

*Diös*

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ANNUAL GENERAL MEETING APRIL 26TH 2016



# ANNUAL GENERAL MEETING 2016

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Diös Fastigheter AB (publ) hereby gives notice to attend the Annual General Meeting in Östersund, Tuesday, April 26, 2016.

**Date:** Tuesday, April 26, 2016  
**Registration:** Starts at 12.15 p.m.  
**Light lunch:** Will be served between 11.30-12.30 p.m.  
**Annual general meeting:** Starts at 1.00 p.m.  
**Place:** Diös Fastigheter, headquarters, Fritzhemsgatan 1A, Frösön, Östersund, Sweden.

## **SHAREHOLDERS WHO WISH TO ATTEND THE MEETING SHALL;**

be recorded as a shareholder in the share register, kept by Euroclear Sweden AB, the Swedish Securities Registry, on Tuesday, April 20, 2016, and give notice of participation to the Company no later than on Tuesday, April 20, 2016, at 12.00 p.m.

Shareholders who have trustee-registered shares should request the bank or broker holding the shares to request temporary owner-registration, so-called voting-right registration, several bank-days prior to April 26, in order to be entitled to participate in the Meeting.

## **REPRESENTATION BY A PROXY**

If you want to be represented by a proxy or if you are a legal entity, please contact Andreas Höhling, attorney at law firm Glimstedt, +46 8 566 119 13 or +46 73 516 00 07.

# **AGENDA**

## *ANNUAL GENERAL MEETING – DIÖS FASTIGHETER AB*

- 1.** Opening of the Meeting
- 2.** Election of Chairman of the Meeting
- 3.** Verification of the voting list
- 4.** Approval of the agenda
- 5.** Election of one or two members to verify the minutes
- 6.** Determination of whether the Meeting has been duly convened
- 7.** Statement by the CEO
- 8.** Presentation of the Annual Report and the Auditors' Report together with the Consolidated Financial Statement and Consolidated Auditors' Report
- 9.** Resolutions concerning
  - a) the adoption of the Income Statement and Balance Sheet together with the Consolidated Income Statement and Consolidated Balance Sheet
  - b) the appropriation of the company's profit on the basis of the balance sheet adopted
  - c) discharge to the members of the Board and the Managing Director for their activities during the financial year
  - d) the record date, if the Annual General Meeting approves the profit distribution proposal
- 10.** Determination of the number of members of the Board and deputy Board members
- 11.** Approval of the Board of Directors' and the auditor's remuneration
- 12.** Election of Chairman and members of the Board
- 13.** Election of auditors
- 14.** Approval of policies for remuneration and terms of employment for the members of the management team
- 15.** Approval of policies regarding the composition of the Nominating Committee
- 16.** Resolution to authorise the Board of Directors to buy back and transfer shares of the company
- 17.** Resolution to authorise the Board of Directors to resolve on new share issues
- 18.** Other business
- 19.** Closing of the Annual General Meeting

## **RESOLUTIONS PROPOSED BY THE NOMINATING COMMITTEE.**

*ITEMS 2, 10, 11, 12, 13*

### **BACKGROUND**

The Nominating Committee of Diös Fastigheter AB has been formed of representatives of the four largest shareholders as at 30 September 2015, in accordance with the resolution adopted at the 2015 AGM of Diös. The Nominating Committee has consisted of Eva Gottfridsdotter-Nilsson (Länsförsäkringar Fondförvaltning), Bo Forsén (Backahill Inter AB), Jonas Bengtsson (Bengtssons Tidnings AB) and Bob Persson (AB Persson Invest). Bo Forsén has served as the Committee's chairman. At year-end 2014 the representatives of the four largest shareholders together represented around 43 per cent of the votes of Diös.

The Nominating Committee has been tasked with presenting proposals to the 2016 Annual General Meeting of Diös in respect of:

- the election of a chairman for the AGM
- the election of Board members
- the election of the Chairman of the Board
- Directors' fees
- the election of auditors
- auditors' fees
- the procedure for appointment of the Nominating Committee at the 2017 AGM

### **THE WORK OF THE NOMINATING COMMITTEE**

The Nominating Committee has held two minuted meetings and its members have been in regular contact with each other. As a basis for its work, the Nominating Committee has engaged in discussions with the members of the Board and auditor, and has held meetings with the Chairman. The Committee has been informed about the company's strategy, risk management and control functions among other issues. The Committee has also studied the Board's own evaluation.

After discussing the size and composition of the Board, the Nominating Committee proposes that the Board should consist of five regular members with no deputies. The Nominating Committee deems that the Board will be able to operate effectively and that it will meet the relevant skills and experience requirements.

The Nominating Committee proposes that Bob Persson be appointed Chairman of the Board and that the existing Board members Anders Bengtsson, Maud Olofsson, Ragnhild Backman and Svante Paulsson to be re-elected.

The Nominating Committee proposes that Bob Persson be appointed to chair the AGM.

## RESOLUTIONS PROPOSED BY THE NOMINATING COMMITTEE CONT.

The Nominating Committee has also discussed the independence of Board members and has established the following:

	Independent of the company	Independent of major owners
Bob Persson	Yes	No
Anders Bengtsson	Yes	No
Maud Olofsson	Yes	Yes
Ragnhild Backman	Yes	Yes
Svante Paulsson	Yes	No

The proposed Board composition thus meets the independence criteria for Board members defined by the Stockholm Stock Exchange and in the Corporate Governance Code. The Board also meets other applicable requirements.

As regards Directors' fees, the Nominating Committee proposes that fees in a total amount of SEK 725,000 (725,000) be paid to the Board of Directors, to be distributed as follows:

- SEK 185,000 (185,000) to the Chairman of the Board,
- SEK 135,000 (135,000) to each non-executive Board member

The Nominating Committee proposes that Deloitte AB be re-appointed as auditors for the company with Lars Helgesson as new chief auditor. The Committee also proposes that the AGM resolve to remunerate the auditors on the basis of approved invoices, as previously.

The Nominating Committee proposes that a new Nominating Committee for the 2017 Annual General Meeting be appointed in the same manner as for the present AGM, i.e. that the Committee be appointed no later than six months before the 2017 AGM and consist of representatives of the four largest shareholders based on the last known shareholdings at 31 August 2016.

In case a major shareholder abstains from participating in the work of the Nominating Committee this shareholder shall be replaced by a representative of the next largest shareholder.

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Östersund, March 2016

Diös Fastigheter AB (publ)  
Nominating Committee

## **RESOLUTIONS PROPOSED BY THE NOMINATING COMMITTEE CONT.**

*ITEMS 2, 10, 11, 12, 13*

### **THE NOMINATING COMMITTEE'S REASONED OPINION, TO BE PRESENTED TO THE 2016 ANNUAL GENERAL MEETING OF DIÖS FASTIGHETER AB**

On 26 October 2015 Diös announced that a new Nominating Committee had been formed, consisting of representatives of the four largest shareholders, in accordance with the resolution adopted at the 2015 AGM. The following persons were appointed to the Nominating Committee: Eva Gottfridsdotter-Nilsson (Länsförsäkringar Fondförvaltning), Bo Forsén (Backahill Inter AB), Jonas Bengtsson (Bengtssons Tidnings AB) and Bob Persson (AB Persson Invest). Bo Forsén has served as the Committee's chairman. At 31 December 2015 the four owner representatives together represented around 43 percent of the votes of Diös.

#### **REASONED OPINION CONCERNING THE NOMINATING COMMITTEE'S PROPOSAL FOR APPOINTMENT OF BOARD MEMBER**

The Nominating Committee of Diös Fastigheter AB (publ) presents the following reasons for its proposed appointment of Board members. The Nominating Committee considers that the current Board of Directors has operated effectively and that the Board would, as far as the Committee is able to judge, have a composition and pool of expertise which adequately meet the applicable requirements.

Having regard to the company's operations, financial position and other circumstances, the Committee deems that the proposed Board composition is appropriate in respect of meeting the requirements which arise from the company's operations. In this regard, the Nominating Committee has paid particular attention to the company's strategic development, governance and control, and the skills profile and Board composition criteria arising from these factors.

In view of the above, the Committee has proposed that Bob Persson be re-elected as Chairman of the Board, that the Board members Maud Olofsson, Ragnhild Backman, Anders Bengtsson and Svante Paulsson be re-elected.

The Nominating Committee has also discussed the independence of Board members. The proposed Board composition meets the applicable criteria for independence of Board members.

## **RESOLUTIONS PROPOSED BY THE NOMINATING COMMITTEE CONT.**

*ITEMS 2, 10, 11, 12, 13*

### **THE NOMINATING COMMITTEE'S REASONED OPINION, TO BE PRESENTED TO THE 2016 ANNUAL GENERAL MEETING OF DIÖS FASTIGHETER AB**

#### **SUMMARY OF THE NOMINATING COMMITTEE'S PROPOSAL**

The Nominating Committee propose the AGM 2016;

- To elect Bob Persson as Chairman for the AGM
- To appoint five regular Board members with no deputies
- To re-elect existing members Anders Bengtsson, Maud Olofsson, Ragnhild Backman, Bob Persson and Svante Paulsson
- To re-elect Bob Person as Chairman of the Board
- That Director's fees be paid to the Board of Directors in a total amount of SEK 725,000:
- SEK 185,000 to the Chairman of the Board,
- SEK 135,000 to each non-executive Board member
- To re-appoint Deloitte AB as auditors with Lars Helgesson as new chief auditor until AGM 2017
- Resolve to remunerate the auditors on the basis of approved invoices
- A new Nominating Committe for the 2016 AGM should be appointed in the same manner as for the present AGM

The full proposal is stated in the notice for the 2016 AGM. Detailed information on board members can be found on the Diös website.

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Östersund, March 2016

Diös Fastigheter AB (publ)  
Nominating Committee

## **RESOLUTIONS PROPOSED BY THE NOMINATING COMMITTEE CONT.**

### *ITEM 15*

#### **PRINCIPLES FOR APPOINTMENT OF THE NOMINATING COMMITTEE**

The Nominating Committee proposes that the following principles apply for the appointment of a Nominating Committee for the 2016 Annual General Meeting.

The Nominating Committee's duty shall be to present proposals on the following matters to be submitted for resolution by the AGM:

1. Proposed chairman for the Meeting
2. Proposal for remuneration of the Board of Directors and the auditor.
3. Proposed Board members
4. Proposed Chairman of the Board

The Nominating Committee shall be appointed annually and consist of the Chairman of the Board and one representative of each of the four largest shareholders of Diös Fastigheter AB. The Nominating Committee shall be convened by the Chairman of the Board. The Nominating Committee shall appoint a chairman from among its members, who may not be a member of the Board of Directors. The Managing Director and other members of the management team may not sit on the Nominating Committee.

The names of the persons who will form the Nominating Committee shall be published no later than six months before the AGM on the website of Diös Fastigheter AB. If a Committee member steps down from the Nominating Committee before its work has been concluded this member shall be replaced by a representative of the shareholder whose representative has stepped down. If this shareholder is no longer one of the four largest shareholders any new shareholder among the four largest shareholders shall be offered a place on the Nominating Committee.

If the application of the above principles results in a Nominating Committee consisting of less than three members a representative of the Swedish Shareholders' Association shall be offered a seat on the Committee.

The Nominating Committee's proposals are consistent with the resolutions adopted at the Annual General Meetings in 2006-2015 and have thus applied prior to the 2016 AGM.

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Östersund, March 2016  
Diös Fastigheter AB (publ)  
Nominating Committee

## **RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS**

### *ITEM 4*

#### **AGENDA**

1. Opening of the Meeting
2. Election of a Chairman for the Meeting
3. Establishment and approval of the register of shareholders
4. Approval of the agenda
5. Election of one or two members to verify the minutes
6. Determination of whether the meeting has been duly convened
7. Statement by the CEO
8. Presentation of the Annual Report and the Auditors' Report together with the Consolidated Financial Statement and Consolidated Auditors' Report
9. Resolutions concerning
  - a) the adoption of the Income Statement and Balance Sheet together with the Consolidated Income Statement and Consolidated Balance Sheet
  - b) the appropriation of the company's profit on the basis of the balance sheet adopted
  - c) discharge to the members of the Board and the Managing Director for their activities during the financial year
  - d) the record date, if the Annual General Meeting approves the profit distribution proposal
10. Determination of the number of members of the Board and deputy Board members
11. Approval of the Board of Directors' and the auditor's remuneration
12. Election of Chairman and members of the Board
13. Election of auditors
14. Approval of policies for remuneration and terms of employment for the members of the management team
15. Approval of policies regarding the composition of the Nominating Committee
16. Resolution to authorise the Board of Directors to buy back and transfer shares of the company
17. Resolution to authorise the Board of Directors to resolve on new share issues
18. Other business
19. Closing of the meeting

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Östersund, March 2016

Diös Fastigheter AB (publ)  
The Board of Directors

## RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS CONT.

### ITEMS 9 B AND 9 D

#### DIVIDEND AND RECORD DATE

The Board proposes that the Annual General Meeting declare a dividend of SEK 2.85 per share for 2015. The proposed record date for the dividend is 28 April 2016. If the AGM adopts the proposal it is expected that the cash dividend will be distributed by Euroclear Sweden AB on 3 May 2016.

The statement of the Board of Directors pursuant to Chapter 18, Section 4 of the Swedish Companies Act (2005:551).

#### THE PROPOSAL OF THE BOARD OF DIRECTORS

In its proposed allocation of profits the Board proposes that the shareholders attending the 2016 Annual General Meeting resolve to approve the payment by Diös Fastigheter AB of a dividend of SEK 2.85 per share in respect of the financial year 2015, resulting in a total payment of SEK 212,978,032.

#### DIÖS FASTIGHETER'S FINANCIAL POSITION

Diös Fastigheter's financial targets are:

- a return on equity which exceeds the risk-free rate by at least six percentage points (the risk-free rate is defined as the yield on five-year Swedish government bonds);
  - an equity/assets ratio of at least 25 per cent in the short term and at least 30 per cent over the longer term;
  - an interest coverage ratio of at least 1.8 times;
  - a loan-to-value ratio not exceeding 65 per cent.
- All of the company's financial targets for 2014 were achieved, except the long-term target for the equity/assets ratio.

Diös Fastigheter's consolidated equity/assets ratio is 27.4 per cent, as stated in the Annual Report. After the proposed dividend the consolidated equity/assets ratio would be 26.2 per cent. The Board expects that the equity/assets ratio will be restored through increased revenues in the property management business. The proposed dividend represents 5.8 per cent of consolidated equity and 21.0 per cent of

parent company equity. Diös Fastigheter's target equity/assets ratio will be achieved also after the proposed dividend. The properties have been measured at fair value in the Group in accordance with Chapter 4, Section 14a of the Swedish Annual Accounts Act and gains and losses have been recognised in the income statement. Amounts relating to unrealised gains and losses on financial instruments in the consolidated income statement for 2015 were SEK 64 million.

#### REASONED OPINION OF THE BOARD OF DIRECTORS

By reference to the aforesaid the Board of Directors considers that the proposed dividend payment is justifiable in view of the provisions set forth in Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act.

The nature and scope of the operations do not entail risks to a greater extent than what is normal in the industry.

Based on the Board's assessment of the parent company's and Group's financial position, the dividend is justifiable in view of the parent company and consolidated equity requirements arising from the nature, scope and risks of the operations and the consolidation needs, liquidity and position of the parent company and Group.

The Board does not expect that the proposed dividend will affect Diös Fastigheter AB's ability to meet its short-term and long-term obligations or to make necessary investments.

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Östersund, March 2016

Diös Fastigheter AB (publ)  
The Board of Directors

**RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS CONT.***ITEM 14***PRINCIPLES FOR REMUNERATION AND OTHER TERMS OF EMPLOYMENT FOR MANAGEMENT**

The 2015 Annual General Meeting approved the following guidelines for remuneration to senior executives.

Remuneration and benefits to the Managing Director are decided by the company's Board of Directors. Remuneration to other senior executives is decided by the Managing Director in consultation with the company's Board of Directors. Variable incentive compensation plans were introduced in 2012 for the company's Managing Director and senior executives, but there are no types of share-based compensation. Variable compensation is capped at one month's salary. The Managing Director is entitled to a company car and insurance and retirement benefits in accordance with the ITP scheme applicable during the period of employment. Individual investment options are available. Insurance and pension premiums are based on cash salary only. The retirement age for the Managing Director is 65 years. The period of

notice given by the company to the Managing Director is 12 months. The period of notice given by the Managing Director to the company is 4 months. Remuneration during a period of notice is deducted from income from another employer. Other senior executives are entitled to a company car. During the period of employment with the company, other executives are entitled to insurance and pension benefits in accordance with the ITP scheme applicable at the time. Individual investment options are available. Insurance and pension premiums are based on cash salary only. The retirement age for other senior executives is 65 years.

The contracts of other members of Group management are terminable by either party on three to six months' notice. Diös has a profit-sharing foundation for all its employees. Provision to the profit-sharing foundation is based on return on equity and is capped at SEK 30,000 per year per employee.

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Östersund, March 2016

Diös Fastigheter AB (publ)  
The Board of Directors

## **RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS CONT.**

### *ITEM 16*

#### **AUTHORISATION OF THE BOARD OF DIRECTORS TO BUY BACK AND TRANSFER SHARES OF THE COMPANY**

A. The Board of Directors proposes that the AGM resolve to authorise the Board to buy back shares of the company subject to the following terms and conditions:

1. Shares may be purchased on the Stockholm Stock Exchange.
2. Purchases may be made on one or several occasions during the period until the next Annual General Meeting.
3. The number of shares repurchased may not exceed such number as would cause the Group's total holding of treasury shares after the share buybacks to exceed ten (10) per cent of all outstanding shares of the company.
4. Shares may be purchased at a price per share which is within the registered spread at the time of purchase.
5. Repurchased shares of the company must be paid for in cash.

B. The Board of Directors proposes that the AGM resolve to authorise the Board to transfer shares of the company subject to the following terms and conditions:

1. Shares may be transferred on the Stockholm Stock Exchange or in another manner in disapplication of the pre-emption rights of existing shareholders.
2. Transfers of treasury shares may be made on one or several occasions during the period until the next Annual General Meeting.
3. A transfer of treasury shares may comprise all treasury shares held at the time of the Board's resolution.

4. Transfers of treasury shares on the Stockholm Stock Exchange must be made at a price per share that is within the spread registered at the time of transfer. Where shares are transferred in another manner the transfer shall be made at an estimated market value.

5. Payment for transferred shares must be made in cash, in kind or by offset of a claim on the company or in another manner subject to terms and conditions.

The purpose of the authorisations described in A and B above is to ensure that the company is able to continually adapt its capital requirements and thereby increase shareholder value, and to ensure that the company is able to transfer shares as payment for or to fund any future property or corporate acquisitions.

The statement of the Board of Directors pursuant to Chapter 19, Section 22 of the Swedish Companies Act (2005:551).

The Board of Directors proposes that the Annual General Meeting resolve to authorise the Board to acquire shares up to a maximum of ten (10) per cent of all outstanding shares of the company during the period until the next AGM. The company currently holds no treasury shares. The total number of issued shares is 74,729,134.

Based on the grounds described in the Board's statement pursuant to Chapter 18 Section 4 of the Companies Act concerning the proposed dividend, the Board considers that the proposed authorisation is justifiable with regard to the parameters specified in Chapter 17 Section 3 paragraphs two and three of the Companies Act (the precautionary principle).

## **RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS CONT.**

### *ITEM 16*

#### **AUTHORISATION OF THE BOARD OF DIRECTORS TO BUY BACK AND TRANSFER SHARES OF THE COMPANY**

Consequently, the Board is of the opinion that the proposed authorisation is justifiable with regard to:

1. the requirements imposed by the nature, scope and risks of the business (company and Group) on the size of equity, and
2. the company's and Group's consolidation requirements, liquidity and general position.

The Board also takes into consideration that it is incumbent on the Board, in the event that such authorisation is used, to present a new reasoned opinion on whether the share buyback effected in such circumstances is defensible in view of what is stated in Chapter 17, Section 3, paragraphs 2 and 3 of the Companies Act.

The proposal of the Board of Directors described in the present Item requires the approval of a majority of at least two thirds of both the votes cast and the shares represented at the AGM

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Östersund mars 2016

Diös Fastigheter AB (publ)  
Styrelsen

**RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS CONT.***ITEM 17***AUTHORISATION OF THE BOARD OF DIRECTORS TO RESOLVE ON NEW SHARE ISSUES**

The Board of Directors proposes that the Annual General Meeting resolve to authorise the Board as follows:

1. The Board is authorised, during the period up to the next Annual General Meeting, to decide, on one or several occasions, to issue new shares with or without pre-emption rights for existing shareholders.
2. The number of shares issued under the authorization may not exceed ten (10) percent of the company's share capital at the time of the Board's first decision to issue new shares under the authorisation.
3. Payment for new shares may be made in the form of a cash or non-cash consideration or in lieu of debt.
4. New shares may be subscribed for in disapplication of the pre-emption rights of existing shareholders. Existing shareholders' pre-emption rights may be disapplied for the purposes specified in Section 5 below.
5. The purpose of the authorisation is to enable property or corporate acquisitions in which payment is made in the form of shares of the company or, alternatively, to capitalise the company prior to such acquisitions. The issuance of shares under the authorisation must be made on market terms.
6. The Board of Directors, or a person appointed by the Board of Directors, shall have the right to make minor adjustments to the decision on authorisation that may prove to be necessary when registering with the Swedish Companies Registration Office.

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Östersund, March 2016

Diös Fastigheter AB (publ)  
The Board of Directors