


<b>Meeting Date:</b>	Thu, 28 Aug 2014 15:00pm	<b>Type:</b>	AGM	<b>Issue date:</b>	Wed, 13 Aug 2014
<b>Meeting Location:</b>	Hotell Courtyard by Marriott, Rålambshovsleden 50 in Stockholm				
<b>Current Indices:</b>	PIRC Global				
<b>Sector:</b>	Health Care Equipment				

	<b>PROPOSALS</b>	<b>ADVICE</b>
1	<b>Opening of the meeting</b> Non-voting agenda item.	<b>Non-Voting</b>
2	<b>Election of the Chairman of the meeting: Bertil Villard, Attorney at Law</b> Non-voting agenda item.	<b>Non-Voting</b>
3	<b>Preparation and approval of the list of shareholders entitles to vote at the meeting</b> Non-voting agenda item.	<b>Non-Voting</b>
4	<b>Approval of the agenda</b> Non-voting agenda item.	<b>Non-Voting</b>
5	<b>Election of one or two minutes-checkers</b> Non-voting agenda item.	<b>Non-Voting</b>
6	<b>Determination of whether the meeting has been duly convened</b> Non-voting agenda item.	<b>Non-Voting</b>
7	<b>Presentation of the Annual Report and the Auditors Report and the Consolidated accounts and the auditors report for the group</b> Non-voting agenda item.	<b>Non-Voting</b>
8	<b>Address by the President and Chief Executive Officer and Report on the Work of the Board of Directors and Committees of the Board of Directors by the Chairman of the Board</b> Non-voting agenda item.	<b>Non-Voting</b>
9	<b>Adopt the Balance Sheet and Income Statement and the Consolidated Balance Sheet and Consolidate Income Statement</b> Disclosure is acceptable and the report was made available sufficiently before the meeting. No serious governance concerns have been identified. The auditors have not qualified their opinion. Acceptable proposal.	<b>For</b>
10	<b>Approve the dividend</b> The Board proposes a dividend of SEK 2 per share, of which SEK 1.5 is the ordinary dividend and SEK 0.5 is the extraordinary dividend. Covered by earnings. Acceptable proposal.	<b>For</b>
11	<b>Discharge the Board, President and Chief Executive Officer</b> Standard proposal. In accordance with the Swedish Companies Act ch. 7 para. 11 Swedish companies offer the Board of Directors and President a discharge from liability for the financial year. No serious governance concerns have been identified. Acceptable proposal.	<b>For</b>
12	<b>Report on the work of the Nomination Committee</b> Non-voting agenda item.	<b>Non-Voting</b>
13	<b>Approve the number of board directors</b> The Nomination Committee proposes to set the number of Directors to be elected on the Board to eight Directors. This complies with the minimum requirement under Swedish Companies Act 8 Chap para. 46 of three Directors. Acceptable proposal.	<b>For</b>

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| <b>14</b> | <b>Approve fees payable to the Board of Directors and the Auditor</b><br>It is proposed to increase the fees payable to the board of directors to SEK 3.71 million in aggregate (2013: 3.55 million), for an aggregate increase of 4.5% from last year. Individual increase are also within this range: the Chairman's fees will pass from SEK 1 million to SEK 1.04 million (4%) and that of board members from SEK 425,000 to SEK 445,000 (4.7% increase). However, the fees to be paid for committee work are of concern for their increase is deemed excessive. In aggregate, committee members will receive SEK 660,000 in aggregate (2013: SEK 455,000, 45% increase), of which SEK 90,000 (2013: 70,000, 28%) shall be paid to the Chairman of the Remuneration Committee and SEK 50,000 (2013: SEK 35,000, 42.8%) to other committee member. As for the audit committee, the chairman will receive SEK 200,000 (2013: SEK 175,000, 14.2%) and members will receive SEK 110,000 (2013: SEK 70,000, 57%) to any other member of said committee. As for the auditors' fees, it is proposed that these are paid after invoice.<br><br>It is regrettable that the company has bundled the auditors and Directors remuneration in one resolution. The proposed remuneration for the directors is considered excessive. In addition, remuneration for the auditor raises concerns, as the compensation for consulting work (non-audit fees) over the past three years has equaled audit fees, whereas it is considered that non-audit fees should amount to up to 25% of audit fees per year and over the previous three years. On this basis, Triodos opposes this resolution. | <b>Oppose</b> |
| <b>15</b> | <b>Elect the Board of Director and Deputy Board members</b><br>The Nomination Committee proposes that each of Hans Barella, Luciano Cattani, Laurent Leksell, Siaou-Sze Lien, Tomas Puusepp, Wolfgang Reim, Jan Secher and Birgitta Stymne Göransson are re-elected to the Board, without deputy directors. There is sufficient independent representation on the Board. Acceptable proposal.  | <b>For</b>    |
| <b>16</b> | <b>Appoint the auditors</b><br>PricewaterhouseCoopers AB proposed. Non-audit fees were approximately 100% of audit fees during the year under review. Non-audit fees over a three year basis were approximately 100% of audit fees. This level of non-audit fees may create a potential for conflict of interest on the part of the independent auditor. Triodos opposes this resolution.  | <b>Oppose</b> |

**Approve guidelines for Remuneration to Executive Management****Abstain**

Shareholders are asked to approve the principles for remuneration to the executives in accordance with the Swedish Companies Act Chap 7 para. 61 and Chap 8 para. 51. Therefore, general concerns over executive remuneration have been considered. Total executive remuneration consists of: fixed salary, annual incentives, long term incentives, pension and other benefits as well as notice and severance payments.

Fixed salaries shall be individual and based on the content and responsibility of the role as well as the individual's competence and experience in relation to the role held.

Variable salary is between 30% and 60% of the fixed salary at target performance upon achievements of group financial performance goals and Key Performance Indicators. The variable salary is capped at a maximum of 160% of target and contains a minimum performance level under which no bonus will be paid out. However, this latter is set at 80%, which raises concerns over a payout disbursed also in case of missed target achievement. The annual bonus is measured and paid quarterly, which is contrary to best practice. It is considered that this practice misaligns executive interests and the interests of long term shareholders. An additional annual incentive may be granted for retention purposes, with a deferred payment by 12-24 months. This deferred incentive requires continued employment until an agreed future date for any payment to be made. This deferred bonus is capped at 50% of the normal annual incentive.

On an annual basis, the Board evaluates whether an equity-based long-term incentive program should be proposed to the AGM.

Non-monetary benefits are provided as well as retirement benefits which are offered in accordance with local market practice. Severance for the President and CEO is 18 months, which is in line with market practice of 24 months. Other senior executives have notice periods between 6 and 12 months.

The main concern with this policy regards the amount of variable remuneration. While the rate of the fixed component is deemed acceptable, the company has not disclosed quantified targets for its variable remuneration, which prevents shareholders from assessing whether said targets were achieved. Furthermore, the company also has several additional agreements with members of the executive management such as a guaranteed bonus, which is not considered acceptable. However, the company has drawn its remuneration benchmarks nearer to best practice, although the company does not fulfil it entirely. On this basis, Triodos abstains on this resolution.

18	<p><b>Approve new long term incentive plan</b></p> <p>The Board is proposing the creation of the 2014 Performance Share Program, which is substantially equal to the 2013 Program for the value included, although the disclosure has substantially decreased. The participants of the Performance Share Program 2013 shall be divided into five groups; the President and CEO, other members of the Group Management and three additional groups for other senior managers and key employees. For each group, the Board will determine a maximum value for the Performance Share Program 2014 per individual denominated in SEK 93.5 million. The maximum value for the President and CEO amounts to SEK 2,700,000 for other members of the Group Management to SEK 1,350,000 and for other senior managers and key employees not less than SEK 118,000 and not more than SEK 800,000 respectively. These values are substantially unchanged since 2013.</p> <p>The total number of shares that are covered by the Performance Share Program 2013 and outstanding incentive programs can in total however correspond to no more than 5% of the total number of outstanding shares. The number of shares that can be allotted is dependent on the degree of achievement two indicators, both financial and equally weighing: earnings before interest, taxes and amortizations on the one hand, business volume in local currency (sales and orders) on the other. These criteria are not considered to be challenging as can be influenced in the short term and from factors independent from the performance of key employees (such as potential acquisitions). In addition, their targets are not disclosed, which raises concerns of overpayment for under-performance. Although a minimum achievement is required for a minimum share allotment, said achievement is not disclosed.</p> <p>It is considered best practice for long-term incentive programs to use at least two performance criteria, including a comparative performance one, operating concurrently. Performance criteria are not considered to be challenging and there is no disclosure for targets or minimum achievement required for allotment. On this ground, Triodos opposes this resolution.</p>	Oppose
19a*	<p><b>Authorise Board of Directors to decide upon the acquisition of own shares</b></p> <p>Authority allow the Board to repurchase shares within legal boundaries. The repurchase is limited to 10% of share capital and will be in force until next AGM. The proposal is considered to be acceptable.</p>	For
19b*	<p><b>Authorise the Board of Directors to decide upon transfer of own shares</b></p> <p>The Board seeks authority to transfer of shares in the Company. The shares may only be transferred in conjunction with the financing of company acquisitions and other types of strategic investments and acquisitions. The transfers may not exceed the maximum number of treasury shares which is 10% of the share capital. The reason for the authorisation is to waive the shareholder's preferential rights. Triodos supports this resolution.</p>	For
19c*	<p><b>Approve transfer of own share in conjunction with the performance share plan</b></p> <p>The Board seeks approval to transfer a maximum of 1,139,600 series B shares in accordance with the Performance Share Plan 2014. This is considered to be an enabling resolution of resolution 18 and therefore Triodos opposes this resolution.</p>	Oppose
19d*	<p><b>Authorise the Board of Directors to decide upon transfer of own share in conjunction with the performance share plans 2011, 2012 and 2013.</b></p> <p>The Board proposes the the shareholders authorise the Board until the next AGM to decide on the transfer of not more than 449,200 shares with reference to the Performance Share Program 2011 and 2012, to cover certain expenditures, mainly social security contributions. This is considered a technical resolution as a requirement by the Swedish Public Companies' Act. Acceptable proposal.</p>	For

**20 Elect the Nomination Committee**

**For**

The Swedish Code of Corporate Governance recommends that a company should elect an external Nomination Committee consisting of at least three members. At least one member of the nomination committee is to be independent of the company's largest shareholder. It is proposed that a Nomination Committee shall be appointed through a procedure whereby the Chairman of the Board, before the end of the second quarter of the financial year, contacts three to five representatives for the largest holders of voting rights of A and B shares. Those representatives shall together with the Chairman of the Board constitute the Nomination Committee and fulfil its obligations in accordance with the Swedish Corporate Governance Code. The proposal is in line with standard market practice. Acceptable proposal.

**21 Closing of the meeting**

**Non-Voting**

Non-voting agenda item.

\* = ***Special resolution***

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