

Notice to the annual general meeting in Bonava AB (publ)

Welcome to Bonava AB's (publ) ("**Bonava**") annual general meeting on Wednesday 10 April 2019 at 3 pm, at Bonnier Conference Center, Torsgatan 21 in Stockholm. Registration at the general meeting will open at 2 pm.

Participation

To be entitled to participate at the annual general meeting, a shareholder must:

- be listed in the shareholders' register maintained by Euroclear Sweden AB on Thursday, 4 April 2019,
- give notice of his/her/its intention to attend the general meeting no later than on Thursday, 4 April 2019, and inform about the number of advisors, if any, who will accompany the shareholder.

Shareholders whose shares are registered in the name of a trustee with a bank or a stock broker must, in order to be entitled to participate at the general meeting, register such shares temporarily in the shareholder's own name with Euroclear Sweden AB. Such registration must be completed on Thursday, 4 April 2019, and should be requested with the trustee well in advance of this date. Notice of intention to attend the general meeting can be made in writing by mail to the following address: Bonava AB, c/o Euroclear Sweden AB, P.O. Box 191, 101 23 Stockholm, Sweden or by telephone +46 8 402 92 26. Shareholders who are physical persons are also able to give notice at the company's website bonava.com. Name, personal identification number or corporate registration number, address, telephone number and registered shareholding as well as information about attorney and advisors (maximum two), if any, should be stated when notice is made. If participation is to be based on a power of attorney, such document must be evidenced in writing and be dated. If the power of attorney is issued by a legal entity, a certified copy of a certificate of registration or corresponding document for the legal entity shall be appended. If participation is to be based on a power of attorney, such a document and, where applicable, certificate of registration, should be submitted in connection with the notice of intention to attend the general meeting. Power of attorney forms are available on Bonava's website bonava.com and will be sent free of charge to those shareholders who so request and notify their postal address.

Proposed agenda

1. Opening of the meeting
2. Election of chairman of the meeting
3. Drawing up and approval of the voting list
4. Approval of the agenda
5. Election of two persons to check the minutes, in addition to the chairman
6. Determination of whether the meeting has been duly convened
7. Presentation of the annual report and the auditor's report and the consolidated financial statements and the auditors' report on the consolidated financial statements
8. The chairman of the board's report on the board work
9. Presentation by the CEO
10. Resolutions regarding:
 - A. the adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet,
 - B. allocation of profit or loss in accordance with the adopted balance sheet and the record date for any dividend, and

- C. the discharge from liability of the board members and the CEO
11. Determination of the number of members of the board elected by the meeting and auditors
 12. Determination of the remuneration payable to the board members elected by the meeting and auditors
 13. Election of the board, chairman of the board and audit firm or auditors
 14. Election of members to the nomination committee and chairman of the nomination committee
 15. Resolution regarding guidelines for remuneration to senior executives
 16. Resolution regarding amendments to the articles of association
 17. Resolutions regarding:
 - A. a long-term performance-based incentive plan, and
 - B. transfer of shares of series B in Bonava under the incentive plan
 18. Resolution regarding authorisation for the board of directors to resolve on execution of acquisition and transfer of shares of series B in Bonava
 19. Closing of the general meeting

Proposals

The nomination committee of Bonava, that for the annual general meeting 2019 consists of Tomas Billing (Nordstjernan AB, and chairman of the nomination committee), Tomas Risbecker (AMF - Försäkring och Fonder), Mats Gustafsson (Lannebo Fonder), and Carl Engström (adjunct member in his capacity as chairman of the board), submitted proposals in accordance with items 2 and 11-13 in the agenda.

Item 2:

The nomination committee proposes Carl Engström as chairman of the meeting.

Item 10 B:

The board of directors proposes that the earnings at the disposal of the annual general meeting, a total of SEK 6,326,843,075, are disposed as dividends to shareholders of SEK 559,627,957¹, equal to SEK 5.20 per share and that the remaining part is carried forward to a new account. The board of directors proposes that the proposed dividend shall be distributed in two installments. At the first installment, SEK 2.60 per share shall be distributed and at the second installment, SEK 2.60 per share shall be distributed.

The board of directors proposes that the record date for the first installment shall be Friday, 12 April 2019. Should the annual general meeting resolve in accordance with the proposal, a dividend of SEK 2.60 per share is expected to be distributed by Euroclear Sweden AB on Wednesday, 17 April 2019.

The board of directors proposes that the record date for the second installment shall be Friday, 11 October 2019. Should the annual general meeting resolve in accordance with the proposal, a dividend of SEK 2.60 per share is expected to be distributed by Euroclear Sweden AB on Wednesday, 16 October 2019.

Item 11:

The nomination committee proposes that the number of board members elected at the annual general meeting shall be seven (7) ordinary members and no deputy members.

¹ The total amount of the proposed dividend is calculated based on the number of outstanding shares as of 4 March 2019.

Further, the nomination committee proposes that the number of auditors shall be one (1) audit firm without a deputy auditor.

Item 12:

The nomination committee proposes that board fees excluding fees for committee work, for the period until the next annual general meeting, shall in total amount to SEK 2,500,000 (2,340,000), of which SEK 700,000 (630,000) shall be paid to the chairman and SEK 300,000 (285,000) to each other elected member, while remuneration for committee work is stated below.

In addition to ordinary board fees, the nomination committee proposes remuneration to the members of the audit committee with SEK 150,000 (unchanged) to the chairman and SEK 75,000 (unchanged) to the other members.

Further, it is proposed that fees to the auditors shall be paid according to approved invoice.

Item 13:

For the period until the end of the next annual general meeting, the nomination committee proposes re-election of the board members Viveca Ax:son Johnson, Carl Engström, Åsa Hedenberg, Samir Kamal, Mikael Norman, Frank Roseen and Anna Wallenberg. The nomination committee proposes election of Mikael Norman as chairman of the board for the period until the end of the next annual general meeting. Information about the proposed board members is available on the company's website, bonava.com.

The nomination committee proposes re-election of the audit firm PricewaterhouseCoopers AB (PwC). PwC has announced that Patrik Adolfson will continue as the auditor in charge if the annual general meeting elects PwC. The proposed auditor is in accordance with the audit committee's recommendation.

Item 14:

Shareholders representing more than 50% of the total amount of votes in the company proposes the following nomination committee for the annual general meeting 2020: Angela Langemar Olsson, Nordstjernan AB, Tomas Risbecker, AMF – Försäkring och Fonder, Caroline Forsberg, Lannebo Fonder, and the chairman of the board as an adjunct member. Angela Langemar Olsson is proposed to be the chairman of the nomination committee.

Item 15:

The board proposes the following guidelines for remuneration to senior executives shall be valid until the annual general meeting 2020. The guidelines encompass the CEO and other members of the company's executive management. The objective of the guidelines for remuneration to the company's executive management is to enable the company to offer a remuneration in line with market conditions that facilitates the recruitment and retention of the best possible competence within the company. The total remuneration package shall support the company's long-term strategy. The remuneration to the company's executive management comprises fixed salary, short-term variable remuneration, long-term performance-based incentive plan, pension and other benefits.

1. Fixed salary

When determining the fixed salary, the individual executive's areas of responsibility, experience and achieved results shall be taken into account. The fixed salary is to be revised either annually or every second year.

2. Short-term variable remuneration

The short-term variable remuneration shall have a maximum limitation and be related to the fixed salary, as well as the outcome in relation to established targets, of which financial targets account for the, by far, greatest proportion. The purpose of the variable remuneration is to motivate and reward value-adding activities that support the achievement of the company's long-term operational and financial targets.

The short-term variable remuneration for the CEO will have a maximum limitation at 50% of the fixed salary. For other members of the company's executive management, the short-term variable remuneration will have a maximum limitation at between 30 and 40% of the fixed salary. The variable short-term remuneration is to be revised annually.

3. Long-term variable remuneration

An additional part of the total compensation to the company's executive management is long-term incentive plans which are decided by the general meeting. At the company's general meetings in 2016, 2017 and 2018, it was decided to introduce three-year performance-based plans, featuring payment in shares. Participation in the plans require a personal investment in the company's shares, to be retained throughout the vesting period of each plan. The board of directors has proposed that the annual general meeting 2019, introduce another three-year performance-based plan, featuring payment in shares. This plan will also contain a requirement to make a personal investment in the company's shares.

4. Pensions and other benefits

As for pensions, Bonava offers premium-based solutions, which means that Bonava pays a premium, representing a specific portion of the employee's salary. Members of the company's executive management, employed in Sweden and who do not receive pension benefits pursuant to a collective agreement (ITP plan), are entitled to receive a maximum of 30% of the fixed annual salary in the form of an annual pension provision. Members of the company's executive management, who are employed in another country, are covered by pension solutions in accordance with local practices.

The retirement age of members of the company's executive management shall be 65 years.

The company provides other benefits to members of the company's executive management in accordance with local practices. The aggregate value of such benefits in relation to the total remuneration shall represent a limited value and correspond to customary terms on the market.

5. Periods of notice and severance pay

A member of the company's executive management who terminates his or her employment at the company's initiative is normally entitled to a nine-month period of notice combined with severance pay corresponding to nine months of

fixed salary. The company shall be entitled to make deductions from the severance pay for remuneration received from a new employer during the aforementioned nine-month period. In relation to the CEO and the CFO, a notice period of twelve months and severance pay corresponding to twelve months' fixed salary may be applied instead. The period of notice is normally six months if the employment is terminated at the initiative of the employee.

6. Exemptions

These guidelines may be deviated from by the board if there are specific circumstances in an individual case.

Item 16:

The board of directors proposes that the annual general meeting resolves on amendments to (i) article 10 in the articles of association so that confirmation that the official notice has been issued will not have to be announced in Svenska Dagbladet, (ii) article 12 in the articles of association so that the provision in clause 7 (c), which is irrelevant to the company, is removed, and (iii) article 14 in the articles of association so that the Swedish Central Securities Depositories and Financial Instrument Accounts Act (1998:1479) is named correctly. The articles 10, 12 and 14 of the articles of association will thereafter have the following wording:

§ 10 Official notice of general meeting of shareholders

Official notice convening a general meeting of shareholders is to be issued through an advertisement being placed in Post- och Inrikes Tidningar (Official Swedish Gazette) and on the Company's website. Confirmation that the Official notice has been issued will be announced in Dagens Nyheter.

§ 12 General meetings of shareholders

The annual general meeting is held every year within six months of the end of the financial year.

The following items of business shall be addressed at the annual general meeting:

1. Election of chairman of the Meeting.
2. Preparation and approval of the list of shareholders entitled to vote at the Meeting.
3. Approval of the agenda.
4. Election of two minute-checkers.
5. Determination of whether the Meeting has been duly convened.
6. Presentation of the annual report and the auditors' report and, where appropriate, the consolidated financial statements and the auditor's report on the consolidated financial statements.
7. Resolutions
 - (a) regarding the adoption of the income statement and the balance sheet, and the consolidated income statement and the consolidated balance sheet;
 - (b) regarding the disposition to be made of the Company's profits or losses as shown in the adopted balance sheet; and
 - (c) regarding the discharge of the members of the board of directors and of the CEO from personal liability.
8. Determination of the number of members of the board and the number of auditors and, where applicable, deputy auditors.

9. Determination of the fees to be paid to the members of the board and, where applicable, the auditors.
10. Election of members of the board and where applicable, auditors and, any deputy auditors.
11. Election of members of the Nomination Committee and of the chairman of the Nomination Committee.
12. Determination of the guidelines for remunerating senior executives.
13. Other business to be addressed by the Meeting in accordance with the Swedish Companies Act or the Articles of Association.

§ 14 Record day provision

The Company's shares shall be recorded in a CSD register pursuant to the Swedish Central Securities Depositories and Financial Instrument Accounts Act (1998:1479).

Shareholders or trustees who, on the record date, are entered in the shareholders' register and noted in a control register in accordance with Chapter 4 of the Swedish Central Securities Depositories and Financial Instrument Accounts Act (1998:1479) or those listed in a control account in accordance with Chapter 4, Section 18, paragraph 1, lines 6-8 of the aforementioned Act shall be deemed authorised to exercise the rights set out in Chapter 4, Section 39 of the Swedish Companies Act (2005:551).

Item 17:

The board of directors proposes that the annual general meeting resolves on a long-term performance-based incentive plan (LTIP 2019) for Bonava AB (publ) ("**Bonava**") and on transfer of shares of series B in Bonava in accordance with items A and B below. The structure of the plan is in all material respects consistent with Bonava's previous long-term performance-based incentive plans, but with performance criteria more focused on the total shareholder return. Participation in LTIP 2019 requires a personal investment in Bonava-shares and in addition, the maximal short-term variable compensation will be adjusted downwards with 5-15 percentage points, to the extent the participant's maximum short-term variable compensation has not already been adjusted downwards as a consequence of participation in LTIP 2016, LTIP 2017 or LTIP 2018.

A. LONG-TERM PERFORMANCE-BASED INCENTIVE PLAN

1.1 LTIP 2019 in brief

The primary reason for implementing a long-term performance-based incentive plan is to align the interests of the shareholders with the interests of the executive management and other key personnel to ensure maximum long-term value creation. The LTIP 2019 provides a long-term group-wide focus on value growth among the participants. The incentive plan is also considered to facilitate Bonava's recruitment and retention of executive management and other key personnel.

The LTIP 2019 comprises approximately 50 employees consisting of the executive management and certain key personnel. To participate in the LTIP 2019, a personal investment in Bonava-shares is required. Following the defined vesting period, the participants may, free of charge, be allocated shares of series B in Bonava provided that certain conditions are fulfilled. The participant shall remain employed within the Bonava group and the personal investment in Bonava-shares must have been continuously maintained during the same period of time. Further, allocation of shares of series B relates to the fulfilment of three performance targets, related to Bonava's average return

on capital employed (ROCE), the total shareholder return (TSR) on Bonava's shares of series B, i.e. change in share price plus dividends, and the total shareholder return on Bonava's shares of series B relative to a pre-defined peer group (relative TSR). "The maximum number of shares of series B in Bonava which may be allocated under the LTIP 2019 shall be limited to 228,552² which represents approximately 0.21% of all shares and approximately 0.10% of all votes. The board of directors intends to propose that future annual general meetings in Bonava adopts long-term incentive plans based on principles similar to those of the now proposed LTIP 2019.

1.2 Participants in LTIP 2019

The LTIP 2019 comprises approximately 50 employees consisting of members of the executive management and certain key personnel within the Bonava group, divided into four categories. The first category comprises Bonava's Chief Executive Officer (CEO), the second category comprises the CFO and the BU-managers, the third category comprises regional heads and the rest of the executive management, and the fourth category comprises employees who are responsible for certain functions in Bonava. New personnel that have been recruited but not yet commenced their employment with the Bonava group when the notification of participation in the plan has to take place, can be offered participation on the condition that their employment starts.

1.3 The personal investment and number of share rights

To participate in the LTIP 2019, the participant must invest in a personal shareholding in Bonava ("**Investment Shares**"), which shall be allocated to the LTIP 2019. The Investment Shares shall be acquired specifically for the LTIP 2019, or alternatively, for participants who fulfil Bonava's shareholding recommendation below, an existing shareholding that does not constitute investment shares in another ongoing LTIP may be used as Investment Shares.¹ The participant can invest a maximum of one month's salary (according to salary levels on 1 January 2019) before taxes in the LTIP 2019. The investment can be made at any of the following investment levels: 50 or 100 per cent of the maximum investment. For the CEO, each Investment Share entitles to six share rights, for the second category of participants, each Investment Share entitles to five share rights, for the third category, each Investment Share entitles to four share rights, and for the fourth category, each Investment Share entitles to three share rights.

Participants in Bonava's LTI programs are recommended to, by way of allocation of LTI shares and personal investments, over time accumulate and retain shares in Bonava to the extent that their respective shareholdings amount to a value corresponding to at least six (6) months' salary before taxes. For the CEO the recommendation is instead a shareholding corresponding to at least twelve (12) month's" salary before taxes.

1.4 Terms for the share rights

For the share rights the following conditions shall apply:

- The share rights are allocated free of charge a certain time after the annual general meeting.
- The share rights may not be transferred or pledged.
- Allocation of shares of series B in Bonava, if any, will normally take place within two weeks after the disclosure of Bonava's interim report for the third quarter of 2022. The right to receive shares of series B pursuant to the share rights requires that the participant has not sold any of the Investment Shares and, with some

² Subject to any recalculation.

limited exceptions, that the participant remains employed within the Bonava group until the publication of Bonava's interim report for the third quarter of 2022. Allocation also requires that Bonava fulfils the performance targets as described under the heading "*Performance targets*" below.

- In order to align the participants' interests with those of the shareholders, Bonava will compensate the participants if Bonava's dividends, viewed over the whole vesting period, exceed the level stipulated in the company's dividend policy. Dividend compensation is made in relation to the shares of series B that the participants receive.
- The maximum value that a participant can receive through allocation of shares of series B is limited to 400% of the share price (including any compensation that the participants receive for paid dividends). The share price shall then be calculated as the average last price paid for Bonava's share of series B on Nasdaq Stockholm during a period of twenty (20) trading days immediately following the annual general meeting.

1.5 Performance targets

The share rights are divided into Series 1, Series 2 and Series 3. The following applies to the share rights received by the participant; 30% shall be of Series 1, 35% shall be of Series 2, and 35% shall be of Series 3. Allocation of shares of series B based on the participants' holding of share rights shall be determined by to what extent the performance targets in each series are fulfilled.

Series 1 The performance target is related to Bonava's average return of capital employed (ROCE) during the period 2019-2021. The average ROCE of the financial years 2019-2021 is based on capital employed measured quarterly from and including the fourth quarter of 2018 through the fourth quarter of 2021. The minimum level for the performance target shall amount to a ROCE of 12% and the maximum level to a ROCE of 15%. Where the level of fulfilment is in line with the minimum level, allocation will be made corresponding to $\frac{1}{4}$ of the maximum allocation for the performance target. Where the level of fulfilment is between the minimum and the maximum level, allocation will be made on a linear basis.

Series 2 The performance target is related to the total shareholder return (TSR)³ on Bonava's shares of series B on Nasdaq Stockholm during a certain measurement period as set out below. The minimum level for the performance target shall amount to a TSR of 19.1% over three years (based on an annual TSR of 6%). The maximum level for the performance target shall amount to a TSR of 40.5% over three years (based on an annual TSR of 12%). Where the level of fulfilment is in line with the minimum level, allocation will be made corresponding to $\frac{1}{4}$ of the maximum allocation for the performance target. Where the level of fulfilment is between the minimum and the maximum level, allocation will be made on a linear basis.

Series 3 The performance target is related to a total shareholder return (TSR)⁴ on Bonava's shares of series B on Nasdaq Stockholm during a certain

³ Including returned dividends.

⁴ Including returned dividends.

measurement period as set out below, relative to a peer group of approximately 25 chosen companies within the residential development, building or building material sector, on markets where Bonava is active. The minimum level for the performance target shall amount to an annual TSR equal to the TSR of the median in the peer group (top 50%) and the maximum level to an annual TSR equal to the TSR of the premier quartile in the peer group (top 25%). Where the level of fulfilment is in line with the minimum level, allocation will be made corresponding to $\frac{1}{4}$ of the maximum allocation for the performance target. Where the level of fulfilment is between the minimum and the maximum level, allocation will be made on a linear basis.

The measurement period for measuring absolute TSR (Series 2) as well as relative TSR (Series 3) shall be calculated as follows. The starting value shall be the volume weighted average price on the company's shares of series B on Nasdaq Stockholm during the five (5) days of trading following the publication of Bonava's interim report for the second quarter of 2019 and the end value shall be the volume weighted average price on the company's shares of series B on Nasdaq Stockholm during the five (5) days of trading following the publication of Bonava's interim report for the second quarter of 2022.

1.6 Formulation and administration

The board of directors shall be responsible for the formulation and administration of the LTIP 2019, within the scope of terms and directions set out. The board of directors shall be entitled to make adjustments to fulfil specific regulations or market prerequisites in other jurisdictions. The board of directors shall be entitled to introduce an alternative long-term incentive plan for participants of LTIP 2019 employed in such countries where participation in LTIP 2019 is not appropriate. If material changes occur in the Bonava group or in its business environment, that would entail that the decided terms for allocation and the possibility to exercise the share rights in accordance with the LTIP 2019 no longer are appropriate, the board of directors shall be entitled to make other adjustments. Before finally determining allocation of shares of series B on the basis of the share rights, the board of directors shall assess whether the outcome of the LTIP 2019 is reasonable. This assessment is made in relation to Bonava's financial earnings and position, conditions on the stock market and other circumstances. If the board of directors assesses that the outcome is not reasonable, the board of directors shall reduce the number of shares of series B to be allocated.

1.7 Scope

The maximum number of shares of series B in Bonava which may be allocated under the LTIP 2019 shall be limited to 228,552⁵, which represents approximately 0.21% of all shares and approximately 0.10% of all votes in the company. The number of shares of series B included in the LTIP 2019 shall, in accordance with the detailed conditions that the board of directors stipulates, be subject to recalculation if Bonava implements a bonus issue, a reversed share split or a share split, a rights issue, compensation for divided or similar actions, taking into account customary practice for similar incentive plans.

⁵ Subject to any recalculation.

1.8 Hedging

The board of directors has considered two alternative hedging methods for the LTIP 2019; either a hedging arrangement (equity swap) with a bank securing delivery of shares of series B under the plan or transfer of shares of series B in Bonava to entitled participants in the LTIP 2019. The board of directors considers the latter alternative to be the main alternative. The board of directors has therefore proposed that the annual general meeting shall resolve on transfer of shares of series B in Bonava that are held by the company as well as to authorise the board of directors to execute acquisition of shares of series B in Bonava (see item B below and item 18 in the agenda). The board of directors also proposes that the board of directors shall have the right to execute transfer of shares of series B in Bonava, which are held by the company, on Nasdaq Stockholm to cover social security costs under the plan. Should the annual general meeting, however, not approve of the board of directors' proposal, the board of directors may enter into the hedging arrangement described above with a bank to secure the obligation of the company to deliver shares of series B under the plan. Such a hedging arrangement with a bank may also be used for the purpose to cover social security costs that accrue under the LTIP 2019.

1.9 Scope and costs under the plan

The share rights may not be pledged or transferred to others. Though, an estimated value for each share right may be calculated. The board of directors has estimated the average value of each share right to SEK 118.20. This estimate is based on the average closing price of Bonava's share of series B between 7-11 January 2019. Based on the assumption that all persons who have been offered participation in the plan participate, that they make the maximum investment and that there is a 100 per cent fulfilment of the three performance targets, the aggregate estimated cost of the share rights is approximately MSEK 27. The cost is equivalent to approximately 0.21% of the market capitalisation for Bonava based on the average closing price for Bonava's shares between 7-11 January 2019. Based on a constant share price during the program's term, a vesting period of three (3) years as well as some additional assumptions, the maximum cost of the LTIP 2019 including social security costs is estimated to amount to approximately MSEK 31.8, which on an annual basis corresponds to approximately 2.2 % of Bonava's total staff costs during the financial year 2018.

The costs are recognised as staff costs in the profit and loss account during the vesting period, in accordance with IFRS 2 Share-based Payment. Social security costs shall be charged to the profit and loss account in accordance with UFR 7 during the vesting period. The size of these costs will be calculated based on the Bonava share price development during the vesting period and allocation of the share rights.

1.10 Effects on important key ratios

In the event of full participation in the LTIP 2019, Bonava's staff costs may increase with a maximum of MSEK 10.6 annually (including social security costs) based on the assumptions above. On a pro-forma basis for 2018, these costs represent a negative effect on Bonava's operating margin of approximately 0.08% per units and a decrease of earnings per share of approximately SEK 0.09. However, the board of directors considers that the positive effects on Bonava's financial performance which are expected from an increased commitment, lock-in and shareholding by the participants as well as from the possibility to be allocated further shares under the program, outweighs the costs related to the LTIP 2019.

1.11 The preparation of the proposal

The LTIP 2019 has been processed at board meetings and prepared in accordance with the guidelines adopted to be applied in LTIP 2018. However, some changes have, been made to, inter alia, the detailed wording of the performance targets.'

1.12 Other incentive plans in Bonava

There are share-related incentive plans that has previously been implemented in Bonava, LTIP 2016, LTIP 2017 and LTIP 2018, see note 4 in Bonava's 2018 annual report, which is available at Bonava's website, bonava.com at the latest from 20 March 2019.

1.13 The proposal by the board of directors

Referring to the description above, the board of directors proposes that the annual general meeting resolves on the LTIP 2019.

1.14 Majority requirements

A resolution to introduce the LTIP 2019 in accordance with the board of directors' proposal is valid when supported by shareholders holding more than half of the votes cast at the annual general meeting.

B. TRANSFER OF SHARES OF SERIES B IN BONAVA UNDER THE INCENTIVE PLAN

The board of directors' proposal on a resolution to transfer shares of series B in Bonava as set out below, provides that the annual general meeting first has resolved on a long-term performance-based incentive plan (LTIP 2019) in accordance with item A above.

2.1 Transfer of shares of series B in Bonava to participants in the LTIP 2018

The board of directors proposes that the annual general meeting resolves to transfer shares of series B in the company in accordance with the following.

- Not more than 228,552 shares of series B in Bonava may be transferred (or the higher number of shares of series B due to recalculation as a result of a bonus issue, a reversed share split or a share split, rights issue, compensation for divided or similar actions).
- The shares of series B may be transferred to participants in the LTIP 2019 who under the terms for the LTIP 2019 are entitled to receive shares.
- Transfer of shares of series B shall be made at the time and according to the other terms pursuant to which participants in the LTIP 2019 are entitled to receive shares of series B.

The reason for deviating from the shareholders' preferential rights is that the transfer of shares of series B is part of the execution of the LTIP 2019. Therefore, the board of directors considers the transfer of shares of series B in accordance with the proposal to benefit the company.

Item 18:

The board of directors proposes that the annual general meeting authorises the board of directors to, on one or several occasions for the period until the next annual general meeting, acquire a maximum number of shares of series B so that the company's holding following the acquisition does not exceed 10% of all the shares of series B in Bonava at

any time. Acquisitions shall be conducted on Nasdaq Stockholm and at a price per share of series B that is within the price range for the share price prevailing at any time (the so-called spread), i.e. the range between the highest ask price and the lowest bid price. In the event that the acquisitions are effected by a stock broker as assigned by the company, the share price may, however, correspond to the volume weighted average price during the time period within which the shares of series B were acquired, even if the volume weighted average price on the day of delivery to Bonava falls outside the price range. Payment for the shares of series B shall be made in cash.

Furthermore, the board of directors proposes that the annual general meeting authorises the board of directors to, on one or more occasions for the period until the next annual general meeting, resolve on the transfer of own shares of series B. The number of shares of series B transferred may not exceed the total number of shares of series B held by Bonava at any time. Transfers may be conducted on or outside Nasdaq Stockholm, including a right to resolve upon deviations from the shareholders' pre-emption right. The transfer of shares of series B on Nasdaq Stockholm shall be conducted at a price within the registered price range at the time of the transfer. The transfer of shares of series B outside Nasdaq Stockholm shall be made at a price in cash or value in property received that corresponds to the share price at the point in time of the transfer of the Bonava shares of series B that are transferred with the deviation, if any, that the Board deems appropriate in each case.

The purpose of the above authorisations regarding acquisition and transfer of own shares of series B is to enable financing of acquisitions of companies and businesses by payment with own shares of series B and to continuously be able to adjust the capital structure of Bonava and thereby create added value to the shareholders as well as to enable that costs (including costs for social security costs) delivery are secured in connection with the implementation of Bonava's incentive plan at any time.

Special majority requirements

A resolution by the general meeting in accordance with item 16 above is valid when supported by shareholders representing at least two thirds of both the votes cast and the shares represented at the general meeting. The same majority requirement applies to the resolution by the general meeting in regards to item 18 above, while a resolution by the general meeting in accordance with item 17 B above is valid only when supported by shareholders representing at least nine tenths of both the votes cast and the shares represented at the general meeting.

Shareholders' right to request information

The shareholders are hereby reminded of their right to request information from the board of directors and the CEO at the general meeting in accordance with the Swedish Companies Act Chapter 7 Section 32.

Shares and votes

At the day of this notice the total number of shares in the company amounts to 108,435,822 shares, of which 13,108,650 are shares of series A and 95,327,172 are shares of series B. Each share of series A represents ten (10) votes and each share of series B represents one (1) vote. The total number of votes in the company amounts to 226,413,672 votes at the day of this notice. The company owns 851,061 own shares of series B at the day of publication of this notice, corresponding to 851,061 votes, which cannot be represented at the meeting.

Processing of personal data

All processing of personal data in connection with the general meeting is conducted by Bonava and Euroclear Sweden AB in accordance with the following GDPR policy: <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Documentation

The board of directors' and nomination committee's complete proposals and other documents that shall be made available under the Swedish Companies Act and the Swedish Code of Corporate Governance, will be made available at the company's office at Lindhagensgatan 72 in Stockholm and on the company's website bonava.com no later than three weeks before the general meeting and will also be distributed to shareholders who have requested it and have stated their postal address.

Stockholm in March 2019
Bonava AB (publ)
The Board of Directors