenses**

	2021	2020
Acquisition costs	15	1
Other	1	2
<b>Total</b>	<b>16</b>	<b>2</b>

**Note G3** Acquisitions

Humana completed four (one) acquisitions during the year: three in the Individual & Family business area and one in the Personal Assistance business area. 100 percent of the shares have been acquired in J-son Företagspartner AB, Fideli Omsorg AB, Balans Behandling AB and Enigheten Personlig assistans AB.

**Acquisitions completed in 2021****Team J-son (Individual & Family) in February**

The company is headquartered in Stockholm and provides care services for children and young people with special needs. Team J-son's annual revenue is approximately SEK 90 million and the company has about 120 employees. Total consideration, including contingent consideration, was SEK 83 million. The acquisition contributed SEK 87 million to Humana's revenue in 2021 and SEK 11 million to profit.

**Fideli Omsorg AB (Individual & Family) in September**

The business is based in Stockholm and operates ten residential units and a day care facility for adults. The acquisition strengthens Humana's operations in social psychiatry and care for people with disabilities, and complements Humana's offering geographically. Fideli Omsorg's annual revenue is approximately SEK 73 million and the company has about 160 employees. The consideration for Fideli Omsorg (cash- and debt-free basis) comprised SEK 83 million in cash and 769,200 shares in Humana corresponding to SEK 50 million based on a volume-weighted average price on Nasdaq Stockholm over 10 trading days before the contract date (SEK 65.00). The fair value of the shares amounts to SEK 55 million. In addition to this, Humana will pay an earn-out payment of no more than SEK 73 million (present value) based on Fideli Omsorg's profit in 2021, 2022 and 2023. The acquisition contributed SEK 38 million to Humana's revenue in 2021 and SEK 4 million to profit.

**Balans Behandling AB (Individual & Family) in October**

The business is based in Luleå and its operations comprise enforced family-based care, outpatient care with supported housing services and a treatment home. Balans Behandling AB's annual revenue is approximately SEK 60 million and the company has about 20 employees. Total consideration, including contingent considerations, was SEK 26 million. The acquisition contributed SEK 12 million to Humana's revenue in 2021 and SEK 1.4 million to profit.

**Enigheten Personlig assistans AB (Personal Assistance) in November**

The company is headquartered in Borlänge. Enigheten AB's annual revenue is approximately SEK 50 million and the company has about 150 employees. The acquisition's total purchase consideration amounted to SEK 17 million. The acquisition contributed SEK 9 million to Humana's revenue in 2021 and SEK -0.5 million to profit.

**Goodwill**

The major part of the goodwill originated from the acquisitions in 2021 relates to Fideli Omsorg AB and is partly attributable to the geographical breadth that is achieved in the area of social psychiatry and the care of people with disabilities, and partly to the synergy gains arising from the merger. Goodwill originated from other acquisitions mainly relates to geographical breadth and synergies in the respective specialist area. The goodwill that arose in 2020 and 2021 is not tax-deductible.

**Contingent consideration**

The acquisition of Team J-son AB, Fideli Omsorg AB and Balans Behandling AB all include contingent considerations. The acquisition of Team J-son AB includes a contingent consideration of maximum SEK 1 million and relates to goal attainment concerning the operating profit achieved in 2021. The acquisition of Fideli Omsorg includes a contingent consideration of maximum of SEK 73 million over a period of three years, commencing in 2021 and is based on the fulfilment of certain criteria regarding operating profit. The acquisition of Balans behandling includes a contingent consideration of maximum of SEK 7 million.

**Acquisition costs**

Acquisition costs of SEK 2 (1) million refer to consulting and legal fees, mainly for financial and legal due diligence in connection with acquisitions. These are recognised as other operating expenses in the income statement.

**Receivables acquired**

Doubtful trade receivables have been acquired and, in the event of impairment, are adjusted through the contingent consideration.

**Acquisitions after the reporting date**

Since the reporting date, the Group has entered into an agreement to acquire the Finnish individual and family care company Kalliola Oy, which provides individual and family care for children and young people, accommodation and outpatient care in southern Finland.

**Net assets in acquired companies at date of acquisition**

2021, SEK millions	Team J-son <sup>1)</sup>	Fideli Omsorg <sup>1)</sup>	Balans Behandling <sup>1)</sup>	Enigheten <sup>1)</sup>	Total
Non-current assets	0	4	0	-	4
Current assets	27	27	13	12	79
Non-current liabilities	-2	-	0	-	-2
Current liabilities	-8	-15	-5	-7	-35
<b>Net identifiable assets and liabilities</b>	<b>17</b>	<b>16</b>	<b>8</b>	<b>5</b>	<b>46</b>
Goodwill	65	195	11	12	283
<b>Total consideration</b>	<b>82</b>	<b>211</b>	<b>19</b>	<b>17</b>	<b>329</b>
Cash and cash equivalents in acquired entities	-20	-10	-7	-5	-42
Payment with own shares	-	-55	-	-	-55
<b>Contingent consideration</b>	<b>-1</b>	<b>-73</b>	<b>-7</b>	<b>-</b>	<b>-81</b>
<b>Effect on cash and cash equivalents</b>	<b>61</b>	<b>73</b>	<b>5</b>	<b>12</b>	<b>151</b>
Settlement of considerations attributable to prior acquisitions					1
Minor acquisitions					1
<b>Total effect on cash and cash equivalents</b>					<b>153</b>

<sup>1)</sup> The acquisition analysis is preliminary as the final settlement has not been determined.

Humana's acquisitions in 2021 increased the Group's revenue by SEK 146 million and profit by SEK 16 million. If the acquisitions had occurred on 1 January 2021, management estimates that the Group's revenue would have been SEK 8,308 million (SEK 120 million higher) and profit for the year would have been SEK 496 million (SEK 3 million higher).

**Acquisitions completed in 2020****RO Omsorg Assistans AB November 2020**

The company provides personal assistance

**Contingent consideration**

The acquisition of RO Omsorg Assistans AB includes a contingent consideration. The contingent consideration amount to maximum SEK 1 million and relates to doubtful trade receivables and applied subsidies.





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**Net assets in acquired companies at date of acquisition**

2020, SEK millions	RO Omsorg Assistans AB	Minor acquisitions and other, total	Total
Non-current assets	0	-	0
Current assets	9	-	9
Non-current liabilities	-	-	-
Current liabilities	-5	-	-5
<b>Net identifiable assets and liabilities</b>	<b>4</b>	<b>-</b>	<b>4</b>
Goodwill	9	-	9
<b>Total consideration</b>	<b>13</b>	<b>-</b>	<b>13</b>
Contingent consideration	-1	-	-1
Cash and cash equivalents in acquired entities	-1	-	-1
<b>Effect on cash and cash equivalents</b>	<b>10</b>	<b>-</b>	<b>10</b>
<b>Other</b>			
Settlement of considerations attribut- able to prior acquisitions	-	8	8
<b>Total effect on cash and cash equiva- lents</b>	<b>10</b>	<b>8</b>	<b>18</b>

Humana's acquisitions in 2020 increased the Group's revenue by SEK 9 million and operating profit by SEK 1 million. If the acquisitions had occurred on 1 January 2020, management estimates that the Group's revenue would have been SEK 7,842 million (SEK 45 million higher) and profit for the year would have been SEK 265 million (SEK 3 million higher).

**Note G4 Other external expenses**

SEK millions	2021	2020
Direct operating expenses <sup>1)</sup>	321	312
Purchased services	59	66
Premises and property costs	185	182
IT expenses	118	107
Marketing expenses	19	20
Other expenses	224	227
<b>Total other external expenses</b>	<b>926</b>	<b>913</b>

<sup>1)</sup> Direct operating expenses refers to the purchase of food, activities and overheads for clients etc.

**Note G5 Employees, personnel costs and remuneration of senior executives****Personnel costs**

Expenses recognised as employee benefits are distributed as follows:

SEK millions	2021	2020
Salaries and benefits	4,811	4,590
Pension costs, defined contribution plans	317	287
Social security contributions	1,131	1,053
Other personnel costs	74	109
<b>Total</b>	<b>6,333</b>	<b>6,039</b>

**Average number of employees**

2021	Average number of employees	of which men, %
Sweden	8,371	32
Norway	994	42
Finland	1,605	23
Denmark	26	43
<b>Total</b>	<b>10,996</b>	<b>32</b>

2020	Average number of employees	of which men, %
Sweden	8,061	30
Norway	838	43
Finland	1,669	24
Denmark	23	43
<b>Total</b>	<b>10,592</b>	<b>31</b>

During 2020 and 2021, the Parent Company has had only one employee, CEO Rasmus Nerman, whose remuneration is shown in the table "Remuneration of the Board of Directors and Group management" on page 93.

**Pensions**

Most salaried employees in Sweden are covered by ITP1. A small number of salaried employees are covered by the ITP2 defined benefit retirement and survivor pension plan, which is secured through insurance with Alecta. The premium for the defined benefit retirement and family pension is individually calculated and is dependent on factors that include salary, previously earned pension and expected remaining period of service. Expected fees for the next reporting period for ITP 2 insurance policies with Alecta total SEK 17 million (SEK 17 million in 2021).

The collective funding ratio is the market value of Alecta's assets as a percentage of insurance commitments calculated according to Alecta's actuarial methods and assumptions, which are not consistent with IAS 19. The collective funding ratio is normally allowed to vary between 125 and 175 percent. If Alecta's collective funding ratio falls below 125 percent or exceeds 175 percent, action should be taken to ensure that it returns to the normal range. If the ratio is low, a measure that could be taken is to raise the premium of new contracts and reduce existing benefits. If the ratio is high, premium reductions could be introduced. Alecta's preliminary collective funding ratio for 2021 was 172 (148) percent. The Alecta premiums are determined by assumptions about interest rates, longevity,

operating costs and yield tax, and are calculated so that payment of a constant premium until the retirement date suffices for the entire target benefit, which is based on the insured's current pensionable salary and which must be earned. There are no specific rules for handling deficits that may arise, but the losses should primarily be covered by Alecta's collective funding capital, and not therefore lead to increased costs through higher contractual premiums. There are also no rules for how any surplus or deficit would be distributed in the event of liquidation of the plan or a company's withdrawal from the plan.

**Incentive programmes**

In 2021 there were two incentive programmes for long-term variable remuneration that runs for three years each. The purpose of introducing the incentive programmes was to encourage a broad ownership among Humana managers, facilitate recruitment, retain competent employees and increase the motivation to achieve or exceed Humana's financial targets.

In 2021 there was also an incentive programme, comprising synthetic options issued in 2020 by Impilo Care AB, Humana's principal owner.

**LTI 2021–2023**

A new LTI program was launched in 2021 in accordance with the decision of the Annual General Meeting. For the financial performance target, the company's earnings per share in 2021, 2022 and 2023 are used and is measured annually with an outcome in the range of 90-100 percent of the target. The outcome is a maximum of 10-30 percent of the base salary over a total period of three years and where the maximum is a quarter in 2021 and 2022 respectively, and two quarters for 2023. Regardless of earning year, LTI is paid during the first quarter of 2024 and presupposes continued employment throughout the period.

**LTI 2020–2022**

A LTI program was launched in 2020 in accordance with the decision of the Annual General Meeting. For the financial performance target, the company's earnings per share in 2020, 2021 and 2022 are used and is measured annually with an outcome in the range of 90–100 percent of the targets. The outcome is a maximum of 10–30 percent of the base salary over a total period of three years and where the maximum is a quarter in 2020 and 2021, respectively, and two quarters for 2022. Regardless of earning year, LTI is paid during the first quarter of 2023 and presupposes continued employment throughout the period.

**Synthetic options**

In June 2020, Board members and senior executives of Humana were invited to acquire synthetic options in Humana issued by Humana's principal owner, Impilo Care AB. Humana did not participate in the offer and it will not give rise to any costs for Humana. A total of 461,000 synthetic options were acquired. The total market value of the options on the transaction date is estimated at approximately SEK 1.4 million. The synthetic options are related to Humana's share and expire after three years. The options can be exercised during the period from 1 April 2023 to 30 June 2023. The exercise price is SEK 77.90 per option. Group management's holdings of options in Humana AB are shown in the table in the Corporate Governance Report on page 52.

The options were valued using the Black & Scholes model, which gave a market value of SEK 3.00 per option.

**Valuation requirements**

Share price	SEK 47
Volatility	31%
Risk-free interest	-0.20%





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In addition to the above programmes, there were two incentive programmes in 2020: a warrant programme for members of Group management and a share savings programme for other managers, both of which expired during the year. The purpose of introducing the incentive programmes was to encourage a broad ownership among Humana managers, facilitate recruitment, retain competent employees and increase the motivation to achieve or exceed Humana's financial targets.

#### Warrants

The warrants were issued at the time of Humana's IPO in 2016 and members of Group management have acquired warrants at market value since then. In total, 1,440,420 warrants were issued. The programme expired on 31 March 2020. The warrant programme has not involved any cost to Humana. The warrants have been issued in three separate series, with the following market value per series:

	Total number	Can be exercised during period	Warrant price, SEK	Market value per series, SEK
Series 1	480,140	1-31 March 2018	74.4	3.72
Series 2	480,140	1-31 March 2019	77.5	4.26
Series 3	480,140	1-31 March 2020	80.6	4.54

#### Valuation requirements

Share price	SEK 62 (IPO price)
Volatility	22%
Risk-free interest	-0.42%, -0.33% and -0.22%

	2021	2020
Number of warrants		
Outstanding, 1 January	–	480,140
Acquired	–	–
Forfeited	–	–
Exercised	–	–
Expired	–	–480,140
Outstanding, 31 December	–	–

See also Note G9 Earnings per share.

#### Humana share savings programme

In January 2017, a share savings programme was launched, enabling managers to purchase Humana shares. For the share savings programme, participants could invest in saving shares (at market price) and then, based on the terms of the programme, could receive matching shares and potentially even performance-based shares at the end of the programme. The share savings programme is recognised directly in equity during the vesting period. The calculation is based on changes in value of matching shares and performance shares and is recognised as a provision. The total cost of the programme amounted to SEK 7 million, of which SEK - (2) million was charged to the 2020 financial year. The number of registered saving shares at 31 March 2020 amounted to 44,045, corresponding to an allocation of 49,611 shares. The shares were allotted in April-May 2020.

Number of shares in programme	2021	2020
Outstanding, 1 January	–	61,667
Acquired	–	–
Forfeited	–	–12,056
Exercised	–	–49,611
Expired	–	–
Outstanding, 31 December	–	–

#### Annual General Meeting's guidelines on remuneration of senior executives

The Board proposed and the annual general meeting 2020 resolved on the following guidelines for salary and other remuneration to directors, the CEO and other senior executives. Senior executives refer to senior executives of the Group executive management. These guidelines will be valid for agreements entered into after the general meeting's resolution and for changes made to existing agreements thereafter. These guidelines do not apply to any director fees decided by the general meeting or issues and transfers covered by Chapter 16 of the Swedish Companies Act.

#### The guidelines' promotion of Humana's business strategy, fulfilment of financial objectives and long-term interests and sustainability

In short, Humana's business strategy is the following. Everyone is entitled to a good life. In order for the society to be able to meet the increasing and more difficult needs of the Nordic welfare, a diversity of practitioners is required. Humana's ambition is to be the obvious provider of care services for customers, clients and buyers with high quality standards. The strategy for reaching the ambition each day is based on four objective areas: quality operations, long-term and profitable growth, to be an attractive employer and to be a socially responsible provider.

For more information regarding Humana's business strategy, please see Humana's website.

It is of fundamental importance to Humana and its shareholders that these guidelines, in both a short and long-term perspective, create good conditions to attract and retain competent employees. The purpose of these guidelines is to increase transparency in remuneration issues and through well thought-out remuneration structures create incentives for senior executives to execute strategic plans and to achieve the company's financial objectives. This will support Humana's business strategy and long-term interests, including its sustainability. To obtain this purpose it is important to maintain market based and competitive remuneration terms to the senior executives.

#### Remuneration and forms of remuneration

Remuneration to senior executives should comprise of fixed salary, variable remuneration, pension and other benefits. Furthermore, the Board may prepare and the general meeting resolve, on share and share-price related incentive programmes. The total remuneration must be market based, competitive and reflect the individual's performance and responsibility as well as the group's financial performance. The various types of remuneration that may be paid out are described below.

#### Fixed salary

At the maximum outcome of variable remuneration, the fixed remuneration amounts to 63 percent of the total remuneration.

#### Variable remuneration

The purpose of the variable remuneration is to create incentives for senior executives to deliver good operating results, and to combine the interests of senior executives with the interests of the shareholders. English translation for information purposes only. If there are differences between the English translation and the Swedish original, the Swedish text will take precedence. The variable remuneration may comprise of a short-term (STI) and a long-term (LTI) variable remuneration, which is paid in cash during one or three years. Variable remuneration shall be subject to the fulfilment of defined and measurable objectives. The short-term variable remuneration shall be maximized to 30 percent in relation to the fixed salary and the long-term variable remuneration shall be maximized to 30 percent in relation to the fixed salary.

The objectives for variable remuneration must be related to outcomes of financial objective for the group and business areas, as well as clearly defined individual objectives regarding specific tasks, such as customer satisfaction, project outcomes and environmental and social impact. The latter are used to ensure focus on nonfinancial objectives of certain interest. The objectives must be designed to promote the group's business strategy and long-term interests, including its sustainability.

The financial objectives are set by the Board in order to ensure that they are in line with the company's business strategy and financial objectives.

When the measurement period for the fulfilment of the predetermined objectives for the payment of variable remuneration has been completed, the extent to which the objectives have been met shall be assessed by an overall assessment of the performance. The Remuneration Committee is responsible for the assessment of the group management. As far as the financial objectives are concerned, the assessment shall be based on the most recently published financial information published by Humana.

Humana does not have any deferral periods or according to agreements any possibility to reclaim variable remuneration

#### Pension

The main principle is that pension contributions are based on collective bargaining agreement provisions in each geographical market. On entering into new pension agreements, senior executives entitled to pension will have premium defined pension agreements based on fixed salary. Variable remuneration shall be pensionable. Pensioning of senior executives takes place in accordance with the respective country's pension rules. The pension premiums vary for each geographical market and the pension premiums size must comply with collective bargaining agreement provisions.

For employments governed by rules other than Swedish, pension benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

#### Other benefits

Other benefits, such as a company car, compensation for health care, health and health insurance, must comprise a minor part of the total compensation and must correspond to what may be deemed market practice. For employments governed by rules other than Swedish, other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

#### Special remuneration

Further variable remuneration payable in cash may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and may only be awarded on an individual basis, either for the purpose of recruit-





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ing or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration must not exceed an amount corresponding to the individual's annual fixed salary and maximum variable remuneration and shall not be paid more than once a year and per individual. Any resolution on such remuneration could be made by the Remuneration Committee.

#### Remuneration payable to Directors

In certain cases, Directors elected by the general meeting, should be able to receive fees and other remuneration for work carried out on behalf of Humana, alongside their Board work. Market-based fees approved by the Board, may be payable for such services.

#### Terms for dismissal etc.

Severance pay shall, normally, be payable upon dismissal by Humana. Members of the Group executive management should normally have a notice period of maximum six months in combination with severance pay corresponding to six months' fixed salary. When the employment exceeds five years, the notice period on the part of Humana shall be extended to twelve months, while for the senior executive shall remain six months. For the CEO, upon dismissal on the part of Humana, a notice period of six months and a severance pay of twelve months shall apply. No severance pay shall be paid upon resignation by the employee. Agreements on severance pay are made separately after resolution made by the Remuneration Committee.

#### Remuneration and employment conditions for other employees

In the preparation of this proposal for guidelines, remuneration and employment conditions for employees of Humana have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Board's basis of decision when evaluating the reasonableness of the guidelines and appurtenant limitations.

#### The decision-making process to determine, review and implement the guidelines

The Board has established a Remuneration Committee. The committee's tasks include preparing the Board's decision on proposals for guidelines for senior executives. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting for adoption. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall monitor and evaluate programs for variable remuneration for the company management, the application of the guidelines as well as the current remuneration structures and remuneration levels in the company.

The members of the Remuneration Committee are independent of the company and the company management. The CEO and other members of the company management do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters. Conflicts of interest are counteracted in all resolutions and any potential conflicts of interest are handled in accordance with the company's framework for governance, consisting out of a code of conduct, policies and guidelines.

#### Derogation from the guidelines

The Board may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability.

#### Description of material changes to the guidelines

The content of the guidelines has been reviewed and adapted to the legal requirements imposed by Directive (EU) 2017/828 of the European Parliament and of

the Council amending Directive 2007/36/ EC as regards encouragement of the longterm shareholder engagement.

#### Terms of employment for the CEO and senior executives

The terms of employment for the CEO and other senior executives are in accordance with the guidelines as decided at the Annual General Meeting. Short-term variable remuneration, STI, is based on the same conditions for the CEO and other senior executives, while long-term variable remuneration, LTI, is based on 30 percent of the fixed salary to the CEO and 10–20 percent of the fixed salary for other senior executives.

#### Gender distribution in Board of Directors and Group management, 31 December 2021

The Board of Directors consists of 3 (3) men and 3 (4) women. Group management consists of 2 (4) men and 8 (5) women.

#### Remuneration of the Board of Directors and Group management

Salaries and benefits by type of remuneration per Board member and Group management member:

2021, SEK thousands	Salaries and other benefits	STI	LTI	Pension	Total
<b>Board of Directors</b>					
Sören Mellstig, Chairman	745				745
Karita Bekkemellem	243				243
Magdalena Gerger	102				102
Kirsi Komi	280				280
Monica Lingegård	299				299
Anders Nyberg	261				261
Fredrik Strömholm	355				355
<b>Total, Board</b>	<b>2,286</b>				<b>2,286</b>
<b>Group management</b>					
Rasmus Nerman, President and CEO <sup>1)</sup>	4,304	-	-	1,361	5,665
Others (12 individuals)	14,764	558	1,054	3,574	19,949
<b>Total, Group management</b>	<b>19,068</b>	<b>558</b>	<b>1,054</b>	<b>4,935</b>	<b>25,614</b>
<b>Total, Group</b>	<b>21,354</b>	<b>558</b>	<b>1,054</b>	<b>4,935</b>	<b>27,900</b>

<sup>1)</sup> Johanna Rastad took over as President and CEO on 17 December 2021. Johanna has received remuneration in her capacity as Business Area Manager until 31 December 2021. Remuneration in her capacity as President and CEO will be received from 1 January 2022.

#### Remuneration of the Board of Directors and Group management

Salaries and benefits by type of remuneration per Board member and Group management member:

2020, SEK thousands	Salaries and other benefits	STI	LTI	Pension	Total
<b>Board of Directors</b>					
Sören Mellstig, Chairman	644				644
Karita Bekkemellem	150				150
Magdalena Gerger	280				280
Per Granath	88				88
Kirsi Komi	258				258
Monica Lingegård	267				267
Anders Nyberg	160				160
Fredrik Strömholm	347				347
<b>Total, Board</b>	<b>2,194</b>				<b>2,194</b>
<b>Group management</b>					
Rasmus Nerman, President and CEO	5,005 <sup>1)</sup>	1,107	308	1,281	7,701
Others (10 individuals)	14,972	2,489	581	2,895	20,938
<b>Total, Group management</b>	<b>19,977</b>	<b>3,596</b>	<b>889</b>	<b>4,176</b>	<b>28,638</b>
<b>Total, Group</b>	<b>22,171</b>	<b>3,596</b>	<b>889</b>	<b>4,176</b>	<b>30,832</b>

<sup>1)</sup> During the year, vacation days older than 5 years were paid out in accordance with the group policy.

#### Note G6 Auditors' fees

SEK millions	2021	2020
<b>KPMG</b>		
Audit services	6	6
Tax advisory services	0	0
Other services	1	1
<b>Total</b>	<b>7</b>	<b>7</b>

Audit services consist of the auditor's work associated with the statutory audit, while auditing assistance includes various types of quality assurance services. Other services are services other than audit services or tax advisory services.

#### Note G7 Financial income and expenses

##### Financial income

SEK millions	2021	2020
Interest income from cash and cash equivalents	1	1
Exchange gains	3	5
<b>Total financial income</b>	<b>4</b>	<b>6</b>

##### Financial expenses

Interest expenses for borrowing at amortised cost:

SEK millions	2021	2020
Bank loans	48	62
Lease liability, interest expense	90	79
Exchange losses	4	3
<b>Total financial expenses</b>	<b>143</b>	<b>145</b>





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**Note G8** Income tax

The following components are included in tax expense:

SEK millions	2021	2020
Current tax expense (+)/tax income (-)		
Tax expense for the year	87	74
Adjustment of tax relating to prior years	0	1
	87	75
Deferred tax expense (+)/tax income (-)		
Total deferred tax income	-9	-5
Recognised tax	78	70
SEK millions	2021	2020
Reconciliation of effective tax		
Recognised profit before tax	354	332
Tax at applicable tax rate 20.6% (21.4%)	73	71
Tax effect of:		
Non-deductible expenses	8	4
Non-taxable income	-5	-5
Adjustment of tax relating to prior years	0	-1
Increase in loss carryforwards for which no corresponding deferred tax was recognised	1	1
Standard interest on tax allocation reserve	1	1
Difference in tax rate between Parent Company and foreign subsidiaries	0	0
Adjustment for changed tax rate	0	0
Other	0	-1
Recognised tax	78	70
Deferred tax asset		
Property, plant and equipment	15	12
Lease liabilities	31	22
Offset	-5	-5
Total deferred tax asset	41	28
Deferred tax liability		
Untaxed reserves, tax allocation reserves	-79	-75
Offset	5	5
Total deferred tax liability	-74	-70

Of the change in deferred tax of SEK 9 (4) million, SEK 9 (5) million has been reported in the income statement and SEK 0 (1) million in equity as a translation difference.

**Unrecognised deferred tax assets**

Loss carryforwards and deductible temporary differences for which deferred tax is not recognised in the balance sheet amount to SEK 50 (47) million, corresponding to a deferred tax asset of SEK 10 (9) million.

Deferred tax assets arising from these items are not recognised, as they are subject to group contribution restrictions and under prevailing legislation cannot be utilised if operations are run in the legal entity.

**Note G9** Earnings per share

SEK millions	2021	2020
Profit for the year attributable to Parent Company shareholders	276	262
Profit for the year	276	262
Earnings per share, basic and diluted, SEK	5.67	4.94
Weighted average number of shares outstanding	48,699,212	52,994,725

**Instruments with potential future dilutive effects**

Humana has no ongoing long-term share-related incentive programme for senior executives or other employees..

**Note G10** Goodwill**Goodwill**

SEK millions	2021	2020
Accumulated cost at start of year	3,815	3,897
Acquisition of subsidiaries	283	9
Adjustment of acquisition analysis	-	-
Disposal of subsidiaries	-	-10
Exchange differences	50	-81
At end of year	4,148	3,815

**Impairment testing**

Goodwill is allocated to cash-generating units for impairment testing as follows:

SEK millions	31/12/2021	31/12/2020
Individual & Family	1,694	1,422
Personal Assistance	1,007	993
Elderly Care	8	8
Norway	411	382
Finland	1,023	1,004
Denmark	6	6
Total	4,148	3,815

The value of goodwill is tested annually for impairment. The annual impairment test is performed at the segment level, as goodwill is monitored at this level, by calculating the recoverable amount, which consists of value in use. When there are indications that an individual cash-generating unit is permanently impaired, the test is performed by calculating the value in use for the specific cash-generating unit.

Value in use is based on cash flow calculations that are in turn based on specific financial plans determined by management for the next three years. The cash flows calculated thereafter were based on an annual growth rate according to the assumptions stated below. The estimated cash flows were then discounted to present value using a discount rate as shown below.

The key assumptions in the forecasts and the methods used to estimate values are set out below. The key assumptions and methods used are the same for all cash-generating units.

Testing for the year showed that no reasonable changes in the key assumptions would give rise to any impairment.

Key assumptions in calculation	Method for estimating value
Growth, %	The growth rate during the forecast period is based on specific plans for the next three years using industry data and management estimates from previous experience. The growth rate after the forecast period is in line with cost trends in the industry.
Operating margin	The operating margin was forecast from historical results and expectations of future margins based on previous experience.
Discount rate	The discount rate is obtained through a weighted average cost of capital for the industry and reflects current market assessments of the time value of money and estimated specific risks in each unit.

Assumptions	Long-term growth	Post-tax discount rate	Pre-tax discount rate
Individual & Family	2% (2%)	7.2% (7.8%)	8.7% (9.4%)
Personal Assistance	1.5% (1.5%)	7.2% (7.8%)	8.8% (9.5%)
Elderly Care	2% (2%)	7.2% (7.8%)	8.7% (9.4%)
Norway	2% (2%)	7.2% (7.7%)	8.7% (9.4%)
Finland	2% (2%)	7.2% (7.8%)	8.6% (9.3%)

**Sensitivity analysis**

The calculated recoverable amount for Finland was close to the carrying amount as of 31 December 2021. In the sensitivity analysis, this was tested by adjusting, in the cash flow forecast, the growth and its direct impact on the EBIT margin, and adjusting the discount rate (WACC). In the table below, neither assumption gives rise to impairment, and if both assumptions occur, the headroom for possible impairment would be around 4%.

2021	Change	Impairment
Discount rate	+1% unit	-
EBIT margin during the forecast period	-1.5% unit	-





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**Note G11** Other intangible assets

2021	Systems development and licences	Customer relationships	Other	Total
<b>Accumulated cost</b>				
At start of year	17	8	18	43
Investments	-	10	1	11
Acquisitions	1	-	-	1
Reclassifications	-	-	-4	-4
Exchange rate differences	-	1	-	1
At end of year	18	19	14	51
<b>Accumulated amortisation</b>				
At start of year	-17	-8	-13	-38
Reclassifications	-	-	3	3
Amortisation for the year	-	-2	-1	-3
Exchange rate differences	-	-1	0	-1
At end of year	-17	-11	-11	-40
Carrying amount	0	8	3	11

2020	Systems development and licences	Customer relationships	Other	Total
<b>Accumulated cost</b>				
At start of year	17	9	16	41
Investments	-	-	3	3
Exchange rate differences	0	-1	-1	-1
At end of year	17	8	18	43
<b>Accumulated amortisation</b>				
At start of year	-17	-9	-10	-36
Exchange rate differences	-	1	-	1
Amortisation for the year	-	-	-2	-2
At end of year	-17	-8	-13	-38
Carrying amount	0	0	5	5

**Note G12** Property, plant and equipment

2021	Land and buildings	Improvements to third-party property	Equipment	Total
<b>Accumulated cost</b>				
At start of year	50	225	215	490
Acquisitions	1	1	5	7
Purchases	14	39	54	108
Retirements and disposals	-6	-5	-18	-29
Reclassifications	-2	6	-	4
Exchange rate differences	1	2	3	6
At end of year	57	269	260	586
<b>Accumulated depreciation and impairments</b>				
At start of year	0	-65	-112	-177
Acquisitions	-	-	-3	-3
Retirements and disposals	3	4	12	19
Reclassifications	-	-3	-	-3
Exchange rate differences	-1	-1	-1	-3
Depreciation for the year	-4	-27	-29	-61
At end of year	0	-93	-133	-226
Carrying amount	57	176	127	360

2020	Land and buildings	Improvements to third-party property	Equipment	Total
<b>Accumulated cost</b>				
At start of year	121	203	211	534
Acquisitions	-	-	0	0
Sale of business	-119	-	-	-119
Purchases	72	27	32	130
Retirements and disposals	-2	-9	-18	-29
Reclassifications	-19	8	-4	-15
Exchange rate differences	-3	-4	-5	-12
At end of year	50	225	216	490
<b>Accumulated depreciation and impairments</b>				
At start of year	-9	-46	-104	-159
Retirements and disposals	1	8	13	22
Reclassifications	10	1	4	15
Exchange rate differences	1	1	3	6
Depreciation for the year	-2	-27	-29	-58
Impairment for the year	-	-2	-	-2
At end of year	0	-65	-113	-177
Carrying amount	51	160	103	314

**Note G13** Leases

The information presented below is from Humana's perspective as a lessee.

**Right-of-use assets**

2021	Buildings and premises	Cars	Total
Carrying amount, 31 December 2021	2,651	18	2,669
Additional right-of-use assets during the year	1,185	19	1,204

2020	Buildings and premises	Cars	Total
Carrying amount, 31 December 2020	2,093	26	2,119
Additional right-of-use assets during the year	509	22	531

Additional right-of-use assets for premises during the year mainly relate to existing operations. SEK 375 (258) million relates to Individual & Family, SEK 57 (129) million to Finland, SEK 38 (60) million to Norway, SEK 714 (51) million to Elderly Care and SEK 1 (11) million to Personal Assistance. The Group has entered into new leases, which have not yet been taken into use, amounting to a total obligation of SEK 232 million, including SEK 148 million attributable to an elderly care home in Täby.

**Impact on the consolidated income statement**

The income statement includes the following figures related to leases:

	Note	2021	2020
<b>Depreciation and impairments of right-of-use assets</b>			
Buildings and premises		337	288
Cars		20	20
<b>Total</b>		<b>357</b>	<b>308</b>
Interest expenses (included in financial expenses)	G7	90	79
Variable lease payments, property tax		2	2
Costs related to short-term leases (included in other external expenses)	G4	42	44
Costs related to low-value leases not recognised as short-term leases (included in other external expenses)	G4	9	11

In 2021, the total cash outflow for leases was SEK 375 (362) million. In Depreciation and impairment of buildings and premises, impairment amounts to SEK 21 million.





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**The Group's leasing activities**

The Group leases cars and various types of buildings and premises for offices, residential care homes, compulsory child care homes, flat complexes and elderly care homes.

Leases are normally signed for fixed periods. Non-lease components may be included in the contracts but are invoiced separately and are therefore not included in the calculation of liability and value in use. The average lease term for cars is three years with an extension option. For buildings and premises, the average weighted rental period is 15.3 (15.2) years, also with an extension option. The average weighted interest rate amounts to 3.57 (3.68) percent for buildings and premises and 1.62 (1.39) percent for cars. The conditions for premises are negotiated separately for each lease and include many different contractual conditions. The leases do not contain any special conditions or restrictions that would result in cancellation if not met, but the leased assets may not be used as collateral for loans.

For an analysis of maturity dates for lease liabilities, see Note G20.

**Extension and termination options**

Options to extend and terminate the contracts are included in a number of the Group's leases of buildings, premises and cars. The terms and conditions are used to maximise flexibility in managing the contracts. Most of the extension and termination options can only be exercised by the Group, not by the lessors.

Extensions are included in the calculation of the liability and the right-of-use asset when it is considered reasonably certain that the leases will be extended (or not terminated).

**Sale and leaseback**

No sale and leaseback transactions were entered into during 2020 and 2021.

**Note G14 Trade receivables**

	31/12/2021	31/12/2020
Trade receivables, gross	926	855
Reserve for bad debt losses	-3	-3
<b>Total</b>	<b>923</b>	<b>852</b>
Receivables not due	824	763
Past due 1-30 days	79	60
Past due 31-60 days	9	9
Past due >60 days	14	23
<b>Total</b>	<b>926</b>	<b>855</b>

Humana's customers consist mainly of state, municipal and county council entities in Sweden, Norway and Finland. The Group is not exposed to any significant credit risks relative to any individual counterparty or group of counterparties.

**Note G15 Prepaid expenses and accrued income**

	31/12/2021	31/12/2020
Prepaid rents	29	18
Accrued income	6	14
Other	29	29
<b>Total</b>	<b>64</b>	<b>62</b>

**Note G16 Cash and cash equivalents**

Cash and cash equivalents include the following:

	31/12/2021	31/12/2020
Cash	1	1
Bank balances	694	758
<b>Total</b>	<b>695</b>	<b>759</b>

Cash and cash equivalents consist of cash and demand deposits with banks and corresponding institutions.

**Note G17 Equity****Share capital**

Share capital consisted of 53,140,064 B shares at the start and end of 2021. Humana's share capital consists of one class of shares, with each share having equal voting rights and equal entitlement to receive dividends.

	2021	2020
Number of shares		
At start of year	53,140,064	53,140,064
At end of year	53,140,064	53,140,064

**Paid subscribed shares**

	Number of shares	Votes per share	Number of votes
Share capital, B shares	53,140,064	0.022222	1,180,879

**Other paid-in capital**

Amounts received for issued shares and warrants over and above what has been added to share capital are included in the item "Other paid-in capital". See also Note G9.

**Translation reserve**

The translation reserve includes all exchange rate differences arising on translation of foreign operations that have prepared their financial statements in a currency other than the Group's presentation currency. The translation reserve also includes the hedging reserve, which consists of hedges of net investments in foreign operations.

**Share buybacks included in the equity item retained earnings including profit for the year**

	Number of shares	Amounts that affected equity
	2021	2021
Opening share buybacks	2,659,711	-156
Share buybacks during the year	2,357,348	-159
Acquired operations settled with shares	-769,200	55
<b>Closing share buybacks</b>	<b>4,247,859</b>	<b>-260</b>

Share buybacks include the commission fee for own shares held by the Parent Company, its subsidiaries or associated companies.

At the 2019 Annual General Meeting, the Board was granted a mandate to acquire shares, contingent on the company's total holding of own shares not exceeding one-tenth of all shares in the company, and to transfer own shares in the company. On 30 March 2020, the Board decided to exercise this mandate in connection with settlement of LTI. In April, the company repurchased 52,462 shares at a cost of SEK 2 million, which is equivalent to an average price of SEK 39.12 per share. A total of 49,611 shares were allotted in April and May 2020 at an average price of SEK 41.35 per share.

At the 2020 Annual General Meeting the Board was authorised to acquire shares as long as the company's total holdings of own shares does not exceed one-tenth of all shares in the company and to transfer own shares in the company. On 4 December 2020, the Board decided to exercise this mandate. In December, Humana repurchased 2,656,860 shares at a cost of SEK 154 million, corresponding to an average price of SEK 57.95 per share. In February and March 2021, Humana repurchased 2,357,348 shares at a cost of SEK 159 million, corresponding to an average price of SEK 67.51 per share. In September 2021, Humana used 769,200 shares as consideration in an acquisition. Subsequently, the company's total treasury shares amount to 4,247,859 shares, which is 8.0 percent of the total number of outstanding shares and votes. After the transactions, the total number of shares excluding treasury shares is 48,892,205.

**Note G18 Interest-bearing liabilities**

	31/12/2021	31/12/2020
<b>Current</b>		
Bank loans	3	581
Lease liabilities	216	232
<b>Total carrying amount</b>	<b>219</b>	<b>813</b>
<b>Non-current</b>		
Bank loans	2,069	1,499
Lease liabilities	2,557	1,958
Liability for earn-out payment	73	-
Other	4	-
<b>Total carrying amount</b>	<b>4,703</b>	<b>3,457</b>
Of which due after 5 years	1,649	1,161

Borrowing is conducted in SEK, NOK and EUR. SEK 1,508 (1,517) million of the bank loans for 2021 relates to the Parent Company.







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**Bank loan terms and conditions**

During the year, Humana entered a new financing agreement for SEK 3 billions with an option for an additional SEK 1 billion. The new agreement has a three-year term with two extension options of one year each. The credit facilities carry an annual interest rate corresponding to the relevant IBOR plus a variable marginal rate based on Humana's net debt in relation to EBITDA. The weighted average interest rate for the credit facilities was 1.6 percent on 31 December 2021, most of which is variable. The credit facilities are conditional on Humana meeting certain market financial conditions, including certain financial key financial indicators, such as net debt/EBITDA and interest coverage ratio, which may not deviate negatively from the levels specified in the agreement. During the year, has Humana has met these conditions. Under the financing agreement, there are restrictions regarding the raising of new financing and financial indebtedness. See also Notes G20 and G21.

**Note G19** Accrued expenses and deferred income

SEK millions	31/12/2021	31/12/2020
Accrued salaries	373	360
Accrued holiday pay	460	429
Accrued interest expenses	0	3
Accrued pensions	87	79
Other accrued personnel costs	1	1
Accrued audit fees	4	4
Other	82	89
<b>Total</b>	<b>1,006</b>	<b>965</b>

**Note G20** Financial Instruments and risk management

31/12/2021	Financial assets at amortised cost	Carrying amount
<b>Financial assets</b>		
Trade receivables	923	923
Other receivables	7	7
Accrued income	6	6
Cash and cash equivalents	695	695
<b>Total</b>	<b>1,631</b>	<b>1,631</b>

31/12/2021	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Carrying amount
<b>Financial liabilities</b>			
Bank loans	-	2,072	2,072
Trade payables	-	165	165
Other current liabilities	-	7	7
Accrued expenses	-	0	0
Liability for earn-out payment	80	-	80
<b>Total</b>	<b>80</b>	<b>2,244</b>	<b>2,324</b>

31/12/2020	Financial assets at amortised cost	Carrying amount
<b>Financial assets</b>		
Trade receivables	852	852
Other receivables	9	9
Accrued income	14	14
Cash and cash equivalents	759	759
<b>Total</b>	<b>1,634</b>	<b>1,634</b>

31/12/2020	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Carrying amount
<b>Financial liabilities</b>			
Bank loans	-	2,079	2,079
Trade payables	-	128	128
Other current liabilities	-	6	6
Accrued expenses	-	3	3
Liability for earn-out payment	6	-	6
<b>Total</b>	<b>6</b>	<b>2,217</b>	<b>2,223</b>

Fair value does not differ materially from the carrying amount of trade receivables, other receivables, cash and cash equivalents, trade payables and other liabilities.

**Financial instruments at fair value**

When determining the fair value of an asset or liability, the Group uses observable data as far as possible. Fair value measurement is based on the fair value hierarchy, which categorises inputs into different levels as follows:

- Level 1 – inputs that are quoted prices in active markets for identical instruments
- Level 2 – inputs other than those in Level 1 that are directly or indirectly observable market data
- Level 3 – inputs that are not observable in the market

31/12/2021	Level 1	Level 2	Level 3	Total
<b>Liabilities</b>				
Liability for earn-out payment	-	-	80	80
<b>Fair value</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>80</b>

31/12/2020	Level 1	Level 2	Level 3	Total
<b>Liabilities</b>				
Liability for earn-out payment	-	-	6	6
<b>Fair value</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>6</b>

**Reconciliation of financial instruments measured in level 3**

The table below shows a reconciliation between the opening and closing balances for financial instruments measured in Level 3.

SEK millions	2021	2020
<b>Earn-out payment</b>		
Opening balance	6	13
Cost of acquisition	81	1
Reversed to income statement	12	0

SEK millions	2021	2020
Settled during the year	-19	-8
<b>Closing balance</b>	<b>80</b>	<b>6</b>

**Measurement methods and inputs**

The tables below show the methods used for fair value measurement in Levels 2 and 3, and significant non-observable inputs.

**Financial instruments at fair value through profit or loss**

	Earn-out payment
<b>Measurement method</b>	EBITDA multiples: The measurement model calculates the value of the earn-out payment based on likely scenarios of future EBITDA outcomes using agreed multiples.
<b>Significant non-observable inputs</b>	Forecast EBITDA
<b>Connection between significant non-observable inputs and fair value calculation</b>	The estimated fair value would increase (decrease) if: EBITDA was higher (lower)

**Sensitivity analysis**

The maximum outstanding earn-out payment is SEK 80 (6) million.

**Financial instruments not measured at fair value**

Type	Measurement method	Significant non-observable inputs	Measurement level
Other financial liabilities <sup>1)</sup>	Discounted cash flows	ET	2

<sup>1)</sup> Other financial liabilities refers to bank loans and finance lease liabilities.

**Risks associated with financial instruments**

In the course of its operations, the Group is exposed to different types of financial risk.

- Financing and liquidity risk
- Credit risk
- Interest rate risk
- Currency risk

The Group's financial policy for financial risk management has been formulated by the Board and provides a framework of guidelines and rules in the form of a risk mandate and limits for financing activities. Responsibility for the Group's financial transactions and risks is managed centrally by the CFO in consultation with the Board. The overall objective of the finance function is to provide cost-effective financing and minimise adverse effects of market risks on the consolidated earnings.

**Financing and liquidity risk**

Liquidity risk is the risk of the Group encountering problems in meeting its obligations associated with financial liabilities. The CFO manages liquidity risks centrally for the entire Group. Liquidity requirements are monitored regularly and when reviewing Humana's financing needs. The Group's policy is to minimise borrowing needs by balancing surplus and deficit liquidity within the Group and to achieve financing flexibility through agreements for additional available credit. To facilitate liquidity planning and control, the Group has credit facilities and a cash pool.





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Specification of available liquidity:	31/12/2021	31/12/2020
Unutilised credit facility, bank overdraft facilities	200	200
Unutilised credit facility, revolver	741	-
Cash	695	759
<b>Total</b>	<b>1,636</b>	<b>959</b>

Consolidated financial liabilities, which are shown in Note G18, amounted to SEK 4,922 (4,270) million at the end of the year, comprising current liabilities of SEK 219 (813) million and non-current liabilities of SEK 4,703 (3,457) million.

#### Maturity analysis for financial liabilities

2021	<3 months	3-12 months	2-5 years	>5 years	Total
Bank loans	-	3	2,069	-	2,072
Interest on bank loans	9	27	54	-	90
Lease liabilities	44	172	911	1,646	2,773
Trade payables	165	-	-	-	165
Liability for earn-out payment	-	7	73	-	80
Other	-	0	1	3	4
<b>Total</b>	<b>218</b>	<b>209</b>	<b>3,108</b>	<b>1,649</b>	<b>5,184</b>

2020	<3 months	3-12 months	2-5 years	>5 years	Total
Bank loans	50	531	1,498	0	2,079
Interest on bank loans	10	30	7	-	47
Lease liabilities	77	155	797	1,161	2,190
Trade payables	128	-	-	-	128
Liability for earn-out payment	-	6	-	-	6
<b>Total</b>	<b>266</b>	<b>723</b>	<b>2,302</b>	<b>1,161</b>	<b>4,451</b>

#### Credit risk

Credit risk refers to exposure to receivables in the form of investments of surplus liquidity, derivatives, and trade receivables. Surplus liquidity is invested in deposit accounts, and derivative agreements are only concluded with the major Nordic commercial banks. Most of the Group's trade receivables are from state, municipal and county council entities, which are considered to have good credit quality. Cash and cash equivalents are only invested in banks with high credit ratings. The risk of credit losses is therefore considered to be minimal.

Maximum exposure to credit risk	2021	2020
Trade receivables	923	852
Other receivables	7	9
Cash and cash equivalents	695	759
<b>Total</b>	<b>1,625</b>	<b>1,620</b>

#### Interest rate risk

The main market risk affecting Humana is interest rate risk, which can result in fair value and cash flow changes. The Group's loans may be (but do not have to be) hedged by means of interest rate swaps or interest rate options, within the framework of the loan agreement. Fixed-rate periods are a significant factor affecting interest rate risk. Humana has not hedged any interest-bearing loans in 2021.

The Group's interest rate risk arises mainly through long-term borrowing, which is managed by the CFO, and through lease liabilities. The Group's loan agreements have 3 month fixed-interest periods which is in line with the Group's finance policy.

An increase of one percentage point in the interest rate on the reporting date would have an effect of SEK 21 (21) million on loan interest expenses and SEK 28 (22) million on lease liability interest expenses.

#### Currency risk

As the Group operates in Sweden, Norway, Denmark and Finland, it is exposed to currency risks from exposure to the Norwegian krone (NOK), the Danish krone (DKK) and the euro (EUR). Consolidated profit are affected by translation of the foreign subsidiaries' income statements at the average exchange rate for the financial year. If the local currency of a foreign subsidiary changes in relation to SEK, the Group's reported net revenue and earnings would change on translation to SEK. Currency risk also arises through future business transactions, reported assets and liabilities, and net investments in foreign operations. NOK and EUR exposure has therefore been partly financed through borrowing in NOK and EUR.

Net assets in NOK amount to SEK 135 (-41) million, including goodwill. A change of 5 percentage points in the exchange rate would have an effect of SEK 5 (3) million on the income statement and SEK 18 (8) million on the Group's comprehensive income. Net assets in EUR amount to SEK 477 (419) million, including goodwill. A change of 5 percentage points in the exchange rate would have an effect of SEK 3 (3) million on the income statement and SEK 10 (8) million on the Group's comprehensive income. Net assets in DKK amount to SEK 13 (7) million, including goodwill. A change of 5 percentage points in the exchange rate would have an effect of SEK 0 (0) million on the income statement and SEK 1 (0) million on the Group's comprehensive income.

#### Hedges of net investments in foreign operations

Interest-bearing loans at 31 December 2021 include loans amounting to EUR 39.7 million and NOK 328.5 million, which comprise part of the net investment in two subsidiaries: Arjessa Oy in Finland and Human Care AS in Norway. The loans are used to hedge the Group's currency exposure in EUR and NOK for these net investments. Hedge accounting is applied from 1 January 2018. This means that the effective portion of exchange gains or losses on loans is recognised in other comprehensive income, which is where exchange gains or losses on investments in foreign subsidiaries are recognised.

The hedge becomes ineffective when the amount of the investment in foreign subsidiaries falls below the loan amount.

#### The hedging instrument's effect on financial position:

	Nominal amount	Carrying amount, SEK million	Fair value changes used to measure ineffectiveness during the period
Interest-bearing loans, EUR million	39.7	406	-8
Interest-bearing loans, NOK million	328.5	337	-23

#### The hedged items' effect on financial position:

	Translation reserve	Fair value changes used to measure ineffectiveness
Net investment in foreign subsidiaries, SEK millions	51	-31

The hedging loss before tax recognised in other comprehensive income corresponds to the fair value change used to measure effectiveness. No ineffectiveness has been reported in the Group's results.

#### Hedge accounting's effect on equity and other comprehensive income

	Translation reserve
<b>2020</b>	
At start of year	29
Exchange differences on translation of foreign operations	-74
Exchange differences on translation of interest-bearing loans	50
Tax effect	-11
<b>At end of year</b>	<b>-6</b>
<b>2021</b>	
At start of year	-6
Exchange differences on translation of foreign operations	51
Exchange differences on translation of interest-bearing loans	-31
Tax effect	7
<b>At end of year</b>	<b>21</b>

#### Capital management

The Group's policy is to maintain a good financial position, thereby helping to maintain the confidence of investors, lenders and the market, and providing a solid foundation for continuing development of business operations while also generating a satisfactory long-term return for shareholders. The Board aims to achieve a balance between a potential higher return on equity from a high debt to equity ratio and the advantages and security associated with a strong capital base. The objective is to continue to generate returns for shareholders and value for other stakeholders.

Neither the Parent Company nor any of the subsidiaries are subject to external capital requirements (see also Note G18).





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### Reconciliation of liabilities attributable to financing activities – Group

	Opening balance 2021	Cash flows	Non-cash movements				Closing Balance 2021
			Acquisitions/disposals of subsidiaries	Changes to leases	Exchange rate differences	Fair value remeasurement	
Bank loans	2,079	-50	-	-	43	-	2,072
Lease liabilities	2,190	-312	-	892	3	-	2,773
<b>Total liabilities attributable to financing activities</b>	<b>4,269</b>	<b>-362</b>	<b>-</b>	<b>892</b>	<b>46</b>	<b>-</b>	<b>4,845</b>

	Opening balance 2020	Cash flows	Non-cash movements				Closing balance 2020
			Acquisitions/disposals of subsidiaries	Changes to leases	Exchange rate differences	Fair value remeasurement	
Bank loans	2,376	-227	-	-	-69	-	2,079
Lease liabilities	2,172	-314	-	368	-37	-	2,190
<b>Total liabilities attributable to financing activities</b>	<b>4,548</b>	<b>-541</b>	<b>-</b>	<b>368</b>	<b>-106</b>	<b>-</b>	<b>4,269</b>

### Note G21 Pledged assets and contingent liabilities

SEK millions	2021	2020
<b>Pledged assets</b>		
Other pledged assets	2	-
<b>Total pledged assets</b>	<b>2</b>	<b>-</b>
<b>Contingent liabilities</b>		
Other contingent liabilities	-	-
<b>Total contingent liabilities</b>	<b>-</b>	<b>-</b>

### Note G22 Related party transactions

The Group's key personnel consists of the Board of Directors, Group management and the CEO, through ownership of Humana and through their roles as senior executives. Related parties also include the principal owner Impilo Care AB, which is represented on the Board by Sören Mellstig and Fredrik Strömholm. Related party transactions are based on market conditions.

### Remuneration of key personnel

Remuneration of key personnel is shown in Note G5.

### Note G23 Companies included in these financial statements

Humana AB is the Parent Company of the Group, which includes subsidiaries and sub-subsidiaries as listed below. All subsidiaries and sub-subsidiaries have financial years that correspond with the Parent Company's financial year.

Company name	Number of shares	Registered office	Share of equity, %
Aatuntien toimitalo Oy, 0749474-4	300	Pori	100%
Adventum Specialpedagogik AB, 556387-6753	1,000	Borlänge	100%
Adventum Vård AB, 556330-3030	1,000	Borlänge	100%
Anna ja Aatu Oy, 1771445-6	30	Oulu	100%
Arjessa Oy, 2367998-4	11,211,785	Helsinki	100%
Arkipäivä Oy, 0585203-4	75	Tornio	100%
Assistans på Gotland AB, 556763-8209	1,000	Visby	100%
Baggiun Vård & Behandling AB, 556747-5230	1,000	Gothenburg	100%
Balans Behandling AB, 556979-4224	500	Luleå	100%
Balans Behandlingshem AB, 556858-9567	500	Luleå	100%
Balans Familjehemsvård AB, 559050-1317	500	Luleå	100%
Balans Öppenvård AB, 559051-4104	500	Luleå	100%
Balanshem AB, 556733-8099	1,000	Höör	100%
Barrebacken AB, 556610-6760	108	Stockholm	100%
Behandlingshemmet Källtorp AB, 556668-5979	1,000	Stockholm	100%
Björkvik-Ringsjöhemmet AB, 556435-1889	1,500	Stockholm	100%
Björkviks vårdhem AB, 556257-3575	2,000	Stockholm	100%
Björntorps HVB-hem AB, 556740-6219	1,000	Stockholm	100%
Botnia 24h Oy, 2091344-8	10	Tornio	100%
Cajanuksentienkoti Oy, 2114734-3	100	Kempele	100%
Cureum AB, 556681-8661	821	Örebro	100%





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Company name	Number of shares	Registered office	Share of equity, %
Davidso Fastigheter AB, 556787-3327	1,000	Norberg	100%
Davidso Invest AB, 556806-2698	500	Norberg	100%
Davidsbogård AB, 556709-4296	1,000	Norberg	100%
Enigheten Personligassistans AB, 556717-5178	1,000	Borlänge	100%
Fabriken Förändringskonsulterna i Skaraborg AB, 556650-8544	1,000	Stockholm	100%
Familjestödsgruppen i Stockholm AB, 556699-8182	1,000	Stockholm	100%
Familjevårdskonsultenterna i Sverige AB, 556733-7349	1,000	Örebro	100%
Fideli Omsorg AB, 559067-7265	3,402	Stockholm	100%
Fuga Omsorg AB, 556897-4371	5,000	Stockholm	100%
Habiliteket AB, 556484-2416	1,000	Täby	100%
Hallandshem AB, 556699-6129	1,000	Kungsbacka	100%
Hoitokoti Iltatähti Oy, 1012150-0	100	Vantaa	100%
Hoitokoti Sinikello Oy, 1072328-8	250	Taivalkoski	100%
Human Care AS, 997915038	1,000	Tonsberg	100%
Human Care BO AS, 925034657	1	Kvaefjord	100%
Human Care Eiendom 2 AS, 823755872	3,000	Tonsberg	100%
Human Care Eiendom 3 AS, 925669342	3,000	Tonsberg	100%
Human Care Eiendom 4 AS, 927119757	3,000	Tonsberg	100%
Human Care Eiendom 5 AS 927966263	3,000	Tonsberg	100%
Human Care Eiendom AS, 922597871	1,000	Tonsberg	100%
Human Care Holding AS, 923166076	1,000	Tonsberg	100%
Human Care Ung AS, 925036226	1	Tonsberg	100%
Humana Assistans AB, 556605-3996	100,000	Örebro	100%
Humana BU Holding AB, 559224-2688	1,000	Stockholm	100%
Humana Care Real Estate Finland AB, 559222-3142	1,000	Stockholm	100%
Humana Care Real Estate Norge AB, 559222-3159	1,000	Stockholm	100%
Humana Danmark ApS, 39804778	500	Søborg	100%
Humana Ekeliden AB, 556891-0508	50,000	Örebro	100%
Humana Familj Holding AB, 559224-1292	1,000	Stockholm	100%
Humana Familjeforum konsult i Sverige AB, 556687-4227	1,000	Stockholm	100%
Humana Familjeforum Sverige AB, 556589-3764	1,000	Stockholm	100%
Humana Fastighets Holding AB, 559224-3322	1,000	Stockholm	100%
Humana Fastighetsförvaltning AB, 559222-3126	1,000	Stockholm	100%
Humana Fastighetsutveckling AB, 559222-3118	1,000	Stockholm	100%
Humana Finland AB, 559224-0435	1,000	Stockholm	100%
Humana Finland Oy, 2991142-2	100	Helsinki	100%
Humana Group AB, 556697-0249	1,478,571	Örebro	100%
Humana Group Holding AB, 556730-0453	1,428,570	Stockholm	100%
Humana Hoiva Oy (EMO), 2769452-4	4,379,414	Oulu	100%
Humana Holding AB, 556645-2206	1,000	Örebro	100%
Humana Jobb & Matchning i Örebro AB (formerly Plus Assistans AB), 556665-9149	1,000	Örebro	100%
Humana LSS Holding AB, 559223-5807	1,000	Stockholm	100%
Humana LSS Sverige AB, 556754-3912	1,000	Sala	100%
Humana Omsorg AB, 556749-0007	1,000	Stockholm	100%
Humana Omsorgsfastigheter AB, 559192-1282	50,000	Stockholm	100%
Humana Real Estate Finland AB, 559222-3134	1,000	Stockholm	100%
Humana Sociala tjänster Sverige AB, 556658-1277	5,000	Stockholm	100%
Humana Vuxna Holding AB, 559223-5799	1,000	Stockholm	100%
Humlans HVB AB, 556641-8165	3,000	Ockelbo	100%

Company name	Number of shares	Registered office	Share of equity, %
HVB Lappetorp AB, 556525-0247	1,020	Trosa	100%
Hyvinvointipalvelut Arjessa Oy, 2292973-4	240	Lohja	100%
Iltatuulikoti Oy, 2141642-7	1,200,000	Iitti	100%
Innovativ Assistans i Stockholm AB, 556521-4573	1,000	Norberg	100%
INOM - Innovativ Omsorg i Sverige AB, 556739-6725	1,000	Stockholm	100%
INOM - Innovativ Omsorg i Norden AB, 556782-9105	3,524,259	Stockholm	100%
Jokilaakson Perhekodit Oy, 1741579-8	20	Ylivieska	100%
Joterplan Oy, 1482883-7	50	Saarjärvi	100%
JOWE AB, 556644-6281	100	Stockholm	100%
J-son Företagspartner AB, 556503-6067	3,000	Stockholm	100%
J-son Pedagogikcentrum AB, 556612-6479	1,000	Stockholm	100%
J-son Resurscentrum AB, 556949-2696	3,000	Stockholm	100%
Karttusenranta Oy, 1877402-0	1,000	Oulu	100%
KBT Mälardalen AB, 556718-7025	1,000	Stockholm	100%
Kiinteistö Oy Lepola, 28759123	100	Isokyrö	100%
Kiinteistö Oy Vuokonollia, 13133662-3	10	Seinäjohti	100%
Kiinteistö Oy Vuokonollia, 23133661-5	10	Seinäjohti	100%
Kilen Akut Behandlingshem AB, 556620-9549	1,000	Skövde	100%
Komian Kranni Oy, 1064768-4	170	Seinäjohti	100%
K-rehab AB, 556766-2720	6,000	Sandviken	100%
Kristallihovi Oy, 2288773-0	90	Hämeenlinna	100%
Kristallikartano Oy, 2469221-6	100	Kerava	100%
Kyrönmaakoti Oy, 1538708-4	1,000	Oulu	100%
Lakeuden Pojat Oy, 2387295-2	1,000	Oulu	100%
Lastensuojeluyksikkö Leppälintu Oy, 2364613-8	1,000	Kauhajoki	100%
Lastensuojeluyksikkö Pihakoivu Oy, 1991926-0	—	Seinäjohti	100%
Lounatuulikoti Oy, 1013647-0	20	Äänekoski	100%
Lunna Gård AB, 556586-2371	1,000	Stockholm	100%
Luotsimaja Oy, 2036069-5	65	Pori	100%
Matiimi Oy, 0706096-2	100	Lempäähä	100%
Muhoksen Palvelukoti Oy, 0586645-2	1,000	Muhos	100%
Namikan Piennyhmäkoti Oy, 2461106-8	1,000	Lahti	100%
Neuropsyk i Bollnäs AB, 556543-1516	1,000,000	Stockholm	100%
Nordic Care AB, 556658-8710	1,000	Örebro	100%
Nordic Senior Services Oy, 2301404-2	178,846,495	Tampere	100%
Norrbräcke Sjukhem AB, 556564-9778	2,500	Stockholm	100%
NSS Hoivahotellit Oy, 2348341-2	22,500	Varkaus	100%
Nuorisokoti Valokki Oy, 2284728-8	1,250	Kurikka	100%
Nuorisopsykiatrin Asumiskoti Puro Oy, 1744507-3	240	Vaasa	100%
Nygårds Vård Gotland AB, 556417-0511	2,000	Gotland	100%
Oasen HVB & Skola AB, 556420-9608	5,000	Aneby	100%
Oasen Ungdomscenter AB, 556686-2313	1,000	Aneby	100%
Oasen Utbildningscenter AB, 556650-1796	1,000	Aneby	100%
Odalen Humana Upphandling 1 AB, 559329-9726	125	Stockholm	50%
Off. Clinic AB, 556625-9429	1,000	Kristianstad	100%
Orana AB, 556353-3966	1,000	Kristianstad	100%
Orana Kristianstad AB, 556714-8878	1,000	Kristianstad	100%
Orana Vård & Omsorg Holding AB, 559012-0159	50,000	Kristianstad	100%
Paavolankoti Oy, 1077276-8	100	Mänttä-Vilppula	100%
Palvelukeskus Kaski Oy, 1816473-2	100	Pihlpuudas	100%





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Palvelukoti Hilmar Oy, 0955759-3	15	Keuruu	100%
Palvelukoti Metsärinne Oy, 0711287-3	100	Haapavesi	100%
Partnergruppen Svenska AB, 556177-0362	10,000	Stockholm	100%
Perhetalo Arjessa Oy, 2487220-9	1,000	Helsinki	100%
Pienkoti Aura Oy, 1853882-9	10	Jyväskylä	100%
Pienryhmäkoti Arjen Sydän Oy, 2179372-4	130	Siuntio	100%
Pienryhmäkoti Puolenhehtaarin Metsä Oy, 2166211-8	270	Lohja	100%
Pirtakoti Oy, 2203782-4	100	Tornio	100%
Platea AB, 556697-9729	1,500	Hagfors	100%
Prompting AB, 556606-5990	200	Stockholm	100%
R.I.K. assistans Aktiebolag, 556765-6797	1,000	Stockholm	100%
Ramlösa Social Utveckling AB, 556266-5520	1,000	Helsingborg	100%
Rehabiliteringsbolaget i Mälardalen AB, 556755-5049	1,000	Örebro	100%
Rehappi Oy, 2397006-9	10,000	Naantali	100%
Rengsjö Vårdcenter AB, 556383-1857	1,000	Stockholm	100%
RO Omsorg Assistans AB, 556815-6334	500	Österåker	100%
Ryhmäkoti Arjessa Oy, 2284729-6	1,250	Seinäjoki	100%
Ryhmäkoti Raide Oy, 2032776-4	100	Tampere	100%
Sillanpää-koti Oy, 2216058-2	2,500	Seinäjoki	100%
Skellefteå Stöd och behandling AB, 556861-3904	500	Skellefteå	100%
Storsjögårdens HVB AB, 556535-5780	1,000	Gävle	100%
StøtteCompagniet ApS, 31940109	126	Søborg	100%
Suolahden Palvelukoti Oy, 0767749-5	50	Äänekoski	100%
Sähäkkä Oy, 2022074-8	80	Ylivieska	100%
Tiangruppen AB, 556378-5145	2,500	Uppsala	100%
Tibble gård ungdomshem AB, 556632-1757	1,000	Stockholm	100%
Toivolantanta Oy, 0859903-8	100	Oulainen	100%
Tuulenvirekoti Oy, 2836429-5	18,000	Turku	100%
Ungdomshemmet Hajstorp AB, 556618-0369	1,600	Töreboda	100%
Utvecklingscentrum Harald & Gun-Britt Janson AB, 556253-3512	200	Stockholm	100%
Vassbo Behandlingshem AB, 556449-1602	1,000	Uddevalla	100%
Vehkakoti Oy, 1591616-9	100	Kaavi	100%
Veitikanharju Oy, 2011352-0	80	Rovaniemi	100%
Vidablick AB, 556679-3179	1,000	Helsingborg	100%
Villa Marin Hoitopalvelut Oy, 1903887-7	8,000	Kokkola	100%
Villagatan LSS AB, 559086-7361	50,000	Stockholm	100%
Vivante Oy, 1092297-3	100	Kuusamo	100%
Västgöta Assistans AB, 556795-6593	1,000	Borås	100%
Wikmansgården AB, 556167-4275	1,000	Stockholm	100%
Wilhelmiinakoti Oy, 2130102-1	100	Hollola	100%
Wisby Assistans AB, 556605-2725	100	Visby	100%

**Note G24** Events after the reporting date

In January, Humana acquired the Finnish individual and family care company Kalliola Oy, which provides individual and family care for children and young people, and residential and outpatient care in southern Finland. The company's annual revenue is approximately EUR 9 million, corresponding to SEK 93 million, and it has around 190 employees.

After the reporting date, Humana exercised the mandate from the 2021 Annual General Meeting and repurchased own shares. The aim is to adjust the Group's capital structure and help to increase shareholder value. During February 2022, Humana repurchased a total of 1,066,147 own shares at a cost of SEK 55 million, corresponding to an average price of SEK 51.42 per share. Subsequently, the company's total own shareholding amounts to 5,314,006 shares, which corresponds to 10.0 percent of the total number of shares outstanding and 10.0 percent of the total number of votes.

The war in Ukraine that started in the end of February may have an impact on Humana's operations, initially through the wave of refugees reaching the Nordic region, where Humana's resources in the form of housing and support may be demanded. In the longer term, the development in the region may lead to an impact on the world economy, and strained economics in the Nordic region, which could indirectly affect the company. However, it is currently not possible to assess the consequences for the company, either in the long or short term.





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# Notes, Parent Company

## Note P1 Parent Company's transactions with Group companies

Sales to Group companies amounted to 100 (100) percent in 2021. Purchases from Group companies amounted to 0 (0) percent in 2021.

## Note P2 Information on auditors' fees and cost reimbursement

Auditors' fees	2021	2020
KPMG AB		
Audit services	1	2
<b>Total</b>	<b>1</b>	<b>2</b>

Audit services consist of the auditor's work associated with the statutory audit, while auditing assistance includes various types of quality assurance services. Other services are services other than audit services or tax advisory services.

## Note P3 Shares in subsidiaries

	31/12/2021	31/12/2020
Opening cost	1,629	1,629
Contribution	55	0
<b>Closing accumulated cost</b>	<b>1,684</b>	<b>1,629</b>

Company name	31/12/2021	31/12/2020
Humana Group Holding AB, 556730-0453	1,684	1,629

## Note P4 Untaxed reserves

	31/12/2021	31/12/2020
Allocation reserve, tax year 2016	-	20
Allocation reserve, tax year 2017	27	27
Allocation reserve, tax year 2018	36	36
Allocation reserve, tax year 2019	30	30
Allocation reserve, tax year 2020	35	35
Allocation reserve, tax year 2021	21	-
<b>Total</b>	<b>149</b>	<b>148</b>

## Note P5 Non-current liabilities

	31/12/2021	31/12/2020
Non-current liabilities due for payment 1-5 years after the reporting date:	1,508	946
<b>Total</b>	<b>1,508</b>	<b>946</b>

See Note G18 for loan terms and conditions and Note G20 for financial risk management.

## Note P6 Accrued expenses and deferred income

	31/12/2021	31/12/2020
Accrued interest	-	1
Other items	4	3
<b>Total</b>	<b>4</b>	<b>4</b>

## Note P7 Proposed distribution of profits

The following profits are available to the Annual General Meeting:

SEK	2021
Retained earnings	1,467,169,366
Profit for the year	39,458,689
<b>Total</b>	<b>1,506,628,055</b>

To be distributed as follows:

Dividend	-
Carried forward	1,506,628,055
<b>Total</b>	<b>1,506,628,055</b>





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The Board of Directors and the CEO confirm that the annual accounts have been prepared in accordance with generally accepted accounting standards in Sweden and that the consolidated accounts have been prepared in accordance with the international accounting standards referred to in European Parliament and Council Regulation (EC) no. 1606/2002

of 19 July 2002 on the application of international accounting standards. The annual accounts and consolidated accounts provide a true and fair view of the financial position and financial performance of the Parent Company and the Group. The Board of Directors' Report for the Parent Company and the Group provides a true and fair overview of the develop-

ment of the operations, financial position and financial performance of the Parent Company and Group, and describes material risks and uncertainties faced by the Parent Company and Group companies.

Stockholm, 30 March 2022

**Johanna Rastad**  
President and CEO

**Sören Mellstig**  
Chairman

**Karita Bekkemellem**  
Board member

**Kirsi Komi**  
Board member

**Monica Lingegård**  
Board member

**Anders Nyberg**  
Board member

**Fredrik Strömholm**  
Board member

Our Audit Report was submitted on 30 March 2022  
KPMG AB

**Helena Nilsson**  
Authorised Public Accountant





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# Auditor's Report

To the general meeting of the shareholders of Humana AB (publ), corp. id 556760-8475

## Report on the annual accounts and consolidated accounts Opinions

We have audited the annual accounts and consolidated accounts of Humana AB (publ) for the year 2021, except for the corporate governance statement on pages 46–61 and the sustainability report on pages 13–32, 62 and 67–68. The annual accounts and consolidated accounts of the company are included on pages 13–32, 46–62, 67–68 and 71–103 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual

Accounts Act. Our opinions do not cover the corporate governance statement on pages 46–61 and sustainability report on pages 13–32, 62 and 67–68. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

## Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based

on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

## Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current

period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

## Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–45, 62–70 and 109–116. The other information comprises also of the remuneration report which we obtained prior to the date of

### Valuation of goodwill

See Note GA2 General accounting policies including Accounting estimates in the financial reports, Note GA4 Significant accounting policies and Note G10 Goodwill on the pages 85-88 and 94 in the annual and consolidated accounts for detailed information and descriptions of the matter

### Description of key audit matter

The Group's goodwill amounted to SEK 4,148 million at 31 December 2021. Goodwill is tested annually for impairment. Annual impairment testing is of significance to the audit as it involves a significant element of judgement from the Group, including assumptions about the future performance of the business and market conditions.

Another important assumption is the discount rate to be used to reflect market assessments of the specific risks that the business faces.

### Response in the audit

We have examined whether the impairment tests performed were prepared in accordance with the methods prescribed by IAS 36 Impairment of Assets.

We have also considered the reasonableness of the Group's assumptions about future cash flows, such as sales growth and operating margin development, and the discount rate. This has been done by, among other things, obtaining and evaluating written documentation and checking assumptions in the impairment testing against plans. Our work has also included examination of the group's sensitivity analysis to evaluate how reasonable changes in the assumptions may impact the valuation. We have also evaluated the Group's historical forecast performance and challenged assumptions about future growth and margins.

We have also assessed the content of the information about impairment tests performed, as provided in the annual and consolidated accounts.





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this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of the Board of Directors and the Managing Director**

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accor-

dance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

#### **Auditor's responsibility**

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated

accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional

omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual





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accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we

have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

#### **Report on other legal and regulatory requirements**

##### **Auditor's audit of the administration and the proposed appropriations of profit or loss**

##### **Opinions**

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Humana AB (publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

#### **Basis for Opinions**

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

#### **Responsibilities of the Board of Directors and the Managing Director**

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the

group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

#### **Auditor's responsibility**

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:





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- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and

materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

### The auditor's examination of the Esef report

#### Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Humana AB (publ) for year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report #3xpsfSSdhr8g54c= has been

prepared in a format that, in all material respects, enables uniform electronic reporting.

#### Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Humana AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

#### Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, profes-



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sional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef

report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, financial position, changes in equity and cash flow.

#### **The auditor's examination of the corporate governance statement**

The Board of Directors is responsible for that the corporate governance statement on pages 46–61 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

#### **The auditor's opinion regarding the statutory sustainability report**

The Board of Directors is responsible for the sustainability report on pages 13–32, 62 and 67–68, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Humana AB (publ) by the general meeting of the shareholders on the 11 May 2021. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2008.

Stockholm 30 March 2022

KPMG AB

**Helena Nilsson**  
**Authorized Public Accountant**





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## Reconciliation with IFRS financial statements

In the financial reports that Humana issues, there are alternative performance measures specified that complement the measures defined or specified in the applicable financial reporting rules. Alternative performance measures are indicated when, in their context, they provide clearer or more detailed information than the measures defined in the applicable financial reporting rules. Alternative performance measures derive from the company's consolidated accounts and are non-IFRS measures.

	2021	2020
<b>Adjusted operating profit</b>		
Operating profit	493	471
Capital gain on sale of property	-	-17
Retrospective repayment of previously paid-in pension premiums	-11	-
Final settlement dispute	13	-
<b>Adjusted operating profit</b>	<b>495</b>	<b>453</b>
<b>Adjusted EBITDA</b>		
Operating profit	493	471
Depreciation and impairment	420	371
Retrospective repayment of previously paid-in pension premiums	-11	-
Final settlement dispute	13	-
Capital gain on sale of property	-	-17
<b>Adjusted EBITDA</b>	<b>916</b>	<b>824</b>
<b>Organic revenue growth</b>		
Revenue, base	7,761	6,968
Revenue, organic growth	238	289
<b>Total organic growth, constant exchange rate</b>	<b>3.1%</b>	<b>4.1%</b>
<b>Operating cash flow, SEK million</b>		
Operating profit	493	471
Depreciation and impairment	420	371
Change in working capital	-12	71
Investments in other non-current assets, net	-117	-133
<b>Operating cash flow, SEK million</b>	<b>785</b>	<b>779</b>

	31 December 2021	31 December 2020
<b>Interest-bearing net debt, SEK million</b>		
Non-current interest-bearing liabilities	4,702	3,457
Current interest-bearing liabilities	218	813
Cash and cash equivalents	-695	-759
<b>Interest-bearing net debt</b>	<b>4,226</b>	<b>3,511</b>
Adjusted EBITDA, 12 months	916	824
<b>Interest-bearing net debt/Adjusted EBITDA, 12 months, times</b>	<b>4.6</b>	<b>4.3</b>
<b>Return on capital employed, %</b>		
Total assets	9,002	8,044
Deferred tax liabilities	-74	-70
Trade payables	-165	-128
Other current liabilities	-1,285	-1,222
<b>Capital employed</b>	<b>7,478</b>	<b>6,624</b>
Operating profit	493	471
Financial income	1	1
<b>Total</b>	<b>494</b>	<b>471</b>
<b>Return on capital employed, %</b>	<b>6.6%</b>	<b>7.1%</b>
<b>Equity/assets ratio, %</b>		
Total equity	2,553	2,354
Total assets	9,002	8,044
<b>Equity/assets ratio, %</b>	<b>28.4%</b>	<b>29.3%</b>

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# Financial performance measures

## Financial performance measures

	Definition	Intent
Return on capital employed (%)	Operating profit and finance income divided by total capital employed multiplied by 100.	Indicates the operating return on the capital that owners and lenders have made available. The intent is to show consolidated returns, regardless of the financing.
EBITDA	Operating profit before depreciation, amortisation and impairment.	The measure is used to monitor the company's profit/loss generated by operating activities and facilitate comparisons of profitability between different companies and industries.
Adjusted operating profit and adjusted EBITDA	Operating profit and EBITDA adjusted for items affecting comparability.	An adjustment for items affecting comparability is made to facilitate a fair comparison between two comparable periods and to show the underlying trend in operating activities excluding non-recurring items.
Operating cash flow	Operating profit including changes in depreciation/amortisation/impairment, working capital and investments in other non-current assets (net).	The exclusion of cash flow from acquisitions and financing facilitates an analysis of cash conversion in operating activities.
Organic growth	Growth in local currency for comparable companies in each segment that Humana owned during the previous comparative period.	The measure shows the underlying sales growth in comparable companies between the different periods.
Interest-bearing net debt	Borrowing excluding interest rate derivatives less cash and cash equivalents and interest-bearing assets.	Net debt is used as a simple way to illustrate and assess the Group's ability to meet financial commitments.
Interest-bearing net debt/EBITDA	Interest-bearing net debt divided by EBITDA.	Indicates consolidated debt in relation to EBITDA. This is used to illustrate the Group's ability to meet financial commitments.
Interest-bearing net debt/adjusted EBITDA	Interest-bearing net debt divided by adjusted EBITDA.	The measure indicates consolidated debt in relation to adjusted EBITDA. This is used to illustrate the Group's ability to meet financial commitments.
Equity/assets ratio (%)	Equity including non-controlling interests divided by total assets multiplied by 100.	Indicates the proportion of assets that are financed with equity. The aim is to assess the Group's solvency in the long term.
Capital employed	Total assets less non-interest-bearing liabilities.	The measure indicates the portion of the company's assets financed by interest-bearing capital.

## Other performance measures

	Definition
Equity per share	Equity attributable to Parent Company shareholders divided by number of shares at end of period after redemption, buyback and new share issue.
Average number of shares	Calculated as the average daily number of shares outstanding after redemption and buyback.
Average equity	Calculated for average equity attributable to Parent Company shareholders per quarter, calculated from the opening and closing balance for each quarter.
Items affecting comparability	Non-recurring items that complicate the comparability between two given periods.
Average number of full-time employees	Average number of full-time employees during the reporting period.
Average customers	Average number of customers during the period.
Earnings per share for the period	Profit for the period attributable to Parent Company shareholders less the period's share of the adopted dividend divided by average number of shares. Defined in IFRS.
Operating profit	Profit before financial items and tax.
EBIT margin (%)	Operating profit divided by operating revenue multiplied by 100.





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# Quarterly overview

SEK millions	2021					2020				
	Full year	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4
<b>Operating revenue by segment</b>										
Individual & Family	2,257	553	578	548	578	2,101	519	532	522	528
Personal Assistance	3,042	751	756	767	768	2,931	719	733	736	743
Elderly Care	669	151	155	173	190	608	146	155	150	157
Finland	1,284	316	325	314	328	1,327	350	338	318	321
Norway	916	210	240	225	241	788	194	201	200	193
Other	20	5	4	6	5	43	10	22	5	5
<b>Operating revenue</b>	<b>8,188</b>	<b>1,986</b>	<b>2,058</b>	<b>2,034</b>	<b>2,110</b>	<b>7,797</b>	<b>1,938</b>	<b>1,980</b>	<b>1,931</b>	<b>1,948</b>
<b>Operating profit by segment</b>										
Individual & Family	168	41	50	69	7	190	33	49	70	38
Personal Assistance	208	50	35	66	57	160	40	29	57	34
Elderly Care	-3	5	-4	3	-8	10	0	1	5	4
Finland	56	11	16	26	2	62	17	11	24	10
Norway	103	17	22	31	33	69	13	16	21	19
Other	-40	-12	-13	-4	-10	-20	-5	-7	-5	-4
<b>Operating profit</b>	<b>493</b>	<b>112</b>	<b>107</b>	<b>192</b>	<b>82</b>	<b>471</b>	<b>98</b>	<b>100</b>	<b>172</b>	<b>101</b>
<b>Operating margin by segment</b>										
Individual & Family, %	7.5	7.5	8.7	12.7	1.3	9.0	6.4	9.3	13.4	7.1
Personal Assistance, %	6.8	6.6	4.7	8.6	7.5	5.5	5.6	4.0	7.7	4.5
Elderly Care, %	-0.4	3.6	-2.4	1.9	-4.0	1.6	-0.3	0.7	3.3	2.8
Finland, %	4.3	3.6	4.8	8.4	0.7	4.6	4.7	3.2	7.6	3.1
Norway, %	11.3	7.9	9.3	13.8	13.8	8.7	6.7	7.9	10.5	9.9
<b>Operating margin, %</b>	<b>6.0</b>	<b>5.7</b>	<b>5.2</b>	<b>9.4</b>	<b>3.9</b>	<b>6.0</b>	<b>5.1</b>	<b>5.1</b>	<b>8.9</b>	<b>5.2</b>





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# GRI Index

## General disclosures

GRI standard	Disclosure	Page	Comments
<b>GRI102: GENERAL DISCLOSURES</b>			
<b>Organisational profile</b>	102-1 Name of the organisation	71	
	102-2 Activities, brands, products, and services	4, 33–40	
	102-3 Location of headquarters	71	
	102-4 Location of operations	4, 33–40	
	102-5 Ownership and legal form	44–45	
	102-6 Markets served	4, 33–40	
	102-7 Scale of the organisation	3	
	102-8 Information on employees and other workers	3, 21–24, 74	
	102-9 Supply chain		
	102-10 Significant changes to the organisation and its supply chain	5	
	102-11 Precautionary Principle or approach	29	
	102-12 External initiatives	No	
	102-13 Membership of associations	27	
<b>Strategy and analysis</b>	102-14 Statement from senior decision-maker	6–7	
<b>Ethics and integrity</b>	102-16 Values, principles, standards, and norms of behaviour	14–16	
<b>Governance</b>	102-18 Governance structure	49–55	
<b>Stakeholder engagement</b>	102-40 List of stakeholder groups	31	
	102-41 Collective bargaining agreements	Involves everyone except CEO	
	102-42 Identifying and selecting stakeholders	31	
	102-43 Approach to stakeholder engagement	31	
	102-44 Key topics and concerns raised	31	
<b>Reporting practice</b>	102-45 Entities included in the organisation's consolidated financial statements	99–101	
	102-46 Defining the report content and topic boundaries	14–16, 31	
	102-47 List of material topics	14–16, 31	
	102-48 Restatements of information	No changes	
	102-49 Changes in reporting	Second year reporting in line with GRI standards: Core option	
	102-50 Reporting period	1 January – 31 December 2021	
	102-51 Date of most recent report	1 April 2021	
	102-52 Reporting cycle	Annual	
	102-53 Contact person for questions regarding the report	maria.jansson@humana.se	
102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option		
102-55 GRI Index	112–114		
102-56 External assurance	No		







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GRI standard	Disclosure	Page	Comments
<b>QUALITY OPERATIONS</b>			
<b>High quality of care services</b>			
GRI 103: Governance	103-1	Explanation of the material topic and its boundary	14, 17–19
	103-2	The management approach and its components	17–19
	103-3	Evaluation of the management approach	16–19
Company-specific topic/indicator	CSI, Customer satisfaction index, for Humana as a whole		18
Company-specific topic/indicator	Share of customers/clients whose individual plans have been followed up on schedule		18
<b>ATTRACTIVE EMPLOYER</b>			
<b>Satisfied and loyal employees</b>			
GRI 103: Governance	103-1	Explanation of the material topic and its boundary	14, 21–24
	103-2	The management approach and its components	21–24
	103-3	Evaluation of the management approach	16, 21–24
Company-specific topic/indicator	eNPS, Employee Net Promoter Score		16, 21
<b>Safe and pleasant work environment</b>			
GRI 103: Governance	103-1	Explanation of the material topic and its boundary	14, 21–24
	103-2	The management approach and its components	21–24
	103-3	Evaluation of the management approach	
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	22
	403-2	Hazard identification, risk assessment, and incident investigation	21–22
	403-3	Occupational health services	All who work at the care homes that Humana is contracted to manage are employed by Humana
	403-4	Worker participation, consultation, and communication on occupational health and safety	22
	403-5	Worker training on occupational health and safety	22
	403-6	Promotion of worker health	21–23
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	All who work at the care homes that Humana is contracted to manage are employed by Humana
	403-8	Workers covered by an occupational health and safety management system	All employees are covered
<b>Equal gender distribution among senior managers</b>			
GRI 103: Governance	103-1	Explanation of the material topic and its boundary	14, 21–24
	103-2	The management approach and its components	21–24
	103-3	Evaluation of the management approach	16
GRI 405: Diversity and equal opportunities 2016	405-1	Diversity of governance bodies and employees	23
<b>PROFITABLE GROWTH</b>			
GRI 103: Governance	103-1	Explanation of the material topic and its boundary	14, 25–26
	103-2	The management approach and its components	25–26





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**Specific disclosures cont'd**

GRI standard	Disclosure	Page	Comments
	103-3 Evaluation of the management approach	16, 25–26	
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	26	
<b>RESPONSIBLE PROVIDER</b>			
GRI 103: Governance	103-1 Explanation of the material topic and its boundary	14–15, 27–30	
	103-2 The management approach and its components	27–30	
	103-3 Evaluation of the management approach	16, 27–30	
GRI 203: Indirect economic impacts 2016	203-2 Significant indirect economic impacts	28–29	
Company-specific topic/indicator	Number of introductory jobs created	16, 29	
<b>Reduced environmental impact</b>			
GRI 103: Governance	103-1 Explanation of the material topic and its boundary	14–15, 29–30	
	103-2 The management approach and its components	29–30	
	103-3 Evaluation of the management approach	16, 29–30	
Company-specific topic/indicator	Greenhouse gas emissions	29–30	
<b>VALUES-DRIVEN HUMANA</b>			
GRI 103: Governance	103-1 Explanation of the material topic and its boundary	14–15	
	103-2 The management approach and its components	15	
	103-3 Evaluation of the management approach	16	
Company-specific topic/indicator	Employees' awareness that values are what guide Humana	16	
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	15	





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# Five-year overview

## Key ratios and per-share data

Note that the tables and calculations below have not been audited, unless otherwise stated.

Key ratios	2021	2020	2019	2018 <sup>2)</sup>	2017 <sup>2)</sup>
Net revenue, SEK million <sup>1)</sup>	8,188	7,797	7,467	6,725	6,556
Growth, %	5.0	4.4	11.0	2.6	3.1
Organic growth, constant exchange rate, %	3.1	4.1	2.0	3.4	-1.3
Inorganic growth (including disposals), %	2.6	1.7	8.5	-1.6	5
EBITDA, SEK million	913	842	697	461	376
EBITDA margin, %	11.2	10.8	9.3	6.9	5.7
Adjusted EBITDA, SEK million	916	824	692	461	376
Adjusted EBITDA margin, %	11.2	10.6	9.3	6.9	5.7
Operating profit (EBIT), SEK million <sup>1)</sup>	493	471	369	391	316
Operating margin, %	6.0	6.0	4.9	5.8	4.8
Adjusted operating profit, SEK million	495	453	365	391	316
Adjusted operating margin, %	6.0	5.8	4.9	5.8	4.8
Profit for the year, SEK million <sup>1)</sup>	276	262	187	245	194
Change in working capital, SEK million	-12	71	126	-18	-41
Acquisition of intangible assets and property, plant and equipment, SEK million <sup>1)</sup>	-107	-133	-228	-158	-151
Operating cash flow, SEK million	785	779	595	285	184
Cash conversion, %	85.9	92.5	85.4	61.8	48.9
Equity <sup>1)</sup>	2,553	2,354	2,305	2,147	1,891
Interest-bearing net debt, SEK million	4,226	3,511	3,712	1,378	1,440
Interest-bearing net debt/EBITDA, 12 months, times	4.6	4.2	5.3	3.0	3.8
Interest-bearing net debt/adjusted EBITDA, 12 months, times	4.6	4.3	5.4	3.0	3.8
Equity/assets ratio, %	28.4	29.3	28.0	41.1	37.4
Return on capital employed, 12 months, %	6.6	7.1	5.4	9.7	8.2
Average no. of customers	9,102	8,795	8,503	7,466	8,316
Average number of full-time employees <sup>1)</sup>	10,996	10,592	10,175	9,782	10,003
Full-time employees at end of year	10,945	10,639	10,093	9,729	9,503
<b>Per-share data</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Earnings per share	5.67	4.94	3.54	4.62	3.64
Equity per share, SEK	52.4	44.43	42.97	40.08	35.58

<sup>1)</sup> Information derived from Humana's audited consolidated accounts.

<sup>2)</sup> 2018 and earlier have not been recalculated with respect to IFRS 16.

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Humana

Everyone is  
entitled to a  
*good life*

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