

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

Press release

Lomma 2020-04-08

## Notice of the Annual General Meeting in Nexam Chemical Holding AB (publ)

The shareholders of Nexam Chemical Holding AB (publ), corporate identity 556919-9432 ("Nexam Chemical"), are hereby convened to the Annual General Meeting ("AGM"), to be held at 3.00 p.m. on Wednesday, May 13 2020 at Elite Hotel Ideon, Scheelevägen 27, in Lund.

### Information regarding the coronavirus

As a precautionary measure to reduce the risk of spreading the coronavirus, the board of directors of Nexam Chemical has decided to keep planned speeches at the annual shareholders' meeting to a minimum and that no refreshments will be served. Participation at the annual shareholders' meeting by members of the board of directors and management as well as the number of non-shareholders present at the annual shareholders' meeting will be limited in an effort to keep the annual shareholders' meeting brief and efficient, and thereby minimizing the risk of spreading the coronavirus. For shareholders who are worried about the spread of infection due to the coronavirus, we want to emphasize the possibility of not attending in person at Nexam Chemical's annual shareholders' meeting and instead appoint a proxy who can vote on their behalf. Nexam Chemical also encourages such solution for anyone displaying symptoms of illness, who has been in an area of infection, or who is considered to be part of a risk group. Shareholders who want to authorize a proxy can find relevant documents at the company website ([www.nexamchemical.com](http://www.nexamchemical.com)). The CEO's presentation from the general meeting will be posted at the company website after the general meeting.

### Entitlement to participate and notification

Shareholders wishing to attend the AGM must,

- first, be listed in the share register kept by Euroclear Sweden AB on Thursday, May 7 2020 and
- secondly, not later than Thursday, May 7 2020, inform Nexam Chemical in writing of their attendance and number of assistances, if any, to Nexam Chemical Holding AB (publ), Bolagsstämma, P.O. Box 165, SE-234 23 Lomma. Such notification can also be given by telephone +46 702-71 93 11, or by e-mail to [info@nexamchemical.com](mailto:info@nexamchemical.com).

Notification ought to include the shareholder's name, address, telephone number, personal or corporate identity number, registered shareholding and information on proxies, if any. Notification and particulars of any proxy and assistances will be registered with Nexam Chemical to provide the basis for the voting list.

### Proxies etc.

If shareholders attend by proxy, such proxy must bring a written power of attorney, dated and signed by the shareholder, to the AGM. This power of attorney may not be older than one year, unless a longer term of validity (although subject to a maximum of five years) is stated in the power of attorney. If the power of attorney is issued by a legal entity, a certified copy of registration certificate or equivalent document for the legal entity shall be presented. To facilitate entry, a copy of the power of attorney and other legitimacy papers is preferably attached to the notification of attendance of the AGM. Forms for power of attorney can be found at the company's website ([www.nexamchemical.com](http://www.nexamchemical.com)) and at the company's head office, Industrigatan 27, SE-234 35, Lomma, and will be sent to shareholders who so request and state their address.

### Nominee-registered shares

Shareholders who have their holdings nominee-registered, through bank or other administrator, must, to be entitled to participate in the AGM, temporarily register the shares in their own name at Euroclear Sweden AB. Such temporary re-registration of ownership must be implemented no later than Thursday, May 7 2020. Accordingly, shareholders must inform their nominees or banks of their wish of re-registration well in advance before this date.

### Other

The Annual Accounts and Audit Report of the company and the Group, as well as complete proposals for resolutions according to items 12-15 are available at the company's head office, Industrigatan 27, SE-234 35, Lomma, and at the company's website ([www.nexamchemical.com](http://www.nexamchemical.com)) no later than three weeks before the AGM and will upon request be sent to shareholders who state their address.

Shareholders attending the Annual General Meeting are entitled to request disclosures regarding matters on the agenda or the company's or Group's financial position in accordance with chap. 7 § 32 of the Swedish Companies Act (2005:551).

### Agenda

0. Opening of the meeting.
1. Election of Chairman of the meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two persons to verify the minutes.
5. Consideration of whether the meeting has been duly convened.
6. Address by the CEO.
7. Presentation of the Annual Report and Audit Report for 2019 and the Consolidated Annual Report and Consolidated Audit Report for 2019.
8. Resolution on
  - a) adoption on the profit and loss statement and balance sheet, as well as the consolidated profit and loss statement and consolidated balance sheet;

- b) distribution of the company's results; and
  - c) discharge from liability for the Board members and CEO.
9. Determination of the number of Board members as well as the number of auditors and deputy auditors.
  10. Determination of remuneration for the Board members and auditors.
  11. Election of Board members, Chairman of the Board, auditors and deputy auditors.
  12. Instruction for the Nomination Committee.
  13. Resolution on guidelines for remuneration to senior executives.
  14. Resolution on amendment of the Articles of Association.
  15. Resolution on authorization for the board of directors regarding issues.
  16. Closing of the meeting.

### Proposed resolutions

#### *Election of Chairman of the meeting (item 1)*

The Nomination Committee, consisting of Eva Gottfridsson Nilsson (Chairman), representing Länsförsäkringar Fondförvaltning AB, Martin Lundin, representing Holm Invest AB (Lennart Holm), and Tomas Klevbo, representing ÖstVäst Advisory AB, proposes that the Chairman of the Board Mats Persson is appointed as Chairman of the meeting.

#### *Distribution of the company's results (item 8b)*

The Board proposes that no dividends are paid and that unappropriated earnings are carried forward to a new account.

#### *Determination of the number of Board members as well as the number of auditors and deputy auditors (item 9)*

The Nomination Committee proposes that four Board members are elected.

Further, the Nomination Committee proposes that a registered public auditor is appointed as auditor.

#### *Determination of remuneration for the Board members and auditors (item 10)*

The Nomination Committee proposes that remuneration for the Board shall be paid with SEK 250,000 to the Chairman (SEK 200,000 previous year) and SEK 150,000 to every other Board member who is not employed by the company (SEK 130,000 previous year).

It is proposed that the remuneration for the auditor shall be paid according to customary norms and approved invoice.

#### *Election of Board members, Chairman of the Board, auditors and deputy auditors (item 11)*

The Nomination Committee proposes re-election of the board members Mats Persson, Cecilia Jinert Johansson, Jonna Opitz and Ronnie Törnqvist. The Nomination Committee proposes re-election of Mats Persson as Chairman of the Board.

Information on the Board members proposed for re-election can be found in the Annual Report and at the company's website, [www.nexamchemical.com](http://www.nexamchemical.com).

The Nomination Committee further proposes re-election of MAZARS SET Revisionsbyrå AB as auditor. MAZARS SET Revisionsbyrå AB has informed that Bengt Ekenberg will continue to be appointed as lead auditor.

*Instruction for the Nomination Committee (item 12)*

The Nomination Committee proposes that an instruction and charter for the Nomination Committee shall be adopted in accordance with the following main content.

Before coming election and remuneration in Nexam Chemical, a Nomination Committee shall be appointed, which is proposed to consist of three members representing the three largest shareholders as of the last calendar day in August, 2020, based on shareholding statistics provided by Euroclear Sweden AB. The shareholding statistics which shall be used shall be sorted by voting power (grouped by owners) and cover the largest shareholders. Should this shareholding statistics include nominee-registered shareholdings, such shareholdings shall only be considered if the nominee has reported the identity of the underlying shareholder to Euroclear Sweden AB or if the company – without taking any measures on its own – receives other information that evidences the identity of the underlying shareholder.

The Chairman of the Board shall, after identifying the largest shareholders in accordance with the above, in an appropriate manner, contact the three largest identified shareholders with a request that they within 30 days shall notify, in writing, if they wish to be part of Nexam Chemical's Nomination Committee, and that they shall name the person that they wish to appoint as member of the Nomination Committee. If the shareholder does not exercise the right to appoint a member of the Nomination Committee, the next largest shareholder in size in terms of voting rights, shall have the right to appoint a member of the Nomination Committee. The procedure shall continue until the Nomination Committee consists of three ordinary members.

The majority of the members of the Nomination Committee shall be independent in relation to the company and the company's senior management. A board member, the CEO or another person from the company's senior management shall not be a member of the Nomination Committee. At least one of the members of the Nomination Committee shall be independent in relation to the largest shareholder in the company in terms of voting rights or group of shareholders that collaborates regarding the company's administration. The Chairman of the Nomination Committee shall, unless agreed otherwise by the members, be the member who has been appointed by the largest shareholder in terms of voting rights.

Information on the final composition of the appointed Nomination Committee shall include the names of the three appointed members, together with the names of the shareholders who have appointed them, and shall be announced no later than six months prior to the planned Annual General Meeting. The Nomination Committee's term shall run until a new Nomination Committee has been elected. No remuneration shall be paid to the members of the Nomination Committee.

If, one or more of the shareholders having appointed representatives to the Nomination Committee no longer are among the three largest shareholders in terms of voting rights, representatives appointed by these shareholders shall resign, and the shareholder or shareholders who has then become one of the three largest shareholders in terms of voting rights shall have the right to appoint its representative. Unless special reasons exists, no changes of the composition of the Nomination Committee shall be made if only marginal changes in voting rights has occurred or if the change occurs later than two months before the annual shareholders' meeting. A shareholder who has appointed a member of the Nomination Committee is entitled to dismiss said member and appoint a new member of the Nomination Committee, as well as to appoint a new member if the member appointed by the

shareholder would resign from the Nomination Committee. Changes in the Nomination Committee's composition shall be announced as soon as such changes have occurred.

The Nomination Committee shall prepare proposals in the below questions which shall be presented to the Annual General Meeting for resolution:

- a) proposal for Chairman of the Annual General Meeting;
- b) proposal for the number of board members elected by the Annual General Meeting and the number of auditors;
- c) proposal for remuneration to non-employed board members as well as to non-employed members of the committees of the board;
- d) proposal for remuneration to the auditors;
- e) proposal of election of the Chairman of the board and other board members as well as election of the auditors;
- f) proposal for principles for the appointment of members of the Nomination Committee and for the Nomination Committee's assignment; and
- g) proposal for remuneration to the members of the Nomination Committee.

*Resolution on guidelines for remuneration to senior executives (item 13)*

The Board proposes that the AGM resolves on guidelines for remuneration to senior executives in accordance with the following.

**Scope and applicability of the guidelines**

These guidelines comprise the persons who are part of Nexam Chemical's group management. The group management currently comprise the CEO, CFO, CMO, CTO, Supply Chain Manager, Group Regulatory and EHSQ Manager and Managing Director Hungary. The guidelines also encompass any remuneration to members of the board of directors, in addition to board remuneration.

These guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2020. These guidelines do not apply to any remuneration resolved by the general meeting, such as e.g. board remuneration and share-based incentive programs.

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

Nexam Chemical is a company specialized in the development of technology and products that make it possible to significantly improve the production process and properties of most types of polymers in a cost-effective manner and with retained production technology. In brief, Nexam Chemical's business strategy is to develop methods to improve the properties in polymers like strength, toughness, temperature and chemical resistance as well as service life. The improved properties enables replacements of metals and other heavier or more expensive materials with polymers in a number of applications. In applications where polymers are already used, the manufacturing process is improved, the material use is reduced and more environmental friendly alternatives are enabled. For more information about Nexam Chemical's business strategy, see Nexam Chemical's latest annual report.

A successful implementation of Nexam Chemical's business strategy and safeguarding of Nexam Chemical's long-term interests, including its sustainability, require that the company is able to recruit and retain highly competent senior executives with a capacity to achieve set goals. In order to achieve this, Nexam Chemical must offer a competitive total remuneration on market terms, which these guidelines enable.

A long-term share-related incentive program has been implemented in Nexam Chemical. For further information about this share-related incentive program, see Nexam Chemical's latest annual report. The share-related incentive program has been approved by the general meeting and is therefore not covered by these guidelines.

### **Types of remuneration, etc.**

Nexam Chemical's principle is that remuneration shall be payable on market terms and be competitive to enable senior executives to be recruited and retained. The remuneration shall consist of the following components: fixed salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, e.g. share and share price-related remuneration.

For the individual senior executive, the level of remuneration shall be based on factors such as work duties, competence, experience, position and performance. The remuneration shall not be discriminating on grounds of gender, ethnic background, national origin, age, disability or other irrelevant factors

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

#### *Fixed salary*

The CEO and other senior executives shall be offered a fixed annual cash salary which shall be in line with market practice and based on the individual's responsibilities and behavior. The fixed cash salary shall be determined per calendar year with salary revision on 1 January each year.

#### *Variable cash remuneration*

In addition to fixed salary, the CEO and other senior executives may, according to separate agreements, receive variable cash remuneration. Variable cash remuneration covered by these guidelines is intended to promote Nexam Chemical's business strategy and long-term interests, including its sustainability.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. Variable cash remuneration may, for the CEO, amount to a maximum of 70 percent of the fixed annual salary, and for other senior executives, a maximum of 50 percent of the fixed annual salary. Variable cash remuneration shall not qualify for pension benefits, save as required by mandatory collective bargaining agreements.

The variable cash remuneration shall be linked to one or several predetermined and measurable criteria, which can be financial, such as targets related to budgeted turnover and EBITDA, or non-financial, such as successful completion of internal projects in relation to targeted time plans and budgets. By linking the goals in a clear and measurable way to the remuneration of the senior executives to the company's financial and operational development, they contribute to the implementation of Nexam Chemical's business strategy, long-term interests and sustainability.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated and determined when the measurement period has ended. The board of directors of Nexam Chemical,



or Remuneration Committee if established by Nexam Chemical's board of directors to fulfil these duties, is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

The board of directors shall have the possibility to, in whole or in part, reclaim variable cash remuneration paid on incorrect grounds.

#### *Pension benefits*

Pension benefits, including health insurance, shall be defined contribution, insofar as the senior executive is not covered by defined benefit pension under mandatory collective bargaining agreements. Premiums for defined contribution pensions, including health insurance, may, for the CEO, amount to a maximum of 30 percent of the fixed annual salary, and for other senior executives, a maximum of 14 percent of the fixed annual salary.

#### *Other benefits*

Other benefits may include life insurance, medical insurance and a company car. Premiums and other costs relating to such benefits may amount to a total of not more than 6 percent of the fixed annual salary.

### **Termination of employment and severance payment**

Senior executives shall be employed until further notice or for a specified period of time. Upon termination of an employment by Nexam Chemical, the notice period may not exceed 6 months. Severance pay, in addition to fixed salary and other remuneration during the notice period, may not exceed an amount corresponding to the fixed annual salary for 6 months. Upon termination by the senior executive, the notice period may not exceed 6 months, without any right to severance pay.

In addition to fixed salary during the period of notice and severance pay, additional remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid insofar as the previously employed senior executive is not entitled to severance pay for the period for which the non-compete undertaking applies. The remuneration shall be based on the fixed annual salary at the time of termination of employment and amount to not more than 60 percent of the fixed annual salary at the time of termination of employment, save as otherwise provided by mandatory collective bargaining agreements, and shall be paid during the time as the non-compete undertaking applies, however not for more than 24 months following termination of employment.

### **Salary and employment conditions for employees**

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of Nexam Chemical have been taken into consideration by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the board of directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

### **Consultancy fees to the members of the board of directors**

To the extent a member of the board of directors renders services for the company, in addition to his or her assignment as a member of the board of directors, an additional consultancy fee on market terms may be paid to the member of the board of directors, or to a company controlled by such member of the board of directors, provided that such services contribute to the implementation of Nexam Chemical's business strategy and the safeguarding of Nexam Chemical's long-term interests, including its sustainability.

## **Preparation and decision-making progress**

The board of directors of Nexam Chemical, or Remuneration Committee if established by Nexam Chemical's board of directors to fulfil these duties, is responsible for i.a. preparing the resolution to propose guidelines for remuneration to senior executives. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines have been adopted by the general meeting. The board of directors of Nexam Chemical, or Remuneration Committee if established by Nexam Chemical's board of directors to fulfil these duties, shall also monitor and evaluate programs for variable remuneration for the senior executives as well as the current remuneration structures and compensation levels in the company. The CEO and other members of the senior management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters insofar as they are affected by such matters.

## **Deviation from these guidelines**

The board of directors may temporarily resolve to deviate from these guidelines, in whole or in part, if in a specific case there is special cause for the 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. As set out above, any Remuneration Committee's tasks include preparing the board of directors' resolutions in remuneration-related matters, which include any resolutions to deviate from these guidelines.

## **Information regarding resolved remunerations that have not yet fallen due**

Apart from the commitments to pay ongoing remuneration such as salary, pension and other benefits, there are no previously resolved remuneration to any senior executives that have not yet fallen due. For further information on remuneration to senior executives, please see note 11 in Nexam Chemical's annual report.

### *Resolution on amendment of the Articles of Association (item 14)*

The Board proposes that the AGM resolves to amend § 1 and § 8 in the company's Articles of Association as follows:

#### **1 § Trade name** (proposed wording “**Company name**”)

##### *Current wording*

The Company's trade name is Nexam Chemical Holding AB. The Company is a public company (publ.)

##### *Proposed wording*

The company name is Nexam Chemical Holding AB. The Company is a public company (publ.)

#### **8 § Notice of General Meeting**

##### *Current wording*

Notice of a General Meeting shall be published in Post- och Inrikes Tidningar and by making the notice available on the Company's website. Information that the notice has been given shall be announced in Svenska Dagbladet at the time of the notice.

In order to be admitted to a General Meeting, shareholders must be registered in the transcript or other presentation of the entire shareholders register five weekdays prior to the General Meeting and shall have given notice to the Company no later than the day mentioned in the notice convening Meeting.



This day may not be a Sunday, another public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not fall than five weekdays before the General Meeting.

Shareholders attending the General Meeting may bring one or two assistants, but only if the shareholder has given notice to the Company of the number of assistants according to the previous paragraph.

#### *Proposed wording*

Notice of a General Meeting shall be published in Post- och Inrikes Tidningar and by making the notice available on the Company's website. Information that the notice has been given shall be announced in Svenska Dagbladet at the time of the notice.

In order to be admitted to a General Meeting, shareholders must give notice to the Company no later than the day mentioned in the notice convening Meeting. This day may not be a Sunday, another public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not fall than five weekdays before the General Meeting.

Shareholders attending the General Meeting may bring one or two assistants, but only if the shareholder has given notice to the Company of the number of assistants according to the previous paragraph.

The company's CEO shall be authorized to make such minor formal adjustments of the resolution as might be necessary in connection with registration with the Swedish Companies Registration Office.

#### *Resolution on authorization for the board of directors regarding issues (item 15)*

The Board proposes that the AGM resolves to authorize the Board, at one or several occasions, during the time up until the next annual general meeting, with or without deviation from the shareholders' preferential rights, to resolve to issue new shares, convertibles and/or warrants. Issues may be made with or without provisions regarding payment in kind or through set-off or other provisions. The total number of shares that that may be issued pursuant to the authorization (alternatively be issued through conversion of warrants and/or exercise of convertibles) shall not exceed 18,950,842 shares, which corresponds to an aggregate dilution of approximately 20 percent calculated on the number of outstanding shares in the company after final registration with the Swedish Companies Registration Office of the rights issue of units, which was resolved by the board of directors on 14 February 2020 and was approved by the Extraordinary General Meeting in the company on 4 March 2020. The purpose of the authorization is to enable the company to raise working capital, to execute acquisitions of companies or operating assets as well as to enable issues to industrial partners within the framework of partnerships and alliances. To the extent an issue is made with deviation from the shareholders' preferential rights, the issue should be made on market terms (subject to customary new issue discount, as applicable).

The company's CEO shall be authorized to make such minor formal adjustments of the resolution as might be necessary in connection with registration with the Swedish Companies Registration Office.

#### **Particular majority decisions**

Valid resolutions of the issues under items 14-15 require that the proposals are supported by shareholders representing at least two thirds of the votes submitted and represented at the AGM.

#### **Processing of personal data**

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

## Number of shares and votes

As of the date of issuing of this notice to attend, the total number of registered shares and votes in the company amounts to 67,519,019. After final registration with the Swedish Companies Registration Office of the rights issue of units, which was resolved by the board of directors on 14 February 2020 and was approved by the Extraordinary General Meeting in the company on 4 March 2020, the total number of shares and votes in the company will amount to 75,803,367. The company holds no own shares.

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Lomma in April 2020  
Nexam Chemical Holding AB (publ)  
The Board of Directors

### **For more information, please contact:**

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*This information was submitted for publication, through the agency of the contact person set out above, at 09.45 CET on April 8, 2020.*

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### **About Nexam Chemical**

*Nexam Chemical develops technology and products that make it possible to significantly improve the production process and properties of most types of plastics in a cost-effective manner and with retained production technology. The improved properties include strength, toughness, temperature and chemical resistance as well as service life. The improvements in properties that can be achieved by using Nexam Chemical's technology make it possible to replace metals and other heavier or more expensive materials with plastics in a number of applications. In applications where plastic is already used, Nexam Chemicals products can improve the manufacturing process, reducing material use and enable more environmental friendly alternatives. Example of commercial applications: pipe manufacturing, foam production and high-performance plastics. More information about the business will be found on [www.nexamchemical.com](http://www.nexamchemical.com). The Company's Certified Adviser is FNCA Sweden AB. FNCA Sweden AB can be reached at [info@fnca.se](mailto:info@fnca.se) and 0046-(0)8-528 00 399.*