



Press release 31 March, 2020

Annual general meeting in Bonava AB (publ) 2020

Bonava's annual general meeting ("AGM") was held on Tuesday 31 March 2020 at 3 p.m. in Stockholm, Sweden.

Adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet

The AGM adopted the income statement and balance sheet of the parent company and the group for the preceding year.

Dividend

The AGM resolved that no dividend should be distributed to the shareholders for 2019.

Board of directors

The AGM discharged the members of the board of directors and the CEO from liability for the preceding financial year. The AGM resolved that the number of directors shall be seven, with no deputies. As board members Mikael Norman, Viveca Ax:son Johnson, Åsa Hedenberg, Samir Kamal and Frank Roseen were re-elected and Mats Jönsson and Angela Langemar Olsson were elected as new members of the board. The AGM re-elected Mikael Norman as chairman of the board.

Board fees

The AGM approved board fees in accordance with the following. The chairman of the board will receive SEK 700,000 and each of the other board members elected by the AGM will receive SEK 300,000. Remuneration to the members of the audit committee will be paid with SEK 150,000 to the chairman and SEK 75,000 to the other members.

Auditor

PricewaterhouseCoopers AB (PwC) was re-elected as auditor for the company to serve for the period until the end of the next AGM. PwC has announced that Patrik Adolfson will continue as auditor in charge.

Nomination committee

The AGM resolved that the nomination committee for the annual general meeting 2021 shall consist of Peter Hofvenstam, Nordstjernan AB, Lennart Francke, Swedbank Robur Fonder, and Tomas Risbecker, AMF – Försäkring och Fonder and the chairman of the board as an adjunct member. Peter Hofvenstam was chosen to be the chairman of the nomination committee.

Instructions to the nomination committee

The AGM approved the proposed instructions to the nomination committee.



Guidelines for remuneration to the executive management

The AGM approved the board's proposed guidelines for remuneration to the executive management.

Resolution regarding amendments to the articles of association

The AGM resolved on amendments to (i) article 1 in the Swedish version of the articles of association so that "firma" is replaced with "företagsnamn", (ii) article 11 so that the provision, due to expected upcoming legislative changes, only regards the requirement to give notice in advance of intention to attend the annual general meeting (iii) article 12 so that item 12 is slightly adjusted and a new item 13 is added.

Long term share based incentive plan (LTIP 2020)

The AGM approved the board's proposal regarding the LTIP 2020. The LTIP 2020 comprises approximately 50 employees consisting of members of the executive management and certain key personnel within the Bonava group, divided into four categories. The first category comprises Bonava's CEO, the second category comprises the CFO and the BU-managers, the third category comprises regional heads and the rest of the executive management, and the fourth category comprises employees who are responsible for certain functions in Bonava.

To participate in the LTIP 2020, the participant must invest in a personal shareholding in Bonava ("Investment Shares"), which shall be allocated to the LTIP 2020. The Investment Shares shall be acquired specifically for the LTIP 2020, or alternatively, for participants who fulfil Bonava's shareholding recommendation below, an existing shareholding that does not constitute investment shares in another ongoing LTIP may be used as Investment Shares. The participant can invest a maximum of one months' salary (according to salary levels on 1 January 2020) before taxes in the LTIP 2020. The investment can be made at any of the following investment levels: 50 or 100 per cent of the maximum investment. For the CEO, each Investment Share entitles to three (3) share rights and three (3) synthetic shares, for the second category of participants, each Investment Share entitles to two and a half (2.5) share rights and two and a half (2.5) synthetic shares, for the third category, each Investment Share entitles to two (2) share rights and two (2) synthetic shares, and for the fourth category, each Investment Share entitles to one and a half (1.5) share rights and one and a half (1.5) synthetic shares.

Participants in Bonava's LTI programs are recommended to, by way of allocation of LTI shares and personal investments, over time accumulate and retain shares in Bonava to the extent that their respective shareholdings amount to a value corresponding to at least six (6) months' salary before taxes. For the CEO the recommendation is instead a shareholding corresponding to at least twelve (12) months' salary before taxes.

Allocation of shares of series B in Bonava and payment of cash compensation based on the synthetic shares, if any, shall normally take place within two (2) weeks after the disclosure of Bonava's interim report for the first quarter 2023. The maximum number of shares of series B in Bonava which may be allocated in total under the LTIP 2020 shall be limited to 169,170. The cash payment can be based on a maximum of 169,170 synthetic shares where the value of a synthetic share is based on the share price of series B in Bonava at the time of payment.

The share rights and the synthetic shares are divided according to different performance targets. The following applies to the share rights and the synthetic shares received by the participant; 40% shall refer to target 1, 30%



shall refer to target 2, and 30% shall refer to target 3. Allocation of shares of series B in Bonava based on the participants holding of share rights and payment of cash compensation based on the participants holding of synthetic shares, depend on to what extent the performance targets of each series have been achieved.

Target 1 - The performance target is related to Bonava's average return of capital employed (ROCE) during the period 2020-2022.

Target 2 - The performance target is related to the total shareholder return (TSR) on Bonava's shares of series B on Nasdaq Stockholm during a certain measurement period.

Target 3 - The performance target is related to a total shareholder return on Bonava's shares of series B on Nasdaq Stockholm during a certain measurement period, relative to a peer group of approximately 25 chosen companies within the residential development, building or building material sector, on markets where Bonava is active.

Further, the AGM approved the board's proposal regarding transfer of shares of series B in the company in accordance with the following.

- Not more than 169,170 shares of series B in Bonava may be transferred (or the higher number of shares of series B due to recalculation as a result of a bonus issue, a reversed share split or a share split, rights issue, compensation for dividend or similar actions).
- The shares of series B may be transferred to participants in the LTIP 2020 who under the terms for the LTIP 2020 are entitled to receive shares.
- Transfer of shares of series B shall be made at the time and otherwise according to the terms pursuant to the LTIP 2020.

Acquisition and transfer of shares of series B in Bonava

The AGM approved the board's proposal to authorise the board of directors, to, on one or several occasions for the period until the next annual general meeting, acquire a maximum number of shares of series B so that the company's holding following the acquisitions does not exceed 10 per cent of all the shares of series B in Bonava at any time. Acquisitions shall be conducted on Nasdaq Stockholm and at a price per share of series B that is within the price range for the share price prevailing at any time.

Further, the AGM approved the board's proposal to authorise the board of directors to, on one or more occasions for the period until the end of the next annual general meeting, resolve on a transfer of own shares of series B. The number of shares of series B transferred may not exceed the total number of shares of series B held by Bonava at any time. Transfers may be conducted on or outside Nasdaq Stockholm, including a right to resolve upon deviations from the shareholders' pre-emption right. The transfer of shares of series B on Nasdaq Stockholm shall be conducted at a price within the registered price range at the time of the transfer. The transfer of shares of series B outside Nasdaq Stockholm shall be made at a price in cash or value in property received that



corresponds to the share price at the point in time of the transfer of the Bonava shares of series B that are transferred with the deviation, if any, that the board deems appropriate in each case.

The purpose of the above authorisations regarding acquisition and transfer of own shares of series B is to enable financing of acquisitions of companies and businesses by payment with own shares of series B and to continuously be able to adjust the capital structure of Bonava and thereby create added value to the shareholders as well as to enable delivery of Bonava shares of series B and cover costs (including costs for social security costs and payment in accordance with the synthetic shares) in connection with the implementation of Bonava's incentive plan at any time.

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Bonava is a leading residential development company in Northern Europe which has been creating homes and neighbourhoods since the 1930s. With its 2,300 co-workers, Bonava operates in Germany, Sweden, Finland, Denmark, Norway, St. Petersburg, Estonia and Latvia, with sales of SEK 15.5 billion in 2019. Bonava's shares are listed on Nasdaq Stockholm.

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