

RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS

ITEM 15

REMUNERATION REPORT 2021

INTRODUCTION

This report describes how the guidelines on the Remuneration of Senior Management of Diös Fastigheter AB (publ), adopted at the 2021 Annual General Meeting, were applied in 2021. The report also contains information on the remuneration of the Chief Executive Officer. The report has been prepared in accordance with the Companies Act and the Swedish Corporate Governance Board's *Rules on Remuneration of the Board and Executive Management and on Incentive Programmes*.

Further information on remuneration of senior management is available in Note 5 (Employees, Staff costs and Directors' fees) on pages 91-92 of the 2021 Annual Report. Information about the work of the Remuneration Committee during 2021 is available in the Corporate Governance Report on pages 61-70 of the 2021 Annual Report.

Fees for the Board of Directors are not included in this report. Such fees are resolved upon annually by the Annual General Meeting and are reported in Note 5 on page 91-92 of the 2021 Annual Report.

DEVELOPMENTS IN 2021

A summary of the company's overall results and progress is presented on page 73 of the 2021 Annual Report.

COMPANY REMUNERATION GUIDELINES: AREAS OF APPLICATION, PURPOSE AND EXCEPTIONS

Recruitment and retention of qualified employees is a prerequisite for the successful implementation of the company's business strategy and the protection of its long-term interests, including its sustainability efforts. For this, the company needs to be able to provide competitive remuneration. The company's remuneration guidelines allow senior management to be offered a competitive total remuneration package. According to the remuneration guidelines, remuneration of senior management should be market-based and consist of the following elements: fixed cash salary, variable cash remuneration, pension benefits and other benefits. An incentive programme has been in place since 2012 allowing variable remuneration for the CEO and senior management. There is no share-related remuneration. The variable remuneration for the CEO and senior management must not exceed three month's salaries.

Guidelines are available on page 92 of the 2021 Annual Report. In 2021 the company has adhered to the remuneration guidelines adopted by the General Meeting of Shareholders. There have been no deviations from the guidelines and no exceptions have been made to the decision-making process that, according to the guidelines, must be followed for the setting of remuneration. The auditor's report on the company's compliance with the guidelines will be available at <https://investors.dios.se/English/corporate-governance/annual-general-meeting/default.aspx> no later than three weeks before the 2022 Annual General Meeting. No repayment of remuneration of senior management has been required from the company.

REMUNERATION OF THE CHIEF EXECUTIVE OFFICER

Table 1 - Total remuneration of the Chief Executive Officer (CEO) in 2021 (KSEK)*

Name of senior executive (Position)	Fixed remuneration		Variable remuneration		Extraordinary items	Pension benefits	Total remuneration	Proportion of fixed vs variable remuneration****
	Basic salary**	Other benefits ***	Annual	Long-term				
Knut Rost (CEO)	4 178	427	0	0	0	1 104	5 709	100/0

* With the exception of Long-term variable remuneration, the table reports on remuneration pertaining to 2021. Long-term variable remuneration is reported to the extent that it vested in 2021. This applies regardless of whether disbursements were made in the same year or not.

** Includes holiday pay of 77 KSEK

*** Housing allowance, car and fuel allowance and medical insurance

**** Pension expenses (column A) which fully pertain to Basic salary and defined contributions, has been entirely reported as fixed remuneration

COMPARATIVE INFORMATION REGARDING CHANGES IN REMUNERATION AND THE RESULTS OF THE COMPANY

Table 2 - Changes in remuneration and the results of the company during the last five reported financial years (VR) (KSEK)

	RR 2021	2021 vs 2020	2020 vs 2019	2019 vs 2018	2018 vs 2017	2017 vs 2016
Remuneration of the Chief Executive Officer	5 709	341 (6,3%)	378 (7,6%)	933 (23,0%)	310 (8,3%)	417 (12,5%)
Company's income from property management results	1 029 549	+72 205 (7,5%)	+5,716 (0,6%)	+58,668 (6,6%)	+72,061 (8,8%)	+282,087 (52,4%)
Average remuneration based on the number of full-time equivalent employees* in the parent company	528	+26 (5%)	+2 (-0%)	+26 (5%)	+8 (2%)	+55 (13%)

* Excluding members of the Company Management Team

Östersund, March 2022

Diös Fastigheter AB (publ)

The Board of Directors