

**The board of directors' of Sinch AB (publ)  
complete proposals for the annual general  
meeting 2023  
(items 8 b), 13 and 15)**

**Resolution on appropriation of the Company's profit or loss according to the adopted balance sheet (item 8 b)**

The board of directors proposes that no dividend is paid for the financial year 2022.

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Stockholm in April 2023

**Sinch AB (publ)**

*The board of directors*

**Resolution on guidelines for compensation to senior executives (item 13)**

The board of directors proposes the following guidelines for compensation to senior executives. These guidelines do not apply to any remuneration resolved on or approved by a general meeting and constitute a framework under which remuneration to senior executives may be decided by the board of directors. The previous guidelines were approved by the annual general meeting in 2022.

The reasons for the proposed changes are harmonization due to previous acquisitions and market conditions in various geographies in which the Company has significant operations, including the recent recruitment of a new CEO based in the United States. In summary, the proposed changes are:

- To adjust the short-term variable pay to not exceed 50 per cent of the fixed base pay (30 per cent in 2022).
- To introduce a special compensation to allow extraordinary incentives when hiring new and retaining existing members of the senior executives' team (see definition below).
- To adjust other benefits to not exceed 10 per cent of the fixed base pay (6 per cent in 2022).
- To adjust notice period and severance pay period for the CEO to not exceed 6 months' notice and 12 months' severance.

The Company has not received any comments on the guidelines from any shareholders.

For the purposes of these guidelines, the members of the senior executives' team consists of board members of the Company who are employed by group, the CEO, the deputy CEO (if applicable) and other members of the senior executives' team who report to the CEO. The senior executives' team currently comprises 12 senior executives, including the CEO.

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 is able to recruit and retain qualified personnel. Compensation to the CEO and other senior executives must therefore reflect Sinch's need to recruit and motivate qualified employees by means of compensation packages perceived as fair and competitive. The board of directors is empowered to depart from the below guidelines if in a specific case there is a special cause for the deviation and a deviation is necessary to serve the Company's long-term interests, including sustainability, or to ensure the Company's financial viability.

In the preparation of the board of directors' proposal for these guidelines for compensation to the CEO and other senior executives, salary and employment conditions for employees of the Company have been taken into account by including information on the employees' total remuneration, the components of the remuneration and increase and growth rate over time, in the board of directors' basis for its decision.

Compensation consists of the following components:

- Fixed base pay
- Short- and long-term variable pay
- Special compensation
- Pension benefits
- Other benefits
- Pay during period of notice of termination or resignation

***Market based compensation***

The Company has acquired high quality benchmark data from third party sources to secure that compensation to the CEO and other senior executives reflects what is offered to executives in comparable positions in other companies. Market rate is also secured through recruitment processes, in the cases where executives are recruited externally.

***Fixed base pay***

The fixed base pay must be market based and reflect the employee's position, qualifications, experience and individual performance.

***Short-term variable pay***

Short-term variable pay shall be measured against predefined financial performance targets. Non-financial objectives may also be used to sharpen focus on achieving the Company's strategic plans. Objectives shall be specific, clear, measurable, subject to deadlines and adopted by the board of directors. They shall further be designed to contribute to the Company's business strategy, long-term interests and sustainability. To which extent the criteria for awarding variable remuneration has been satisfied shall be evaluated/determined when the relevant measurement period has ended.

The board of directors has delegated the responsibility for the evaluation so far as it concerns variable remuneration to the CEO and other senior executives to the remuneration committee.

Levels and targets for variable pay are suggested annually by the CEO for other senior executives and approved by the board of directors. Levels and targets for the CEO are defined by the board of directors. Short-term variable pay may not exceed 50 per cent of the fixed base pay, as management compensation should be focused on long term incentives.

### ***Long-term variable pay***

Long-term variable pay may encompass share-related incentive programs. These guidelines do not apply to remuneration resolved on or approved by a general meeting. Accordingly, these guidelines do not apply to the Company's share-related incentive programs LTI 2018, LTI 2019, LTI 2020, LTI II 2020, LTI 2021, LTI II 2021, LTI 2022 and the proposed LTI 2023. Each year, the board of directors evaluates whether a long-term share-related incentive program should be proposed to the annual general meeting. The purpose of offering a share-related incentive program is to ensure that the interests of senior executives coincide with those of the Company's shareholders. Individual, long-term ownership among key individuals can be expected to stimulate keener interest in the business and its profitability, increase motivation, and enhance the sense of belonging with the Company and thereby contribute to the Company's business strategy, long-term interests and sustainability. Long-term share-related incentives also helps to retain current executives and attract new executives when recruiting.

### ***Special compensation***

Additional variable cash compensation may be offered to key employees who remain employed in connection with acquisitions of new companies, divestments of businesses, other transitional activity or who perform other extraordinary work endeavours. Such special compensation may not exceed 50 per cent of the contracted annual fixed base salary. Special compensation may only be awarded in special cases and shall not be included in any ordinary compensation system. Decisions regarding special compensation shall always be made by the board of directors.

### ***Pensions***

Pension benefits for the CEO and other senior executives must reflect customary market terms, compared with what generally applies to executives in comparable positions in other companies, and should normally be based upon defined contribution pension plans. Retirement occurs at the relevant/applicable retirement age. Pension benefits may not exceed 35 per cent of the fixed base pay unless higher contributions follow from a pension plan pursuant to an applicable collective bargaining agreement.

***Other benefits***

Other continuous employee benefits may, among other things, consist of health insurance and fitness/wellness programs. The costs for such benefits may not exceed 10 per cent of the fixed base pay.

***Notice periods and severance pay***

As a general rule, employment agreements entered into between the Company and senior executives shall be on an indefinite basis. If the Company terminates the CEO's employment, the period of notice shall be a maximum of six months. If the CEO resigns, the period of notice shall be six months. A period of notice applies between the Company and other senior executives of up to six months, whether the employee resigns or is terminated. In addition to compensation paid during the applicable period of notice, any severance pay after the applicable notice period shall not exceed an amount equivalent to the fixed base pay for 12 months for the CEO and 6 months for other senior executives. What is stated above constitutes a framework under which individual terms are to be resolved on by the board of directors.

***Compensation to founders of the Company***

Compensation to founders of the Company is subject to approval by the board of directors. Founders are excluded from the requirement of market-based pay, i.e. their compensation and benefits may be below market, as they are compensated through their ownership in the Company.

Compensation to founders of the Company consists of the following components:

- Fixed base pay
- Pension benefits
- Additional vacation entitlement
- Pay during period of notice of termination or resignation

If a founder is temporarily covering another management position, the founder will be compensated during this period with a base pay equal to the person in the management team with the lowest salary at the time, excluding other founders.

***Approval***

Changes in terms, conditions and compensation to the CEO is subject to approval from the chairman of the board of directors. Day to day costs such as travel expenses for the CEO are approved by the CFO, and quarterly summaries are sent to the chairman of the board of directors. New recruitments, salary changes and other significant changes for other senior executives than the CEO are subject to approval from the chairman of the board of directors, whereas minor adjustments, and day to day costs are approved by the CEO. Payout of fixed base pay is prepared by local payroll departments and are approved before payout by the local HR representative. Payout of short-term variable pay is subject to approval from the CEO as regards other senior executives and from the chairman of the board of directors as regards the CEO. Eligibility for share-related incentive program must be approved by the board of directors based on the proposal approved at a general meeting.

***Controls and decision-making process***

The Company has a remuneration committee which consists of two members of the board of directors. The chairman of the board of directors is also chairman of the remuneration committee.

The remuneration committee shall, in relation to the board of directors, have a preparatory function in respect of principles for remuneration, remuneration and other terms of employment regarding the senior executives.

Consequently, the remuneration committee shall prepare a proposal in respect of guidelines for compensation to senior executives, which it shall present to the board of directors. The proposal shall then be presented to and resolved upon by the annual general meeting. The remuneration committee shall also evaluate the application of the guidelines resolved upon by the annual general meeting.

The board of directors shall at least every fourth year or upon material changes to the guidelines make a proposal on guidelines to be resolved by the annual general meeting.

The guidelines shall be applied in relation to every commitment on compensation to senior executives and every change in such commitment, which is resolved after the annual general meeting at which the guidelines were adopted. Thus, the guidelines have no impact on pre-existing contractually binding commitments. Guidelines resolved upon may also be amended by way of a resolution by any other general meeting.

Further, the remuneration committee shall, within the scope of the guidelines resolved upon by the annual general meeting, prepare proposals regarding

remuneration to the CEO and other senior executives. The board of directors shall annually evaluate the CEO's performance.

Further, the remuneration committee shall observe and evaluate programs for variable compensation to the senior executives which are ongoing or finished during the year as well as the Company's current remuneration structure and remuneration levels.

Furthermore, the remuneration committee shall annually prepare a remuneration report regarding the compensation to the senior executives. The remuneration report shall be made available to the shareholders on the Company's website by the remuneration committee not later than three weeks prior to the annual general meeting. Within the scope and on the basis of the guidelines, the board of directors shall annually decide on the specific revised remuneration terms for each senior executive and make such other decisions on compensation to senior executives that may be required. The CEO or other senior executives shall not participate in the remuneration committee's and the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Compliance with guidelines is controlled annually through the following activities:

- Collection of documented annual targets for short-term variable pay
- Random samples of salary payout approvals
- Sample reports from payroll systems to identify any out of the ordinary payouts

The results of the controls are summarized and reported to the remuneration committee.

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Stockholm in April 2023

**Sinch AB (publ)**

*The board of directors*



**Resolution on authorization for the board of directors to resolve on new issues of shares (item 15)**

The board of directors proposes that the meeting authorizes the board of directors to, on one or several occasions, until the next annual general meeting, resolve on new issues of shares to be paid in cash, in kind or by way of set-off or otherwise on terms and conditions and that such new issue can be performed with deviation from the shareholders' preferential rights. The issues are to be performed on market terms, taking into account any discount on market terms. The reason for the authorization and the reason for the possible deviation from the shareholders' preferential rights is to enable capital raisings for the acquisition of companies, or parts of companies, and for the operations of the Company. The board of directors is entitled to resolve on share issues causing an increase of the Company's share capital of at most 10 per cent of the Company's registered share capital at the time the board of directors first utilizes the authorization.

***Majority requirements***

A resolution in accordance with this item 15 is valid only where it is supported by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the general meeting.

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Stockholm in April 2023

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*The board of directors*