

Please note – this is an unofficial translation of the Swedish original

REMUNERATION REPORT FOR FABEGE AB'S ANNUAL GENERAL MEETING 2025

Background

This report describes how the principles of remuneration for senior executives of Fabege AB, as resolved by the 2024 Annual General Meeting, were applied during 2024. The report also contains information about remuneration paid to the CEO and a summary of the Company's incentive program. The report has been prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board's *Rules on remuneration to senior executives and on incentive programmes*.

The work of the Remuneration Committee

In 2024, the members of the Remuneration Committee were Jan Litborn (Chairman), Mattias Johansson and Lennart Mauritzson. Two meetings were held during the year. The minutes from the Remuneration Committee's meetings are distributed to all Board Members, and the Committee's chairman submits regular reports to the Board. The Remuneration Committee prepares material about remuneration issues ahead of decisions made by the Board.

Board fees

Fees paid to members of the Board of Directors are not covered by this report. Such fees are decided annually by the Annual General Meeting and are reported in Note 6 on page 112 of the 2024 Annual Report. In 2024, consulting services totalling SEK 1.4m were purchased from Born Advokater, a law firm at which Fabege's Chairman Jan Litborn is a partner. No other remuneration was paid to the members of the Board of Directors.

Development during 2024

The CEO summarizes the Company's overall results in his report on pages 5-7 of the 2024 Annual Report. Fabege reports a stable gross profit and slightly lower management profit due to negative results in associated companies. Property values stabilized and turned slightly upwards during the second half of the year. Net lettings were negative and the occupancy rate in the management portfolio decreased. Fabege continues to have a strong balance sheet with high solvency and a low loan-to-value ratio.

The Company's remuneration guidelines: area of application, purpose and deviations

A prerequisite for ensuring the successful implementation of the Company's business strategy and the safeguarding of its long-term interests, including its sustainability, is that the Company can recruit and retain highly-qualified personnel. This requires that the Company is able to offer competitive remuneration. The Company's guidelines make it possible to offer senior executives a competitive overall remuneration package.

According to the remuneration guidelines, remuneration for senior executives shall be in line with the market and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The variable cash remuneration shall be linked to financial or non-financial criteria. These can consist of individually-based quantitative or qualitative goals. The criteria shall be structured in such a way that they promote the Company's business strategy and long-term interests, including

its sustainability, for example by being clearly linked to the business strategy or promoting the executive's long-term development.

The complete guidelines are available on page 112-113 of the 2024 Annual Report. In 2024, the Company followed the applicable remuneration guidelines adopted by the Annual General Meeting. The auditor's opinion about the Company's compliance with the guidelines is available at www.fabege.se/bolagsstyrning. No remuneration has been reclaimed. Provisions have been allocated to the Company's profit-sharing foundation. No additional remuneration has been paid going beyond the remuneration defined in the remuneration guidelines. The Company has not made use of any share-related incentive programmes.

Remuneration paid in 2024

The variable remuneration based on the 2023 performance was paid in February 2024 and is included in the table below. The following criteria for variable remuneration applied in 2023:

| Target | Share | Criteria | Result | Result |
|---------------------------------|-------|---|--------------|---------------|
| Operational goals | 70% | Budgeted gross profit, MSEK 2 506 | 2 528 | 8,75% |
| | | Surplus ratio, 74 % | 75% | 8,75% |
| | | Profit before tax, SEK >10/share | Neg | - |
| | | Budgeted net letting, MSEK 113 | 165 | 8,75% |
| | | Gresb, index min 90 | 93 | 8,75% |
| | | Employee survey index GPTW, min 87 | 88 | 8,75% |
| | | Customer survey index NKI, min 80 | 81 | 8,75% |
| | | Energy consumption, max 72 kWh/sqm | 71 | 8,75% |
| Total return property portfolio | 10% | Top 2 of Fabege, Atrium Ljungberg, Castellum, Hufvudstaden, and Wihlborgs | Not achieved | - |
| Share price development | 10% | Exceed index OMX Stockholm Real Estate GI 1/1-31/12 | | 10% |
| Miscellaneous | 10% | Discretionary to be decided by the Board | Not achieved | - |
| Total | | | | 71,25% |

The targets for 2023 had a 71.25% achievement rate. Variable remuneration for 2023 was paid in the first quarter 2024 and is included in the table below.

Table 1: Total remuneration paid to senior executives in 2024 (000s of SEK)

| Senior executives | Fixed remuneration | Variable remuneration | Other benefits | Pension cost | Total remuneration | Percentage fixed / variable remuneration |
|--------------------------|--------------------|-----------------------|----------------|--------------|--------------------|--|
| CEO | 7 801 | 4 168 | 63 | 3 359 | 15 391 | 65/35 |
| Vice President | 3 288 | 1 731 | 131 | 646 | 5 796 | 66/34 |
| Other senior executives* | 11 024 | 3 535 | 552 | 3 365 | 18 476 | 76/24 |

*) The group management comprised 8 persons during the year.

Appendix M

In addition to remuneration paid according to the table above, a provision of SEK 28,600 per person has also been allocated (for all employees) to Fabege's profit-sharing foundation.

Further information about remuneration paid to senior executives is available in Note 6 (Employees and salary costs) on pages 112-113 of the 2024 Annual Report.

Table 2: Comparative information regarding changes in remuneration and the Company's earnings

| Changes in remuneration | 2024 vs 2023 | 2023 vs 2022 | 2022 vs 2021 | 2021 vs 2020 | 2020 vs 2019 |
|---|--------------|--------------|--------------|--------------|--------------|
| CEO* | +8% | -3% | +17% | +16% | +25% |
| Vice President | +7% | -7% | +18% | +1% | -8% |
| Other senior executives** | +4% | +6% | +17% | +8% | +10% |
| Profit/loss from property management | -8/ | +6% | -11% | +4% | -4% |
| Profit/loss before tax | Neg | neg | -56% | +68% | -43% |
| Average remuneration for other employees*** | +4% | -2% | +14% | +3% | -2% |

*) Joined the Company on 1 September 2019.

**) The group management was reduced with one person from January 2022 after an increase with three persons in January 2021. The change has been recalculated based on an unchanged number of people.

***) Based on the number of full-time equivalents

The following criteria for variable remuneration applied in 2024:

| Target | Share | Criteria | Result | Result |
|---------------------------------|-------|--|--------------|------------|
| Operational goals | 70% | Budgeted property management profit, MSEK 1 145 | 1 345 | 10% |
| | | Surplus ratio, 74 % | 75% | 10% |
| | | Profit before tax, SEK >10/share | Neg | - |
| | | Budgeted net letting, MSEK 100 | -108 | - |
| | | Gresb, index >91 | 95 | 10% |
| | | Employee survey index GPTW, >88 | 88.16 | 10% |
| | | Energy consumption, max 71 kWh/sqm | 70.16 | 10% |
| Total return property portfolio | 10% | Top 2 of Fabege, Atrium Ljungberg, Castellum, Hufvudstaden and Wihlborgs | Not achieved | - |
| Share price development | 10% | Exceed index OMX Stockholm Real Estate GI 1/1-31/12 | Not achieved | - |
| Miscellaneous | 10% | Discretionary to be decided by the Board | Not achieved | - |
| Total | | | | 50% |

The variable remuneration relating to 2024 will be paid in the first quarter of 2025 and is thus not included in the statement of remuneration paid in 2024.

Appendix M

Guidelines for remuneration of senior executives 2025

It is proposed to have the guidelines for the remuneration of company management remain unchanged. However, the guidelines have been changed as regards the criteria and targets applied for variable remuneration. The changes are included in the proposals regarding guidelines for remuneration of senior executives for the 2025 Annual General Meeting.

Stockholm, March 2025

Fabege AB (publ)

Board of Directors