RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS

ITEM 14

PRINCIPLES OF REMUNERATION AND OTHER TERMS OF EMPLOYMENT FOR COMPANY MANAGEMENT

The Board proposes the following guidelines for remuneration of senior executives.

Senior executives refer to the CEO and other members of the management team.

The guidelines are approved by the AGM and will apply to any agreements on remuneration and to changes made to already agreed remuneration, after the guidelines were adopted by the 2024 AGM. The Annual General Meeting may also decide on other remuneration, such as share price-related remuneration, regardless of the requirements of these guidelines.

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

Diös' business concept is to create inspiring cities through sustainable urban development – cities where people want to be, work, live and meet. Through strong relationships, a local presence and a responsible approach with a focus on sustainability, Diös develops commercial and residential properties in ten cities. Diös' goal is to use its unique position to create attractive places that create value for our tenants, our owners and for Diös.

To successfully implement its business strategy and safeguard its long-term interests, the company needs to be able to recruit and retain qualified employees. The remuneration offered to employees must be competitive and in line with market levels and reflect the employee's responsibilities and authority. Variable cash remuneration covered by these guidelines shall aim to promote the company's business strategy and long-term interests.

Remuneration, etc.

The total remuneration shall be market-based and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits.

The CEO is entitled to a company car and accommodation provided by the company as well as 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 age of retirement for the CEO is 65 years. Benefits, excluding pensions, may amount to a maximum of 20 per cent of fixed cash salary. The CEO's contract is terminable on 12 months' notice in case of termination by the company and on four months' notice in case of termination by the CEO. Remuneration during a period of notice is deducted from income from another employer.

Other senior executives are entitled to a company car as well as insurance and retirement 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. Benefits, excluding pensions, may amount to a maximum of 15 per cent of fixed cash salary. The contracts of other members of senior management are terminable by either party on three to six months' notice.

Diös has a profit-sharing foundation for all its employees. Transfers to the profit-sharing scheme are based on a combination of Diös results, required return and dividend for shareholders and shall be a maximum of SEK 30,000 per year per employee. All employees, including senior executives, receive benefits of minor value.

Variable short-term and long-term cash remuneration

In addition to a fixed cash salary, incentive schemes offering the possibility of variable cash compensation may be offered to the company's senior executives. The performance period for the criteria for the payment of variable cash remuneration shall be measurable over a period of one or more years.

The outcome of the incentive scheme must depend on the extent to which predefined goals have been achieved in the course of the company's operations, as well as goals tied to the share's development and sustainability objectives. The predefined goals must have a clear connection to the business strategy and Diös' long-term value-creating process, including its sustainability management activities. The short-term and long-term variable remuneration for a senior executive can amount to a maximum of four monthly salaries per year. For a share of the net outcome of variable cash remuneration, senior executives are encouraged to invest in Diös shares. Share-based payments are not permitted.

Consideration of employees' salaries and terms of employment

In preparing the Board's proposed guidelines on remuneration, account was taken of the salaries and terms of employment of the company's employees by using information on employees' total remuneration, the components of the remuneration and the increase and rate of increase in the remuneration over time as part of the Remuneration Committee's and Board's decision basis for evaluating the reasonableness of the guidelines and the limitations arising therefrom.

Decision-making process for determining, evaluating and applying the guidelines

The Board's resolution on proposed guidelines for remuneration of senior executives is prepared by the Remuneration Committee. Proposed new guidelines must be prepared by the Board at least every four years. The proposed guidelines are submitted to the AGM for adoption. Guidelines adopted at the AGM apply until new guidelines have been approved by the AGM. In the event that there is a need for significant changes to the guidelines, the Board is required to prepare new proposed guidelines.

The Remuneration Committee is further tasked with monitoring and evaluating variable remuneration schemes for management that are ongoing or completed during the year as well as current remuneration levels and remuneration structures in the company. The Remuneration Committee shall also, subject to the guidelines approved by the AGM, prepare proposals regarding remuneration of the CEO and other senior executives. Senior executives do not attend meetings at which the Board discusses and adopts resolutions on remuneration-related matters insofar as they themselves are affected by the matters discussed. Remuneration and benefits to the CEO are decided by the company's Board of Directors. Remuneration to other senior executives is decided by the CEO in consultation with the company's Board of Directors.

Information on previously decided remuneration

At the time of the 2024 Annual General Meeting, Diös has no remuneration commitments to senior executives that have not come due for payment, in addition to current commitments to senior executives, in accordance with the remuneration principles approved at the 2023 Annual General Meeting.

Any significant changes to the guidelines and how the shareholders' views have been taken into account.

The Board's proposed guidelines for remuneration prior to the 2024 Annual General Meeting are in line with the guidelines approved at the 2023 Annual General Meeting. No comments from shareholders regarding the guidelines have been notified to the company.

Östersund, March 2024

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The Board of Directors