

The Board of Directors' proposal on guidelines for the remuneration of Board members and Company Management

The Board of Directors of KlaraBo Sverige AB (publ), Corp. Reg. No. 559029-2727 (the "**Company**") proposes that the Annual General Meeting resolves to adopt guidelines for remuneration to Board members and Company Management in accordance with the following.

The guidelines shall apply to members of the Board and senior executives of the Company ("**Company Management**"). The guidelines shall apply until further notice, but no longer than until the 2027 Annual General Meeting, and shall apply to remuneration that is agreed upon, and changes made to already agreed remuneration, from the time the guidelines have been adopted by the 2023 Annual General Meeting. The guidelines do not cover remuneration resolved by the General Meeting.

An overall objective of the Company's business is to create value for the Company's shareholders by long-term ownership, development, and active management of attractive housing in growth regions. Value creation is measured as growth in net realisable value and profit from property management per share. For further information regarding the Company's business strategy, long-term interests, and sustainability, please refer to the Company's website, www.klarabo.se.

In order to promote the Company's business strategy, long-term interests, and sustainability and thus create long-term good value growth for shareholders, the Company shall have market-based and competitive remuneration levels and terms of employment in order to retain and, if necessary, recruit members to the Company Management with the required skills and experience. The total remuneration shall be based on factors such as position, performance, and individual qualification.

The Board of Directors shall set up a Remuneration Committee with the main task of preparing the resolutions of the Board regarding remuneration principles, remuneration and other employment terms for Company Management. The Remuneration Committee shall thus prepare proposals to guidelines regarding remuneration to members of the Board and Company Management, to be submitted to the Annual General Meeting for resolution at least every fourth year.

The Remuneration Committee shall furthermore monitor and evaluate ongoing programs and programs that have terminated during the year regarding variable remunerations to members of the Company Management (if applicable), the application of the guidelines for remuneration to members of the Board of Directors and Company Management, as resolved by the General Meeting, and structures of remuneration as well as levels of remuneration in the Company. The Chairman of the Board may be the Chairman of the Committee. Other Board members shall be independent in relation to the Company and the Company Management. If the Remuneration Committee hires an external consultant for its work, the Committee must ensure that no conflict of interest exists in relation to other assignments for the Company or the Company Management that the external consultant might have.

The Managing Director's remuneration is prepared by the Remuneration Committee and approved by the Board of Directors at an ordinary Board meeting. The Managing Director does not participate in this decision. The Board of Directors instructs the Managing Director to negotiate with other senior executives in accordance with these guidelines. On proposal from the Managing Director, the Remuneration Committee approves remuneration levels for other senior executives.

Total remuneration to Company Management may comprise of fixed salary, variable salary, pension benefits and other benefits. In addition to the aforementioned come terms for notice of termination.

- Fixed cash salary: The remuneration shall be based on the importance of the tasks, requirements for competence, experience, and performance. The fixed cash salary shall be considered equivalent to a market-based compensation for a satisfactory job. The fixed cash salary shall be reviewed annually to ensure that the salary is market-based and competitive.
- Variable salary: In addition to fixed cash salary, variable salary based on predetermined measurable criteria may be offered. The variable salary shall be linked to predetermined measurable criteria that shall be designed to promote the Company's business strategy and long-term interests. The criteria for variable salary to the Managing Director shall be prepared for each measurement period by the Remuneration Committee and approved by the Board of Directors. The criteria for variable salary to other senior executives shall be prepared for each measurement period by the Managing Director and approved by the Remuneration Committee.

Variable salary shall be based on outcomes in relation to set goals, both in relation to the Company's results and to individual performance. By letting the set goals link the remuneration of the Company Management to the Company's results and sustainability, this promotes the implementation of the Company's business strategy, long-term interests, sustainability, and competitiveness, and thus promote long-term good value growth for shareholders. Fulfilment of criteria for payment of variable salary shall be measured over a period of at least one year.

When the measurement period for meeting the criteria for payment of variable salary has ended, the extent to which the criteria have been met shall be assessed/determined. The Board of Directors is responsible for the assessment of variable salary to the Managing Director. For variable salary to other senior executives, the Managing Director is responsible for the assessment. For financial targets, the assessment shall be based on the most recently published financial information by the Company.

The variable cash remuneration may amount to a maximum of 50 percent of the total fixed cash salary during the measurement period for such criteria.

Variable salary shall not be pensionable unless it is regulated by mandatory collective agreement provisions that variable salary shall be pensionable. The Board of Directors shall have the right to recover variable salary paid on the basis of information that has subsequently been proven incorrect and provided for misleading purposes.

- Pension benefits: Pension provisions can be made for members of the Company Management corresponding to a maximum of 30 percent of fixed cash salary. The retirement age is 65. Members of the Company Management shall have premium-based pension benefit plans unless the person is covered by a premium-based pension plan in accordance with mandatory collective agreement provisions.
- Other benefits: Other benefits can be provided in the form of, for example, medical insurance and car benefits and should help to facilitate the person's opportunities to fulfil his/her duties. The total value of those benefits shall

correspond to market practice and constitute a limited value in relation to the total remuneration.

The notice period may not exceed 12 months. Salary during the notice period and, where applicable, severance payment may not together exceed an amount corresponding to the fixed cash salary for 18 months. In the event of termination by the senior executive, no severance payment will be made. In addition, compensation for any non-competition undertaking may be paid. Such compensation shall compensate for any loss of income and shall only be paid to the extent that the previous executive is not entitled to severance payment.

If the former executive is not entitled to severance payment, the remuneration for any commitment regarding non-competition shall amount to a maximum of 60 percent of the fixed cash salary, subject to mandatory collective agreement provisions, and shall be paid during the period of the non-competition, which shall be no more than 12 months after termination of employment.

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and terms of employment for the Company's employees have been taken into account in that information about the employees' total remuneration, the components of the remuneration and the remuneration's increase and rate of increase over time have formed part of the Remuneration Committee's and the Board of Directors' basis for decision-making when evaluating the reasonableness of the guidelines and the limitations resulting from them.

If a Board member performs work on behalf of the Company, in addition to the board work, consulting fees and other remuneration for such work may be paid by special decision of the Board of Directors. No remuneration is paid for board work beyond the board fee decided on by the annual general meeting.

The Board of Directors has the right to deviate from the above guidelines in whole or in part if in an individual case there are special reasons that justify it. As stated above, it is part of the Remuneration Committee's tasks to prepare the Board of Directors' decisions on remuneration issues, which includes decisions on deviations from the guidelines. Deviations may only be made if deemed necessary to satisfy the Company's long-term interests and sustainability or to ensure the Company's financial viability. If the Board of Directors deviates from the guidelines for remuneration to Board members and Company Management, this shall be reported at the next Annual General Meeting.

Malmö, March 2023
KlaraBo Sverige AB
The Board of Directors