

## NOTICE OF ANNUAL GENERAL MEETING

*Bure Equity AB (publ.) shareholders are hereby notified of the Annual General Meeting (AGM) to be held on June 11, 2020 at 1pm at the IVA Konferenscenter, Wingquisttrummet, Grev Turegatan 16, Stockholm. Doors open at 12:30pm.*

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### Measures to reduce the risk of infection

As a precautionary measure to reduce the risk of spreading the Covid-19, it is Bure's intention to keep this year's AGM extremely brief and effective. No refreshments will be provided. No Members of the Board, other than the Chairman of the Board and the CEO, will participate, and the Group's senior management will be present to a limited extent. The CEO will not make a statement at the AGM. The CEO's statement will be pre-recorded and made available on the Bure website prior to the AGM. Shareholders will, however, have the opportunity to ask questions. Shareholders who are unwell or have been exposed to others who have been unwell, or who are in a risk group should not attend the AGM. Rather, they are invited to vote via proxy. To enable shareholders to vote without physically attending the AGM, Computershare offers a free service to shareholders who have registered to attend the AGM, and who do not own more than 100,000 shares, to nominate Computershare to vote on their behalf. Authorization for this service can be requested by contacting Computershare on +46 (0) 771 24 64 00 or via email at [info@computershare.se](mailto:info@computershare.se). Bure encourages shareholders to exercise their voting rights in this way.

### Registration

Shareholders who wish to participate in the AGM shall:

- a) be registered in Euroclear Sweden AB's share register on June 4, 2020;

and, b) notify their intention to participate in the AGM to Bure Equity AB, Nybrogatan 6, 114 34 Stockholm, by phone, on +46 (0) 8 614 00 20, by fax +46 (0) 8 614 00 38, or email to [arsstamma@bure.se](mailto:arsstamma@bure.se), no later than 12pm on June 4, 2020.

When registering, shareholders are requested to provide their name, address, phone number and personal/corporate identity number, and provide details of any assistants (no more than two assistants are permitted per shareholder). Registered AGM participants will receive an admission card that must be presented at the entrance of the AGM venue.

Shareholders who have their shares registered through a nominee register must, in order to have the right to attend the AGM, request to be temporarily included as a shareholder in the share register with Euroclear Sweden AB. Shareholders must inform the trustee in good time to ensure that the entry in the share register is made no later than June 4, 2020.

Shareholders who wish to be represented by a proxy must submit a dated proxy form. The period of validity of this authorization may not exceed five years, unless stated otherwise. If no validity period is specified, a proxy is valid for no longer than a period of 12 months. The original proxy authorization must be sent to the Company at the above address well in advance of the AGM. Proxies representing legal entities must attach a copy of the relevant certificate of registration or corresponding proof of authorization. Proxy forms are available for download from the Company's website at [bure.se](http://bure.se); and will be sent to all those shareholders who request one and provide a mailing address.

## Agenda

1. Opening of the AGM
2. Election of a chairman for the AGM
3. Presentation and approval of the voting list
4. Approval of the agenda
5. Election of one of two persons to verify the minutes of the AGM
6. Determination as to whether the AGM has been duly convened
7. CEO statement
8. Presentation of the annual report, the consolidated financial statements, and the Group audit
9. Resolutions regarding
  - a) adoption of the income statement, balance sheet, consolidated income statement, and consolidated balance sheet
  - b) appropriation of the Company's profit according to the adopted balance sheet
  - c) discharge from liability for the members of the Board of Directors and the CEO
10. Determination of the number of Board members to be appointed by the AGM
11. Determination of fees for the Board of Directors
12. Election of Members of the Board and Chairman of the Board
13. Election of auditors
14. Determination of fees for the auditors
15. Determination of principles for the appointment of the Nomination Committee and instructions for the Nomination Committee
16. The Board of Directors' proposals for guidelines regarding the remuneration of senior executives
17. Resolution on authorization for the Board of Directors to decide on the acquisition of the Company's own shares
18. Resolution on authorization of the Board to decide on a new share issue
19. Motion to amend the Company's Articles of Association
20. Close of the AGM

## The Nomination Committee's proposals for resolution

Prior to the 2020 AGM, the Nomination Committee is composed of Per Björkman, (appointed by the Björkman family); Erik Durhan, (appointed by Nordea Fonder); and Patrik Tigerschiöld, (appointed by the Tigerschiöld family). The Nomination Committee appointed Per Björkman as chairman of the Nomination Committee.

### ***Item 2. Election of a chairman for the AGM***

The Nomination Committee proposes that Patrik Tigerschiöld be appointed as chairman of the AGM.

### ***Item 10. Determination of the number of Board members to be appointed by the AGM***

The Nomination Committee proposes that the Board of Directors consist of six ordinary members and no deputies.

### ***Item 11. Determination of fees for the Board of Directors***

The Nomination Committee proposes that fees to the Board of Directors be paid in a total amount of SEK 3,500,000, of which SEK 2,000,000 shall be paid to the Chairman of the Board, and SEK 300,000 to each of the other ordinary members. The proposal is unchanged from last year.

**Item 12. Election of Members of the Board and Chairman of the Board**

The Nomination Committee proposes the re-election of sitting Board members Carl Björkman, Carsten Browall, Bengt Engström, Charlotta Falvin, Sarah McPhee, and Patrik Tigerschiöld. Patrik Tigerschiöld is proposed for re-election as Chairman of the Board.

**Item 13. Election of auditors**

The Nomination Committee proposes that a registered auditing firm be elected as the Company's auditor and that the registered auditing firm Öhrlings PricewaterhouseCoopers AB be re-elected in such a capacity until the end of the 2021 AGM (with authorised public accountant Magnus Svensson Henryson as Auditor-in-Charge until further notice).

**Item 14. Determination of fees for the auditors**

The Nomination Committee proposes that fees to the auditors be paid according to approved account.

**Item 15. Determination of principles for the appointment of the Nomination Committee and instructions for the Nomination Committee**

The Nomination Committee proposes that the AGM decides to establish principles for the appointment of the Nomination Committee in accordance with the following. The proposal is unchanged from previous years.

*1. Appointment of Members of the Board etc.*

- 1.1 The Chairman of the Board shall, no later than the end of the third quarter of each year, ensure that the Company's three largest shareholders or ownership groups, in terms of voting rights, are invited to nominate their own representative to the Nomination Committee. The determination of voting rights is based on Euroclear Sweden AB's shareholder list (owner-grouped) as of the last banking day in August or any other documentation that shareholders or ownership groups at this time report as evidence of their shareholding. Where one or more shareholders refrain from nomination a member to the Nomination Committee, one or more additional shareholders in subsequent order of ownership share shall be offered the opportunity to nominate a member to the Nomination Committee. However, no more than five additional shareholders need be contacted, unless the Chairman of the Board finds that there are special reasons for doing so. When shareholders are contacted with a request to nominate a member of the Nomination Committee, the Chairman of the Board shall establish required rules of procedure such as the last day of response, etc.
- 1.2 The Nomination Committee shall consist of a total of at least three members, including the Chairman of the Board, who is a member of the Nomination Committee and who convenes the first meeting of the Nomination Committee.
- 1.3 The composition of the Nomination Committee shall be made public as soon as it has been appointed. The chairman of the Nomination Committee shall, unless Committee members agree otherwise, be the Committee member who represents the largest shareholder in terms of votes. However, the Chairman of the Board or other Board member shall not be the Chairman of the Nomination Committee. The Nomination Committee shall hold its mandate until a new Nomination Committee is appointed. Fees shall not be paid to the members of the Nomination Committee.
- 1.4 The Nomination Committee may, within and through the adjunct of the required additional member/members, appoint a specially appointed nomination committee for the appointment of an auditor (in accordance with paragraph 2.1 below). If such an appointment is made, this shall also be published as set out in paragraph 1.3 above. In this way, all shareholders should be informed of the persons who can be contacted in nomination matters.
- 1.5 A member shall leave the Nomination Committee if the shareholder who has appointed that member no longer has substantially the same ownership interest as when the member was appointed. If, subsequently,

the Nomination Committee no longer has at least three members, the Chairman of the Board shall endeavour to appoint a new member in accordance with the principles set out in paragraph 1.1. However, unless there are particular reasons for doing so, no changes shall be made to the composition of the Nomination Committee if only minor changes in the number of voting rights have occurred or if such changes occur less than two months before the AGM.

- 1.6 Shareholders who have nominated a representative to be a member of the Nomination Committee have the right to dismiss such member and nominate a new representative to be a member of the Nomination Committee.

## *2. The tasks of the Nomination Committee*

2.1 The Nomination Committee shall prepare and submit proposals to the AGM including:

- election of a chairman for the AGM
- election and remuneration to the Chairman of the Board and members of the Company's Board of Directors and, where applicable, any other special committee or subcommittee that the AGM may decide to appoint
- election and remuneration to the auditor and, where appropriate, the deputy auditor

2.2 The Chairman of the Board shall, as appropriate, provide information to the Nomination Committee on the Board's competence profile and working methods.

2.3 At the request of the Nomination Committee, the Company shall provide personal resources such as secretarial assistance to facilitate the work of the Nomination Committee. If necessary, the Company shall also bear reasonable costs for, for example, external consultants who are deemed necessary by the Nomination Committee to enable the Nomination Committee to fulfil its tasks.

## *3. Meetings*

3.1 The Nomination Committee shall meet when required to fulfil its duties, however at least twice a year. Notice of a meeting is issued by the Chairman of the Nomination Committee, (with the exception of the first meeting which is convened by the Chairman of the Board). A member may request that the Nomination Committee be convened.

3.2 The Nomination Committee has a quorum if at least half of its members participate. However, decisions on matters may not be made unless, as far as possible, all Committee members have been given the opportunity to participate in the matter. For a decision to be valid, more than half the Committee members present are required to vote for it. In the event of equal numbers of votes being cast for a particular motion, the Chairman of the Nomination Committee has the casting vote.

3.3 An account of the Nomination Committee's work in the form of proposals and opinions from the Nomination Committee shall be published on the Company's website well in advance of the AGM.

## *4. Amendments to these instructions*

4.1 The Nomination Committee shall continuously evaluate these instructions and the work of the Nomination Committee and submit proposals for such amendments to these instructions as the Nomination Committee deems appropriate.

## **The Board of Directors' proposals for resolution**

### ***Item 9 b) – Appropriation of profits***

The Company's annual report will be presented for adoption at the AGM on June 11, 2020. The AGM will be asked to approve the following profit according to the Parent Company's balance sheet:

Balanced earnings SEK 8,276,294,122

Profit for the year SEK 3,849,713,903

**SEK 12 126 008 025**

The Board of Directors proposes that profits be allocated as follows:

SEK 68,971,921 distributed to shareholders

SEK 12,057,036,104,104 carried forward to capital account

This proposal entails an ordinary dividend of SEK 1.00 per share for the 2019 financial year. The proposed recording date is June 15, 2020. With this record date, the dividend is expected to be paid on June 18, 2020.

### ***Item 16 – The Board of Directors' proposals for guidelines regarding the remuneration of senior executives***

The Board proposes that the AGM approves the following guidelines regarding the remuneration of senior executives, the CEO, the deputy CEO, and other senior executives according to article 9.9 of the Swedish Companies Act, i.e. group management. These guidelines would apply to compensation agreements and to changes made to existing compensation agreements subsequent to the guidelines being adopted by the 2020 AGM. These guidelines would not apply to compensation approved at the AGM.

The Board reserves the right to temporarily waive the guidelines, partially or entirely, if specific circumstances justify doing so and if such a course of action is necessary to protect the Company's long-term interests and sustainability, or to ensure the Company's financial sustainability. If such divergences from the guidelines occur, they are to be presented in the compensation report for the following AGM. The guidelines would apply after the AGM 2020. Incidences concerning divergences from the guidelines shall be presented by the remuneration committee and approved by the Board.

#### *Guidelines that promote the Company's business strategy, long-term interests, and sustainability*

Bure is an investment company and a good owner. By actively building successful companies for the long term, Bure generates good returns for shareholders. The starting point of Bure's activities is proactive involvement and development of wholly owned or co-owned companies and activities in order to increase the value of these assets over time.

The Board believes it is critical to the successful implementation of the Company's business strategy and fulfilment of the Company's long-term interests, including its financial sustainability, that the Company can recruit and retain senior executives with the skills and capacities to achieve set targets. To do this, the Company needs to be able to offer competitive overall compensation that incentivises senior executives to perform to the utmost of their abilities. Variable remuneration that falls under these guidelines shall be based on criteria that seek to promote the Company's business strategy and long-term interests, including its financial sustainability, and in such a way that fulfilment of these criteria is determined by the methods outlined below.

#### *Types of compensation*

Compensation and other conditions of employment for senior executives shall be competitive. Total compensation includes basic salary, variable remuneration, pension, and various other benefits. In addition – and irrespective of these guidelines – the AGM may decide on equity or equity-related compensation.

### Basic salary

The basic salaries of the CEO and other senior executives are reviewed on an annual basis. The basic salary component typically amounts to a maximum of 56 per cent of total compensation excluding LTI and assuming a 50-per cent STI yield.

### Short-Term Incentive programme, (STI)

Compensation is based on the achievement of targets for the Company as a whole. Criteria are based on the result of a number of, primarily, quantitative parameters, against stated targets. Quantitative parameters relate to the Company's share price performance, the Company's net asset value per share and operational themes of respective financial years. Other senior executives, with the exception of the CEO, are also subject to a discretionary parameter. Overall, the criteria shall contribute to the Company's business strategy, long-term interests, and sustainability with well-defined links to these and thus to the Company's long-term capacity to create value. Performance related to these criteria is presented in the Company's revised year-end financial statements. Compensation shall constitute no more than 100 per cent of basic salary for the CEO and 80 per cent for other senior executives. At full outcome, compensation may amount to a maximum of 43 per cent of the total remuneration excluding LTI for the CEO and 40 per cent of total remuneration excluding LTI for other senior executives. Variable compensation shall not be pensionable. Compensation amounts are prepared by the remuneration committee and approved by the Board once the qualification period has passed. Remuneration is then paid. The Company has no contractual right to demand the repayment of remuneration once paid.

### Long-Term Incentive programme, (LTI)

With the aim of aligning the interests of senior executives with those of shareholders, to encourage senior executives' acquisition of equity in the Company, and in addition to the annual variable remuneration described above, a long-term incentive programme with the following main components is offered to the Company's senior executives:

- i. If a senior executives, during a given time period and within the auspices of LTI, buys equity up to a certain amount, the Company shall match this with a cash payment of the same amount, compensating the senior executive's marginal tax liability, in the form of a one-off payment, ("the matching amount"). The senior executive shall use this amount to acquire shares in the Company. The executive is contractually obliged to hold these shares for at least three years.
- ii. If the terms and conditions in point (iii). are met, the Company shall make an additional one-off payment ("the performance amount"). The senior executive shall use the performance amount, net of tax, to acquire equity in the Company. The executive is contractually obliged to hold these shares for at least one year.
- iii. The criteria for the payment of the performance amount include that senior executives are still employed by the Company; that they have retained their acquired shares according to the stipulations of point (i). throughout the period, and that the Board has confirmed that performance targets regarding the Company's annual total sales up to 2023 have been met.
- iv. In the event of the LTI programme being fully subscribed, the cost to the Company in terms of the matching amount, including social charges, shall not exceed SE 1.3M, while the cost of the performance amount, including social charges, shall not exceed SEK 5.0M.

Equivalent long-term incentive programmes will apply for all other Company employees.

## Other benefits

### Pension benefits

The contractual retirement age for the CEO and other senior executives is 65. All pension benefits for senior executives are defined. This means that the Company pays individually agreed defined pension contributions. The Company has no additional pension liabilities.

### Company car etc.

The CEO is entitled to a company car. In addition, all senior executives have standard health insurance cover.

Other benefits include a maximum 17 per cent of total remuneration excluding LTI and on the assumption of 50 per cent STI yield.

### *Period of notice and severance pay*

Senior executives' employment or assignment contracts shall be valid until further notice or for specific time periods. In the event of the Company terminating an employment or assignment contract, the CEO has the right to a period of notice of 12 months. The CEO is required to give a 12-month period of notice if he or she terminates their employment. The CEO is entitled to severance pay corresponding to 12 months' salary if employment is terminated by the Company. Severance pay is not paid on retirement. For other senior executives, a six-month notice period applies in the event of termination by the Company. Other senior executives are not entitled to severance pay. During notice periods, existing employment contracts and associated benefits will continue to apply. In cases where severance pay is to be paid, no other benefits will be paid for the period after the expiry of the notice period.

### *Salary and conditions of employment*

In preparing the Board's proposed guidelines for remuneration of senior executives, salaries, and conditions of employment for Company employees were also considered. Details about employees' total remuneration, compensation components, compensation increases and rates of increase over time informed the decision making of the remuneration committee and the Board in terms of evaluating the suitability of the guidelines and the limitations that flow from them.

### *Decision process*

The Board shall present new guideline proposals when significant changes to guidelines are necessary, but at least every four years. The Board's proposals are prepared by the Board's remuneration committee. The Chairman of the Board may chair the remuneration committee. Other members of the remuneration committee, elected by the AGM, shall be independent of the Company and Company management. If the Board finds it more expedient to do so, the entire Board may perform the tasks of the remuneration committee, provided that Members of the Board who also have Company management roles do not participate in such tasks.

The remuneration committee shall, inter alia, follow and evaluate the implementation of the guidelines for senior executive remuneration approved by the AGM. Once the remuneration committee has prepared its proposal, it is submitted to the Board for approval. When the Board considers and approves remuneration-related matters, neither the CEO nor other members of Company management shall be present, insofar as they are subject to such matters.

If an AGM decides not to adopt guidelines on the basis of a proposal of such, the Board shall submit a new proposal no later than the subsequent AGM. In such cases, compensation shall be paid in accordance with existing guidelines or, in the absence of existing guidelines, in accordance with Company praxis.

Work on these areas is supported with external advice when deemed necessary.

### *Review of guidelines*

A review of the guidelines for senior executives' compensation was conducted due to amendments made to the Companies Act that took effect on 10 June 2019. The proposed amendments are not expected to result in any significant change to compensation levels currently paid under existing guidelines.

### ***Item 17 - Resolution on authorization for the Board of Directors to decide on the acquisition of the Company's own shares***

#### *I. Background*

In order to be able to adapt the Company's capital structure to its capital requirements from time to time and thereby contribute to increased shareholder value, the Board of Directors proposes that the AGM authorizes the Board to decide, during the period until the next AGM, to acquire its own shares as set out below. It is proposed that shares repurchased under such an authorization would be cancelled at the 2021 AGM.

The Board of Directors proposes that the 2020 AGM make its decisions in accordance with the following proposal.

#### *II. The Board's proposal for a decision*

The Board of Directors is authorized, during the period until the next AGM, to decide on the acquisition of shares in the Company as follows:

1. Acquisitions of shares may not exceed an amount that following the transaction results in the Company holding more than 10 per cent of the total number of shares in the Company.
2. Acquisitions may be made
  - i. by trading on the Nasdaq Stockholm (the "Exchange"), or
  - ii. in accordance with an acquisition offer to all Company shareholders.
3. Acquisitions on the exchange may only take place at a price per share that is within the quoted price range at any given time.
4. Acquisition of shares through an offer to all Bure shareholders may only take place at a price which at the time of the offer is not less than the market value of the shares and which exceeds the market value by a maximum of 20 per cent.
5. Payment for shares shall be made in cash.
6. Acquisition of shares may take place on one or more occasions.

### ***Item 18 - Resolution on authorization of the Board to decide on a new share issue***

The Board of Directors proposes that the AGM authorizes the Board of Directors, prior to the 2021 AGM, on one or more occasions, to decide on the issue of shares, with or without deviating from the shareholders' preferential rights. Shares may be issued against cash payment, offset, or transfer of contingent property or with other conditions referred to in chapter 13, section five, and the first part of section 6 of the Swedish Companies Act. Furthermore, the Board has the right to determine the terms of an issue. The issue price shall be determined by market conditions and the number of newly issued shares may not exceed ten per cent of the number of outstanding shares on the date of this notice.



The reason for deviating from the right of pre-emption and the right to decide on offsets, in kind or other conditions referred to in the Companies Act is that the Company should be able to issue shares in order to continuously adjust the Company's capital structure to match the Company's capital needs and thereby contribute to increased shareholder value.

### **Item 19 – Motion to amend the Company's Articles of Association**

The Board of Directors proposes that the AGM takes a decision to amend the Company's Articles of Association. According to a proposed amendment to the Swedish Companies Act, the record date for a general meeting of listed companies applies six business days before the AGM. It is proposed that the amendment enters into force on September 3, 2020. The Board therefore proposes to amend the corresponding provision in the Company's Articles of Association. Furthermore, some editorial changes are proposed due to changes already made to the law. The proposed wording is shown below.

#### § 1 Company name

The Company's corporate name is Bure Equity AB (publ.). The Company is publicly listed.

#### § 9 (ii) Notification of, and the right to attend the AGM

Shareholders who wish to participate in discussions at the AGM must submit a notification to the Company no later than 12pm on the date stated in the notice of the AGM. This day must not fall on a Sunday, any other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve, and not later than five working days before the AGM.

#### § 11, Reconciliation company

The Company's shares must be registered in a reconciliation register in accordance with the Swedish Companies Act (1998: 1479) on central securities depositories and the accounting of financial instruments.

### **Majority requirements**

For decisions to be valid on items 17, 18 and 19 shown above, resolutions must be supported by shareholders representing at least two thirds (2/3) of the number of votes cast and the number of shares represented at the AGM.

### **Authorization**

It is proposed that the CEO, or an individual appointed by the CEO, be authorized to make such necessary and minor adjustments to enable registration of resolutions with the Swedish Companies Registration Office.

### **Other**

On the date of publication of this notice, the total number of shares and votes in the Company amounted to 68,971,921.

Shareholders are reminded of their right to request information from the Board of Directors and CEO during the AGM in accordance with chapter 7, paragraph 32 of the Swedish Companies Act.

### **Annual report and other documentation**

The annual report and audit report for the 2019 financial year were published on April 2, 2020. The Nomination Committee and Board of Directors' complete resolution proposals, including supporting documents will be made available to shareholders at Bure Equity AB's offices at Nybrogatan 6 in Stockholm, and on the Company's website (bure.se), no later than May 21, 2020, and posted to all shareholders who request copies and provide their mailing address.

**Processing of personal data**

For information on how personal data is processed regarding the AGM, please see:

<https://www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammor-svenska.pdf>. (In Swedish).

Stockholm, May 2020  
The Board of Directors of Bure Equity AB

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**BURE**

**Bure Equity AB (publ.), corporate identification number 556454-8781**

Nybrogatan 6, 114 34 Stockholm

**Tel. +46 (0) 8 614 00 20 • Fax +46 (0) 8 614 00 38**

**info@bure.se • bure.se**