

## Corporate Governance Report

Fabège has once again completed a year characterised by an uncertain world and a more cautious market. In previous years, the Board spent a lot of time on the issue of financing due to the high interest rates, but we can conclude that we managed to get through that period very well. Thanks to our strong finances and the improvement in interest rates, we were able to focus more on operational activities and profit from property management.



The Board has a good and close relationship with the management, working together actively to capitalise on the business opportunities we see and quickly adapt to new market conditions. During the year, we made a number of important long-term investment decisions based on our focus on long-term profitability. It is important that we maintain this focus so that we can create long-term value in the best possible way.

The working of the Board was good and we have a solid strategic plan that enables our new Board members to get up to speed quickly. Personally, I think it is a great advantage with owners that take active responsibility through their representation on the Nominating Committee, and we currently have very good members on the Board, with broad knowledge of the property sector. This has been of the utmost importance now that we have had a turbulent business environment and I am convinced that a transparent ownership structure is something that is favourable to the company's long-term development.

In addition to the focus on profit from property management, sustainability reporting pursuant to CSRD has also become even more important and during the year the Board prepared for the upcoming increase in responsibili-

ties. For example, when we evaluated the new audit firm, which was then selected at the 2024 AGM, knowledge of sustainability was an important criterion.

Finally, I would like to thank my other colleagues on the Board for their good cooperation over the past year and, on behalf of the Board, to thank the shareholders for their continued confidence in us. Fabège is well positioned and has a strong financial position from which it can continue to develop and create value for shareholders.

Solna, March 2025

Jan Litborn, Chair of the Board, Fabège

**“The Board has good and close cooperation with the management to actively pursue business opportunities together.”**

# Message from the Chairman

# Governance structure of the organisation

Responsibility for the governance, management and control of the business is shared among the shareholders at the Annual General Meeting, the Board of Directors and the Chief Executive Officer. Fabege works continuously to achieve more efficient and appropriate governance of the company.

## 1. Shareholders

Fabège's shares are listed on Nasdaq OMX Stockholm. The company's share capital is SEK 5,097m, represented by 330,783,144 shares. At year-end, the company held 16,206,048 treasury shares, corresponding to 4.89 per cent of the number of registered shares. All shares carry the same voting rights, which means that opportunities to exercise influence as an owner are consistent with each shareholder's capital share in the company. The following shareholders, directly or indirectly hold shares that represent one tenth or more of the votes for all shares in the company:

### Holdings, 31/12/2024

Percentage of votes, %	
16.7	Backahill AB
13.9	Geveran Trading Co.

Fabège's ownership structure is described on page 22 of the Annual Report.

## 2. Annual General Meeting

The AGM is the company's highest decision-making body. Shareholders who would like to participate in the business of the AGM must be registered in the transcript of the entire share register pertaining to the conditions prevailing

five working days prior to the AGM and notify the company of their intention, and that of no more than two advisors, to attend the Meeting no later than 4 pm on the day stipulated in the notice convening the AGM.

## 3. Nominating Committee

The Nominating Committee is the AGM's body for preparing decisions relating to appointments. The Committee's task is to draw up proposals for the appointment of the AGM chairperson, Chair of the Board and Board Members, Directors' fees, the appointment of auditors, auditors' fees and any amendments to the principles governing the election of the Nominating Committee. The proposal concerning Directors' fees must specify a breakdown between the Chairperson, other Board Members and representatives of the Audit Committee and Remuneration Committee. Shareholders wishing to submit proposals to the Nominating Committee can do so by emailing [ir@fabege.se](mailto:ir@fabege.se) or by sending a letter to Fabège AB.

## 4. Board of Directors

Under the Swedish Companies Act, the Board of Directors is responsible for the company's organisation and the administration of the company's affairs. The Board is required to continuously assess the performance management and financial situation of the company. Its main task is to manage the company's assets on behalf of the owners in a way that secures the owners' interest in obtaining

a strong long-term return on capital. Fabège's Board is to consist of at least four and no more than nine directors. Each year, the Board adopts rules of procedure, including instructions on division of work and reporting.

## 5. Auditing

Under the Swedish Companies Act, the company's auditor is required to examine the company's Annual Report and accounts as well as the management performed by the Board and the CEO. After the end of each financial year, the auditor is required to submit an audit report to the AGM. Auditors are appointed and remunerated based on AGM resolutions pursuant to proposals from the Nominating Committee. At the 2024 AGM, the auditing firm KPMG was appointed as the company's auditors with the authorised public accountant Mattias Johansson as Auditor-In-Charge for the period up to the 2025 AGM.

In addition to Fabège, Mattias Johansson has audit assignments for the following major companies: Corem, Nyfosa, Emilshus, Slättö and Skandia Fastigheter. Mattias Johansson has no other roles with companies that are closely related to Fabège's major owners or the CEO. In addition to its assignment as our appointed auditors, KPMG has performed audit-related assignments relating primarily to other auditing activities. Furthermore, KPMG conducts a limited assurance review to ensure our Sustainability Report is produced according to GRI Standards, and a statutory review of the Sustainability Report that also satisfies requirements stipulated in the Swedish Annual Accounts Act.

## 6. Audit Committee

The Board of Directors has established an Audit Committee consisting of three of the Board members, including the chairperson. The committee acts as an extension of the Board for the monitoring of issues relating to accounting, auditing, financial reporting and sustainability reporting. Its remit includes addressing issues relating to operational risks and risk management, internal control (environment,

design and implementation), accounting policies, financial follow-up and reporting, and the performance of audits. The Committee meets regularly with senior executives to discuss and form an opinion on the state of the company's essential processes from an internal control perspective. Board members review all interim reports. The year-end report, the Corporate Governance Report and the Directors' Report are discussed specifically at the Committee's meeting at the beginning of each year. The Committee meets regularly with the company's auditor to obtain information on the focus, scope and results of audit activities. It operates according to separate rules of procedure, which are reviewed and adopted annually by the Board. The Audit Committee meets the Code's requirements on composition and members' skills and experience in accounting and in other issues within the Committee's area of responsibility.

## 7. Remuneration Committee

The Board of Directors has established a remuneration committee consisting of three Board members, including the Chairperson. The Committee prepares information for decisions regarding remuneration matters for the CEO and company management. The Board of Directors makes decisions regarding remuneration based on proposals from the Remuneration Committee.

## 8. Chief Executive Officer

The Chief Executive Officer (CEO) is responsible for operational governance and for the day-to-day management and leadership of the business, in accordance with the guidelines, instructions and decisions adopted by the Board of Directors. In addition to the general provisions relating to division of responsibility contained in the Swedish Companies Act, the rules of procedure governing the work of the CEO specify:

- The CEO's duty and obligation to supply the Board of Directors with information and the necessary documentation on which to base decisions.

## Governance structure cont.

- The CEO's role of presenting reports at Board meetings.
- The CEO's duty and obligation to monitor compliance with the Board's decisions in respect of targets, business concept, strategic plans, the company's Code of Conduct and other guidelines, and, where necessary, to request a review of the same by the Board.
- Issues that must always be submitted to the Board, such as decisions regarding major acquisitions and sales or major investments in existing properties.
- The CEO's duty and obligation to ensure that Fabège fulfils its obligations in respect of disclosure, etc. under the company's listing agreement with Nasdaq Stockholm.

The rules of procedure also contain a separate reporting instruction, which governs the content and timing of reporting to the Board.

### Executive Management Team

The CEO directs the work of the Executive Management Team and reaches decisions in consultation with the other members of management. The Executive Management

Team jointly conducts the operational control and manages the business and engages in daily management in accordance with the Board's guidelines, instructions and resolutions. The key to success is having motivated employees. With the aim of creating the best conditions for its employees, the Executive Management Team is required to establish and gain endorsement for a clear framework and objectives for operations. The Executive Management Team must create the conditions for employees to achieve established objectives by:

- Clearly communicating the company's direction and objectives.
- Establishing an approach based on the company's collective expertise.
- Coaching, inspiring and creating job satisfaction and positive energy.
- Regularly reviewing and providing feedback on the established objectives.

The Executive Management Team consists of eight individuals; see pages 76–77. The Executive Management Team

holds weekly operational meetings and regular decision-making meetings. The meetings address strategic and operational matters such as property transactions, lettings, market trends, organisation and employees, as well as regular monitoring of performance, KPIs, forecasts, etc. The entire managers' team, which is made up of some 25 individuals, meets several times a year for discussions regarding such matters as the company's strategies and management issues.

Birger Bostad AB, which was acquired in October 2021, operates as an independent subsidiary with its own management and board. Fabège's CEO is Chair of the Board of Birger Bostad AB.

### 9. Operating segments

Operational activities are conducted in four business areas: Property Management, Property Development, Business Development/Transactions and Residential Development (via Birger Bostad). Fabège works with sustainable urban development, with a primary focus on commercial properties within a limited number of submarkets in prime locations in the Stockholm area. We create value by managing and improving our property portfolio and via value-adding transactions, including sales and acquisitions, to boost the potential of our property portfolio. Our approach of combined property clusters offers us extensive market knowledge and a firm foundation for effective property management and a high occupancy rate. Responsibility in the Property Management business area is shared between two managers: Director of Property Management and Director of Technical Operations. Each business area manager is a member of the Executive Management Team and has responsibility for operative control and follow-up.

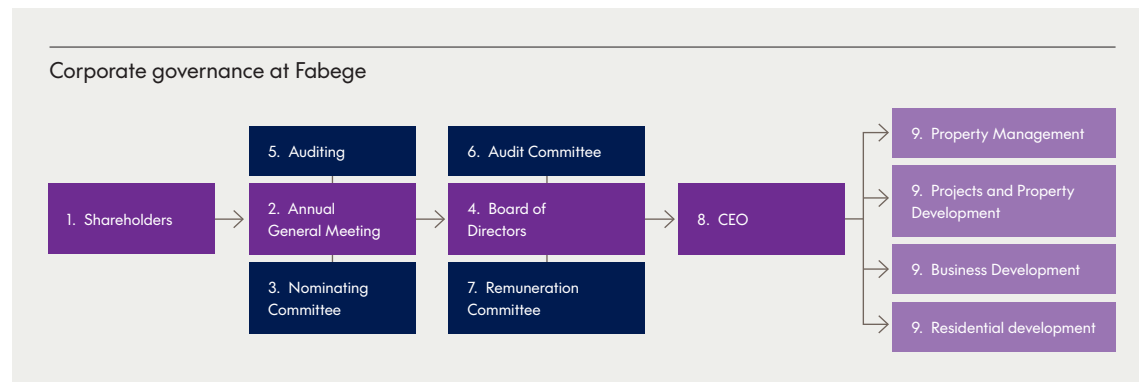
Birger Bostad AB develops housing with an emphasis on the Stockholm area. Residential production mainly relates to tenant-owner apartments, but also rental apartments to a lesser extent.

Business activities are goal-oriented at all levels. The goals are broken down, developed and established in the various business areas and at co-worker level. Performance measurements and reviews are conducted regularly.

### Management of sustainability work

Fabège's sustainability work is conducted as an integral part of all areas of the organisation. The Sustainability Department has overall responsibility for pursuing sustainability issues, and collaborates with the rest of the organisation in implementation and follow-up.

- The Board of Directors bears overall responsibility for the sustainability strategy and following up Fabège's work on sustainability.
- The Board has given the Audit Committee responsibility for monitoring the sustainability accounting and reporting, including future CSRD reporting.
- The CEO and the Executive Management Team bear overall responsibility for implementation of the sustainability strategy. Overall objectives are approved by the Executive Management Team and established at Board level.
- The Head of Sustainability coordinates and oversees sustainability issues and acts as spokesperson in external relations. The Head of Sustainability provides regular reports to the Executive Management Team and reports annually to the Board of Directors.
- Fabège's Sustainability Department pursues and develops sustainability work and works in an integrated way with the rest of the organisation. The sustainability team, under the supervision of the Head of Sustainability, proposes objectives and coordinates and follows up activities.
- Managers and individual employees implement the strategy and perform the activities approved.



# Policies and guidelines

Fabège's core values SPEAK (fast, informal, entrepreneurial, business-minded and customer-focused) and the Code of Conduct serve as guiding principles for the actions of all our employees. The Code of Conduct highlights Fabège's position on matters concerning human rights, working conditions, the environment, business ethics and communication.

The Board of Directors and the Executive Management Team have specific responsibility for ensuring compliance with the Code of Conduct. The content is revised and followed up annually by the Board of Directors and Executive Management Team.

All managers with personnel responsibility are charged with ensuring that employees are familiar with the Code of Conduct and follow it in their specific department/sphere of responsibility. A foundation for the Code of Conduct is that Fabège must comply with applicable laws and other regulations and adhere to generally acceptable business customs and practices, as well as international human rights, labour and environmental standards in accordance with the Global Compact's ten principles and the ILO's fundamental conventions on human rights at the workplace. Fabège supports the UN's Global Compact. The company complies with the Worker Codetermination Act and with collective bargaining agreements which regulate such matters as the minimum period of notice.

Policies and guidelines for communication, personnel and business support are decided on by the Executive Management Team, continually updated and made available to all Fabège's employees via an intranet. No-one at Fabège should be discriminated against on the basis of their sex, gender identity or expression, ethnicity, disability, religion or other belief, sexual orientation or age. No cases of discrimination were reported in 2024. The company's Ethics Council, which reports to the CEO and Executive Management Team, also serves as support in day-to-day work. The role of the Council is to direct the work, monitor relevant external issues and pursue specific ethical matters. The Council is made up of representatives from different departments at the company. Work has been underway for

a number of years to improve the organisation's knowledge in respect of business ethics and anti-corruption. Examples of activities include information and training on anti-corruption and bribery legislation, as well as ethical discussions in connection with the company's internal conferences.

Employees are continuously provided with information on matters that have been discussed in the sustainability group and the Ethics Council. Fabège will act with credibility on ethical issues and aims to intercept suspicions of any irregularities at an early stage, preferably through dialogue but also via anonymous reporting systems. For those who wish to remain anonymous, the company has a whistleblower service that can be accessed via the company's website, in which both the report and any subsequent dialogue are encrypted and password protected. Fabège's whistleblower function is compliant with the new whistleblowing directive that came into force on 17 December 2023, and the function is an important element in identifying any deviations from our values and Code of Conduct. No complaints were received via the channel during the year.

## Corporate governance at Fabège

Find out more about our corporate governance, rules of procedure and instructions at [fabege.se](https://fabege.se)

- Articles of Association
- Information from previous AGMs
- Prior years' Corporate Governance Reports
- Board's rules of procedure and instructions
- Code of Conduct
- Our core values, SPEAK



# Corporate governance 2024

## Annual General Meeting

The Annual General Meeting was held in Stockholm at Filmstaden Scandinavia, Westfield Mall of Scandinavia, on 9 April 2024. All shareholders were also given the opportunity to submit postal votes prior to the meeting. The Annual General Meeting could also be followed by webcast. The AGM was attended by shareholders holding a total of 164.7 million shares, corresponding to 52.4 per cent of the votes represented either in person or via postal voting. Jan Litborn was elected to chair the meeting. A full set of minutes from the AGM is available at [www.fabega.com/agm](http://www.fabega.com/agm) 2024.

The following are the principal resolutions adopted at the AGM:

### Election of Board Members and resolution on Directors' fees

The AGM resolved that the Board should consist of seven members and approved the re-election of Anette Asklin, Mattias Johansson, Märtha Josefsson, Jan Litborn and Lennart Mauritzson. Bent Oustad and Sofia Watt were elected as new members. Jan Litborn was elected as the Chairperson. The AGM resolved that a total of SEK 2,660 thousand (2,525) be paid in directors' fees in 2024.

### Dividends, cash

The dividend was set at SEK 1.80 per share, to be paid on four occasions in the amount of SEK 0.45 per share on each occasion. Furthermore, it was decided that the record dates for receiving the dividend would be 11 April 2024, 2 July 2024, 4 October 2024 and 13 January 2025 respectively, which means that payment was expected to be issued by Euroclear Sweden AB on 16 April 2024, 5 July 2024, 9 October 2024 and 13 January 2025.

### Principles for appointment of the Nominating Committee

The AGM adopted a set of principles for the appointment of the Nominating Committee and the proposals that the Nominating Committee is required to prepare. The Nominating Committee is to be appointed no later than six

months prior to the AGM and representatives of the four largest owners are to primarily be offered positions.

### Remuneration of management

Remuneration guidelines were adopted for company management, whereby variable remuneration may be payable at a maximum of nine months' salary. Senior executives who receive variable remuneration undertake to make a long-term investment (for a period of at least three years) of at least two-thirds of this variable salary component after tax in shares in the company. Variable remuneration is tied to a number of pre-established targets. The aim is to encourage participation and commitment by offering senior executives the opportunity to become shareholders in a more structured manner.

### Authorisation on share buybacks

The AGM resolved to authorise the Board, for a period ending no later than the next AGM, to acquire and transfer shares. Share buybacks are subject to a limit of 10 per cent of the total number of shares outstanding at any time. Transfers may occur of all treasury shares held by the company.

### AUDIT

The auditors reported their observations and simultaneously presented their views on the quality of internal control in Fabega at the Board meeting in February 2024. The auditors participated in, and presented reports at all four scheduled meetings of the Audit Committee. Regular reports were also presented to management throughout the year. A report was also presented on one occasion to the Board during the year without management being present. Fees paid to the company's auditors are detailed under Note 46 on page 121.

### NOMINATING COMMITTEE

In accordance with the AGM's resolution, the four largest shareholders were offered one seat each on our Nominat-

ing Committee, and on 23 October 2024, the Nominating Committee was announced.

### Composition of the Nominating Committee 2025<sup>1)</sup>

	Representative	Share of votes, %
Göran Hellström, Chairperson	Backahill AB	16.7
Havard Rønning	Geveran Trading Co.	13.9
Johannes Wingborg	Länsförsäkringar Fondförvaltning	2.7
Katarina Hammar	Nordeas fonder	2.4
<b>Total</b>		<b>37.7</b>

1) Percentage of votes 31/12/2024.

### Nominating Committee's proposals ahead of the 2025 AGM

The Nominating Committee proposes that the Board shall consist of seven ordinary members with no deputies. The Nominating Committee is of the opinion that the expertise and experience of Board members meets the requirements that may be imposed. The Nominating Committee proposes the re-election of Board members Anette Asklin, Mattias Johansson, Jan Litborn, Lennart Mauritzson, Bent Oustad and Sofia Watt, and the election of Tomas Eriksson. Märtha Josefsson has declined re-election. Furthermore, it is proposed that Jan Litborn be elected Chairperson of the Board. The Nominating Committee has also discussed the independence of the members of the Board. The proposal for the Board of Directors satisfies the relevant requirements regarding members' independence in relation to the company, company management and the company's major shareholders. KPMG is proposed as auditor, with Mattias Johansson as Auditor-In-Charge.

## BOARD OF DIRECTORS

### Composition of the Board, 2024

Seven Board Members were elected to the Board at the 2024 AGM. Jan Litborn was elected Chairperson of the Board. Fabega's Chief Financial Officer acts as the Board's secretary.

Our Board includes members that have skills and experience that are highly significant for the support, monitoring and control of the operations of a leading property company in Sweden.

The Board aims to retain members with expertise in areas such as property, the property market, funding, business development and sustainability and climate. Several of the Board Members have significant personal shareholdings in Fabega, directly or indirectly. Fabega's Board of Directors fulfils the requirements for independent directors specified in the Swedish Corporate Governance Code.

### The work of the Board in 2024

In 2024, the Board held a total of 15 Board meetings, including six scheduled meetings, one statutory meeting and eight meetings held by correspondence. There were several standing items on the agenda for the scheduled meetings, including financial and operational reporting, decisions on acquisitions, investments and divestments, strategic market and organisational issues and reporting by the Audit Committee and Remuneration Committee. Any significant ongoing projects are followed up at each scheduled meeting. During the year, the Board followed up a number of specific issues such as financing, ongoing and proposed project investments, transactions, monitoring the company's sustainability work and sustainability reporting, and updating the base prospectus for Fabega's MTN programme. The interim reports and year-end report are addressed by the Board at a Board meeting held on the date on which the report is released to the market.

In 2024, the Board resolved on investments relating to the development of properties in the existing portfolio, along with significant investments in existing properties.

## Corporate governance 2024 cont.

At the end of the year, an assessment was made of the Board, which showed that the Board was operating in a highly satisfactory manner. The Board is evaluated via a survey. Responses are summarised and discussed separately at a Board meeting. Time is also set aside for discussion at other meetings. The Board also carried out an annual evaluation of the CEO's performance, along with its annual review of the company's Code of Conduct, tax policy, diversity policy and finance policy.

The Board's expertise in relation to sustainability issues is continuously improving through its ongoing work. Critical issues are communicated to the Board as necessary. During the year, the Board examined the company's dual materiality analysis (DMA) and gap analysis ahead of forthcoming CSRD reporting, which is dependant upon the result of the EU commission's Omnibus proposal.

### The Board of Directors' diversity policy

Overall, the Board of Directors shall have a suitable range of skills and experience of the business to be able to carry out its activities, and in order to identify and comprehend the risks to which the business is exposed and the rules that regulate the business being conducted. When appointing new Board Members, the individual member's suitability shall be reviewed with the aim of achieving a Board composition with a range of skills that are sufficient for the purposeful control of the company. The Nominating Committee aims to ensure relevant expertise in the property sector, financing, etc., as well as an even gender balance. It is incumbent upon the Nominating Committee to take account of this policy, with the aim of achieving an appropriate composition of the Board with respect to the company's operations and general conditions. The Board has three women and four men and is regarded in other respects as being representative of a broad range of knowledge and valuable contact networks within relevant areas.

### Fees to the Board of Directors

Fees to the Board of Directors are paid according to a

decision made at the AGM, and for 2024 fees totalled SEK 2,660,000, of which the Chairperson received SEK 625,000 and other Board members SEK 265,000 each. In addition, fees in the amount of SEK 260,000 were paid for work conducted by the Board's Audit Committee, of which the chair of the committee received SEK 130,000 and two members SEK 65,000 each, as well as SEK 185,000 for work carried out by the Board's Remuneration Committee, of which the chair of the committee received SEK 85,000 and two members SEK 50,500 each.

### Remuneration of management

In accordance with the principles of compensation and other terms of employment for management adopted by the AGM, the Board made a decision on the remuneration and other terms of employment for the CEO.

During the year, the Board reviewed compliance with the principles of remuneration for senior executives. Remuneration and other benefits and terms of employment for the CEO and management are described under Note 6 on pages 112–113. The company's principles of remuneration and terms of employment, along with the Remuneration Committee's follow-up report, will also be presented at the 2025 AGM.

### AUDIT COMMITTEE

The Board has appointed an audit committee from among its own members, which in 2024 included Anette Asklin (chair), Sofia Watt and Jan Litborn. Four scheduled meetings were held in 2024, focusing on the company's system of internal control. During the year, the Audit Committee dealt with areas such as property valuation, financing, the project process and project monitoring including procurement, and internal control in key processes. In addition, the company's work on preparing for future CSRD reporting was monitored. The committee received and discussed the company's dual materiality analysis and subsequent gap analysis. The company's auditors submitted a report of their review during the year at the meetings. The minutes

## Board year 2024

In addition to the points described below, resolutions were adopted regarding aspects such as investments, fixed-interest periods etc. In all, 15 Board meetings were held during the year, including meetings held by correspondence.

<b>Q1</b>	<p><i>7 February</i> Scheduled meeting – year-end report, dividend proposal, etc.</p> <p><i>8 March</i> By correspondence – Annual Report 2023.</p>	<b>Q3</b>	<p><i>5 July</i> By correspondence – Q2 Interim Report.</p> <p><i>12 September</i> Scheduled meeting.</p>
<b>Q2</b>	<p><i>9 April</i> Scheduled meeting, statutory meeting.</p> <p><i>25 April</i> By correspondence – Q1 Interim Report.</p> <p><i>28 May</i> Scheduled meeting – strategy day.</p>	<b>Q4</b>	<p><i>22 October</i> By correspondence – Q3 Interim Report.</p> <p><i>12 November</i> Scheduled meeting, risk analysis, sustainability follow-up</p> <p><i>18 December</i> Scheduled meeting, strategy plan and budget.</p>

from the Audit Committee's meetings were shared with all Board Members, and the Committee's chair submitted regular reports to the Board.

### REMUNERATION COMMITTEE

In 2024, the Remuneration Committee was made up of Jan Litborn (chair), Lennart Mauritzson and Mattias Johansson. The Remuneration Committee prepares material concerning remuneration issues ahead of decisions made by the Board. Two meetings were held during the year. The minutes from the Remuneration Committee's meetings were shared with all Board Members, and the Committee's chair submitted regular reports to the Board.

### COMPANY MANAGEMENT

In 2024, the Executive Management Team consisted of eight people. For the current composition of the Executive Management Team, see pages 76–77. The Executive Management Team has a fixed meeting time every week. Regular information is provided to the Board and employees, via meetings as well as via weekly newsletters and information published on Fabege's intranet. In the autumn the company also carried out its annual employee survey, which had a good response.

# Report on internal control in respect of financial reporting

Internal control is a process that is influenced by the Board of Directors, the Executive Management Team and the company's employees, and has been designed to provide reasonable assurance that the company's goals are being achieved in the following categories:

- That the company has an appropriate and efficient organisation for its business operations.
- That the company produces reliable financial statements.
- That the company complies with the relevant laws and regulations. The company applies the established COSO (Internal Control – Integrated Framework) framework in its work.

## Control environment

Fabège has a geographically well contained organisation and homogeneous operational activities, but its legal structure is complex. The business is capital-intensive and characterised by large monetary flows, including rental income, expenditure for project investments, acquisitions/sales of properties and financial expenses.

Ultimate responsibility for ensuring effective internal control and efficient risk management rests with the Board of Directors. To be able to perform its work in an appropriate and efficient manner, the Board has adopted rules of procedure. The Board's rules of procedure are aimed at ensuring a clear division of responsibility between the Board of Directors (including committees) and the CEO (and the Executive Management Team) with a view to achieving efficient risk management in the company's operations and in financial reporting. The rules of procedure are updated annually. In 2024, the Board performed its annual review and adopted rules of procedure for the Board, rules of procedure for the Audit Committee and the company's Code of Conduct. The Executive Management Team is responsible for designing and documenting, and for maintaining and testing, the systems/processes and

internal controls required to manage significant risks in the accounts and the company's day-to-day activities. The CEO and Executive Management Team, along with those individuals who by virtue of their roles in the company are in charge of each defined critical process, function or area, share operational responsibility for internal control. The company's financial reporting is governed by a set of policies and guidelines. For example, the company has policies regarding finance, the environment, gender equality, communication, insider dealing and tax management. There are also accounting policies and instructions for the closing of accounts, as well as for authorisation of payments and procurement of auditing services. The company's policies are continually reviewed and updated as required. All policies have been discussed and adopted by the Executive Management Team. Information concerning adopted policies has also been disseminated throughout the organisation. In addition, more detailed guidelines and instructions are reviewed and updated regularly. In March, Fabège issued its annual Communication on Progress Report to the UN Global Compact. Work on developing the company's sustainability reporting is conducted continuously. The Sustainability Report is presented in a separate section of this Annual Report, see pages 24–48 and 78–95.

## Risk assessment

Risks and critical processes, functions and areas are defined on the basis of the control environment, significant results and balance sheet items, as well as significant business processes. The following risk areas have been defined as critical for Fabège:

### *Risk area market and business transactions:*

- Rental income and property expenses: Processes for new lettings and renegotiations. Customer relations and customer satisfaction, changes in customer needs. Risk of increased vacancies and rental losses.
- Technical operations: Actual building, technical working environment, energy costs etc.

- Property development and projects: Planning process, project implementation, procurement/purchasing.
- Property values: Yield requirements, rent levels and vacancies.
- Transactions: acquisitions and sales.

### *Risk area financial:*

- Liquidity and refinancing risk.
- Interest rate risk.

### *Risk area environment and climate:*

- Pollution, environmental damage, climate change, climate emissions.

### *Risk area tax:*

- Tax legislation, sustainable tax management.

### *Risk area ethics, social sustainability*

- Fraud, bribery, working conditions.

### *Risk area employees:*

- Skills supply, dependence on key personnel.

### *Risk area communication and cybersecurity:*

- Information management, systems support and brand.

The Executive Management Team conducts an annual review and evaluation of risk areas, for the purpose of identifying and managing risks. This is done in consultation with the Board and the Audit Committee, for examination by the auditors. Fabège's internal processes and procedures provide support for the continuous management of risks.

### *Control activities*

Critical processes, functions and areas are described and documented in respect of division of responsibility, risks and controls. The necessary instructions, procedures and manuals are produced, updated and communicated to the relevant staff to ensure that they have up-to-date knowl-

edge and adequate tools. The measures are aimed at incorporating risk management into the company's day-to-day procedures. Compliance with policies, guidelines and instructions is monitored on an ongoing basis. Employees are given regular training, or as needed, to ensure they have the required expertise. All critical processes are reviewed regularly and in 2024, a selection of the company's critical processes was subject to special review. To supplement the external audit, the company also performed an internal assessment of compliance and controls in a selection of significant processes during 2024. A central controller function supports work on the follow-up of the Property Management and Projects operating units. The controller department is in charge of operational reporting. Operational reports are prepared monthly and quarterly based on a standardised reporting package.

Executives with operational responsibility comment on/approve the reports. Reviews and updates by executives with operational responsibility are made continuously throughout the year. Monitoring of outcomes is assessed against budgets and forecasts, which are updated twice a year. A central function prepares consolidated financial statements and other financial reports in close collaboration with the controller function, the operating units and the finance function. This work includes integrated control activities in the form of reconciliation with standalone systems/specifications of outcomes for income and expense items and balance sheet items. The company's operational reporting is developed and improved continuously in terms of both content and system support, as well as availability to executives with operational responsibility.

### *Information and communication*

Management is responsible for informing the staff concerned about their responsibility for maintaining effective internal control. Employees are kept informed about governing policies and guidelines and how the business is performing via an intranet, information briefings and regular newsletters.

## Report on internal control in respect of financial reporting cont.

The CEO and Vice President/CFO, along with the Head of Investor Relations, are responsible for external financial communication. Investor Relations activities are based on principles for regular and accurate disclosure of information in accordance with Nasdaq Stockholm's Rule Book for Issuers. The aim is to improve knowledge of and build confidence in the business among investors, analysts and other stakeholders. Efforts to improve and further clarify the disclosure of information to the market are continually ongoing.

The Communication and Marketing Department is responsible for other external and internal information.

In October, an employee survey was carried out according to the Great Place To Work (GPTW) method. Fabege is certified in accordance with GPTW with a Trust Index of 88, which is unchanged compared with the previous year.

### Review

The internal control system needs to adjust and adapt to changing conditions over time. The aim is to ensure that this is continually monitored and addressed via management activities at various levels of the company, both through monitoring of the individuals responsible for each defined critical process, function and area and via regular evaluation of the internal control system. In addition to financial reporting to the Board, more detailed reports are prepared, at more frequent intervals, in support of the company's internal governance and control activities.

Management reports regularly to the Board based on the adopted instructions for financial reporting, which are designed to ensure that the information provided is relevant, adequate, up-to-date and appropriate. The Audit Committee, which acts as the extended arm of the Board in monitoring the formulation and reliability of financial reports, also reports to the Board. In addition to familiarising itself with the content of, and methods used in preparing financial reports, the Audit Committee has also studied the way in which the more detailed and frequent

internal reporting is used in evaluating and managing various areas of activity. The Committee also performs regular reviews and evaluations of internal control in respect of the company's critical processes. Furthermore, the Audit Committee monitors the preparations for future reporting under the CSRD.

It regularly studies the results of the external auditors' examinations of the company's accounts and internal controls. The auditors examine the company's financial reporting in respect of the full-year financial statements and carry out a limited assurance review of one quarterly report.

The Board regularly evaluates the information submitted by the Executive Management Team and the Audit Committee. Of particular significance is the Audit Committee's task of monitoring management's work on developing internal controls and of ensuring that measures are taken to address proposals and any shortcomings that have been identified in the course of examinations by the Board, the Audit Committee or the external auditors. The Board of Directors has informed itself through the Audit Committee of risk areas, risk management, financial reporting and internal control, sustainability reporting, and has discussed risks of errors in reporting with the external auditors.

In the course of its work on examining and evaluating internal control in respect of critical processes in 2024, the Audit Committee found no reason to alert the Board to any significant issues in respect of internal control or financial reporting.

### Internal auditing

To supplement the external auditing activities, Fabege is working to facilitate internal evaluations of critical processes. As a result of this work, and in view of the homogeneous and geographically limited nature of the company's activities and its organisational structure, the Board has not found reason to set up a separate internal audit unit. The Board believes the monitoring and examination



Fabège Executive Management Team.

described above, coupled with the external audits, are sufficient to ensure that effective internal control of financial reporting is maintained.



# Board of Directors



Jan Litborn

Chair of the Board since 2018 and member of the Board since 2017

Born: 1951

Other roles: Chairperson of the boards of Hedin Mobility Group AB and Arenabolaget i Solna AB. Member of the boards of Aimo Holding AB, Backahill AB, Consensus Asset Management AB, Revelop Management AB, Slättö Förvaltning AB and Wihlborgs Fastigheter AB

Education: LL. M. (lawyer) from Stockholm University, Stockholm School of Economics (no degree)

Shareholding: Personally and via companies 31,500<sup>1)</sup>

Independent in relation to the company and management: Yes

Independent in relation to major shareholders: No

Fee, SEK 000s: 775

Attendance Board meetings: 15 (15)

Attendance Audit Committee: 4 (4)

Attendance Remuneration Committee: 2 (2)



Anette Asklin

Board member since 2016

Born: 1961

Other roles: Chair of the boards of Aranäs AB, Elof Hansson Holding AB and Jernhusen AB. Member of the Board of Genova Property Group AB and Fondstyrelsen at the University of Gothenburg

Education: MSc in Economics and Business

Shareholding: 2,000<sup>1)</sup>

Independent in relation to the company and management: Yes

Independent in relation to major shareholders: Yes

Fee, SEK 000s: 395

Attendance Board meetings: 15 (15)

Attendance Audit Committee: 4 (4)

Attendance Remuneration Committee: Not a member



Mattias Johansson

Board member since 2022

Born: 1973

Other roles: President and CEO Bravida Holding AB. Various board assignments within the Bravida Group

Education: MSc in Engineering

Shareholding: 2,000<sup>1)</sup>

Independent in relation to the company and management: Yes

Independent in relation to major shareholders: Yes

Fee, SEK 000s: 315

Attendance Board meetings: 15 (15)

Attendance Audit Committee: Not a member

Attendance Remuneration Committee: 2 (2)



Märtha Josefsson

Board Member since 2005

Born: 1947

Other roles: Member of the boards of Skandia Fonder AB and Investment AB Öresund

Education: BSc in Economics

Shareholding: With spouse 266,920<sup>1)</sup>

Independent in relation to the company and management: Yes

Independent in relation to major shareholders: Yes

Fee, SEK 000s: 265

Attendance Board meetings: 15 (15)

Attendance Audit Committee: 1 (1), member until the 2024 AGM

Attendance Remuneration Committee: Not a member

<sup>1)</sup> Shareholding at 05/03/2025.

## The Board cont.



### Lennart Mauritzson

Deputy Chair of the Board since 2022 and member of the Board since 2021

Born: 1967

Other roles: Chairperson of the Board of Catena Fastigheter AB. Member of the boards of Brinova AB, Rögle Marknads AB and Wihlborgs Fastigheter AB

Education: MSc in Economics and Business, and law

Shareholding: 2,500<sup>1)</sup>

Independent in relation to the company and management: Yes

Independent in relation to major shareholders: No

Fee, SEK 000s: 315

Attendance Board meetings: 15 (15)

Attendance Audit Committee: Not a member

Attendance Remuneration Committee: 2 (2)



### Bent Oustad

Board member since 2024

Born: 1972

Other roles: CEO Norwegian Property ASA and member of the boards of Nordr AS and Skistar AB.

Education: Master of Business Administration, Norwegian School of Economics

Shareholding: 0<sup>1)</sup>

Independent in relation to the company and management: Yes

Independent in relation to major shareholders: No

Fee, SEK 000s: 265

Attendance Board meetings: 11 (11) became member at the 2024 Annual General Meeting

Attendance Audit Committee: Not a member

Attendance Remuneration Committee: Not a member



### Sofia Watt

Board member since 2024

Born: 1975

Other roles: Chair of the Board of Catella AB.

Education: Master of Science in Engineering at the Royal Institute of Technology (KTH), Bachelor of Science in Engineering at Mid Sweden University.

Shareholding: 2,000<sup>1)</sup>

Independent in relation to the company and management: Yes

Independent in relation to major shareholders: yes

Fee, SEK 000s: 330

Attendance Board meetings: 11 (11) became member at the 2024 Annual General Meeting

Attendance Audit Committee: 3 (3) became member at the 2024 Annual General Meeting

Attendance Remuneration Committee: Not a member

### Auditor: Mattias Johansson

Authorised Public Accountant at KPMG AB

Born: 1973

Audit assignments for other major companies: Corem, Nyfosa, Emilshus, Slättö and Skandia Fastigheter.

<sup>1)</sup> Shareholding at 05/03/2025.

# Executive Management Team



**Stefan Dahlbo**  
President and CEO

Born: 1959

Employed by Fabege and in current position since 2019. Previously member of the Board of Fabege, 2003–2007

External roles: Member of the boards of Byggmästare Anders J Ahlström Holding AB (publ) and Sweden Green Building Council. Member of Nordstjärnan Kredit KB's executive committee

Previous positions: President & CEO Byggmästare Anders J Ahlström Holding AB, CEO & Deputy CEO Investment AB Öresund, CEO Hagströmer & Qviberg AB, Alfred Berg Group

Education: MSc in Economics and Business

Shareholding: Personally and via companies 140,000<sup>1)</sup>



**Åsa Bergström**  
Vice President and Chief Financial Officer

Born: 1964

Employed in 2007 and in current position since 2008

External roles: Member of the boards of NP3 Fastigheter AB and John Mattson Fastighetsföretagen AB.

Previous positions: Senior Manager at KPMG, CFO positions at several property companies, including Granit & Beton and Oskarsborg

Education: MSc in Economics and Business

Shareholding: 58,000<sup>1)</sup>



**Gunilla Cornell**  
Director of Human Resources

Born: 1969

Employed and in current position since 2011

External roles: No significant external roles

Previous positions: Management consultant for own company, business development consultant and project manager Tietoenator, controller NCR

Education: MSc in Economics and Business

Shareholding: 4,700<sup>1)</sup>



**Fred Grönwall**  
Director of Technical Operations

Born: 1981

Employed since 2021

External roles: Board member of Accessy Intr-essenter AB

Previous positions: Factory Manager Cementa AB Slitefabriken, Production Manager Cementa AB Slitefabriken and Degerhamnsfabriken, Process Operator Cementa AB Slitefabriken

Education: MSc in Engineering

Shareholding: 7,730<sup>1)</sup>



**Klas Holmgren**  
Director of Projects and Development

Born: 1970

Employed in 2001 and in current position since 2010

External roles: Vice Chair Byggherrarna

Previous positions: Platzer Bygg, Site Manager at Peab, Site Manager at Peab Bostad, JM Entreprenad

Education: Graduate engineer

Shareholding: 15,800<sup>1)</sup>

<sup>1)</sup> Shareholding at 05/03/2025.

## Executive Management Team cont.



**Mia Häggström**  
Head of Sustainability

Born: 1978

Employed in 2007 and in current position since 2016

External roles: No significant external roles

Previous positions: Environmental Administration of Sundsvall Municipality, Environmental Administration of Södertälje Municipality

Education: MSc in Environmental & Health Protection

Shareholding: 0<sup>1)</sup>



**Charlotta Liljefors Rosell**  
Director of Property Management

Born: 1963

Employed and in current position since 2014

External roles: No significant external roles

Previous positions: The Royal Swedish Institute of Technology, AP Fastigheter, various senior positions at Vasakronan and Head of Business Area Office at AMF Fastigheter

Education: MSc in Engineering – Surveying

Shareholding: 10,401<sup>1)</sup>



**Johan Zachrisson**  
Director of Business Development

Born: 1970

Employed since 2021

External roles: No significant external roles

Previous positions: FFNS/Sweco, Humlegården Fastigheter, DTZ/ Cushman & Wakefield.

Education: MSc in Engineering

Shareholding: 12,000<sup>1)</sup>

<sup>1)</sup> Shareholding at 05/03/2025.