

## **The Board of Directors' proposal for guidelines for remuneration to senior executives (item 12)**

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### **Guidelines for executive remuneration**

The Board of Directors of Karnov Group AB (publ), org.nr. 559016-9016, (the “**Company**”) proposes that the AGM resolves to approve the Board of Directors' proposal for guidelines for remuneration to senior executives. The guidelines encompass salary and other remuneration for the Company's CEO and other senior executives. The guidelines also encompass remuneration to Board members insofar as they receive remuneration in addition to Board fees for services relating to a position covered by these guidelines. The guidelines shall apply to remuneration agreed, and amendments to remuneration already agreed, after the adoption of the guidelines at the AGM 2025. These guidelines do not apply to any remuneration resolved by a general meeting.

For employments governed by rules other than Swedish, remuneration may be duly adjusted for compliance with mandatory rules or established local practice, considering, to the extent possible, the overall purpose of these guidelines.

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

A prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company can recruit and retain qualified personnel. To this end, it is necessary that the Company offers competitive remuneration. These guidelines enable the Company to offer the executive management a competitive total remuneration.

For information about the Company's business model and strategy, see the Company's website ([www.karnovgroup.com](http://www.karnovgroup.com)).

Long-term share-related incentive plans in the form of a share saving program have been implemented in the Company. Such programs are adopted by the general meeting and are therefore not covered by these guidelines. There are currently ongoing long-term share related incentive programs for senior executives and key employees in the group. For more information regarding these incentive plans, including the criteria which the outcome depends on, please see <https://www.karnovgroup.com/en/>.

### **Types of remuneration**

Remuneration and other terms and conditions of employment shall be adequate to enable the Company and the group to retain and recruit skilled senior executives at a reasonable cost. The remuneration to senior executives may consist of fixed remuneration, variable remuneration, pension, other benefits and severance payment, and it shall be based on principles of performance, competitiveness and fairness. The general meeting can also, irrespective of these guidelines, resolve on, among other things, share-related or share price-related remuneration.

#### *Fixed remuneration*

Each senior executive shall be offered a fixed remuneration in line with market conditions and based on the senior executive's responsibility, expertise and performance.

### *Variable remuneration*

Variable remuneration may comprise of annual variable cash remuneration and long-term variable pay in the form of cash. Variable remuneration shall be subject to the fulfilment of defined and measurable targets. 60 per cent of the variable remuneration is based on financial performance resolved by the Board of Directors based on the Company's financial targets and 40 per cent of the variable remuneration is based on individual performance activities resolved by Board of Directors to achieve the financial targets and the overall targets of the Company. This creates incentives to promote the Company's business strategy, long-term interests and sustainability.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration for the CEO may amount to not more than 100 per cent of the total fixed annual salary and the variable cash remuneration for the other senior executives may amount to not more than 75 per cent of the total fixed annual salary. Variable cash remuneration shall not qualify for pension benefits unless otherwise provided by mandatory collective agreement provisions.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other senior executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the Company.

Terms for variable remuneration shall be designed so that the Board of Directors, under exceptional financial conditions, may limit or omit to pay variable compensation if such a measure is deemed reasonable.

In special cases, agreements may be reached on remuneration of a non-recurring nature, provided that such remuneration does not exceed an amount corresponding to the individual's total fixed annual salary and maximum variable cash salary, and is not paid more than once per year and per individual.

The Board of Directors shall be authorized by law or contract, subject to any limitations that may result therefrom, to in whole or in part reclaim variable compensation paid on incorrect grounds (claw-back).

### *Pensions*

Agreements regarding pensions shall, whenever possible, be premium based and designed in accordance with the level and practice applicable in the country in which the senior executive is employed. Senior executives shall receive pension premiums of no more than 35 per cent of the total fixed annual salary.

### *Other benefits*

Other benefits, such as a company car, preventive care, health care and health insurance, may be paid in accordance with customary market terms. The other benefits shall amount to not more than 10 per cent of the total fixed annual salary.

### *Termination of employment*

Fixed remuneration during notice periods and severance payment, including payments for any restrictions on competition, shall in aggregate not exceed an amount equivalent to the fixed remuneration for 12 months for the CEO and no more than 12 months for other senior executives. No severance pay shall be paid in the case of termination by the employee.

### **Salary and employment conditions for employees**

In preparing the Board's proposal for these remuneration guidelines, salary and employment conditions for the Company's employees have considered by including information on the employees' total remuneration, the components of the remuneration and the increase and growth rate over time as part of the remuneration committee's and the Board of Directors' basis for decision when evaluating the reasonableness of the guidelines and the limitations that follow from them.

### **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 executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every four years and submit it to the AGM. 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 executive management, the application of the guidelines for remuneration to the senior executives 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 executive management. The CEO and other members of the executive management 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 derogation is necessary to serve the Company's long-term interests, including its sustainability, 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 material changes to the guidelines and how the views of shareholders have been taken into consideration**

The remuneration committee has evaluated the application of the guidelines for remuneration to senior executives in the Company that were adopted by the annual general meeting 2021 and the current remuneration structures and remuneration levels. The remuneration committee has also taken the shareholders' views on the guidelines, which were adopted by the annual general meeting 2021, into account in the preparation of its recommendation.

The remuneration committee and the Board of Directors have resolved to submit a proposal to the annual general meeting 2025 with essentially the same content as the guidelines resolved at the annual general meeting 2021, but with the adjustment that a claw-back provision has been introduced in the guidelines.

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Stockholm in April 2025

**Karnov Group AB (publ)**

*The Board of Directors*