



**Minutes** kept at the annual general meeting in Scandi Standard AB (publ), 556921-0627, on 15 May 2020 at Axel Wenner-Gren Salen, Wennergren Center, Sveavägen 166 in Stockholm

### **§ 1 Opening of the meeting and election of a chairman of the meeting**

The annual general meeting was opened by advokat Björn Svensson, who was elected chairman of the annual general meeting.

It was noted that advokat Daniel Sveen had been asked to keep the minutes of the meeting.

It was resolved to approve that certain persons that did not meet the requirements for participation in the meeting set out in the Swedish Companies Act and the articles of association were present as guests without a right to vote or ask questions.

### **§ 2 Preparation and approval of the voting register**

It was resolved to approve the attached register, appendix 1, as voting register for the meeting.

It was noted that 32,440,029 shares and votes were represented at the meeting.

### **§ 3 Approval of the agenda**

It was resolved to approve the agenda as proposed in the notice of the meeting.

### **§ 4 Election of person to attest the minutes**

Stefan Berglöf was elected to attest the minutes together with the chairman.

### **§ 5 Determination of whether the meeting was duly convened**

It was informed that the notice of the annual general meeting had been available at the company's website since 14 April 2020 and that it was published in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) on 16 April 2020 and that information that the notice had taken place was announced in Svenska Dagbladet on 16 April 2020.

It was declared that the meeting had been duly convened.

## **§ 6 Submission of the annual report and auditor's report and the consolidated financial statements and auditor's report for the group**

The annual report and the consolidated financial statements for the financial year 2019 as well as the auditor's report for the company and the group for the financial year 2019 and the auditor's report regarding the application of the company's guidelines for remuneration to the senior management were submitted to the meeting.

It was noted that the annual report and the consolidated financial statements for the financial year 2019 and the auditor's report for the company and the group for the financial year 2019 and the auditor's report regarding the application of the company's guidelines for remuneration to the senior management had been available at the company and at the company's website in due time before the annual general meeting, that the documents had been sent to shareholders who so requested and that the documents were included in the material distributed at the meeting.

## **§ 7 a) Resolution on adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet**

It was resolved to adopt the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet for the financial year 2019.

## **§ 7 b) Resolution on allocation of the company's results according to the adopted balance sheet**

It was resolved, in accordance with the board of directors' proposal, that no dividend is to be distributed and that distributable funds are to be carried forward.

## **§ 7 c) Resolution on discharge from liability for board members and the managing director**

It was resolved to discharge the board members and the managing director from liability for the financial year 2019.

It was noted that the board members and the managing director did not participate in the resolution regarding the discharge from their own liability.

## **§ 8 Determination of the number of members of the board of directors**

It was resolved, in accordance with the nomination committee's proposal, that the board of directors is to consist of seven board members without deputies for the time until the close of the next annual general meeting.

## **§ 9 Determination of fees for the board of directors**

It was resolved, in accordance with the nomination committee's proposal, that the annual fees to the board members, for the period until the next annual general meeting, shall be SEK 700,000 to the chairman of the board and SEK 360,000 to the other board members elected by the annual general meeting that are not employed by the company or its subsidiaries.

It was also resolved, in accordance with the nomination committee's proposal, that the fees for work in the committees of the board of directors shall be not more than SEK 420,000, of which SEK 150,000 shall be paid to the chairman of the audit committee, SEK 75,000 shall be paid to each of the two other members of the audit committee, SEK 60,000 shall be paid to the chairman of the remuneration committee and SEK 30,000 shall be paid to each of the two other members of the remuneration committee.

## **§ 10 Election of the board of directors**

It was resolved, in accordance with the nomination committee's proposal, to re-elect Michael Parker, Karsten Slotte, Heléne Vibbleus, Øystein Engebretsen and Vincent Carton as board members as well as Per Harkjaer as board member and chairman of the board for the period until the close of the next annual general meeting.

It was resolved, in accordance with the nomination committee's proposal, to elect Henrik Hjalmarsson as a new board member for the period until the close of the next annual general meeting.

## **§ 11 Determination of the number of auditors and deputy auditors**

It was resolved, in accordance with the nomination committee's proposal, that the company shall have one auditor without a deputy auditor.

## **§ 12 Determination of fees for the auditors**

It was resolved, in accordance with the nomination committee's proposal, that the fees to the auditor shall be paid in accordance with approved invoice.

## **§ 13 Election of accounting firm or auditors**

It was resolved, in accordance with the nomination committee's proposal, to re-elect Öhrlings PricewaterhouseCoopers AB as auditor for the period until the close of the next annual general meeting.

#### **§ 14 Resolution on guidelines for remuneration to the senior management**

It was resolved to adopt guidelines for remuneration for the senior management in accordance with the board of directors' proposal, [appendix 2](#).

#### **§ 15 a) Resolution on long-term incentive program (LTIP 2020)**

It was resolved to adopt a long-term incentive program (LTIP 2020) in accordance with the board of directors' proposal, [appendix 3](#).

#### **§ 15 b) Resolution on authorisation for the board of directors to resolve on acquisitions of own shares**

It was resolved to authorise the board of directors to resolve on acquisitions of own shares in accordance with the board of directors' proposal, [appendix 4](#).

It was noted that the required majority was reached since the resolution was supported by shareholders holding not less than two thirds of both the votes cast and the shares represented at the meeting.

#### **§ 15 c) Resolution on transfer of own shares**

It was resolved to transfer own shares in accordance with the board of directors' proposal, [appendix 5](#).

It was noted that the required majority was reached since the resolution was supported by shareholders holding not less than nine tenths of both the votes cast and the shares represented at the meeting.

#### **§ 16 Resolution on authorisation for the board of directors to resolve on issue of shares**

It was resolved to authorise the board of directors to resolve on issues of shares in accordance with the board of directors' proposal, [appendix 6](#).

It was noted that the required majority was reached since the resolution was supported by shareholders holding not less than two thirds of both the votes cast and the shares represented at the meeting.

#### **§ 17 Resolution on amendments to the instruction for the nomination committee**

Resolved to amend the instruction for the nomination committee in accordance with the nomination committee's proposal, [appendix 7](#).

#### **§ 18 Closing of the meeting**

The meeting was declared closed.

Keeper of the minutes

Verified

Daniel Sveen

Björn Svensson

Stefan Berglöf

**Item 14: Resolution on guidelines for remuneration to the senior management**

The board of directors proposes that the below guidelines for remuneration for the senior management are applied for remuneration agreed after the annual general meeting 2020. Remuneration resolved upon by the general meeting is not covered by these guidelines.

**General principles for the remuneration and other terms and conditions**

In these guidelines, the senior management means the managing director and CEO of the company, the senior managers in the company and other group companies who, from time to time, are reporting to the managing director and CEO or the CFO and who are also members of the senior management, as well as board members of the company that have entered into an employment or consulting agreement with a group company.

The company's remuneration principles and policies shall be designed to ensure responsible and sustainable remuneration decisions that support the company's and the group's strategy, long-term interests and sustainable business practices. Salaries and other terms and conditions of employment in the company and the group shall be adequate to enable the company and the group to retain and recruit skilled senior managers at a reasonable cost. The remuneration to the senior managers shall consist of fixed salary, variable salary, pension and other benefits, and it shall be based on principles of performance, competitiveness and fairness.

**Principles for fixed salary**

Each senior manager shall be offered a fixed salary in line with market conditions and based on the manager's responsibility, expertise and performance. To the extent a board member performs work for the company, in addition to ordinary board work, a market-based consulting fee may be paid.

**Principles for variable salary**

All senior managers may, from time to time, be offered a variable salary (*i.e.*, cash bonuses). The variable salary shall be based on a set of financial and personal objectives determined in advance. To which extent the objectives for awarding variable salary has been satisfied shall be determined when the relevant measurement period of the performance criteria has ended. The remuneration committee of the board of directors is responsible for the evaluation of the variable salary to the managing director and CEO. The managing director and CEO is responsible for the evaluation of the variable salary to other members of the senior management.

The variable salary may not amount to more than 75 per cent of the fixed salary (in this context, fixed salary means cash salary earned during the year, excluding pension, benefits and similar).

**Principles for share-related incentive programs**

Remuneration resolved upon by the general meeting is not covered by these guidelines. Accordingly, these guidelines do not apply to the share-related long term incentive program (LTIP 2020) proposed by the board of directors or the similar outstanding share-related long-term incentive programs resolved upon by the annual general meetings 2017, 2018 and 2019, respectively. These share-related long term incentive programs are directed to certain key employees of the group and designed to promote the long-term value growth and sustainability of the company and to increase alignment between the interests of the participating employees and the company's shareholders. Under the incentive programs, the participating employees may be allotted shares in the company free of charge, subject to a three-year vesting period and provided that certain performance criteria are fulfilled. In order to further increase alignment between the long term interests of the participants and the company's shareholders, a requirement for participation is that the participant undertakes to retain all allotted shares (except for such shares that are sold to cover for tax due to the allotment of shares) for a period of two years from the date of the allotment of the shares. More information on the company's share-related long-term incentive programs, including the performance criteria which the outcome depends on, is available on company's website, [www.scandistandard.com](http://www.scandistandard.com).

**Principles for pensions**

Agreements regarding pensions shall, where applicable, be premium based and designed in accordance with the level and practice applicable in the country in which the member of senior management is employed. Pension premiums for premium defined pension may not amount to more than 25 per cent of the annual fixed salary.

**Principles for other non-monetary benefits**

Other benefits may include, for example, life insurance, medical insurance (Sw. *sjukvårdsförsäkring*) and company cars. Premiums and other costs related to such benefits may not amount to more than 10 per cent of the annual fixed salary.

**Principles for salary during periods of notice and severance pay**

Fixed salary during notice periods and severance payment, including payments for any restrictions on competition, shall in aggregate not exceed an amount equivalent to the fixed salary for two years. The total severance payment for all members of

the senior management shall be limited to the current monthly salary for the remaining months up to the relevant retirement age.

**Preparation and review of matters regarding remuneration to the senior management**

These guidelines have been prepared by the remuneration committee of the board of directors. When evaluating whether the guidelines and the limitations set out herein are reasonable, the remuneration committee has considered the total income of all employees of the company, including the various components of their remuneration as well as the increase and growth rate over time.

The remuneration committee shall monitor and evaluate programs for variable remuneration for the senior management, the application of these guidelines as well as the current remuneration structures and compensation levels in the company.

The members of the remuneration committee are independent in relation to the company and the senior management. The managing director and CEO and the other members of senior management do not participate in the board of directors' handling of and resolutions regarding remuneration-related matters if they are affected by such matters.

**Principles for deviations from the guidelines**

The board of directors may resolve to deviate from the guidelines, in whole or in part, if the board of directors, in an individual case, is of the opinion that there are special circumstances justifying a deviation and a deviation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability.

\* \* \*

Stockholm in April 2020  
Scandi Standard AB (publ)  
*The board of directors*



**Item 15 a): Resolution on long-term incentive program (LTIP 2020)**

**Background and summary**

Salaries and other terms and conditions of employment in the company and the group shall be adequate to enable the company and the group to retain and recruit skilled employees at reasonable costs. Remuneration shall be based on principles of performance, competitiveness and fairness. The board of directors of the company has decided to propose to the annual general meeting the below Long Term Incentive Program 2020 (“**LTIP 2020**”) for key employees, which is designed to promote the long-term value growth of the company and the group and increase alignment between the interests of the participating individual and the company’s shareholders.

Performance share rights shall be allotted free of charge to the participants of LTIP 2020, who are key employees in the group, in relation to a fixed percentage of their fixed salary. After a three-year vesting period commencing in connection with the implementation of LTIP 2020 and provided that certain conditions are fulfilled, the participants may exercise their performance share rights through which they will be allotted shares in the company free of charge.

In order to ensure the delivery of shares under LTIP 2020 and for the purpose of hedging social security charges under LTIP 2020, the board of directors proposes that the board of directors is authorised to acquire a maximum of 540,000 shares in the company on Nasdaq Stockholm. In addition, the board of directors proposes that the annual general meeting resolves to transfer a maximum of 460,361 own shares to the participants of LTIP 2020 in accordance with the terms of LTIP 2020.

The intention is that a program similar to LTIP 2020 shall be adopted annually, at the annual general meetings the coming years.

**Proposal**

The board of directors proposes that the annual general meeting resolve on the implementation of LTIP 2020 principally based on the terms and conditions set out below.

***1. Participants and allotment under LTIP 2020***

LTIP 2020 comprises a maximum of 33 participants divided into four (4) categories.

- Category 1 consists of the managing director
- Category 2 consists of the CFO and the COO
- Category 3 consists of the country managers and the Director of Group Live Operations
- Category 4 consists of other key employees

The participants shall free of charge be allotted performance share rights entitling to allotment of shares in the company. The number of performance share rights allotted to a participant shall be calculated as a percentage of the relevant participant's fixed salary divided by 53.80, which was the average share price during the period 12 March 2020 to 25 March 2020. The percentage of the fixed salary forming the basis for allotment of performance share rights depends on which category the participant belongs to, in accordance with the following:

- Category 1: 100 per cent of the fixed salary for 2020
- Category 2: 75 per cent of the fixed salary for 2020
- Category 3: 50 per cent of the fixed salary for 2020
- Category 4: 25 per cent of the fixed salary for 2020

The above percentages will be adjusted so that participants who have been employed with the group for less than a year will receive less than 100 per cent of the numbers illustrated above.

Provided that the conditions set out in item 2 (*Performance share rights*) below are fulfilled, the performance share rights shall entitle to allotment of shares in the company in accordance with what is described below. Allotment of shares on the basis of performance share rights shall be made at the earliest three years after the implementation of LTIP 2020 (the "**Vesting Period**").

## ***2. Performance share rights***

Following the Vesting Period, each performance share right shall entitle to allotment of up to one (1) share. The conditions for allotment of shares are described in the following.

### ***Vesting requirement***

In order for performance share rights to entitle to allotment of shares, it shall be required that the relevant participant remains employed and has not given or been given notice of termination of employment within the group during the Vesting Period. If this condition is not fulfilled, no shares shall be allotted. However, in case a participant's employment has terminated prior to the end of the Vesting Period due to such participant's death or disability or if the employer has given notice of termination of the participant's employment without cause (including, for the avoidance of doubt, notice of termination due to redundancy/shortage of work (*Sw. arbetsbrist*)), one third (1/3) of the right to allotment of shares shall be vested at each anniversary of the implementation of LTIP 2020.

***Performance requirement***

In addition, allotment of shares shall be conditional upon satisfaction of a financial target set by the board of directors of the company, being the compound annual growth rate of earnings per share (“EPS CAGR”).

The EPS CAGR shall be calculated by the board of directors on the basis of the group’s quarterly financial statements, which are adjusted for non-comparables. EPS for the financial year 2019 was SEK 4.08.

In order for full allotment of shares to occur, the average EPS CAGR during the period 1 January 2020–31 December 2022 must be at least 12.5 per cent. If the average EPS CAGR during the period 1 January 2020–31 December 2022 is 5 per cent, the participants shall be allotted shares for 25 per cent of their performance share rights. If the average EPS CAGR during the period 1 January 2020–31 December 2022 is more than 5 per cent but less than 12.5 per cent, the participants shall receive linear allotment. If the average EPS CAGR during the period 1 January 2020–31 December 2022 is less than 5 per cent, no shares shall be allotted.

***3. Terms and conditions for the performance share rights***

In addition to what has been stated above, the following terms and conditions shall apply for the performance share rights:

- The performance share rights are allotted free of charge.
- The participants are not entitled to transfer, pledge, or dispose the performance share rights or perform any shareholder’s rights regarding the performance share rights during the Vesting Period.
- Execution of the performance share rights may take place at the earliest three years after LTIP 2020 was implemented.
- The company will not compensate the participants for any dividends.
- The maximum number of shares allotted to an individual participant shall be limited to two times the participant’s fixed salary for 2022 divided by the volume weighted average share price during the 10 trading days occurring immediately after the company’s announcement of its year-end report for 2022.

***4. Lock-up of allotted shares***

In order to further increase alignment between the long term interests of the participants and the company’s shareholders, a requirement for participation in LTIP 2020 shall be that the participant undertakes to retain all allotted shares (except for such shares that are sold to cover for tax due to the allotment of shares) for a period of two years from the date of the allotment of the shares.

**5. Detailed terms and administration**

The board of directors, or a certain committee appointed by the board of directors, shall be responsible for determining the detailed terms and the administration of LTIP 2020, within the scope of the terms and guidelines given by the general meeting. By way of example, the board of directors shall be authorised to decide that, despite the conditions under item 2 (*Performance share rights*) above being fulfilled, no allotment of shares shall be made to a participant in case of fraud, other criminal activity or gross misconduct by such participant.

In connection with any rights issues, splits, reverse splits and similar dispositions, the board of directors shall be authorised to recalculate EPS CAGR as well as the number of shares that the performance share rights shall entitle to.

In case a public offer for all shares in the company is completed resulting in the offeror owning more than 90 per cent of the shares in the company, the board of directors shall be authorised to resolve upon the close-down of LTIP 2020, including but not limited to approving earlier execution of performance share rights, amending the vesting requirements and shorten the periods for application of the EPS CAGR thresholds for determination of to which extent the performance requirement is fulfilled.

If delivery of shares cannot be accomplished at reasonable costs, with reasonable administrative effort and without regulatory problems, the board of directors shall be authorised to decide that the participants may instead be offered a cash-based settlement.

Further, the board of directors shall be authorised to decide on other adjustments in the event that major changes in the group, the market or otherwise in the industry would occur, which would entail that resolved conditions for allotment and the possibility to use the performance share rights under LTIP 2020 would no longer be appropriate.

**6. Hedging of commitments according to LTIP 2020 – Acquisitions and transfers of own shares**

The board of directors proposes that the annual general meeting resolve to authorise the board of directors to acquire a maximum of 540,000 own shares and that the annual general meeting resolves on a transfer of a maximum of 460,361 own shares for the following purposes:

- Securing delivery of shares at exercise of the performance share rights.
- Securing and covering social security charges triggered by LTIP 2020.

Acquisitions shall be made on Nasdaq Stockholm on one or several occasions and until the next annual general meeting at a price within the at each time prevailing

price interval for the share on Nasdaq Stockholm. The full proposal regarding authorization for the board of directors to acquire own shares is included in item 15 b).

Transfers of own shares shall be made to the participants of LTIP 2020 in accordance with the terms of LTIP 2020. The full proposal regarding transfers of own shares is included in item 15 c).

#### ***7. The value of and the estimated costs for LTIP 2020***

Assuming 100 per cent vesting, full fulfilment of the performance requirement (EPS CAGR) and a share price at the time of exercise of the performance share rights of approximately SEK 53.80, LTIP 2020 will result in the allocation of 460,361 shares in the company, representing a value of approximately SEK 24.8 million.

The board of directors has made estimates of the costs for LTIP 2020. The estimates are based on the assumption of a share price at the time of exercise of the performance share rights of approximately SEK 53.80, that the maximum number of performance share rights is allocated and an average EPS CAGR of 8.75 per cent (i.e. 50 per cent performance) during the period 1 January 2020–31 December 2022. Based on these assumptions, the costs for LTIP 2020 are estimated to be approximately SEK 24.8 million, excluding social security charges. At an average EPS CAGR of at least 12.5 per cent (i.e. 100 per cent performance) during the period 1 January 2020–31 December 2022, the costs are estimated to be approximately SEK 12.4 million, excluding social security charges.

The social security charges for LTIP 2020 are estimated to be approximately SEK 2.0 million, based on the above assumptions, including an average EPS CAGR of 8.75 per cent (i.e. 50 per cent performance) during the period 1 January 2020–31 December 2022, and an average social security tax rate of 16 per cent. At an average EPS CAGR of at least 12.5 per cent (i.e. 100 per cent performance) during the period 1 January 2020–31 December 2022, the social security charges are estimated to be approximately SEK 4.2 million.

The board of directors has proposed that the effect on cash flow that may arise as a result of social security charges payable when the performance share rights are exercised be hedged by way of acquisitions of own shares in the market.

The costs for LTIP 2020 are in accordance with IFRS 2 determined on the allotment date and allocated over the Vesting Period. In accordance with IFRS 2, the theoretical value of the performance share rights shall form the basis of the calculation of these costs. The theoretical value shall not be re-valued in subsequent reporting periods, although adjustments shall be made in conjunction

with every financial report for the performance share rights that have not been vested. In this manner, the accumulated costs at the end of the Vesting Period will correspond to the number of performance share rights that fulfil the conditions.

***8. Dilution and effects on key ratios***

No new shares will be issued in the company due to LTIP 2020. However, the company will need to acquire 540,000 own shares, corresponding to approximately 0.8 per cent of the outstanding shares and votes in the company at the date of this notice, in order to secure delivery of shares under LTIP 2020 and to secure and cover social security charges.

The costs for LTIP 2020 are expected to have a marginal effect on the group's key ratios.

***9. The objectives of the proposal and reasons for deviations from the shareholders' preferential rights***

The board of directors considers the existence of effective share-related incentive programs for key employees to be of material importance for the development of the company and the group. The proposed program creates a common group focus for the key employees in the different parts of the group. By linking the key employees' remuneration to the company's and the group's earnings, long-term value growth is rewarded, which increases the alignment between the interests of the key employees and the company's shareholders.

In light of these circumstances, the board of directors considers that LTIP 2020, with regard to the terms and conditions, the size of the allotment and other circumstances, is reasonable and advantageous for the company and its shareholders.

**Preparation of proposal**

The proposal has been prepared by the remuneration committee in consultation with the board of directors and external advisors. The resolution to propose LTIP 2020 to the annual general meeting has been taken by the board of directors.

**Outstanding incentive programs in the company**

The annual general meeting 2017 adopted a long-term incentive plan for 22 senior executives and key employees, the annual general meeting 2018 adopted a long-term incentive plan for 26 senior executives and key employees and the annual general meeting 2019 adopted a long-term incentive plan for 29 senior executives and key employees. LTIP 2017, LTIP 2018 and LTIP 2019 have essentially the same design as the now proposed LTIP 2020. A maximum of 251,386 shares may be awarded under LTIP 2017, a maximum of 289,975 shares may be awarded

under LTIP 2018 and a maximum of 334,596 shares may be awarded under LTIP 2019.

**Majority vote requirement**

A resolution in accordance with the board of directors' proposal regarding the implementation of LTIP 2020 requires support from shareholders representing more than half of the votes cast at the meeting.

A resolution in accordance with the board of directors' proposal regarding authorisation to the board of directors to acquire shares in the company is valid only if supported by shareholders holding no less than two thirds (2/3) of both the votes cast and the shares represented at the meeting.

A resolution in accordance with the board of directors' proposal regarding resolution to transfer shares to the participants of LTIP 2020 is valid only if supported by shareholders holding no less than nine tenths (9/10) of both the votes cast and the shares represented at the meeting.

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Stockholm in April 2020  
Scandi Standard AB (publ)  
*The board of directors*

**Item 15 b): Resolution on authorisation for the board of directors to resolve on acquisitions of own shares**

The board of directors proposes, for the purposes of (1) securing delivery of shares to the participants of LTIP 2020 at exercise of the performance share rights, and (2) securing and covering costs that can be triggered by the LTIP 2020 (e.g. social security charges and tax), that the board of directors is authorised to, on one or several occasions and until the next annual general meeting, resolve on acquisition of shares in the company, on the following terms and conditions.

- A maximum of 540,000 shares in the company may be acquired, however only to such extent that, following each acquisition, the company holds a maximum of 10 per cent of all shares issued by the company.
- Acquisitions shall be made on Nasdaq Stockholm.
- Acquisitions shall be made at a price per share within the at each time prevailing price interval for the share on Nasdaq Stockholm.
- Payment for the shares shall be made in cash.

The board of directors' reasoned statement pursuant to pursuant to Chapter 19, section 22 of the Swedish Companies Act is available on the company's website, [www.scandistandard.com](http://www.scandistandard.com).

A resolution in accordance with the board of directors' proposal is only valid where supported by shareholders holding not less than two thirds of the votes cast as well as the shares represented at the general meeting.

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Stockholm in April 2020  
Scandi Standard AB (publ)  
*The board of director*



**The board of directors' of Scandi Standard AB (publ) reasoned statement pursuant to Chapter 19, section 22 of the Swedish Companies Act**

With reference to the board of directors' proposal to the annual general meeting 2020 of Scandi Standard AB (publ) regarding an authorisation for the board of directors to resolve on acquisitions of not more than 540,000 own shares, the board of directors submits the following statement in accordance with Chapter 19, section 22 of the Swedish Companies Act.

As per 31 December 2019, the parent company's restricted equity totalled approximately SEK 0.7 million and its non-restricted equity totalled approximately SEK 707 million. Accordingly, the parent company's total equity totalled approximately SEK 707 million. As per 31 December 2019, the group's total equity attributable to the shareholders of the parent company totalled approximately SEK 1,738 million.

Assuming full exercise of the proposed authorisation and an acquisition of 540,000 shares in the company at the closing price for the company's share on Nasdaq Stockholm on 9 April 2020 of SEK 62.20, the total consideration would amount to approximately SEK 33.6 million.

The business of the company and the group does not involve any risks other than those related to or expected to be related to the company's and the group's line of business or the risks involved in conducting business in general. The company's and the group's dependence on market conditions does not differ from that in the company's and the group's line of business. The board of directors is of the opinion that the company's total equity and the group's total equity attributable to the shareholders of the parent company will be sufficient in relation to the scope of the company's and the group's business after an acquisition of 540,000 shares in the company at the current share price.

As per 31 December 2019, the parent company's and the group's respective equity to assets ratio was 73.5 per cent and 27.7 per cent, respectively. As per 31 December 2019, assuming full exercise of the proposed authorisation to acquire own shares (i.e. an acquisition of 540,000 shares in the company), the parent company's and the group's respective equity to assets ratio was 72.5 per cent and 27.3 per cent, respectively.<sup>1</sup> Taking into account the proposed authorisation to acquire own shares, the board assesses that the proposed dividend does not jeopardise the abilities of the company or the group to carry out the investments

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<sup>1</sup> Based on an acquisition of shares in the company at the closing price for the company's share on Nasdaq Stockholm on 9 April 2020 of SEK 62.20.

## *Appendix 4*

considered necessary. A full exercise of the authorisation to acquire shares would also be consistent with the established cash-flow forecast under which the company and the group are expected to manage unexpected events and temporary variations in the cash flows to a reasonable extent.

Based on the above, the board of directors considers that the proposed authorisation for the board of directors to decide on acquisitions of not more than 540,000 shares in the company is justified in view of the demands with respect to the size of shareholders' equity which are imposed by the nature, scope and risks associated with the company's and the group's operations as well as the company's and the group's need to strengthen its balance sheet, liquidity and financial position in general.

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Stockholm in April 2020  
Scandi Standard AB (publ)  
*The board of directors*

**Item 15 c): Resolution on transfer of own shares**

The board of directors proposes that, in order to secure delivery of shares at exercise of the performance share rights under LTIP 2020, a maximum of 460,361 own shares are transferred to the participants of LTIP 2020 on the following terms and conditions.

- The right to receive shares shall, with deviation from the shareholders' preferential rights, be granted to the participants in LTIP 2020, with right for each of the participants to receive no more than the maximum number of shares allowed under the terms and conditions for LTIP 2020. Furthermore, subsidiaries within the group shall have the right to receive shares, free of consideration, and such subsidiaries shall be obligated to immediately transfer, free of consideration, such shares to the participants in LTIP 2020 in accordance with the terms and conditions of the program.
- The participants' right to receive shares are conditional upon the fulfillment of all terms and conditions of LTIP 2020.
- The shares shall be transferred within the time period set out in the terms and conditions of LTIP 2020.
- The shares shall be transferred free of charge.
- The number of shares that may be transferred to the participants in LTIP 2020 may be recalculated due to share issues, splits, reverse splits and/or similar dispositions in accordance with the terms and conditions of LTIP 2020.

The rationale for the proposed transfers of own shares and for the deviation from the shareholders' preferential rights is to enable delivery of shares to the participants in LTIP 2020.

A resolution in accordance with the board of directors' proposal is only valid where supported by shareholders holding not less than nine tenths of the votes cast as well as the shares represented at the general meeting.

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Stockholm in April 2020  
Scandi Standard AB (publ)  
*The board of directors*

**Item 16: Resolution on authorisation for the board of directors to resolve on new issue of shares**

The board of directors proposes that the board of directors is authorised to resolve on issues of shares in the company in accordance with the following.

- The board of directors may exercise the authorisation on one or several occasions until the next annual general meeting.
- The total number of shares issued under this authorisation shall not exceed 10 per cent of the total number of shares in the company as of the date of the annual general meeting's resolution.
- The board of directors may resolve on deviation from the shareholders' preferential rights.
- In addition to cash payment, shares may be paid in kind, with set-off rights or on terms stipulated in Chapter 2, section 5 of the Swedish Companies Act.

Where the board of directors resolves on an issue of shares with deviation from the shareholders' preferential rights, the reason for the deviation shall be to finance strategic growth, organic growth or other general corporate purposes.

The board of directors, or any person authorised by the board of directors, shall be entitled to make the minor adjustments to the resolution that may be necessary in connection with registration with the Swedish Companies Registration Office.

A resolution in accordance with the board of directors' proposal is only valid where supported by shareholders holding not less than two thirds of the votes cast as well as the shares represented at the general meeting.

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Stockholm in April 2020  
Scandi Standard AB (publ)  
*The board of directors*

**Item 17: Instruction for the nomination committee**

The nomination committee proposes that Section 7. c–d in the instruction for the nomination committee is amended and that the amended instruction shall be as follows:

1. The Company shall have a Nomination Committee with no less than four members. One member shall be the chairman of the Board of Directors, or a board member nominated by the Chairman.
2. Based on the shareholding statistics received by the Company from Euroclear Sweden AB as per the last bank day of August following the Annual General Meeting of Shareholders, the Nomination Committee shall, without unnecessary delay, identify the four largest shareholders by voting power of the Company<sup>2</sup>.
3. As soon as reasonably feasible, the Nomination Committee shall, in a suitable manner, contact the identified four largest shareholders and request them, within reasonable time, however not exceeding 30 days, to provide in writing to the Nomination Committee the name of the person that the respective shareholder wishes to appoint as a member of the Nomination Committee.

Should a shareholder, among the four contacted, abstain from its right to appoint a member or fail to appoint a member within the prescribed time, the right to appoint a member shall transfer to the subsequent largest shareholder by voting power provided such shareholder has not already appointed a member of the Nomination Committee or previously abstained from such right.

4. The chairman of the Nomination Committee shall be the member that represents the largest shareholder(s) by voting power, provided the Nomination Committee does not unanimously resolve to appoint another member. Notwithstanding the foregoing, neither the chairman of the Board of Directors nor a member of the Board of Directors may be appointed as the Chairman of the Nomination Committee.
5. As soon as all the members and the chairman of the Nomination Committee have been appointed, the Nomination Committee shall inform the Company to that effect and also provide required information on the members and chairman of the Nomination Committee including the name of the appointing

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<sup>2</sup> The shareholding statistics used shall be sorted by voting power (grouped by owners) and cover the 25 largest in Sweden direct registered shareholders, i.e. shareholders having registered an account with Euroclear Sweden AB in their own name or shareholders holding a custody account with a nominee that have reported the identity of the shareholder to Euroclear Sweden AB.

shareholder(s). The Company shall, without unnecessary delay, make public the constitution of the Nomination Committee by releasing a separate press release and post the information on the Company's web site not later than six months ahead of the Annual General Meeting of Shareholders.

6. The Nomination Committee shall be considered appointed and its mandate period shall start when the information has been released in a separate press release. The mandate period of the Nomination Committee extends for the period until the next Nomination Committee has been appointed and its mandate period starts, see item 2-5 above.
7. The Nomination Committee shall remain unchanged unless:
  - a) a member wishes to resign prematurely, in the case of which such a request shall be sent to the Chairman of the Nomination Committee (or in case it is the Chairman who wishes to resign, to another member of the Nomination Committee) and the receipt imply that the request has been effected, or
  - b) a nominating shareholder wishes to change its representative on the Nomination Committee against another person, in the case of which such a request (containing the two relevant names) shall be the sent to the Chairman of the Nomination Committee (or in case it is the Chairman who shall resign, to another member of the Nomination Committee) and the receipt imply that the request has been effected, or
  - c) a shareholder becomes one of the four largest shareholders by voting power (the new larger shareholder) and makes a written request to nominate a new member of the Nomination Committee, in which case the Nomination Committee shall resolve to increase the Nomination Committee with the member nominated by the new larger shareholder, except that if the Nomination Committee determines that only minor changes in shareholding have occurred or that a change in composition would not be made in sufficient time before the relevant General Meeting, it may decide that the Nomination Committee shall not be changed, or
  - d) the Nomination Committee, to reflect the ownership structure in the Company, at its own discretion resolves to offer places on the Nomination Committee to a shareholder with a substantial shareholding (provided that such shareholder has not already appointed a member of the Nomination Committee) and receipt of a written nomination from such shareholder imply that the request has been effected.

8. Should the Nomination Committee at any point in time consist of less than four members, the Nomination Committee shall nevertheless be authorized to fulfil its assignment according to this instruction.
9. The Nomination Committee shall perform its assignment in accordance with this instruction and applicable rules.

The assignment includes provision of proposals for:

- chairman at the Annual General Meeting of Shareholders;
  - chairman of the Board of Directors and other members of the Board of Directors appointed by the Annual General Meeting of Shareholders;
  - fees payable to non-employed members of the Board of Directors;
  - when applicable, election of auditor and fees payable to the auditor; and
  - to the extent deemed necessary, amendments to this instruction for the Nomination Committee
10. No remuneration shall be paid to the members of the Nomination Committee. However, the Company shall bear the reasonable expenses of the Nomination Committee.
  11. This instruction for the Nomination Committee applies until the General Meeting of Shareholders resolve otherwise.

\* \* \*

Stockholm in April 2020  
*The nomination committee*