

*Please note – this is an unofficial translation of the Swedish original*

**Agenda proposal for the Annual General Meeting of Fabege AB (publ),  
Tuesday 2 April 2019 at 3:00 pm CET.**

1. Opening of the Meeting.
2. Election of Chairman of the Meeting, **Appendix A.**
3. Preparation and approval of voting list, **Appendix B.**
4. Approval of the agenda, **Appendix C**
5. Election of one or two persons to verify the minutes.
6. Determination of whether the Meeting has been duly convened.
7. Presentation of the Annual Report and the Auditors' Report, as well as the Consolidated Financial Statements and the Consolidated Auditors' Report, **Appendix D.**
8. Resolutions regarding
  - a) adoption of the Profit and Loss Account and Balance Sheet, as well as the Consolidated Profit and Loss Account and Consolidated Balance Sheet,
  - b) Allocation of the company's profit in accordance with the adopted balance sheet, **Appendix E.**
  - c) Discharge from liability of the Board of Directors and the Chief Executive Officer, and
  - d) The record date, should the Meeting decide on dividend payment, **Appendix E.**
9. Resolution on the number of Directors and, in connection, a presentation by the Nominating Committee of its work, **Appendices A and F.**
10. Determination of remuneration of the Board of Directors and auditors, **Appendix G.**
11. Election of Board members and Chairman of the Board, **Appendix H.**
12. Election of auditors, **Appendix I.**
13. Resolution on guidelines for the composition of the Nominating Committee, **Appendix J.**
14. Resolution on principles for remuneration of Company Management, **Appendices K and L.**
15. Resolution authorising the Board of Directors to decide on acquisition of own shares and transfer such treasury shares to other parties. **Appendices M**
16. Other items.
17. Closing of the Meeting.

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## **Item 2 and 9 – Election of Chairman of the Annual General Meeting and resolution concerning the number of Board members – Revision**

The Nominating Committee for Faberge AB (publ), comprising Bo Forsén, (Backahill AB), Thomas Ehlin (Fjärde AP-företaget), Eva Gottfridsdotter-Nilsson (Länsförsäkringar fondförvaltning) and Andreas Hofmann (Investment AB Öresund), which jointly represents 25 per cent of the shares and votes in Faberge at 31 January 2018, proposes the following:

### **Item 2 – Election of Chairman of the Meeting**

The Nominating Committee proposes that the Annual General Meeting resolve to elect Jan Litborn as Chairman of the Annual General Meeting.

### **Item 9 – Resolution concerning the number of Directors**

The Nominating Committee proposes that the Annual General Meeting resolve that the number of Directors be six, with no deputy members.

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Stockholm, March 2019

Faberge AB (publ)  
Nominating Committee

### **Item 3 – Preparation and approval of the voting list**

The voting list will be prepared at the Annual General Meeting.

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Stockholm, February 2019

Fabege AB (publ)  
Board of Directors

## Appendix C

*Please note – this is an unofficial translation of the Swedish original.*

### **Item 4 – Approval of the agenda**

1. Opening of the Annual General Meeting.
2. Election of Chairman of the Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to verify the minutes.
6. Determination of whether the Meeting has been duly convened.
7. Presentation of the Annual Report and the Auditors' Report, as well as the Consolidated Financial Statements and the Consolidated Auditor's Report. In connection, a presentation by the Chief Executive Officer.
8. Resolutions regarding
  - a) adoption of the Profit and Loss Account and the Balance Sheet, as well as the Consolidated Profit and Loss Account and Consolidated Balance Sheet,
  - b) allocation of the Company's profit in accordance with the adopted Balance Sheet,
  - c) discharge from liability of the Board of Directors and the Chief Executive Officer, and
  - d) record date, should the Meeting decide on dividend payment.
9. Resolution on the number of Directors and, in this connection, a presentation by the Nominating Committee of its work.
10. Determination of remuneration to the Board of Directors and auditors.
11. Election of Directors and Chairman of the Board.
12. Election of auditors.
13. Resolution on guidelines for the composition of the Nominating Committee.
14. Resolution on principles for remuneration of Company Management.
15. Resolution authorising the Board of Directors to decide on acquisition of own shares and transfer such treasury shares to other parties.
16. Other items.
17. Closing of the Meeting.

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**Item 7 – Presentation of the Annual Report and the Auditors’ Report, as well as the Consolidated Financial Statements and the Auditor’s Report on the Consolidated Financial Statements.**

The Annual Report documents are available on the company’s website, [www.faberge.com](http://www.faberge.com), from February 25, 2019. The documents will also be available at the Annual General Meeting.

The documents will also be sent to shareholders who requested them.

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Stockholm, February 2019

Faberge AB (publ)  
Board of Directors

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## **Items 8 b) and 8 d) – Resolution on dividend and record date**

The Board of Directors proposes that the Annual General Meeting resolve to approve a dividend payment of SEK 2.65 per share for 2018. The proposed record date for payment of the dividend is 4 April 2019. Should the Annual General Meeting approve the motion, the dividend is scheduled to be distributed by Euroclear Sweden AB on 9 April 2019.

### ***Statement by the Board of Directors pursuant to Chapter 18, Section 4 of the Swedish Companies Act (2005:551)***

The Group's equity has been calculated in compliance with IFRS standards, as adopted by the EU, the interpretations of these (IFRIC) and Swedish law through the application of Recommendation RFR 2:1 from the Swedish Financial Reporting Board (Supplementary Accounting Rules for Corporate Groups). The Parent Company's equity has been calculated in accordance with Swedish law, applying recommendation RFR 2:2 of the Swedish Financial Reporting Board (Accounting for Legal Entities).

The Board of Directors has established that the company will have full coverage for its restricted equity after the proposed dividend. The Board of Directors considers that the proposed dividend is defensible based on the criteria contained in the second and third paragraphs of Section 3 of Chapter 17 of the Swedish Companies Act (nature, scope and risks of the business, consolidation requirements, liquidity and other financial circumstances). The Board would like to make the following comments pertaining thereto:

#### **Nature, scope and risks of the business**

The Board estimates that the company's and the Group's equity after the proposed dividend will be sufficient in view of the nature and scope of the business and the associated risks. In drawing up its proposal, the Board has taken account of the company's equity/assets ratio, historical and budgeted performance, investment plans and the general economic environment.

#### **Consolidation requirements, liquidity and other financial circumstances**

##### *Consolidation requirements*

The Board of Directors has made a general assessment of the company's and the Group's financial position and its ability to meet its obligations. The proposed dividend constitutes 7.3 per cent of the company's equity and 2.5 per cent of consolidated equity. The stated target for the Group's capital structure is a minimum equity/assets ratio of 35 per cent, and it is estimated that the Group will be able to maintain an interest coverage ratio of at least 2.2 also after the proposed dividend. In view of the current situation on the property market, the equity/assets ratio of the company and the Group is favourable. Against this background, the Board considers that the company and the Group are in a good position to take advantage of future business opportunities

## Appendix E

and withstand any losses that may be incurred. Planned investments have been taken into account in the proposed dividend payment. Nor will the dividend have any significant impact on the company's or the Group's ability to make further commercially motivated investments in accordance with the adopted plans. In the Parent Company, some assets and liabilities have been measured at fair value in accordance with Chapter 4, Section 14 of the Swedish Annual Accounts Act. The impact of this measurement, which increased equity in the Parent Company by SEK -116m (-235), has been taken into account.

### *Liquidity*

The proposed dividend will not affect the company's and the Group's ability to meet its payment obligations in a timely manner. The company and the Group have good access to liquidity reserves in the form of short and long-term credit. Agreed credit lines can be drawn at short notice, which means that the company and the Group are well prepared to manage variations in liquidity as well as any unexpected events.

### *Other financial circumstances*

The Board of Directors has assessed all other known circumstances that may be significant for the company's and the Group's financial position and that have not been addressed in the above. No circumstance has been discovered in the course of the assessment that would cast doubt on the defensibility of the proposed dividend.

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Stockholm, February 2019

Fabege AB (publ)  
Board of Directors

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## **Item 9 – Report on work of Fabege AB’s nominating committee ahead of the 2019 Annual General Meeting – Revision**

### **Background**

On 19 September 2018, it was announced that a Nominating Committee had been formed with representatives of the largest shareholders that had accepted the invitation to participate in accordance with a resolution at Fabege’s 2018 Annual General Meeting. The members appointed to the Nominating Committee are: Bo Forsén (Backahill AB), Thomas Ehlin (Fjärde AP-fonden), Eva Gottfridsdotter-Nilsson (Länsförsäkringar fondförvaltning) and Mats Qviberg (Investment AB Öresund). On 26 November 2018, Andreas Hofmann replaced Mats Qviberg as representative for Investment AB Öresund. Bo Forsén has served as Chairman of the Committee. The four owners represent a combined total of approximately 25 per cent of the voting rights of Fabege at 31 January 2019. The Nominating Committee fulfils the requirements of the Code of Corporate Governance pertaining to composition and independence.

The task of the Nominating Committee is to submit proposals to Fabege’s 2019 Annual General Meeting concerning the following:

- Election of Chairman of the Meeting
- Election of Directors
- Election of Chairman of the Board
- Election of Auditor
- Fees to be paid to Directors
- Fees to be paid to Auditors
- Resolution concerning principles for composition of the Nominating Committee

### **Nominating Committee’s work**

The Nomination Committee has held three minute meetings and held regular contact in between. As a basis for the work, the independent board members have been interviewed and given their views on how the board work is conducted. The Nomination Committee has also met the company's Chairman of the Board to discuss the composition and working methods of the Board.

After having discussed the size and composition of the Board of Directors, the Nominating Committee proposes that the Board shall comprise six elected members without deputies. It is the Nominating Committees opinion that the competencies and experience of the Board members therefore meet the requirements that can be placed. The Nomination Committee aims to achieve equal gender distribution and the proposal maintains the balanced gender distribution on the board which will consist of three women and three men.



## Appendix F

The Nominating Committee proposes re-election of Directors Anette Asklin , Eva Eriksson, Märtha Josefsson, Jan Litborn, Per-Ingemar Persson and Mats Qviberg. Anna Engebretsen and Pär Nuder has declined re-election. Furthermore the Nominating Committee proposes election of Jan Litborn as Chairman of the Board.

The Nominating Committee has also discussed the independence of the Directors. The proposal concerning membership of the Fabege Board complies with the prevailing requirements in terms of the Directors' independence in relation to the company, company management and the company's major shareholders.

A more detailed presentation of the proposed Directors is available on the company's website, [www.fabege.com](http://www.fabege.com) (in Appendix H to Item 11 in the proposed agenda for the 2019 Annual General Meeting).

With respect to the fees to be paid to Directors, the Nominating Committee proposes that fees total SEK 2,100,000 (2,190,000), to be distributed as follows:

SEK 550,000 (500,000) to the Chairman of the Board,  
SEK 240,000 (220,000) to other Directors, and  
SEK 150,000 (150,000) as remuneration for work conducted by the Audit Committee, with the chairman receiving SEK 70,000 (70,000) and each of the two members receiving SEK 40,000 (40,000). SEK 200,000 (0) as remuneration for work conducted by the Remuneration Committee, with the chairman receiving SEK 100,000 (0) and each of the two members receiving SEK 50,000 (0).

The Nominating Committee proposes re-election of Deloitte AB as auditor, with Kent Åkerlund as auditor-in-charge. The Nominating Committee also proposes that the Annual General Meeting resolve that remuneration to auditors be paid according to approved invoicing, as in the past.

The Nominating Committee proposes that the principles governing its composition prior to the 2020 Annual General Meeting remain the same. Accordingly, it is suggested it is suggested that the Nominating Committee consist primarily of one (1) representative from each of the four major shareholders and that the composition of the Nominating Committee be announced no later than six months prior to the Annual General Meeting. The Committee chairman will be the member who represents that largest shareholder.

## Appendix F

### **Summary of the Nominating Committee's proposals**

The Nominating Committee proposes that Fabege's 2019 Annual General Meeting resolves to:

- elect Jan Litborn as Chairman of the Meeting
- appoint six Directors and without deputies
- The Nominating Committee proposes the re-election of Anette Asklin, Eva Eriksson, Märtha Josefsson, Jan Litborn, Per-Ingemar Persson and Mats Qviberg.
- election of Jan Litborn as Chairman of the Board
- re-elect Deloitte AB with Kent Åkerlund as auditor-in-charge
- approve Director fees totalling SEK 2,100,000, with the Chairman of the Board receiving SEK 550,000, each Director SEK 240,000 non-employed member, the Audit Committee SEK 150,000 for the work it performs and SEK 200,000 for work in the Remuneration Committee.
- pay audit fees according to approved invoicing
- to clarify principles for the composition of the Nominating Committee

### **Nominating Committee's reasoned opinion ahead of Fabege AB's 2019 Annual General Meeting**

#### Reasoned opinion underlying the Nominating Committee's proposal concerning the election of Directors

The proposal made by the Nominating Committee of Fabege AB (publ) concerning the nominating of Directors is based on the following reasoning.

The Nomination Committee proposes that the Board shall comprise six elected members without deputies. It is the Nominating Committee's view that the Board's expertise and experience thus meets the demands set. The Nomination Committee aims to achieve equal gender distribution and the proposal maintains the balanced gender distribution on the board which will consist of three women and three men.

The Nominating Committee has concluded that the proposed Board of Directors, taking into account the company's business, financial position and other circumstances, has an appropriate composition for being able to meet the requirements imposed by the company's operations. The Nominating Committee has thus paid particular attention to the company's strategic development, governance and control, as well as the requirements imposed by these factors on the Board's competency and composition.

In view of the above, the Nominating Committee has proposed election of Jan Litborn as Chairman of the Board and, re-election of the Directors Anette Asklin, Eva Eriksson, Märtha Josefsson, Per-Ingemar Persson and Mats Qviberg.

The Nominating Committee has also discussed the independence of the Directors. The proposal concerning the election of Directors of Fabege satisfies the prevailing requirements in respect of the independence of Directors.

The Nominating Committee's complete proposals are included in the official announcement of the Annual General Meeting. Additional information about the Directors is available on Fabege's website.

## Appendix F

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Stockholm March 2019  
Faberge AB (publ)  
Nominating Committee

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## **Item 10 – Determination of remuneration of the Board of Directors and auditors – Revision**

The Nominating Committee for Fabege AB (publ), comprising Bo Forsén, (Backahill AB), Thomas Ehlin (Fjärde AP-fonen), Eva Gottfridsdotter-Nilsson (Länsförsäkringar fondförvaltning) and Andreas Hofmann (Investment AB Öresund), which jointly represents 25 per cent of the shares and votes in Fabege at 31 January 2019, proposes the following remuneration of the Board of Directors and auditors:

Directors' fees totalling SEK 2,100,000 (2,190,000) to be divided as follows:

- SEK 550,000 (550,000) to the Chairman of the Board,
- SEK 240,000 (220,000) to the other five Directors, not employed by the company
- SEK 150,000 (150,000) as remuneration for work in the Board's Audit Committee, to be distributed as SEK 70,000 (70,000) to the Chairman and SEK 40,000 (40,000) each to the two members.
- SEK 200,000 (0) as remuneration for work in the Board's Remuneration committee, to be distributed as SEK 100,000 to the Chairman and SEK 50,000 each to the two members.

Furthermore, the Nominating Committee proposes the Annual General Meeting that remuneration to auditors, as in the past, be paid in accordance with approved invoicing.

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Stockholm, March 2019

Fabege AB (publ)  
Nominating Committee

Please note – this is an unofficial translation of the Swedish original.

## Item 11 – Election of Board Members and Chairman of the Board – Revision

### The Nominating Committee's proposal concerning the election of the Board Members and Chairman of the Board, Annual General Meeting 2019

The Nominating Committee of Fabege AB (publ) comprising Bo Forsén, chairman (Backahill AB), Thomas Ehlin (Fjärde AP-fonden), Eva Gottfridsdotter-Nilsson (Länsförsäkringar fondförvaltning) and Andreas Hofmann (Investment AB Öresund), who jointly represent 25 per cent of the shares and votes in Fabege as per January 31, 2019, hereby proposes the following:

Re-election of Board Members: Anette Asklin, Eva Eriksson, Märtha Josefsson, Jan Litborn, Per-Ingemar Persson and Mats Qviberg. Thereby it is proposed that the number of members of the Board amounts to six, without any board alternates. Jan Litborn is nominated as Chairman of the Board.

#### **Anette Asklin**

*Born:* 1961.

Board Member since 2016.

*Other directorships:* Chairman of the Board of GU Ventures AB and RO Gruppen Förvaltning AB. Board member of Jernhusen AB, InhouseTech Göteborg AB and Fondstyrelsen at Göteborgs Universitet

*Education:* Bachelor's degree in Business Administration.

*Shareholding:* 2,000

In accordance with the Swedish Corporate Governance Code, independent in relation to the company, the Group management and major shareholders.



#### **Eva Eriksson**

*Born:* 1959.

Board Member since 2011.

*Other directorships:* Board member of OBOS, Norway

*Education:* Master of Science in engineering.

*Shareholding:* 20,000

In accordance with the Swedish Corporate Governance Code, independent in relation to the company, the Group management and major shareholders.



**Märtha Josefsson**

*Born:* 1947.

Board Member since 2005.

*Other directorships:* Board member of Skandia Fonder AB, World Wildlife Fund and Investment AB Öresund.

*Education:* Bachelor's degree in Economics.

*Shareholding:* 241,920.

In accordance with the Swedish Corporate Governance Code, independent in relation to the company, the Group management and major shareholders.

**Jan Litborn**

*Born:* 1951

Chairman of the Board since 2018 Board Member since 2017.

*Other directorships:* Chairman of the Board in Logistea AB, I.A Hedin Bil AB Arenabolaget i Solna AB och Erlandsson Holding AB.

Board member of Wihlborgs Fastigheter AB ACity Media AB, Profi Förvaltning AB, Consensus Asset Management AB and Anders Hedin Invest AB.

*Education:* LL.B (Lawyer) at Stockholm University, Stockholm School of Economics (no degree).

*Shareholding:* 25,000

In accordance with the Swedish Corporate Governance Code, independent in relation to the company, the Group management and major shareholders.

**Per-Ingemar Persson**

*Born:* 1956.

Board Member since 2018

*Other directorships:* Chairman of the Board of Northern Environmental and Water Solutions and ELU Konsult AB. Board member of Wihlborgs Fastigheter AB and Hemfosa Fastighets AB and Finja Prefab AB. In addition, a member of internal boards of the Veidekke Group.

*Education:* Master of Science in engineering

*Shareholding:* 2,000

In accordance with the Swedish Corporate Governance Code, dependent in relation to the company, the Group management and major shareholders.



**Mats Qviberg**

*Born:* 1953.

Board Member since 2001.

*Other directorships:* Chairman of the Board of Bilia AB and Investment AB Öresund.

*Education:* Bachelor's degree in Business Administration.

*Shareholding:* 6,300,364 shares with wife.

In accordance with the Swedish Corporate Governance Code, independent in relation to the company, the Group management and major shareholders.



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Stockholm, March 2019  
Fabege AB (publ)  
Nominating Committee

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## **Item 12 – Election of auditors**

The Nominating Committee of Fabege AB (publ) comprising Bo Forsén, chairman (Backahill AB), Thomas Ehlin (Fjärde AP-fonden), Eva Gottfridsdotter-Nilsson (Länsförsäkringar fondförvaltning) and Andreas Hofmann (Investment AB Öresund), who jointly represent 25 per cent of the shares and votes in Fabege as per 31 January 2019, in accordance with the recommendation of the Audit Committee, hereby proposes the following:

Election of the registered auditing firm of Deloitte AB as auditor, with Kent Åkerlund as auditor-in-charge. The election will be valid until the 2020 Annual General Meeting.

### **Kent Åkerlund**

Born: 1974.

Joint Auditor-in-Charge at Fabege since 2005. Chief Auditor since 2013. Authorised Public Accountant at Deloitte AB.

Audit assignments in other major companies: Clas Ohlson, Bactiguard, and Tagehus.

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Stockholm, February 2019

Fabege AB (publ)  
Nominating Committee



## Appendix J

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### **Item 13 – Resolution on principles for composition of Nominating Committee**

The Nominating Committee of Fabeg AB (publ) proposes that the AGM decide upon the following principles for the composition of the Nominating Committee:

1. The Nominating Committee is to consist of a representative of each of the four largest shareholders. The Chairman of the Board of Directors shall make contact with the four largest shareholders in the Company in terms of votes according to Euroclear Sweden AB's printout of the share register as per 31 August, with each of them being given the opportunity to appoint a representative to the Nominating Committee. If a shareholder wishes to refrain from this, a place shall be offered to the next largest shareholder. In addition, the Nominating Committee can resolve that the Chairman of the Board of Directors of the company should be on the Nominating Committee. The names of the Nominating Committee's members and the shareholders they represent shall be published as soon as possible, no later than six months prior to the AGM. The Nominating Committee's term of office extends to when a new Nominating Committee has been appointed. The Chairman of the Nominating Committee shall be the member who represents the largest shareholder, unless the Nominating Committee resolves otherwise. The Nominating Committee shall carry out what is incumbent upon them under the Swedish Code of Corporate Governance.

2. In the event of significant changes in ownership among the largest shareholders, and if following this significant change, a new shareholder has come to be one of the four largest shareholders, the Nominating Committee shall offer this shareholder a place on the Nominating Committee by either resolving that the shareholder should replace the smallest shareholder after the change or resolving to expand the Nominating Committee by a further member. Shareholders that have appointed representatives to the Nominating Committee are entitled to discharge such members and appoint a new representative. Changes to the Nominating Committee must be published.

3. The Nominating Committee shall draft proposals regarding the following to be determined at the AGM:

- a. proposal for Chairman of the AGM
- b. proposal for the Board of Directors
- c. proposal for Chairman of the Board of Directors
- d. proposal for Board fees, divided between the Chairman and other members of the Board, and any remuneration for committee work
- e. proposal for auditors
- f. proposal for remuneration for the company's auditors
- g. any proposals for changes in principles for the composition of the Nomination Committee

At company meetings other than the AGM, the proposal of the Nominating Committee shall encompass the election(s) that are to take place at the meeting.

4. The company shall bear reasonable costs deemed necessary by the Nominating Committee in order for the Nominating Committee to complete its task. No fee will be paid to the members of the Nominating Committee.

## Appendix J

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Stockholm, February 2019

Fabege AB (publ)  
Nominating Committee

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## **Item 14 – Resolution on principles for remuneration of company management**

Company management is defined as the Chief Executive Officer and other senior executives. All Directors, are responsible for preparing a draft statement of principles governing remuneration and other terms of employment for company management, and for preparing decisions on the CEO's remuneration and other terms of employment.

The Board of Directors' motions concerning principles for remuneration and other terms of employment for management are as follows:

Remuneration should be market-based and competitive. Responsibilities and executed performance that are in the interest of the shareholders must be reflected in the remuneration. Fixed salary should be reviewed annually. Variable remuneration may not exceed nine months' salary. Senior executives who receive variable remuneration undertake to make a long-term investment (for a period of at least three years) of at least two-thirds of this salary component after tax in shares in the company. The aim is to encourage participation and commitment by offering senior executives the opportunity to become shareholders in a more structured manner. Variable remuneration to company management must not exceed a maximum total annual cost for the company of around SEK 10m (excluding social security fees), calculated on the basis of the number of persons who currently constitute senior executives. Any other benefits shall constitute only a limited part of the total remuneration.

The company has a profit-sharing fund covering all employees of the company. Allocations to the profit-sharing fund are to be based on the achieved return on equity and be subject to a ceiling of two base amount per year per employee.

The retirement age is 65. Pension benefits are to be equivalent to the ITP supplementary pension plan for salaried employees in industry and commerce, or be contribution-based with a maximum contribution of 35 per cent of pensionable salary. Termination salary and severance pay must not exceed 24 months in total.

At the time of the 2019 Annual General Meeting, the company has no remuneration obligations that have not fallen due, apart from the current obligations to senior executives in accordance with the remuneration principles resolved by the 2018 Annual General Meeting.

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Stockholm, February 2019

Fabege AB (publ)  
Board of Directors



**Auditors' report in accordance with Chapter 8, Section 54, of the Swedish Companies Act (2005:551) regarding compliance with the guidelines for remuneration to senior executives approved by the Annual General Meeting.**

**To the Annual General Meeting of the Fabege AB (publ) <sup>1</sup>**

**Corporate Identity Number: 556049-1523**

We have audited whether the Board of Directors and the managing director of Fabege AB (publ) have complied with the guidelines for remuneration to senior executives during the financial year 2018 which were approved by the Annual General Meeting on March 29, 2017 and by the Annual General Meeting on April 9, 2018.

*Responsibilities of the Board of Directors and the Managing Director*

The Board of Directors and the Managing Director are responsible for compliance with these guidelines and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable compliance with these guidelines.

*Auditor's responsibility*

Our responsibility is to express an opinion, based on our audit, to the Annual General Meeting as to whether the guidelines have been complied with. We conducted our audit in accordance with FAR's standard RevR 8 *Audit of Remuneration to Senior Executives in Listed Companies*. This standard requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the guidelines have, in all material aspects, been complied with.

The audit firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of Fabege AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

Our audit has included a review of the organization for and the documentation supporting the remuneration to senior executives as well as new decisions related to compliance with the guidelines. Our procedures have also included testing a sample of payments during the year to senior executives. The procedures selected depend on the auditor's judgment, including the assessment of the risks of whether the guidelines have not, in all material aspects, been complied with. In making those risk assessments, the auditor considers internal control relevant to the compliance of the guidelines in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

We believe that our audit procedures provide a reasonable basis for our opinion, as set out below.

*Opinion*

In our opinion, the Board of Directors and the Managing Director of Fabege AB (publ) have, during the financial year 2018 complied with the guidelines for remuneration to senior executives which were approved by the Annual General Meeting on March 29, 2017 and by the Annual General Meeting on April 9, 2018.

Stockholm February 25, 2019

Deloitte AB

*Signature on Swedish original*

Kent Åkerlund  
Authorized Public Accountant

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<sup>1</sup> This is a translation of the Swedish language original.

In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

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### **Item 15 – Resolution authorising the Board of Directors to decide on acquisition of own shares and transfer such treasury shares to other parties.**

- A. The Board of Directors proposes that the Annual General Meeting resolve to authorise the Board to make decisions concerning acquisitions of the company's own shares, subject to the following conditions:
1. Acquisitions may occur on the Nasdaq Exchange Stockholm.
  2. Acquisitions may occur on one or more occasions, during the period until the next Annual General Meeting.
  3. Acquisitions may not exceed a number of treasury shares that results in the Group's total holdings after the acquisitions amounting to a maximum of ten (10) per cent of all shares in the company.
  4. Acquisitions may occur at a price per share that is within the registered price interval at any time.
  5. Payment for the acquired own shares must be in cash.
- B. The Board of Directors proposes that the Annual General Meeting resolve to authorise the Board to transfer the company's treasury shares subject to the following conditions:
1. Transfers may occur on the Nasdaq Exchange Stockholm or in another manner by disapplying the pre-emptive rights of existing shareholders.
  2. Transfers may occur on one or more occasions during the period up to the next Annual General Meeting.
  3. Transfers may occur of all treasury shares held by the company at the time of the Board's decision.
  4. Transfers may occur at a price per share that is within the registered price interval at any time.
  5. Payment for transferred shares shall be in cash, in kind, through offsetting of the company's debt or in another manner subject to terms and conditions.

The purpose of the authorisations according to A and B above is to continuously be able to adapt the company's capital requirements and thereby improve shareholder value, and to be able to transfer shares as payment or for financing any property or business acquisitions.

#### ***Statement by the Board of Directors in accordance with Chapter 19, section 22 of the Swedish Companies Act (2005:551)***

The Board of Directors proposes that the Annual General Meeting authorise the Board, during the period until the next Annual General Meeting, to acquire a maximum of ten per cent of all shares issued in the company. The company currently has no shares held in treasury.

Based on the grounds stated in the Board's statement in accordance with Chapter 18, Section 4 of the Companies Act, pertaining to the proposed dividend, the Board finds that the proposed authorisation is justified with respect to the parameters stated in Chapter 17, Section 3, paragraphs 2 and 3 of the Companies Act (prudence rule).

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Accordingly, it is the opinion of the Board of Directors that the motion concerning authorisation is justified with respect to:

1. the requirements of the nature, scope and risks that the operations (of the company and the Group) impose on the size of the equity and
2. the company's and the Group's consolidation requirement, liquidity and position in general.

The Board of Directors is also to take into account that it is its duty, when exercising the authorisation, to prepare a new reasoned statement as to whether, considering the prevailing conditions, the acquisition of own shares being considered is justifiable pursuant to the provisions in Chapter 17, Section 3, paragraphs 2 and 3 of the Companies Act.

Resolution of this item in accordance with the Board of Directors' motion requires that the Annual General Meeting resolution be supported by no less than two thirds of the votes cast and the shares represented at the Annual General Meeting.

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Stockholm, February 2019

Fabege AB (publ)  
Board of Directors