

## **Remuneration report 2024**

### Introduction

This remuneration report provides an outline of how Bonava's guidelines for executive remuneration, adopted by the annual general meeting 2023, have been implemented in 2024. The report also provides details on the remuneration to Bonava's CEO. In addition, the report contains a summary description of Bonava's outstanding share and share-price related incentive plans, and any such plan that was completed during 2024.

The report does not include the remuneration of the Board of Directors as decided by the Annual General Meeting. These compensations are presented in note 4 on page 68-71 of the 2024 annual report.

Information required by Chapter 5, Sections 40-44 §§ of the Annual Accounts Act (1995:1554) is set out on note 4 in the annual report 2024.

Information on the work of the remuneration committee in 2024 is set out in the corporate governance report available on page 37-42 in the annual report 2024.

### Key developments 2024

The CEO summarises the company's overall performance in his statement on page 9-11 in the annual report 2024.

### Guidelines for remuneration

In Bonava's guidelines for remuneration it is stated that remuneration to the CEO shall be on market terms and promote the long-term business strategy. A prerequisite to a successful implementation of the company's business strategy and protection of its long-term interests, including sustainability, is that the company can recruit and retain qualified employees. For this purpose, it is necessary for the company to offer a competitive remuneration.

The remuneration to the CEO consists of fixed basic salary, variable cash remuneration, pension and other benefits.

The remuneration guidelines, adopted by the annual general meeting 2023, are set out on page 40 in the annual report 2024. The auditor's report regarding the company's compliance with the guidelines is available on the company's website.

In addition to remuneration covered by the remuneration guidelines, the annual general meeting of Bonava has resolved to implement long-term share-related incentive plans. The incentive plans are distinctly linked to the business strategy and thereby sustainability and to the company's long-term value creation through the defined performance measures.

## Total remuneration of the CEO

Table 1 – Total remuneration to the CEO for the financial year 2024

		Base salary	Variable cash remuneration	Share-based remuneration	Benefits	Occupational pensions	Other remuneration	Total remuneration
Peter Wallin CEO	kSEK	8 629	2 859	0	6	2 481	0	13 975
	Percentage of total remuneration	61%	20%	0%	0%	18%	0%	100%

Base salary includes car allowance, holiday pay and reduced working hours. Benefits includes health insurance and wellness allowance. Other remuneration includes, where applicable, severance pay. Variable cash remuneration refers to earned and actually paid in respect of the financial year and performance in 2024. Share-based remuneration refers to any paid out share-based remuneration, presented in detail in Table 2 below. Variable cash remuneration and share-based remuneration (variable remuneration) amounted to 20 percent of base salary, benefits and occupational pensions (fixed salary).

### Variable cash remuneration

Variable cash remuneration is linked to predetermined and measurable criteria with a clear connection to the company's predefined financial or qualitative objectives. Variable cash remuneration may amount to a maximum of 60 percent of the fixed cash remuneration. The outcome is related to the achievement of set targets regarding profitability as well as growth for the group. The board of directors is responsible for the evaluation of the CEO's performance. The Board has assessed the following parameters in deciding the outcome for the CEO. The financial components used by the Board of Directors in determining the CEO's variable cash remuneration are operating profit before interest and tax, the number of units sold and number of units that have started production. Qualitative targets have included measures to promote stability and retain key employees during the challenging market conditions during the year. The outcome of the incentive program for 2024 was conditional upon the fulfilment of predetermined financial criteria. The outcome for the financial year 2024 amounted to 64 percent of the maximum possible outcome.

### Share-based remuneration

#### *Outstanding share and share-price related incentive programmes*

During 2024, Bonava had three outstanding long-term performance-based share programmes for approx. 50 senior executives and key personnel within the Bonava Group (LTIP 2021, LTIP 2022 and LTIP 2023). The purpose of the programmes is to connect the shareholders' and the executive management's interests ensure maximum long-term value creation, to create a

long-term group-wide focus on performance development and to facilitate the recruitment and retention of members of the executive management and other key personnel.

All incentive programmes performance based and with a duration of three years. From LTIP 2022 there is also a possibility to receive matching shares equivalent to 1/9 of the total maximum potential allocation after the end of the program. Participation in the programmes requires an investment in shares of Bonava AB, so called investment shares, which are allocated to the programme. All programs are limited to a maximum of 400% of the share price (including any compensation for dividends) upon vesting.

In connection with the decision on a new share issue in 2024, a bonus issue factor of 1.847059 was established, which affected the two ongoing LTI programs. The recalculation meant that each share right in the programs was adjusted to entitle the holder to 1.847059 B-shares in Bonava. Similarly, the synthetic share rights were also adjusted, designed to enable a cash payment equivalent to the value of 1.847059 shares at the time of payment. The purpose of these adjustments is to ensure that participants in the LTI programs continue to be treated fairly and proportionally, in accordance with the decisions made by the general meeting and the board of directors.

No LTI 2024 programme was launched due to the rights issue.

LTIP 2021's performance period runs the financial years 2021 - 2023 for the target ROCE. The targets TSR and relative TSR are measured as a comparison where the starting value was at the publication of Bonava's interim report for the first quarter of 2021 and the final value is at the corresponding time in 2024. No pay-out occurred since the targets were not met.

LTIP 2022's performance period runs the financial years 2022 - 2024 for the target EBT. The target TSR are measured as a comparison where the starting value was at the publication of Boanava's interim report for first quarter of 2022 and the final value is at the corresponding time in 2025. Earnings are made after the publication of Bonava's interim report for the first quarter 2025.

LTIP 2023's performance period runs the financial years 2023 - 2025 for the target EBIT. The target TSR are measured as a comparison where the starting value was at the publication of Boanava's interim report for first quarter of 2023 and the final value is at the corresponding time in 2026. Earnings are made after the publication of Bonava's interim report for the first quarter 2026.

Table 2 – Share-based remuneration to the CEO

Name	Programme	Number of invested shares	Number of awarded share awards <sup>1</sup>	Value of allocated share rights (SEK) <sup>2</sup>	Number of unvested shares	Number of vested shares	Value of vested shares (SEK)
Peter Wallin, CEO	LTIP 2021 <sup>3</sup>	5 983	66 306	6 238 706	66 306	0	0
	LTIP 2022 <sup>4</sup>	0	0	0	0	0	0
	LTIP 2023 <sup>5</sup>	33 747	280 497	5 609 943	280 497	0	0
	<b>TOTAL</b>	39 730	346 803	11 848 649	346 803	0	0

Comparative information on the change of remuneration and company performance

Table 3 – Change in remuneration and the company's performance during the last three reported financial years

Annual change	2021/2022	2022/2023	2023/2024
<i>CEO Remuneration<sup>6</sup></i>			
Yearly change in total remuneration	-0,5%	-10,1% <sup>7</sup>	8,6% <sup>8</sup>
<i>Company's performance</i>			
Net operating income <sup>9</sup>	-23%	-30%	-56%
<i>Average remuneration on a full time equivalent basis of employees</i>			
Bonava AB <sup>10</sup>	22% <sup>11</sup>	-7% <sup>12</sup>	28% <sup>13</sup>

<sup>1</sup>Of which synthetic shares after recalculation factor for LTIP 2021 is 33 153 and for LTIP 2023 is 140 249.

<sup>2</sup> Share price at allotment LTIP 2021 SEK 94,09, LTIP 2023 20,00 SEK. The value of allotted share right and synthetic shares is not discounted for performance requirements.

<sup>3</sup> The number of allocated share rights and unvested share rights, amounting to 35 898, has been multiplied by the recalculation factor of 1.847059.

<sup>4</sup> The CEO was not able to participate in LTI 2022 due to obtaining inside information.

<sup>5</sup> The number of allocated share rights and unvested share rights, amounting to 151 862, has been multiplied by the recalculation factor of 1.847059.

<sup>6</sup> Total remuneration refers to paid or earned remuneration during 2024 and includes all remuneration components as they are presented in table 1.

<sup>7</sup> An increase in base salary, pension cost and STI outcome resulted in a higher total remuneration for 2023 compared to 2022.

<sup>8</sup> An increase in base salary and STI outcome resulted in a higher total remuneration for 2024 compared to 2023.

<sup>9</sup> Excluding items affecting comparability. For more information see note 25 on page 85 in the annual report 2023.

<sup>10</sup> Total remuneration for all other employees in the parent company Bonava AB divided by the number of full-time equivalents in parent company during end of each year.

<sup>11</sup> The restructuring of the parent company has resulted in the payment of remuneration to employees in the end of year 2022 in connection with the transition, while the number of FTEs has decreased compared to end of year 2021.

<sup>12</sup> The company had lower costs for restructuring in 2023 compared to 2022 which means a lower average remuneration for employees in the company.

<sup>13</sup> Increased base salaries and STI payouts in 2024, combined with a lower number of employees at the end of the year, have resulted in a higher total average compensation in 2024 compared to 2023.

### Reclaimed remuneration

The board of directors has not reduced or reclaimed any remuneration paid.

### Implementation of the guidelines

No deviations from the guidelines were made during the year. The board and the remuneration committee have handled the remuneration in accordance with the process and the principles set out in the guidelines.