

MEETING DATE	Thu, 25 Apr 2019 15:30	TYPE	AGM	ISSUE DATE	Tue, 16 Apr 2019
MEETING LOCATION	Museum of Modern Art, Stockholm, Sweden				
CURRENT INDICES	FTSE EuroFirst				
SECTOR	Building Materials & Fixtures				

PROPOSALS		ADVICE
1	Open Meeting Non-voting agenda item.	Non-Voting
2	Elect Chairman of Meeting Non-voting agenda item.	Non-Voting
3	Prepare and Approve List of Shareholders Non-voting agenda item.	Non-Voting
4	Approve Agenda of Meeting Non-voting agenda item.	Non-Voting
5	Designate Inspector(s) of Minutes of Meeting Non-voting agenda item.	Non-Voting
6	Acknowledge Proper Convening of Meeting Non-voting agenda item.	Non-Voting
7	Receive President's Report Non-voting agenda item.	Non-Voting
8.A	Receive Financial Statements and Statutory Reports Non-voting agenda item.	Non-Voting
8.B	Receive Auditor's Report on Application of Guidelines for Remuneration for Executive Management Non-voting agenda item.	Non-Voting
8.C	Receive Board's Proposal on Distribution of Profits Non-voting agenda item.	Non-Voting
9.A	Approve Financial Statements Disclosure is adequate. The financial statements were made available sufficiently before the meeting and have been audited and certified. No serious governance concerns have been identified.	For
9.B	Approve the Dividend The Board proposes a dividend of SEK 3.5 per share. The dividend is covered by earnings. Acceptable proposal.	For
9.C	Discharge the Board Standard resolution. Under the Whistleblowing Act in Sweden, companies are to adopt internal whistleblowing procedures. No sanctions are provided for companies found in non-compliance, yet employees may be allowed to sue companies for damage, in case of retaliation. As the Company does not discuss the new Whistleblowing Act and does not seem to have implemented a whistleblowing hotline, it is considered that the Company may be exposed to serious legal risks and discharge should not be supported.	Oppose
10	Set the Number of Board Directors The Company proposes to set the number of directors to be elected to the Board to seven directors. Acceptable proposal, in line with market practice.	For
11.A	Approve Fees Payable to the Board of Directors. It is proposed to increase the amount payable to the Board of Directors by less than 10% on annual basis. Within recommended guidelines.	For

11.B	Allow the Board to Determine the Auditor's Remuneration Standard proposal. Companies have legal duties to pay the auditors for their work.	For
12.A	Reelect Lars Renstrom (Chairman), Carl Douglas (Vice Chair), Eva Karlsson, Birgitta Klasen, Lena Olving, Sofia Schorling Hogberg and Jan Svensson as Directors Proposal to renew the Board with a bundled election. There is insufficient independent representation on the Board after the meeting as resulting from this slate of candidates. Triodos opposes this resolution.	Oppose
12.B	Appoint the Auditors PwC proposed. Non-audit fees represented 44.64% of audit fees during the year under review and 61.94% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Triodos opposes this resolution.	Oppose
13	Approve Remuneration Policy It is proposed to approve the remuneration policy. Variable remuneration appears to be consistently capped, and the payout is in line with best practice. However, the Company has not disclosed quantified targets for the performance criteria of its variable remuneration component, which as a consequence may lead to overpayment against underperformance. In addition, there are no claws back clauses in place over the entirety of the variable remuneration component which makes it unlikely that shareholders will be able to reclaim any variable remuneration unfairly paid out. Triodos opposes this resolution.	Oppose
14*	Authorize Class B Share Repurchase Program and Re-issuance of Repurchased Shares It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board. Triodos opposes this resolution.	Oppose
15*	Approve Performance Share Matching Plan LTI 2019 The Board proposes the approval of a new executive incentive plan. Under the plan, participants will be allotted shares or rights to shares. Performance targets have not been quantified at this time. Which makes an informed assessment impossible and may lead to (partial) payment against (partial) failure. LTIP based schemes are inherently flawed. There is the risk that they are rewarding volatility rather than the performance of the Company (creating capital and - lawful - dividends). They act as a complex and opaque hedge against absolute Company underperformance and long-term share price falls. They are also a significant factor in reward for failure. Triodos opposes this resolution.	Oppose
16	Close Meeting Non-voting agenda item. <i>* = Special resolution</i>	Non-Voting

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 11.A - Approve Fees Payable to the Board of Directors.

Fees to the Board of Directors shall amount to a total of SEK 6,675,000 (remuneration for committee work not included) to be distributed among the members of the Board of Directors as follows; SEK 2,350,000 to the Chairman, SEK 900,000 to the Vice Chairman and SEK 685,000 to each of the other members of the Board of Directors elected by the Annual General Meeting. As remuneration for the committee work, the Chairman of the Audit Committee is to receive SEK 275,000, the Chairman of the Remuneration Committee SEK 150,000, members of the Audit Committee (the Chairman excluded) SEK 200,000 each, and members of the Remuneration Committee (the Chairman excluded) SEK 75,000 each.

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