

MEETING DATE	Wed, 29 Apr 2020 3:30 am	TYPE	AGM	ISSUE DATE	Fri, 17 Apr 2020
MEETING LOCATION	Stockholm Waterfront Congress Centre, Nils Ericsons Plan 4, Stockholm, Sweden				
CURRENT INDICES	FTSE EuroFirst				
SECTOR	Building Materials & Fixtures				

PROPOSALS		ADVICE
1	Opening of the Annual General Meeting Non-voting agenda item.	Non-Voting
2	Election of Chair of the Annual General Meeting Non-voting agenda item.	Non-Voting
3	Preparation and approval of the voting list 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 2.00 per share. The dividend is covered by earnings. Acceptable proposal.	For
9.c	Discharge the Board and President Standard resolution. At the company, there is no external whistle-blowing hotline. This suggests that such concerns that should be raised by a whistle-blower are dealt with internally, which may increase the risk of such issues not being followed up or escalating to a level where the higher was the level of the misconduct, the more likely is the issue to be concealed. On this basis, and on the potential unforeseeable consequences for the company, opposition is recommended.	Oppose
10	Set the Number of Board Directors The Company proposes to set the number of directors to be elected to the Board to eight (8) directors. Acceptable proposal, in line with market practice.	For

11.a	Approve Fees Payable to the Board of Directors The Board is seeking approval for Board and Committee membership fees for non-executive directors in the Amount of SEK 2.35 million for the Chair, SEK 900,000 for the Vice Chair and SEK 685,000 for Other Directors. As no increase has been proposed, support is recommended.	For
11.b	Allow the Board to Determine the Auditor's Remuneration It is proposed that auditors are paid in accordance to the invoice. Standard proposal.	For
12.a	Elect Board: Slate Election Proposal to renew the term of Lars Renstrom (Chair), Carl Douglas (Vice Chair), Eva Karlsson, Birgitta Klasen, Lena Olving, Sofia Schorling Hogberg and Jan Svensson as directors; and elect Joakim Weidemanis as new director. Although slate elections are not considered to be best practice, they are common in this market. 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 EY proposed as new auditor in replacement of PwC. Auditor rotation is considered a positive factor. Acceptable proposal.	For
13	Approve Remuneration Policy For Executive Management 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 claw 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. On these grounds, opposition is recommended.	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, an oppose vote is recommended.	Oppose
15	Approve Performance Share Matching Plan LTI 2020 It proposes the approval of a new executive incentive plan. Under the plan, the CEO and other executives will be allotted shares or rights to shares. The Company does not disclose clear performance criteria but only a list of indicators, which makes it impossible to assess clearly the link between pay and performance and is deemed a serious frustration of shareholder accountability. 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	Amend Articles of Association Due to previous and expected legislative amendments, the Board of Directors proposes that the Annual General Meeting resolves on formal changes in wording to the Articles of Association. No significant concerns have been identified. The proposed amendments are in line with applicable regulation. Support is recommended.	For
17	Close Meeting Non-voting agenda item.	Non-Voting

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Researcher: Sefunmi Olatunji
Email: pircresearch@pirc.co.uk

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Pensions & Investment Research Consultants Limited
8th Floor, Suite 8.02, Exchange Tower
2 Harbour Exchange Square
E14 9GE

Tel: 020 7247 2323
Fax: 020 7247 2457
<http://www.pirc.co.uk>

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