

## NOTICE OF ANNUAL GENERAL MEETING

*Bure Equity AB (publ.) shareholders are hereby notified of the annual general meeting (AGM) to be held on Tuesday 7 May 2019 at 4pm at the IVA Conference Center, The Wallenberg Room, Grev Turegatan 16, Stockholm. Doors open at 3pm.*

*During the meeting, we will be marking Bure's 25<sup>th</sup> anniversary. Ulf Petersson, author of "Bure from State to Capital", will reveal details of Bure's dramatic formation and compelling history. The story of the fight over employee funds will be shown in a short film made for last year's anniversary.*

*Coffee will be served prior to the AGM and a buffet will be served following it.*

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### Registration

Shareholders, who wish to attend the AGM, shall:

be recorded in the shareholder register held by Euroclear Sweden AB on 30 April 2019,

and notify the company of their intention to attend the AGM in writing to Bure Equity AB, Nybrogatan 6, 114 34 Stockholm, or by contacting telephone +46 (0) 8 614 00 20, fax +46 (0) 8 614 00 38, or by email to: [arsstamma@bure.se](mailto:arsstamma@bure.se) no later than 12.00pm on 30 April 2019.

When notifying the company, shareholders must state their name, address, phone number and personal/corporate identity number, and specify whether the shareholder wishes to be accompanied by an assistant (no more than two assistants are permitted per shareholder). Registered AGM participants will receive an admission card that participants are required to bring with them and present at the entrance of the AGM venue.

To be entitled to participate in the AGM, shareholders whose shares are registered in the name of a trustee must have their share temporarily registered in their own name with Euroclear Sweden AB. Shareholders should notify their trustees well in advance to ensure that an entry is made in the register of shareholder register no later than 30 April 2019.

Shareholders who wish to be represented by a proxy must submit a dated form of proxy. A proxy may be valid for a maximum of five years if specifically stated. If no validity period is specified, a proxy is valid for no longer than one year. The original proxy document 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 authorisation. A proxy form is available for download from the company's website at [bure.se](http://bure.se); and will be sent by mail to all those shareholders who so request and provide the mailing address.

### Agenda

1. Opening of the AGM
2. Election of a chairman of the AGM
3. Preparation 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. Address by the CEO
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 elected by the AGM

11. Determination of the Board of Directors' fees
12. Election of Board members and the Chairman of the Board
13. Election of Auditor
14. Determination of Auditors' fees
15. Determination of principles for the appointment of the Nominating Committee and instructions for the Nominating Committee
16. Determination of principles for remuneration and other terms of employment for senior executives
17. Resolution regarding a reduction in share capital and a stock issue
18. Resolution regarding authorisation for the Board to decide on the repurchase of treasury shares
19. Resolution regarding the divestment of shares in Mercuri International Group AB to individuals in the so-called Leo Group
20. Closing of the AGM

### **The Nominating Committee's proposals for resolution**

Prior to the 2019 AGM, the Nominating 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 Nominating Committee appointed Per Björkman as chairman of the Nominating Committee. The main points of the Nominating Committee's proposals are presented below. The complete proposals and motivating statement will be made available prior to the AGM together with other documentation.

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

The Nominating Committee proposes that Björn Kristiansson be elected as chairman of the AGM.

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

The Nominating Committee proposes that the Board of Directors consist of six (6) standard members and no deputy board members.

#### ***Item 11. Determination of Board of Directors' fees***

The Nominating 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 standard members elected by the AGM.

#### ***Item 12. Election of Board members and Chairman of the Board***

The Nominating Committee proposes the re-election of sitting Board members Carl Björkman, Bengt Engström, Charlotta Falvin, Sarah McPhee and Patrik Tigerschiöld, and the election of Carsten Browall. Mathias Uhlén has declined to stand for re-election. Patrik Tigerschiöld is proposed for re-election as Chairman of the Board.

Carsten Browall is chairman of GHP Specialty Care AB (publ.) and member of the board of Osstell AB, Cellink AB and S2 Medical AB. Previously, Carsten has held management positions at Unfors RaySafe AB, Capió AB, Nobel Biocare AB and Mölnlycke Health Care.

#### ***Item 13. Election of Auditor***

The Nominating 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 2020 AGM (with authorised public accountant Magnus Svensson Henryson as Auditor-in-Charge until further notice).

#### ***Item 14. Determination of Auditor's fees***

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

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

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

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 shareholder groups in terms of voting rights, are offered the opportunity to each appoint a representative to the Nominating Committee. The determination of voting rights is based on Euroclear Sweden AB's shareholder register (groups of shareholders) as at the last banking day in August or such other certification that the shareholders or shareholder groups can present as proof of their shareholdings on this date. If one or more shareholders decline from appointing a member to the Nominating Committee, one or more additional shareholders in subsequent order of voting rights shall be offered the opportunity to appoint a member to the Nominating Committee. However, no more than five additional shareholders need to be contacted, unless the Chairman of the Board finds special reason to do so. When a shareholder is contacted with a request to appoint a member to the Nominating Committee, the Chairman of the Board shall specify the required rules of order such as the latest reply date etc.

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

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

The Board of Directors proposes an ordinary dividend of SEK 2.00 per share for the financial year 2018. The proposed record date is 9 May 2019. Provided this record date is approved, dividends are expected to be disbursed on 14 May 2019.

### ***Item 16 – Principles for remuneration and other terms of employment for senior executives***

The Board of Directors proposes that the AGM resolves to approve the Board of Directors' proposal regarding the principles for remuneration and other terms of employment for the CEO and other senior executives in accordance with the following:

Remuneration for the CEO and other senior executives shall consist of basic salary, variable salary, pension and other remuneration. All pension benefits shall be defined contributions. Variable salary is prepared by the Remuneration Committee and resolved by the Board of Directors.

#### **A. Fixed basic salary**

The fixed basic salary of the CEO and other senior executives is reviewed annually. Distribution between basic salary and, in certain cases, variable salary, shall be proportionate to the executive's responsibilities and powers.

#### **B. Variable salary (Short-Term Incentive, STI)**

The variable salary of the CEO shall amount to no more than 100 per cent of annual salary. For other senior executives, the maximum variable salary is capped at 80 per cent of annual salary. The variable salary of the CEO and other senior executives is based on the outcome of several primarily quantitative parameters in relation to predetermined targets. The quantitative parameters relate to the company's share price performance, development of the company's net asset value per share and key issues for each respective year. Other senior executives, although not the CEO, shall also be subject to a discretionary parameter. The company's total cost for variable salary shall not exceed SEK 10.5 million (including social security fees).

#### **C. Long-term incentive programme (Long-Term Incentive, LTI)**

With the aim of aligning the interests of employees with those of shareholders, and to encourage employees to acquire shares in the company, a long-term incentive plan, in addition to the annual variable salary outlined above, shall be applied to all company employees according to the following main components:

- i. If an employee purchases shares up to a certain amount, during a specific period of time and within the framework of the LTI programme, the company shall match this amount with a cash contribution, compensated for the employee's marginal tax costs, in the form of a single payment, (the "Matching Amount"). The employee shall use the Matching Amount to acquire

shares in the company. By agreement, these shares shall be held for a period of at least three years.

- ii. If the requirements according to Item iii. are met, the company shall pay an additional single payment, (the "Performance Amount"). The employee shall use the Performance Amount, after tax, to acquire shares in the company. By agreement, these shares shall be held for a period of at least one year.
- iii. The criteria for payment of the Performance Amount are, inter alia, that the employee is still employed by the company, and that throughout the period has retained their acquired shares according to Item i., and that the predetermined performance goals in terms of the company's total revenue up to 2022 have been met.
- iv. The total cost to the company of the LTI programme regarding payment of the Matching Amount including social fees shall not exceed SEK 2.3 million, while the cost of the Performance Amount including social fees shall not exceed SEK 11.7 million.

### ***Miscellaneous***

To the extent that any Board member elected by the AGM performs work for the company in addition to Board responsibilities, such work must be carried out pursuant to a Board resolution, under contractual agreement, and receive market-competitive remuneration. The Board of Directors shall review current contracts relating to such work on an annual basis.

The Board of Directors may depart from these guidelines in isolated cases where there is special reason to do so.

### ***Item 17 – Resolution regarding a reduction in share capital and a stock issue (cancellation of repurchased shares)***

The Board of Directors proposes that the AGM decides on the cancellation of repurchased shares and a stock issue in line with the proposal below. The two resolutions will be taken as a single decision.

#### ***I. Resolution on a reduction of share capital***

The Board of Directors proposes that the AGM resolves to cancel those shares repurchased based on previous repurchase authorisations by reducing the company's total share capital by SEK 2,786,693.55 with the cancellation of a total of 360,789 shares without repayment for the provision of a free fund.

#### ***II. Resolution on an increase of share capital through a stock issue***

To ensure a timely process that avoids a requirement from the Swedish Companies Registration Office or district court, the Board of Directors proposes that the AGM decides to reset the company's share capital to its original amount by increasing share capital by SEK 2,786,693.55 with a stock issue without issuing new shares by transferring the issue amount from the company's own free capital to the company's share capital.

### ***Item 18 – Resolution regarding authorisation for the Board to decide on the repurchase of treasury shares***

The Board of Directors proposes that the AGM resolve to authorise the Board of Directors to decide on the repurchase of treasury shares in accordance with the following: the repurchase of shares may only be transacted on the Nasdaq Stockholm or in accordance with a tender offer to all shareholders in the company. Shares may be repurchased to a maximum number whereby the company's holding of treasury shares at no time exceeds 10 per cent of all registered shares in the company following cancellation, and on the condition that there remains full coverage for the company's restricted equity following the repurchase.

The above authorisation may be used on one or more occasions during the period ending on the date of the 2020 AGM. The repurchase of shares on the stock exchange may take place at a price that is within the registered price interval on the stock exchange at any given time.

The motive for the above authorisation for the repurchase of shares is to enable the continuous adaption of the company's capital structure to its needs and thereby contribute to greater shareholder value. The repurchased shares are intended to be cancelled at the 2020 AGM.

***Item 19 – Resolution regarding the divestment of shares in the Mercuri International Group AB subsidiary to individuals in the so-called LEO group***

Bure owns 99.1 per cent of shares in Mercuri International Group AB (Mercuri). The Board of Directors proposes that the AGM approves a divestment of up to nine per cent of Mercuri shares to senior Mercuri executives. The transfer is therefore a transaction which, according to chapter 16 of the Swedish Companies Act, the so-called LEO Law, shall be submitted to Bure's AGM for approval.

Bure has owned Mercuri since 1998. The reason for the divestment of shares in Mercuri to senior executives is that the Board of Directors believes that a divestment to senior executives is an effective tool to enable strong future value growth of Bure's holding in Mercuri by providing senior executives a powerful incentive to work for the positive development of Mercuri's operations. The Board of Directors believes that this will benefit Bure and that the terms of the transfer are market-competitive.

The purchase price for the shares shall amount to at least the book value of the shares in the parent company. During 2018, the holding in Mercuri was revalued, which resulted in a reversal of previous write-downs of SEK 50 million. The shares are booked at SEK 105 million as of 31 December 2018. As the transfer will be conducted at market value, no social fee costs are expected to be incurred.

Mercuri International is Europe's leading consultancy and training provider in sales and leadership with operations worldwide. The Mercuri Group's net sales and operating profit during 2018 excluding Celemi, which was divested in May 2018 were SEK 377 million and SEK 27 million respectively.

The Board of Directors' intention is that the sale will be completed no later than 31 October 2019.

The Board of Directors recommends that the AGM approve a transfer of up to nine per cent of shares in Mercuri as described above.

**Majority requirements**

For valid decisions on items 17 and 18 according to the above proposals, the 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. For a valid decision regarding Item 19 according to the above proposals, the resolution must be supported by shareholders representing at least nine tenths (9/10) of the number of votes cast and the number of shares represented at the AGM.

**Authorisation**

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

**Other**

On the date of publication, the total number of shares and votes in the company amounted to 69,332,710. The company holds 360,789 of its own shares.

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 financial year 2018 will be made available no later than 16 April 2019. The Nominating Committee's and Board of Directors' complete resolution proposals, including supporting documents for items 9 and 15–19 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 28 March 2019, and sent by mail to all shareholders who so request and provide their mailing address.

**Processing of personal data**

For information on how personal data is processed in relation to the AGM, please see:  
<https://www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammor-svenska.pdf>. (In Swedish).

Stockholm, March 2019  
The Board of Directors

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