

Guidelines for remuneration to the senior executives

These remuneration guidelines apply to the company's CEO and other members of the management. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual shareholders' meeting 2021. These guidelines do not apply to any remuneration decided or approved by the general meeting. It is noted that, since the members of the company's board of directors only receive remuneration resolved upon by the general meeting, these guidelines do not include the members of board of directors.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

In short, the company's business strategy is the following.

Stendörren Fastigheter is a real estate company that focuses on creating profitable growth in net asset value by managing, developing and acquiring properties and building rights within logistics, warehouse and light industry in Nordic growth regions. When commercially viable, we rezone such existing properties and thereby create residential building rights for further development and management, mainly in Greater Stockholm and the rest of the Mälardalen region. By offering our customers suitable facilities tailored to support their businesses, we create, through sustainable work, long-term relationships aimed at generating a high and risk adjusted return to our shareholders.

For further information regarding the company's business strategy, please see <https://www.stendorren.se/>.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability work, is that the company is able to recruit and retain qualified personnel. To achieve this, the company must be able to offer competitive remuneration. These guidelines enable the company to offer the senior executive management a competitive total remuneration.

Share-related incentive plans have previously been implemented in the company. Such plans have been resolved by the general meeting and are therefore excluded from these guidelines. For more information regarding previously implemented incentive plans, including the criteria which the outcome depends on, please see link www.stendorren.se/en/investors/governance/incentive-programs/. Any potential future share-related incentive plan will be resolved by the general meeting.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability work.

Types of remuneration, etc.

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The variable cash remuneration may amount to not more than 200 per cent of the fixed annual cash salary. The assessment of to what extent the criteria for awarding variable cash remuneration have been fulfilled shall be conducted annually and over a period of one year.

For the CEO, pension benefits, including health insurance (*Sw: sjukförsäkring*), shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

The pension benefits for other senior executives, including health insurance, shall be premium defined unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. Variable cash remuneration shall not qualify for pension benefits unless variable cash remuneration qualifies for pension benefits under mandatory collective agreement provisions. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

Other benefits may include, for example, life insurance, health insurance and company cars. Such benefits may amount to not more than 20 per cent of the fixed annual cash salary.

Termination of employment

The notice period may not exceed six months if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the CEO's fixed cash salary for two years and one year for other senior executives. The period of notice may not exceed six months when termination is made by the senior executive.

Criteria for awarding variable cash remuneration, etc.

The variable cash remuneration shall be linked to predetermined criteria which can be measurable financial and/or non-measurable non-financial. The criteria may be general and/or individualized quantitative or qualitative objectives that take into account, among other things, the internal controls within the company, budgetary controls, quality and timeliness of reporting, implementation of new and improved IT systems, the interaction between the various teams of the company as well as the development of leadership abilities of the various team leaders and the overall sustainability work of the company. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability work, by for example being clearly linked to the business strategy or promote the senior executive's long-term development. The board of directors shall have the possibility, under applicable law or contractual provisions, subject to the restrictions that may apply under law or contract, to in whole or in part reclaim variable remuneration paid on incorrect ground.

The remuneration committee is responsible for the evaluation of variable cash remuneration to the CEO. For variable cash remuneration to other senior executives, the remuneration committee together with the CEO is responsible for the evaluation. The remuneration committee then presents the proposed remuneration to the board of directors for resolution.

Salary and employment conditions for employees

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and

growth rate over time, in the remuneration committee's and the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The board of directors has established a remuneration committee. The committee's tasks include preparing the board of directors' decision to propose guidelines for senior executive remuneration. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the annual shareholders' meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the senior executive management, the application of the guidelines for senior executive remuneration as well as the current remuneration structures and compensation levels in the company. The members of the remuneration committee are independent of the company and its senior executives. The CEO and senior executives do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The board of directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability work, or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the board of directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Description of significant amendments to the guidelines

The remuneration committee and the board of directors have determined that it is suitable for the company that the senior executives may be evaluated on the basis of, and the variable remuneration may be linked to, non-financial qualitative criteria that are non-measurable. The above guidelines for remuneration have therefore been amended due to this.