

*This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.*

## **NOTICE OF 2022 ANNUAL GENERAL MEETING**

The Annual General Meeting of Indutrade Aktiebolag (publ) (reg. no. 556017-9367) will be held on Tuesday, 5 April 2022.

Due to the coronavirus, Indutrade has decided that the Annual General Meeting shall be conducted without the physical presence of shareholders, representatives or third parties, and that shareholders shall have the opportunity to exercise their voting rights only by postal voting. Information on the resolutions passed at the Annual General Meeting will be disclosed on 5 April 2022, as soon as the outcome of the postal voting has been finally confirmed.

A presentation by the CEO, Bo Annvik, where he comments on the Company's operations during the past year, will be posted on the Company's website, [www.indutrade.com](http://www.indutrade.com), on Tuesday, 5 April 2022.

### **A. RIGHT TO PARTICIPATE AND NOTIFICATION OF PARTICIPATION**

A person who wishes to participate in the Annual General Meeting by postal voting must:

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on Monday, 28 March 2022; and
- give notice of intent to participate no later than on Monday, 4 April 2022, by casting its postal vote in accordance with the instructions under the heading *Postal voting* below so that the postal vote is received by Euroclear Sweden AB no later than that day.

In order to be entitled to participate in the meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of participation in the Annual General Meeting by submitting its postal vote, register its shares in its own name so that the shareholder is listed in the presentation of the share register as of the record date, Monday, 28 March 2022. Such registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee, in accordance with the nominee's routines, at such time in advance as decided by the nominee. Voting rights registrations made by the nominee no later than Wednesday, 30 March 2022, will be taken into account in the presentation of the share register.

Information provided in the notification will be data-processed and used only for the 2022 Annual General Meeting.

## **B. POSTAL VOTING**

The shareholders may exercise their voting rights at the Meeting only by postal voting in accordance with the Act on temporary exceptions to facilitate the execution of general meetings in companies and other associations, which will enter into force on 1 March 2022.

A special form shall be used for postal voting. The form is available on [www.indutrade.com](http://www.indutrade.com). The postal voting form is considered as the notification of participation at the Meeting. The completed voting form must be received by Euroclear Sweden AB no later than Monday, 4 April 2022. The completed postal voting form shall be sent by post to Indutrade Aktiebolag, "AGM", c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden, or by e-mail to [generalmeetingservice@euroclear.com](mailto:generalmeetingservice@euroclear.com). Shareholders may also cast their postal votes electronically through verification with BankID in accordance with instructions at <https://anmalan.vpc.se/euroclearproxy>.

If the shareholder is postal voting by proxy, a written and dated power of attorney signed by the shareholder shall be enclosed with the postal voting form. Proxy forms are available on the Company's website, [www.indutrade.com](http://www.indutrade.com). If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be enclosed with the form.

The shareholder may not provide special instructions or conditions in the postal voting form. If so, the postal vote in its entirety is invalid.

Further instructions and conditions are included in the form for postal voting.

For questions concerning the Annual General Meeting, please contact Euroclear Sweden AB by phone, +46 8 401 43 12 (Monday to Friday between 9:00 a.m. to 4:00 p.m.).

## **C. ITEMS OF BUSINESS**

### **C.1 Proposed agenda**

1. Election of a Chair to preside over the Meeting;
2. Election of persons to verify the minutes;
3. Preparation and approval of the voting list;
4. Approval of the agenda;
5. Determination as to whether the Meeting has been duly convened;
6. Presentation of the annual report and consolidated accounts;
7. Presentation of the audit report and the audit report for the group, and of the auditor's statement regarding whether the Company has adhered to the guidelines for compensation of senior executives that have applied since the preceding Annual General Meeting;
8. Resolutions on:

- (a) adoption of the income statement and balance sheet, and of the consolidated income statement and consolidated balance sheet;
  - (b) distribution of the Company's earnings in accordance with the adopted balance sheet;
  - (c) the record date, in the event the Meeting resolves to distribute profits;
  - (d) discharge from liability to the Company of directors and President for 2021;
9. Resolution on amendments to the Articles of Association;
  10. Resolution on the number of directors and the number of auditors;
  11. Resolution on directors' and auditors' fees;
  12. Election of directors and the Chair of the Board;
  13. Election of auditor;
  14. Resolution on approval of the Board's remuneration report;
  15. Resolutions on:
    - (a) the implementation of a long-term incentive programme; and
    - (b) hedging arrangements (equity swap agreement) in respect thereof.

#### C.II Election of persons to verify the minutes

The Board of Directors proposes Henrik Didner, Didner & Gerge Funds and Anders Oscarsson, AMF Insurance & Funds, or if one or both of them are prevented from participating, the person or persons instead appointed by the Board of Directors, to verify the minutes together with the Chair of the Board of Directors. The assignment to verify the minutes also includes verifying the voting list and that the received postal votes are correctly reflected in the minutes of the meeting.

#### C.III Dividend

The Board proposes a dividend of SEK 2.30 per share.

The proposed record date for the dividend is Thursday, 7 April 2022. Provided that the Annual General Meeting resolves in accordance with the proposal, dividends are expected to be distributed by Euroclear Sweden AB on Tuesday, 12 April 2022.

#### C.IV The Board's proposal regarding amendments to the Articles of Association

In order to enable the appointment of additional Board members, the Board of Directors proposes that the Annual General Meeting resolves on the below amendments to the Articles of Association.

*Current wording:*

§ 6 Board of Directors

*Proposed wording:*

§ 6 Board of Directors

The Board of Directors shall, to the extent elected by the shareholders' meeting, consist of not less than three directors and not more than eight directors.

The Board of Directors shall, to the extent elected by the shareholders' meeting, consist of not less than *five* directors and not more than *ten* directors.

*Authorisation for the Board of Directors*

The Board, or whomever the Board may appoint, shall be authorised to make such minor adjustments of the above resolution as may prove necessary in conjunction with the registration with the Swedish Companies Registration Office.

*Majority requirements*

The resolution under this item 9 is valid only if shareholders holding at least two-thirds of the votes cast as well as the shares represented at the Meeting vote in favour of the proposal.

C.V Election of a Chair to preside over the Meeting, Board of Directors etc.

The Nomination Committee has been composed of Claes Boustedt, L E Lundbergföretagen, committee chair, Katarina Martinson, Chair of the Board of Indutrade, Camilla Wirth, Alecta Pension Insurance, Dick Bergqvist, AMF Insurance and Funds, and Javiera Ragnartz, SEB Investment Management.

The Nomination Committee proposes the following:

AGM Chair:

Katarina Martinson, Chair of the Board of Indutrade Aktiebolag.

Number of directors and auditors:

The Board shall, provided that the Meeting resolves in accordance with the Board's proposal under item 9 regarding amendments to the Articles of Association, consist of nine directors and no deputies, and otherwise of eight directors and no deputies.

One registered accounting firm is proposed as auditor of the Company.

Directors' fees:

A fee of SEK 860,000 (620,000) is proposed for the Chair of the Board, SEK 645,000 (465,000) for the Deputy Chair of the Board, SEK 430,000 (310,000) for each of the other non-executive directors, SEK 115,000 (84,000) for the Audit Committee Chair,

SEK 58,000 (42,000) for each of the other Audit Committee members and SEK 45,000 (31,000) for the Remuneration Committee Chair and members.

Auditors' fees:

Fees payable on current account (unchanged).

Board of Directors:

Re-election of Bo Annvik, Susanna Campbell, Anders Jernhall, Bengt Kjell, Ulf Lundahl, Katarina Martinson, Krister Mellvé and Lars Pettersson.

Provided that the Meeting resolves in accordance with the Board's proposal under item 9 regarding amendments to the Articles of Association, it is proposed to elect Kerstin Lindell as new Board member. Kerstin Lindell was born in 1967, is an Honorary Doctor at the Faculty of Engineering, LTH and holds a PhD. in Polymer Chemistry, Master in Chemical Engineering and Master in Business Administration. She is Chairwoman of the Board of Bona AB and Chamber of Commerce, as well as Industry of Southern Sweden, and Board member of Nord-Lock, Inwido, Hexpol and PEAB.

Katarina Martinson is proposed to be re-elected as Chair of the Board.

Auditor:

Re-election of PricewaterhouseCoopers AB as auditor of the Company for the period until the end of the 2023 Annual General Meeting, in accordance with the recommendation from the Audit Committee.

C.VI Approval of the Board's remuneration report

The Board of Directors proposes that the Annual General Meeting resolves to approve the Board of Directors' report regarding compensation pursuant to Chapter 8, Section 53 a of the Swedish Companies Act (2005:551).

C.VII The Board's proposal regarding (a) the implementation of a long-term incentive programme; and (b) hedging arrangements in respect thereof

**(a) Implementation of the programme**

The Board of Directors proposes that the Annual General Meeting resolves to implement a long-term incentive programme ("LTIP 2022"), as set out below.

## Objective

LTIP 2022 is designed to create long-term incentives for members of the group management, including the CEO, business unit presidents, as well as subsidiary CEOs and other key employees (the “**Participants**”). The main objective of LTIP 2022 is to create additional incentive for increased engagement and performance among the Participants, strengthen the potential for recruiting and retaining key individuals, as well as to create a mutual ownership interest between the Participants and the shareholders.

The Board of Directors intends to propose an annual incentive programme with an equivalent structure.

## Description of LTIP 2022

LTIP 2022 is proposed to include all current and future members of the group of Participants, currently comprising approximately 265 employees. It is proposed that the programme, which entails an investment requirement, shall consist of performance shares. As proposed, LTIP 2022 may comprise a maximum of 425,000 shares in Indutrade, representing approximately 0.12 percent of all shares and votes in Indutrade.

### Investment requirement

In order to participate in LTIP 2022, the Participants are required to invest in Indutrade shares and to allocate these shares to LTIP 2022. The maximum amount that Participants may invest in Indutrade shares within LTIP 2022 corresponds to, in average, approximately 5–6 percent of the Participant’s gross annual base salary at the time of enrolment in LTIP 2022 (“**Investment Shares**”), as further set out below. Indutrade shares already held by the Participants at the time of implementation, may not be accounted for as Investment Shares under LTIP 2022. Should the Participant be prohibited from acquiring Indutrade shares under market abuse rules or similar at the time of enrolment in LTIP 2022, Investment Shares must instead be acquired as soon as such restrictions no longer apply.

### Performance Share Rights

Granting under LTIP 2022 is free of charge and gives the Participant rights that entitle the Participant to receive a certain number of Indutrade shares, free of charge, for each Investment Share following the expiration of a three-year vesting period (“**Performance Share Rights**”). Each Performance Share Right entitles the holder to receive up to one (1) Indutrade share. Allotment of Indutrade shares pursuant to the Performance Share Rights is subject to the fulfilment of the performance condition set out below, and will generally require that the Participant retains their employment and all of their Investment Shares over a period of

approximately three years from the launch of the programme until the date of announcement of the interim report for the first quarter of 2025 (the “**Vesting Period**”).

Granting of Performance Share Rights will generally take place as soon as practicably possible following the 2022 Annual General Meeting or a later point in time as regards newly employed Participants.

Indutrade will not compensate for dividend payments and other value transfers that are in line with Indutrade’s dividend policy during the Vesting Period. The number of Indutrade shares that each Performance Share Right entitles to, may be recalculated as a result of e.g. bonus issues, reverse splits or share splits, new share issues, reductions of the share capital, extraordinary dividend payments, or similar actions. The transfer of shares may be accelerated as a result of merger, demerger, major acquisitions or divestments or similar actions.

#### *Performance condition and allocation*

The vesting of the Performance Share Rights is dependent upon the extent to which the performance condition is satisfied during the period 1 January 2022–31 December 2024 (the “**Performance Period**”), whereby it will be determined to which extent (if any) the Performance Share Rights entitle the Participants to receive Indutrade shares at the expiration of the Vesting Period.

The performance condition for allotment of Indutrade shares is based on the cumulative profit per Indutrade share (EPS) during the entire Performance Period. Minimum allotment occurs if the threshold of a cumulative EPS of SEK 19.40 per share is reached, and increases linearly up to the maximum allotment at a cumulative EPS of SEK 22.60 per share.

The maximum amount that the participants in each category can invest in Investment Shares within LTIP 2022, as well as their respective granting of Performance Share Rights, are set out below. Further, each Participant must invest at least 50 percent of the maximum amount specified for its category below in order to be entitled to Performance Share Rights.

#### *Category 1 (CEO)*

The CEO can invest up to SEK 600,000 in Investment Shares. Each Investment Share entitles the CEO to receive 6 Performance Share Rights.

#### *Category 2 (Group management)*

14 other employees of the group management can invest up to SEK 150,000 each in Investment Shares. Each Investment Share entitles these Participants to receive 5 Performance Share Rights.

<i>Category 3 (Business unit presidents)</i>	35 employees within category 3 can invest up to SEK 100,000 each in Investment Shares. Each Investment Share entitles these Participants to receive 4 Performance Share Rights.
<i>Category 4 (Subsidiary CEOs and other key individuals)</i>	215 employees within category 4 can invest up to SEK 75,000 each in Investment Shares. Each Investment Share entitles these Participants to receive 2.5 Performance Share Rights.

### *Allotment of shares*

Provided that the performance condition set out above has been satisfied during the Performance Period and that the Participant has retained their employment (unless special circumstances are at hand) as well as their Investment Shares during the Vesting Period, the allotment of Indutrade shares ("**Performance Shares**") shall take place as soon as practicably possible following the expiration of the Vesting Period.

In order to enable control and create predictability in relation to the maximum outcome per Participant and the costs of LTIP 2022, the maximum value of the Performance Shares that may be allotted under each Performance Share Right is limited to SEK 418 (corresponding to 200 percent of the volume-weighted average purchase price for the Indutrade share during the period 17–23 February 2022). Should the value of the allotment of Performance Shares per Performance Share Right exceed this amount at the day of allotment of Performance Shares, a proportionate reduction of the number of Performance Shares to be allotted shall be made, so that this amount is not exceeded. A corresponding reduction can be made in the event the total number of shares comprised by LTIP 2022 would be exceeded.

When determining the final outcome of the Performance Share Rights, the Board of Directors shall evaluate whether the vesting level is reasonable considering Indutrade's financial results and position, conditions on the stock market and other circumstances, and if not, as determined by the Board of Directors, reduce the allotment to the lower level deemed appropriate by the Board of Directors.

In the event delivery of Performance Shares to Participants cannot take place under applicable law, at a reasonable cost or with reasonable administrative measures, the Board of Directors may resolve to offer the Participants a cash settlement.

### **Costs, dilution and effects on important key ratios**

The costs for LTIP 2022, as reported in the income statement, are calculated in accordance with the accounting standard IFRS 2 and



distributed over the Vesting Period. The calculation has been made based on the assumption of an estimated annual turnover of personnel of 10 percent, an annual share price increase of 10 percent, and 50 percent fulfilment of the performance condition. In addition, the costs for LTIP 2022 have been based on the assumptions that the programme comprises a maximum of 265 Participants and that each Participant makes a maximum investment.

The total cost during the entire program period, given the above assumptions, of LTIP 2022 according to IFRS 2 is estimated to approximately MSEK 24, excluding social security contributions (the maximum cost according to IFRS 2 is approximately MSEK 65). The costs for social security contributions are estimated to approximately MSEK 10, based on the assumption of social security contributions at a rate of 30 percent (approximately MSEK 41 at maximum total outcome).

The expected annual costs of approximately MSEK 12, including social security contributions, correspond to approximately 0.2 percent of the group's total employee costs for the financial year 2021 (0.7 percent at maximum total outcome).

As proposed, LTIP 2022 may comprise a maximum of 425,000 shares in Indutrade, corresponding to approximately 0.12 percent of all shares and votes in Indutrade, before any recalculations as a result of the above specified company events.

Since the proposal does not entail an issue of new shares, LTIP 2022 will have no dilutive effect on the votes of existing shareholders or the share capital. The effect on important key figures is only marginal.

### **Hedging arrangements**

The Board of Directors has considered different methods for hedging the financial exposure and the transfer of shares under LTIP 2022, such as repurchase of own shares, new issue of Class C shares and transfer of treasury shares. The Board of Directors is of the opinion that an equity swap agreement with a third party is the most cost-effective and flexible method for hedging the financial exposure and the transfer of shares under LTIP 2022.

### **Preparation of the proposal, etc.**

The proposal regarding LTIP 2022 has been prepared by Indutrade's Remuneration Committee and adopted by the Board of Directors.

The Board of Directors shall, within the framework of the above terms and conditions and guidelines, be responsible for the implementation and management of LTIP 2022. All major decisions relating to LTIP 2022 will be

made by the Remuneration Committee, with approval by the Board of Directors as a whole, when required.

### **Description of ongoing variable compensation programmes**

The Company's ongoing variable compensation programmes will be described in detail in the annual report 2021 in note 8 to the consolidated financial statements, and are also described on Indutrade's website, which further outlines how Indutrade implements its guidelines for compensation to senior executives in line with the Swedish Corporate Governance Code.

### **(b) Equity swap agreement with a third party**

The Board of Directors proposes that the Annual General Meeting resolves that the financial exposure shall be hedged by Indutrade being able to enter into an equity swap agreement with a third party on market terms, whereby the third party in its own name shall be entitled to acquire and transfer shares to the Participants. The Board has considered different methods and is of the opinion that the costs of such an equity swap are in line with other financing options, considering the terms and conditions for such an equity swap agreement. The costs for the equity swap agreement are expected to amount to approximately MSEK 1 per year until 2025.

LTIP 2022 including the equity swap agreement will also result in costs for external counsel and administration attributable to LTIP 2022, including acquisition and transfer of shares. These costs are not expected to exceed MSEK 1 per year until 2025.

### *Majority requirements*

The Annual General Meeting's resolutions under items 15 (a) and 15 (b) above requires a majority of more than half of the votes cast at the Meeting.

## **D. SHARES AND VOTES**

The number of shares and votes in the Company at the time of this notice was 364,188,000.

## **E. DOCUMENTS**

Accounting reports (including the Board's statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act), the audit report, the Board's complete proposal on implementation of a long-term incentive programme, the Board's complete proposal regarding amendments to the Articles of Association, the Board's remuneration report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act, and the auditor's statement pursuant to Chapter 8, Section 54 of the Swedish Companies Act regarding guidelines for compensation and other terms of employment for senior executives, are presented by being available at the

Company and on the Company's website, [www.indutrade.com](http://www.indutrade.com), no later than three weeks prior to the Annual General Meeting.

The documents can also be requested by post from Indutrade Aktiebolag, Box 6044, SE-164 06 Kista, Sweden, or by e-mail to [IndutradeAGM@indutrade.com](mailto:IndutradeAGM@indutrade.com), and will also be sent free of charge to shareholders who so request, provided they provide their postal address. The complete proposals are set out under each item in the notice. Information on those proposed to the Board of Indutrade and the proposed auditor, the Nomination Committee's statement and postal voting forms as well as proxy forms etc. will be available at the Company's website.

The general meeting share register will be held available at the Company's headquarter, Raseborgsgatan 9, SE-164 06 Kista, Sweden.

## **F. RIGHT TO REQUEST INFORMATION**

The Board of Directors and the President shall, if requested by any shareholder, and if the Board believes that it can be done without causing material harm to the Company, provide disclosures on conditions that could affect the assessment of an item on the agenda, including conditions that could have an effect on the assessment of the Company's or a subsidiary's financial situation as well as of the Company's relations with another Group company. A request for such information shall be made in writing to Indutrade Aktiebolag, Box 6044, SE-164 06 Kista, Sweden, or by e-mail to [IndutradeAGM@indutrade.com](mailto:IndutradeAGM@indutrade.com), no later than Saturday, 26 March 2022.

Information will be disclosed by being held available at the Company's website, [www.indutrade.com](http://www.indutrade.com), and at the Company no later than Thursday, 31 March 2022. The information is also sent to the shareholders who requested it and stated their address.

## **G. PROCESSING OF PERSONAL DATA**

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

---

Stockholm, February 2022  
Indutrade Aktiebolag (publ)  
*The Board of Directors*