

RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS

ITEM 14

PRINCIPLES FOR REMUNERATION AND OTHER TERMS OF EMPLOYMENT FOR MANAGEMENT

The Board of Directors proposes following guidelines for remuneration of Senior management. The guidelines are unchanged from previous year.

Senior management includes the CEO and other members of Executive management.

The guidelines are decided by the Annual General Meeting and shall apply to remuneration agreed upon and changes made to already agreed remuneration, after the guidelines have been adopted by the Annual General Meeting in 2022. In addition, the Annual General Meeting may decide on other remuneration, e.g. share price-related remuneration, regardless of what these guidelines provide.

Remuneration and benefits to the CEO will be 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.

Diös business strategy

Diös business concept is to create inspiring cities where people want to be, work, live and meet through sustainable urban development. Through good relationships, local presence and responsible behaviour with sustainability in focus, Diös develops both commercial and residential properties in ten cities. Through Diös unique position, the goal is to create attractive places that create value for our tenants, our owners and for Diös.

A successful implementation of Diös business strategy and the procurement of the company's long-term interests require that the company can recruit and retain qualified employees. Remuneration to employees shall be market-based and competitive and in relation to responsibilities and competences.

Remuneration etc.

In addition to base salary, variable incentive compensation plans may exist for the company's Senior executives. Base salary and variable incentives compensation plans shall be determined annually.

The outcome of the incentive program will depend on the extent to which pre-established goals have been met within the framework of the company's operations. The pre-set goals shall be clearly linked to the business strategy and Diös long-term value-adding work, including its sustainability work. Variable compensation for Senior executives is capped at three month's salaries. No share-based compensation occurs.

The CEO is entitled to a company car, apartment 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 CEO is 65 years. The period of notice given by the company to the CEO is 12 months. The period of notice given by the CEO 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 a combination of the profit, return on equity and dividend and is capped at SEK 30,000 per year per employee. All employees, including senior executives, receive benefits of small values.

Consideration of the salaries and conditions of employment of the company's employees

In preparing the Board's proposal for these remuneration guidelines, the remuneration and conditions of employment of the company's employees have been taken into account by the fact that information on employees' total remuneration, the components of remuneration and the increase and rate of remuneration over time have been part of the decision-making of the Remuneration Committee and the Board of Directors in evaluating the fairness of the guidelines and the limitations resulting from them.

The decision-making process for defining, evaluating and applying the guidelines

The Board's decision regarding draft guidelines for remuneration to senior executives is prepared by the Remuneration Committee. A proposal for new guidelines shall be drawn up by the Management Board at least every four years. The proposal is submitted to a resolution at the AGM. Guidelines adopted at the AGM are valid

until new guidelines are approved by the AGM. In the event of a need for substantial changes to the guidelines, the Management Board shall draw up a proposal for new guidelines.

The Remuneration Committee is tasked with further monitoring and evaluating ongoing and completed programs for variable remuneration for the company's management as well as current remuneration levels and remuneration structures in the company. The Remuneration Committee shall also, within the framework of guidelines adopted by the AGM, prepare proposals regarding remuneration to the President and other senior executives. Senior executives are not present at the Board's consideration of, and decisions on, remuneration-related matters, to the extent that they themselves are affected by the issues.

How shareholders' views have been taken into account

No comments regarding the guidelines have been communicated to the company by shareholders.

Information on previously decided benefits

At the time of the 2022 AGM, Diös did not have any remuneration commitments to senior executives that are not due, in addition to current commitments to senior executives, in accordance with the remuneration principles adopted at the 2021 AGM.

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The Board of Directors