

Stockholm, Sweden  
March 31, 2021

## Notice of Annual General Meeting in Enea AB (publ)

The shareholders in Enea AB (publ), corp. id. no. 556209-7146, (the "Company" or "Enea"), are hereby invited to attend the Annual General Meeting ("AGM") to be held on Thursday May 6, 2021.

In light of the ongoing Covid-19 pandemic and in order to reduce the risk of infection spreading, the board has resolved that the AGM will be held only by advance voting (postal vote) in accordance with temporary legislation. This means that the AGM will be conducted without the physical presence of shareholders, proxies or external parties and that shareholders' exercise of voting rights at the AGM can only take place by shareholders voting in advance in the order prescribed below. Information on the resolutions passed by the AGM will be published on Thursday May 6, 2021, as soon as the outcome of the advance voting is finally compiled.

Statement by the CEO will be posted on the Company's website after the AGM.

### Notice of attendance

Shareholders who wish to attend the AGM by advance voting must be recorded as shareholder in the share register maintained by Euroclear Sweden AB as of Wednesday April 28, 2021 and notify their participation no later than Wednesday May 5, 2021, by casting their advance vote in accordance with the instructions under the heading "Advance voting" below so that the advance vote is received by Computershare AB no later than that day.

Shareholders whose shares are trustee-registered in the name of a bank or other trustee must, to be able to exercise their voting rights at the AGM by advance voting, request the trustee to register their shares in their own name with Euroclear Sweden AB (so called "voting rights registration"). Such voting rights registration must be implemented by the trustee no later than as of Friday April 30, 2021, which means that shareholders who want such voting rights registration must notify their trustee of their request well in advance before this date.

### Advance voting

Shareholders may exercise their voting rights at the AGM only by voting in advance, so-called postal voting in accordance with Section 22 of the Swedish Act (2020:198) on temporary exceptions to facilitate the execution of shareholders' meetings in companies and other associations. A special form shall be used for advance voting. The form is available on the Company's website, [www.enea.se](http://www.enea.se). The advance voting form is considered as the notification of attendance to the AGM. The completed voting form must be submitted to

Computershare AB no later than Wednesday May 5, 2021. The completed and signed form shall be sent by mail to Computershare AB, "Enea's Annual General Meeting", P.O. Box 5267, SE-102 46 Stockholm, Sweden, or by e-mail to [info@computershare.se](mailto:info@computershare.se). Shareholders who are natural persons may also cast their votes electronically with verification through BankID at [www.enea.se](http://www.enea.se). If a shareholder votes in advance through a proxy, a written and dated power of attorney signed by the shareholder must be attached to the form. Power of Attorney forms are available on the Company's website, [www.enea.se](http://www.enea.se). If the shareholder is a legal entity, a registration certificate or equivalent document shall be enclosed to the form. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote is invalid. Further instructions and conditions can be found in the advance voting form. For questions, please contact Computershare AB, phone +46 771-24 64 00.

## Proposed agenda

1. Opening of the AGM
2. Election of chairman of the AGM
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of one or two persons to verify the minutes and count the votes
6. Determination as to whether the AGM has been properly convened
7. Presentation of the annual report, the consolidated annual report, the audit report and the consolidated audit report, as well as the statement by the auditor on the compliance of the applicable guidelines for remuneration of senior executives
8. Resolutions regarding
  - a. adoption of the income statement and the balance sheet, the consolidated income statement, and the consolidated balance sheet
  - b. appropriation of the Company's profit in accordance with the adopted balance sheet
  - c. discharge of liability for the members of the board of directors and the CEO
9. Determination of
  - a. the number of board members and deputy members
  - b. the number of auditors and deputy auditors
10. Determination of

- a. the fees to the board members
- b. the fees to the auditors
11. Election of members of the board of directors and chairman of the board
  - a. Anders Lidbeck (re-election)
  - b. Kjell Duveblad (re-election)
  - c. Mats Lindoff (re-election)
  - d. Birgitta Stymne Göransson (re-election)
  - e. Charlotta Sund (re-election)
  - f. Jan Frykhammar (new election)
  - g. Chairman of the board: Anders Lidbeck (re-election)
12. Election of auditor
13. Resolution on the procedure on appointment of the members of the nomination committee
14. The board's proposal for resolution on approval of remuneration report
15. The board's proposal on authorization for the board to acquire and transfer own shares
16. The board's proposal on guidelines for remuneration of senior executives
17. The board's proposal on authorization for the board to issue new shares to finance further growth and expansion
18. The board's proposal for resolution on
  - A. long-term share based incentive plan;
  - B. hedging measures by way of (i) amendment of the Articles of Association, (ii) authorization on directed issues of series C shares, (iii) authorization for repurchase of series C shares, and (iv) resolution on transfer of own ordinary shares; and
  - C. equity swap arrangements with third parties
19. Closing of the AGM

## Propositions

### ***Preparation and approval of voting list (item 3)***

The voting list that is proposed to be approved is the voting list prepared by Computershare AB on behalf of the Company, based on the share register of the AGM and received advance votes, controlled by the persons verifying the minutes and counting the votes.

### ***Election of one or two persons to verify the minutes and count the votes (item 5)***

Jan Dworsky and Per Lindberg are proposed to, together with the chairman, verify the minutes of the AGM, or should one or both of these individuals be unable to fulfil this role, the individual or individuals appointed by the board instead. The assignment to verify the minutes also includes verifying the voting list and that the received advance votes are correctly reproduced in the minutes of the AGM.

### ***The board's proposition on the appropriation of the Company's profit (item 8 b)***

The board proposes that there will be no dividend distributed to the shareholders regarding the financial year 2020 and that the available funds at the disposal of the AGM of SEK 827,296,186 are carried forward.

### ***The nomination committee's propositions (items 2 and 9-13)***

The nomination committee ("NC") for the AGM 2021 has consisted of Per Lindberg, Jan Dworsky (Swedbank Robur Fonder), Niklas Johansson (Handelsbanken Fonder), Henrik Söderberg (C WorldWide Asset Management) and Anders Lidbeck (chairman of the board of the Company). The NC has appointed Per Lindberg as its chairman. The propositions by the NC are supported by an unanimous NC.

The NC proposes that Anders Lidbeck is elected as chairman of the AGM 2021 or, in his absence, the person appointed by the NC instead.

The NC proposes that the board shall consist of six ordinary members elected by the AGM without any deputy members and that one auditor is appointed.

The NC proposes that the remuneration to the board shall be a total of SEK 2,080,000 (for the period from this general meeting until the end of the next general meeting) to be allocated with SEK 530,000 to the chairman and with SEK 250,000 to the rest of the members elected by the general meeting and SEK 300,000 to be allocated amongst the members for committee work as follows: SEK 90,000 to the chairman of the audit committee and SEK 50,000 each to the two members and SEK 50,000 to the chairman of the remuneration committee and SEK 30,000 to the member, and SEK 30,000 to the member in a Technology and Strategy committee, which the board intends to establish.

The NC proposes that the auditor shall receive reasonable compensation as per invoice.

The NC proposes re-election of Anders Lidbeck, Kjell Duveblad, Mats Lindoff, Birgitta Stymne Göransson and Charlotta Sund as members of the board, and new election of Jan Frykhammar as member of the board. Jan Frykhammar has long experience from the IT- and Telecom industry, previously holding positions as interim group CEO and CFO of Ericsson as well as serving on the board of several technology companies and industry organizations. The previous board member Anders Skarin has declined re-election.

The NC proposes re-election of Anders Lidbeck as chairman of the board.

The NC proposes re-election of Öhrlings PricewaterhouseCoopers AB, with the authorized public accountant Niklas Kullberg as the auditor in charge, as accounting firm for the period until the next AGM.

The NC proposes that a new NC shall consist of representatives of two of the largest shareholders as well as the chairman of the board. The NC may, however, also consist of representatives of three or four of the largest shareholders as well as the chairman of the board, if the chairman of the board notices such an interest amongst the largest shareholders in connection with the formation of the NC. The chairman of the board is assigned to contact the four largest (according to number of registered votes) shareholders per September 30, 2021 and request them to each appoint a member of the NC. If more than two of those shareholders do not wish to appoint a member, additional shareholders (according to number of votes) will be requested to appoint a member of the NC. A shareholder representative should be appointed chairman of the NC. The names of the NC members shall be published in the Company's interim report for the third quarter. The period of mandate for the appointed NC shall run until the next NC has been appointed. If a substantial change occurs in the shareholder structure following the constitution of the NC, and latest three months before the AGM, the NC shall be adjusted in accordance with the principles above. The NC shall prepare and make proposals to the AGM regarding election of the chairman of the AGM, election of the chairman of the board as well as other members of the board, remuneration for the board divided between



the chairman and the other members as well as the distribution of remuneration, if any, for work in committees, election and compensation of auditors and deputy auditors (if any) and principles for appointment of a new NC. The NC shall have the right to charge the Company with costs for e.g. recruitment consultants and other costs that may arise for the NC to carry out its assignment.

***The board's proposal for resolution on approval of remuneration report (item 14)***

The board proposes that the AGM resolves to approve the board's remuneration report for the financial year 2020.

***The board's proposal regarding authorization for the board to acquire and transfer own shares (item 15)***

The board proposes that the AGM authorizes the board to acquire and transfer own ordinary shares according to the following. Acquisition of ordinary shares may only be made on Nasdaq Stockholm ("the Marketplace") or in accordance with an offer to all shareholders in the Company or all holders of ordinary shares. Acquisition may only be made of such number of shares that the Company's holding of shares at each time does not exceed 10 percent of all shares in the Company. Transfer of ordinary shares may be made in other ways than on the Marketplace, including a right to transfer ordinary shares with deviation from the shareholders' preferential rights and that payment may be made in cash, in kind, by set-off or otherwise with conditions. A maximum of 10 percent of the total number of shares in the Company may be transferred. The authorizations stated above may be utilized on one or several occasions up until the AGM 2022. Acquisition and transfer of shares on the Marketplace may only be made at a price within the registered price interval at the Marketplace. Transfer of shares in connection with acquisitions of businesses may be made at a market price estimated by the board.

The purpose of the authorizations above to acquire and transfer shares is to continuously be able to adjust the capital structure of the Company to the capital needs of the Company, to enable financing, in whole or in part, in connection with acquisitions of businesses and for financing and/or securing delivery of shares in long-term incentive programs previously adopted by the AGM.

Resolution on this item on the agenda has to be supported by shareholders representing at least two-thirds of the votes cast as well as of all shares represented at the AGM.

***The board's proposal regarding guidelines for remuneration of senior executives (item 16)***

The board proposes - with amendment of the guidelines adopted at the AGM 2020 - that the AGM approves the following guidelines for remuneration of senior executives.

***Who the guidelines cover, and their applicability***

These guidelines for remuneration of senior executives cover the CEO and other members of group management. The guidelines should be applied to compensation agreed, and amendments to compensation previously agreed, after the guidelines have been adopted by the AGM 2021. Regarding employment terms in other legislatures than Sweden, the relevant adaptations should be made to comply with mandatory local regulation or practice, for the overall purpose of these guidelines to be met. These guidelines do not cover compensation resolved by the AGM.

The board is entitled to temporarily depart from these guidelines wholly or partly if there are special reasons for this in an individual case, and a departure is necessary to serve the Company's long-term interests and sustainability, or to ensure the Company's profitability. If such departure occurs, this should be stated in the Remuneration Report at the following AGM. These guidelines apply to the period from the AGM 2021 until next AGM. Matters regarding departure from the guidelines should be subject to consultation by the Remuneration Committee, and decision by the board.

***The guidelines' promotion of the Company's business strategy, long-term interests, and sustainability***

Enea's ambition is to be a global software company, with a strong and leading position in the markets that it addresses, with yearly sales growth, high profitability, and healthy cash flows. Organic growth is the foundation of the operations, and work is ongoing to develop, rationalize and optimize it. Strategic and complementary acquisitions will be continuously screened, and if considered to add value for customers and shareholders within a well-considered risk level, Enea will attempt to execute such acquisitions. Enea's target is to maintain an EBIT margin of over 20 percent per year. EBIT margin will vary during quarters, keeping pace with growth. Growth and earnings will vary between years and quarters, mainly depending on how individual deals occur, and the progress of royalty streams. For more information on Enea's strategy, see [www.enea.se](http://www.enea.se).

The board's opinion is that the Company's ability to attract, motivate and retain high-performing staff and managers is critical for a successful implementation of the Company's business strategy and protection of the Company's long-term interests, including sustainability. This entails the Company being able to offer competitive benefits packages. Total compensation should contain a variable component linked to the individual performance of staff and managers, but that is also synchronized with the Company's profitability and long-term sustainability.

*Forms of compensation, etc.*

Remuneration and other employment terms of senior executives should be at market levels. Remuneration consists of basic salary, variable remuneration and pensions. Additionally - and independent of these guidelines - the general meeting is entitled to resolve on share or share price-based payments.

*Fixed basic salary*

The basic salary of the CEO and other senior executives is subject to yearly review. For the CEO, fixed basic salary may represent a maximum of 60 percent of total compensation excluding LTI (long-term incentive) programs and assuming a 50 percent outcome of STI (short-term incentive) programs. For other senior executives, fixed basic salary may represent a maximum of 90 percent of total compensation excluding LTI, and assuming a 50 percent outcome of STI.

*Short-term incentive program (STI)*

Enea's STI program has three parts. Two of these parts relate to the Company achieving specific targets, while one is determined by the achievement of individual targets. Most of the variable compensation is linked to the Company's financial targets, while the individual targets correspond to a smaller proportion of variable compensation.

The criteria applied relate to the Company's targets for sales and EBIT, pursuant to the approved annual financial statement. The criteria applying to the individual targets shall be decided prior to the end of the first quarter of the financial year that the compensation relates to, and shall be as specific as the criteria relating to the Company's financial targets. The criteria are designed to promote the Company's business strategy, long-term interests, as well as sustainability, and accordingly, the Company's long-term value creation.

The outcome of compensation is subject to consultation by the Remuneration Committee and decided by the board for the CEO. For other senior executives, the outcome of compensation is consulted and decided by the Remuneration Committee. Payment of compensation is executed as soon as possible after the board meeting where the Company's annual financial statement is approved for the vesting year. Variable remuneration for CEO is not pensionable. The Company is not entitled to reclaim this compensation.

For the CEO, the STI may be a maximum of 100 percent of the fixed basic salary and may be a maximum of 50 percent of the total compensation excluding LTI. For other senior executives, the STI may be a maximum of 150 percent of the fixed basic salary and may be a maximum of 60 percent of the total compensation excluding LTI.



### *Long-term incentive program (LTI)*

Senior executives are eligible for incentive programs that are basically share, or share price, related. An incentive program shall be designed to increase participants' commitment to the Company's progress, and be implemented on market terms. Share and share price-related incentive programs are subject to resolution by the general meeting, and accordingly, are not covered by these guidelines.

### *Pension*

The CEO's agreed retirement age is 67, while other senior executives do not have any specifically agreed retirement age. All pension benefits of senior executives are defined contribution. This means that for senior executives, the Company pays individually agreed defined pension contributions. Apart from these pension benefits, the Company has no pension obligations to senior executives.

For the CEO, pension will be a maximum of 20 percent of the total compensation excluding LTI, assuming a 50 percent outcome from the STI. For other senior executives, pension will be a maximum of 30 percent of the total compensation excluding LTI, and assuming a 50 percent outcome from the STI.

Senior executives employed in countries other than Sweden are subject to local pension plans in their respective home countries. Such plans are consistent with those offered to other employees in the same countries. Accordingly, in terms of retirement age and any additional pension obligations, there may be some variation in employment terms in other legislatures than Sweden where mandatory local regulation or practice requires, and accordingly, the overall purpose of these guidelines should still be met.

### *Notice period and severance pay*

The employment or service contracts of senior executives shall apply until further notice, or for a specific period. For the CEO, a six-month notice period applies for termination by the Company. In addition to dismissal pay, the CEO is entitled to severance pay of six times the fixed monthly salary less any remuneration received from new employment or assignments for the CEO. During the notice period, the employment contract and associated benefits apply. For other senior executives, maximum notice periods of nine months apply to termination by the Company. Apart from dismissal pay, other senior executives are not entitled to severance pay. Applicable employment contracts and associated benefits apply during notice periods. Where severance pay is due, no other benefits are payable after the end of the notice period.

### *Salary and employment terms of employees*

Consultation on the board's proposal on guidelines for remuneration of senior executives considers salary and employment terms of the Company's employees. Information on employees' total compensation, the components of such compensation, as well as increases and rates of increase of compensation over time, have been collated and served as part of the decision-support data for the Remuneration Committee and the board when appraising the reasonableness of the guidelines and their ensuing limitations.

#### *Decision-making process*

The board shall prepare a proposal for new guidelines when a need for significant amendments arise, although at least every fourth year. The board's proposal is subject to consultation by the board's Remuneration Committee. The Chairman of the board shall serve as Chairman of the Remuneration Committee. With the aim of resolving conflicts of interest, other Board members elected by the AGM that are members of the Remuneration Committee shall be independent in relation to the Company and its management.

The duties of the Remuneration Committee shall include monitoring and evaluating application of the guidelines for remuneration of senior executives as approved by the AGM. When the Remuneration Committee has consulted on the proposal, it is referred to the board for decision. The CEO or other members of group management shall not participate in the board's consideration of, and decisions on, remuneration-related issues, to the extent they are affected by these issues.

If the general meeting does not resolve to adopt the guidelines as proposed, the board shall submit a new proposal no later than at the next AGM. In such case, remuneration shall be paid in accordance with the guidelines that applied previously, or if there are no such guidelines, consistently with the Company's practice.

In consultation of these issues, external advisors may be appointed as considered necessary.

#### *Review of guidelines*

The board has not received any comments from shareholders regarding the current guidelines for remuneration of senior executives. The board's proposal for guidelines for remuneration of senior executives essentially correspond to existing guidelines, except that the criteria to be applied to variable remuneration in respect of targets for the Company shall be sales and operating profit (EBIT) (previously operating margin) in accordance with the annual financial statement. Furthermore, the proposal means that the variable compensation to the CEO shall not be part of the basis for pension benefits. In addition, the proposal means that STI for other senior executives can amount to a maximum of 150 percent (previously 120 percent) of the fixed basic salary. Regarding pensions, the proposal means that the pension for other senior executives shall represent a maximum of 30 percent (previously 20 percent) of the total compensation. Finally, the proposal means that in the event of termination by the Company, the notice period shall be a maximum of nine months (previously six months) for other senior executives and a clarification is made that severance pay for the CEO shall be discounted if the CEO receives remuneration from new employment or assignments.

***The board's proposal on authorization for the board to issue new shares to finance further growth and expansion (item 17)***

The board proposes that the AGM authorizes the board until the AGM 2022, on one or more occasions, to decide on new issues of ordinary shares as follows.

This authorization entails the right to issue a maximum of 2,161,523 ordinary shares, i.e. maximum 10 percent of the number of issued shares on the day of this notice.

Share issues may be made with or without deviation from the shareholders' preferential rights.

The issue price shall be based on market practice.

New ordinary shares may be paid in cash, by set-off or by contribution in kind or otherwise be subject to conditions referred to in chapter 13 section 5 first paragraph 6 of the Swedish Companies Act. The board shall have the right to decide the other terms and conditions of the share issue.

The board proposes that the CEO, or the person appointed by the CEO, shall be authorized to make necessary and small adjustments to enable registration of the resolution at the Swedish Companies Registration Office.

Resolution on this item on the agenda has to be supported by shareholders representing at least two-thirds of the votes cast as well as of all shares represented at the AGM.

***The board's proposal for resolution on (A) long-term share based incentive plan; (B) hedging measures by way of (i) amendment of the Articles of Association, (ii) authorization on directed issues of series C shares, (iii) authorization for repurchase of series C shares, and (iv) resolution on transfer of own ordinary shares; and (C) equity swap arrangement with third parties (item 18)***

The board proposes that the AGM resolves on a long-term share-based incentive plan (LTIP 2021) for Enea in accordance with item A below and hedging measures in accordance with item B alternatively item C below.

**A. RESOLUTION ON LONG-TERM SHARE BASED INCENTIVE PLAN**

### **A.1 LTIP 2021 in brief**

The primary reason for implementing LTIP 2021 is to align the interests of the shareholders with the interests of the executive management and other key employees to ensure maximum long-term value creation. LTIP 2021 is also considered to facilitate Enea's recruitment and retention of senior executives and other key employees. LTIP 2021 comprises approximately 30 employees consisting of senior executives and other key employees. The participants are allocated performance based share rights, which provide the participant with a right to acquire shares. Following the defined vesting period, the participants will, free of charge, be allocated shares in Enea provided that certain conditions are fulfilled. Allocation of shares requires the participant to remain employed within the Enea Group during the vesting period. In addition, a pre-requisite for the allocation of shares is that certain performance targets are fulfilled concerning Enea's development in earnings per share. The maximum number of shares in Enea, which may be allocated in total under the LTIP 2021 shall be limited to 243,000, which represents approximately 1.1 percent of all outstanding shares and votes in Enea.

### **A.2 Participants in LTIP 2021**

LTIP 2021 comprises up to 30 employees divided into three categories. The first category comprises the CEO of Enea, the second category comprises the other members of Enea's executive management (approximately eight employees), and the third category comprises other key employees who have been considered to have a significant impact on Enea's revenue and result (approximately 21 employees). People that have been recruited, but not yet started their employment with Enea when the notification of participation in the plan has to take place, can be offered participation provided that their employment starts.

### **A.3 Number of share rights and vesting period**

The number of share rights that a participant can be allocated depends on which category the participant belongs to. The participant in the first category can be allocated 21,000 share rights, participants in the second category can be allocated 12,000 share rights and participants in the third category can be allocated 6,000 share rights. Allocation of shares in Enea, if any, based on share rights shall normally occur within ten business days after the announcement of Enea's interim report for the period 1 January – 31 March 2024.

### **A.4 Terms for the share rights**

The following conditions shall apply for the share rights:

- The share rights are allocated free of charge a certain time after the AGM.
- The share rights may not be transferred or pledged.

- The right to receive allocation of shares based on share rights requires, with some limited exceptions, that the participant remains employed within the Enea Group during the vesting period. Allocation also requires that Enea fulfil the performance targets as described under item A.5 below.
- Enea will not compensate the participants in LTIP 2021 for ordinary dividends paid in respect of the shares that the respective share right entitles to.
- The maximum value (including any compensation that the participants receive for extraordinary paid dividends) that a participant can receive for each share right is limited to SEK 943, which is 400 percent of the average volume-weighted Company share price during a period of ten trading days from the announcement of the year-end report on 29 January 2021. If the value of the Enea share, at allocation, exceeds the maximum value, the number of shares that each share right entitles to will be reduced accordingly.

#### **A.5 Performance targets**

The number of share rights that entitles to allocation of shares depends on the growth in earnings per share during the financial years 2021-2023. The growth in earnings per share shall be measured on an accumulated level for the entire period 2021-2023, whereby a maximum full allocation can be obtained. In addition to the above main principle, there is an alternative rule that becomes applicable in case the outcome per year would lead to a total better result than the main principle. Under the alternative rule, the years 2021, 2022 and 2023 are measured separately, whereby a maximum of 1/4 of full allocation can be obtained based on the growth in earnings per share for each respective year. The participants shall be allocated shares calculated in accordance with the alternative that leads to the most advantageous outcome for the participants. A condition for application of the alternative rule is that the total shareholder return (TSR) during the term of LTIP 2021 is positive. The total shareholder return shall be calculated as the "closing price" minus the "starting price", where the starting price corresponds to the volume-weighted average price of Enea's share during the 10 trading days immediately following the Annual AGM on 6 May 2021, and the closing price corresponds to the volume-weighted average price of Enea's share during the last 10 trading days in March 2024, with additions for any dividends resolved after the AGM 2021.

When calculating the extent of the achievement of the performance targets, the board shall have a right to make adjustments to avoid an impact of structural change such as acquisitions and realizations and extraordinary posts.

#### *Main principle – Measure period 2021-2023*

The maximum level, which carries entitlement to full allocation, is that Enea's accumulated earnings per share during 2021-2023 amounts to at least SEK 29.86, which corresponds to a yearly growth in earnings per share of 15 percent in relation to average outcome 2018-2020. The minimum level for allocation is that Enea's accumulated earnings per share during 2021-2023 amounts to SEK 24.75, which corresponds to an average



yearly growth in earnings per share of 5 percent in relation to the average outcome for 2018-2020. Where the level of fulfilment is between the minimum and maximum level, allocation will occur on a linear basis based on the intermediate values.

*Alternative rule – Measure period for each of 2021, 2022 and 2023 respectively*

- The maximum level for 2021, which carries entitlement to 1/4 of full allocation, is that Enea's earnings per share during 2021 amounts to at least SEK 8.60 (which corresponds to a growth in earnings per share during 2021 of 15 percent in relation to the average outcome for 2018-2020). The minimum level for allocation is that Enea's earnings per share during 2021 amounts to SEK 7.85 (which corresponds to a growth in earnings per share during 2021 of 5 percent in relation to the average outcome for 2018-2020).
- The maximum level for 2022, which carries entitlement to 1/4 of full allocation, is that Enea's earnings per share during 2022 amounts to at least SEK 9.89 (which corresponds to a growth in earnings per share during 2022 of 32.25 percent in relation to the average outcome for 2018-2020). The minimum level for allocation is that Enea's earnings per share during 2022 amounts to SEK 8.24 (which corresponds to a growth in earnings per share during 2022 of 10.25 percent in relation to the average outcome for 2018-2020).
- The maximum level for 2023, which carries entitlement to 1/4 of full allocation, is that Enea's earnings per share during 2023 amounts to at least SEK 11.37 (which corresponds to a growth in earnings per share during 2023 of 52.1 percent in relation to the average outcome for 2018-2020). The minimum level for allocation is that Enea's earnings per share during 2023 amounts to SEK 8.66 (which corresponds to a growth in earnings per share during 2023 of 15.8 percent in relation to the average outcome for 2018-2020).

Where the level of fulfilment is between the minimum and maximum levels for each respective year, allocation will occur on a linear basis based on the intermediate values. Application of the alternative rule also presumes, as stated above, that the condition concerning total shareholder return is achieved.

#### **A.6 Formulation and administration**

The board shall be entitled to resolve on the detailed terms for the execution of LTIP 2021. The board shall thereby be entitled to make minor adjustments in the AGM's resolution if the board considers there to be special reasons in an individual case. The board shall also be entitled to make adjustments to fulfil specific regulations or market conditions in other jurisdictions or, if delivery of shares to participants outside Sweden cannot be made at reasonable costs and with reasonable administrative efforts, to make country-specific adjustments and/or offer cash settlement. If material changes occur in the Enea Group or in its business environment that would entail that the decided terms for allocation and the possibility to exercise the share rights in accordance with LTIP 2021 no longer are appropriate, the board shall be entitled to make other adjustments. Before finally determining the number of shares to be allocated based on the share

rights, the board shall assess whether the outcome of LTIP 2021 is reasonable. This assessment is made in relation to Enea's financial earnings and financial position, conditions on the stock market and other circumstances. If the board is of the opinion that the outcome is not reasonable, the board shall reduce the number of shares to be allocated.

#### **A.7 Requirement for long-term ownership**

To further align the participants' interests with the interests of the shareholders, the board considers that it is positive for the participants to retain the allocated shares (after deduction of applicable taxes). The guiding principle for participation in future share based incentive plans is that the CEO progressively, over time, accumulates and retains a holding of shares with a value corresponding to at least 24 months base salary, and that the members of the Company's executive management progressively, over time, accumulate and retain a holding of shares with a value corresponding to at least 18 months' base salary.

#### **A.8 Scope**

The maximum number of shares in Enea which may be allocated under LTIP 2021 shall be limited to 243,000, which represents approximately 1.0 percent of all outstanding shares and votes in Enea. In accordance with the detailed conditions that the board stipulates, the number of shares included in LTIP 2021 shall be subject to recalculation if Enea implements a bonus issue, a reversed share split or a share split, a rights issue, an extraordinary dividend or similar corporate actions taking into account customary practice for similar incentive plans.

#### **A.9 Hedging**

The board has considered two alternative hedging methods for LTIP 2021, transfer of shares or an equity swap arrangement with third parties. The board thinks that a directed issues of series C share with a followed repurchase and transfer of own shares is the most cost efficient and flexible method for transfer of own shares in accordance with LTIP 2021. The Company's current possession of own shares is not enough to implement LTIP 2021. The board therefore proposes as main alternative that delivery of shares to participants in LTIP 2021 is secured through transfer of own shares in accordance with item B below. In case sufficient majority is not achieved for the proposal in accordance with item B it is instead proposed that the AGM decides on an equity swap arrangement with third parties in accordance with item C below.

#### **A.10 Costs and value**

The share rights cannot be pledged or transferred to others, but an estimated value for each share right can be calculated. The board has estimated that the average value of each share right is SEK 230.00. This estimate is based on a share price for the Enea share of SEK 230.00. Based on the assumptions that all persons who have been offered participation in the plan participate, a 50 percent fulfilment of the performance targets and a yearly employee turnover of 10 percent as well as a yearly increase of the share price of 10 percent, it is estimated that the total cost of LTIP 2021, including social security costs, will amount to approximately MSEK 36.2 before tax. On an annual basis, the total estimated cost for LTIP 2021 is

estimated to amount to approximately 2.0 percent of Enea's total staff costs, excluding costs for long-term incentive programs, based on planned staffing during the financial year 2021. In the event of complete fulfilment of the performance targets, the total corresponding cost is estimated to approximately MSEK 72.4 before tax.

The costs are treated as staff costs in the profit and loss accounts during the vesting period, in accordance with IFRS 2 on share-based payments and is based on the share price at the start of the program. In the profit and loss accounts, social security costs will accrue in accordance with UFR 7 over the vesting period. The size of these costs will be calculated based on Enea's share price development during the vesting period and allocation of the share rights.

#### **A.11 Effects on important key ratios**

Based on the assumptions stated above (including a 50 percent fulfilment of the performance targets), at full participation in LTIP 2021, Enea's annual staff costs are expected to increase by in average SEK 12.1 million (including social security costs). On a pro-forma basis for 2020, these costs represent a negative effect of approximately 6.4 percent on Enea's operating profit and a decrease of earnings per share of approximately SEK 0.56. The board considers that the positive effects on Enea's financial performance, which are expected to arise from the increased focus on higher earnings per share and the possibility to allocate shares under the plan, outweigh the costs related to LTIP 2021.

#### **A.12 Dilution**

In Enea there are a total of 21,615,231 shares issued. If the hedging option with new issues and transfer of own shares, in accordance with what is stated below, is approved, a total of maximum 243,000 new share will be issued corresponding to a total dilution of 1.1 percent of the Company's share capital and votes.

#### **A.13 The preparation of the proposal**

LTIP 2021 has been prepared in consultation with external advisors and processed with the remuneration committee and at board meetings during the spring 2021.

#### **A.14 Other incentive plans in Enea**

Please refer to Enea's annual report 2020, note 21 or Enea's website [www.enea.se](http://www.enea.se), for a description of other share-based incentive plans that are still outstanding in Enea.

#### **A.15 The proposal by the board**

Referring to the description above, the board proposes that the AGM resolves on LTIP 2021.

**B. RESOLUTION ON HEDGING MEASURES BY WAY OF (I) AMENDMENT OF THE ARTICLES OF ASSOCIATION, (II) AUTHORIZATION ON DIRECTED ISSUES OF SERIES C SHARES, (III) AUTHORIZATION FOR REPURCHASE OF SERIES C SHARES, AND (IV) RESOLUTION ON TRANSFER OF OWN ORDINARY SHARES**

In order to enable the issuance of shares to participants in LTIP 2021, the board proposes that the AGM resolves on hedging measures in accordance with what is mentioned below in this item B, which resolutions shall be resolved upon as one resolution.

**B.1 Amendment of the Articles of Association**

The board proposes that the AGM, in order to enable the issuance of series C shares, resolves to incorporate a new 6 § in the Company's Articles of Association in accordance with the below wording. Following the incorporation of the new section in the Articles of Association, the already existing shares shall be ordinary shares. In connection with the incorporation of the new 6 §, the board also proposes editorial changes of the current 1 § and 10 §.

**1 § Company name (proposed wording "Corporate name")**

*Current wording*

The company's name is Enea Aktiebolag. The company is a public limited company (publ).

*Proposed wording*

The company's corporate name is Enea Aktiebolag. The company is a public limited company (publ).

**6 § Share classes (new section)**

Shares may be issued in two classes, ordinary shares and series C shares. The ordinary shares shall carry one vote per share and series C shares shall carry one-tenth of a vote per share. Shares of either share class may be issued up to an amount corresponding to the full share capital.

Series C shares do not entitle to dividends. Upon the dissolution of the Company, series C shares shall carry equivalent right to the Company's assets as other shares, however, not to an amount exceeding the quota value of the share.

If the Company resolves to issue new ordinary shares and series C shares, against payment other than contribution in kind, owners of ordinary shares and series C shares shall have pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary pre-emption right). Shares which are not subscribed for pursuant to the primary pre-emption

rights shall be offered to all shareholders for subscription (secondary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the secondary pre-emption rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.

If the Company resolves to issue new shares of either solely ordinary shares or series C shares, against payment other than contribution in kind, all shareholders shall, irrespective of whether their shares are ordinary shares or series C shares, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them.

What is set out above with regard to pre-emption rights shall apply mutatis mutandis in the event of issues of warrants and convertible bonds, and shall not limit the right to resolve upon an issue with deviation from the shareholders' pre-emption rights.

In the event of an increase in share capital by a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In connection therewith, the owners of existing shares of a certain class shall entitle the holder to new shares of the same class. This shall not entail any restrictions on the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendments of the Articles of Association.

Reduction of share capital, which in any case shall not fall below the minimum share capital, may, at the request of a holder of a series C share and after resolution by the Company's board or a shareholders' meeting, take place through redemption of series C shares. A request from a shareholder must be submitted in writing. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the Company's reserve fund, if the required funds are available. The redemption amount per series C share shall be the quota value of such share.

Following receipt of the redemption resolution, holders of shares subject to redemption shall promptly receive payment for the shares, or, if authorization for the redemption from the Swedish Companies Registration Office (Sw. Bolagsverket) or a court is required, following the receipt of notice that the final and effected resolution has been registered.

Series C shares held by the Company may, upon resolution of the board be reclassified into ordinary shares. Immediately thereafter, the board shall register the reclassification with the Swedish Companies Registration Office. The reclassification is effected when it has been registered and the reclassification has been reflected in the central securities depository register.



### **11 § (current 10 §) Central securities depository clause**

#### *Current wording*

The company's shares shall be recorded in a share register pursuant to the Swedish Financial Instruments Account Act (1998:1479).

#### *Proposed wording*

The company's shares shall be recorded in a share register pursuant to the Swedish Central Securities Depository and Financial Instruments Act (1998:1479).

As a result of the incorporation of the new section, the existing sections 6 – 10 of the Articles of Association will be renumbered.

### **B.2 Authorization on directed issues of series C shares**

The board proposes that the AGM resolves to authorize the board, for the period up until the next AGM, on one or several occasions, to issue a maximum of 243,000 series C shares. The new shares may, with deviation from the shareholders' preferential rights, only be subscribed for by a bank or a securities company at a subscription price which corresponds to the quota value of the shares. The purpose of the authorization and the reason for the deviation from the shareholders' preferential rights in connection with an issue of shares is to secure delivery of shares in LTIP 2021. It is noted that this shall be achieved through the Company repurchasing the series C shares issued pursuant to the authorization in item B.3 below whereafter the repurchased series C shares will be converted to ordinary shares and transferred in accordance with item B.4 below.

### **B.3 Authorization on repurchase of series C shares**

The board proposes that the AGM resolves to authorize the board, for the period up until the next AGM, on one or several occasions, to repurchase its own series C shares. Repurchase may only be effected through a public offer directed to all holders of series C shares and shall comprise all outstanding series C shares. Repurchase may also be made of so-called interim shares, by Euroclear Sweden AB designated as a Paid Subscribed Share (Sw. Betald Tecknad Aktie (BTA)), regarding series C shares. Repurchase shall be made at a purchase price per share which corresponds to the quota value of the share. The purpose of the proposed repurchase authorization is to secure delivery of shares in LTIP 2021. The board's statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act (Sw. aktiebolagslagen) is presented in a separate document.

### **B.4 Resolution on transfer of own ordinary shares**

In order to fulfil the Company's obligations towards participants in LTIP 2021, the board proposes that the AGM resolves that the Company shall be entitled to transfer the Company's own ordinary shares as follows:

- The Company shall have the right to transfer the number of ordinary shares that the Company has a maximum obligation to allocate to participants in LTIP 2021, at most 243,000 shares.
- The number of shares that may be transferred pursuant to LTIP 2021 can be subject to recalculation in consequence of a bonus issue, split or reverse split, rights issue, or other similar actions which affects the number of shares in the Company.
- The right to acquire ordinary shares shall, with deviation from the shareholders' preferential rights, vest in participants in LTIP 2021 who are entitled to be allotted shares in accordance with the terms and conditions of the program.
- Transfer of shares to participants in LTIP 2021 shall be made free of charge and be executed at the relevant time specified in the terms and conditions for LTIP 2021.

The reason for the deviation from the shareholders' preferential rights in connection with the transfers of own ordinary shares is to enable the Company's delivery of shares to participants in LTIP 2021.

### **C. RESOLUTION ON EQUITY SWAP ARRANGEMENT WITH THIRD PARTIES**

In the event sufficient majority can't be obtained for the resolution on hedging measures according to item B above, the board proposes the alternative that the financial exposure of LTIP 2021 shall be secured through the Company entering into an equity swap arrangement with third parties, where the third party, in its own name, shall obtain and transfer shares in the Company to the participants in LTIP 2021.

### **AUTHORIZATION**

The board proposes that the CEO, or the person appointed by the CEO, shall be authorized to make necessary and small adjustments to enable registration of the resolution at the Swedish Companies Registration Office.

### **MAJORITY REQUIREMENT**

The AGM's resolution on implementation of LTIP 2021 according to item A above requires a majority of more than half of the votes cast at the AGM. The AGM's resolution on hedging measures by way of amendment of the Articles of Association, authorization on directed issues of series C shares, authorization for repurchase of series C shares, and resolution on transfer of own ordinary shares in accordance with item B above requires support from shareholders representing at least nine-tenths of the votes cast as well as of all shares represented at the AGM. The AGM's resolution on an equity swap arrangement with third parties according to item C above requires a majority of more than half of the votes cast at the AGM. The AGM's resolution on implementation of LTIP 2021 shall be conditional on the AGM also resolving in accordance with item B or C.

**Shareholder's right to request information**

The board and the CEO shall, if any shareholder so requests and the board believes that it can be done without material harm to the Company, provide information regarding circumstances that may affect the assessment of the Company's or its subsidiaries' financial situation and the Company's relation to another Company within the Group. Requests for such information shall be made in writing by e-mail to [agm@enea.com](mailto:agm@enea.com) or by mail to Enea AB (publ), P.O. Box 1033, SE-164 21 Kista, Sweden, no later than Monday 26 April 2021. The information is provided by keeping it available at the Company's office and website, no later than Saturday 1 May 2021. The information will also be sent within the same time to the shareholders who have requested it and provided their postal or e-mail address.

**Documentation**

The annual report and the auditor's report, as well as the board's remuneration report and the statement by the auditor on the compliance of the applicable guideline for remuneration of senior executives, a compilation of the proposed board members' other engagements, the board's complete proposals for resolutions and other documents for the annual general meeting, are presented by keeping them available at the Company's office, Jan Stenbecks Torg 17, SE-164 21 Kista, Sweden and at the Company's website, [www.enea.se](http://www.enea.se), as from no later than three weeks before the AGM, and will also be sent to shareholders who request it and provide their address. The share register of the AGM will also be available at the Company's office.

**Amount of shares and votes**

The total amount of shares and votes in the Company at the time of the issuance of this notice is 21,615,231, of which the Company has re-purchased and holds 86,688 own shares.

**Processing of personal data**

For information on how your personal data is processed, please see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

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Kista, March 2021  
Enea AB (publ)  
*The Board of Directors*

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**About Enea**

Enea is one of the world's leading suppliers of innovative software for telecommunication and cybersecurity. Focus areas are cloud-native, 5G-ready products for data management, mobile video traffic optimization, edge virtualization, and traffic intelligence. More than 3 billion people rely on Enea technologies in their daily lives.

Enea is headquartered in Stockholm, Sweden, and is listed on Nasdaq Stockholm.

For more information: [www.enea.com](http://www.enea.com)

*The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*