

Stockholm  
23 March, 2021 12:30 CET

## Press release

# Notice of Annual General Meeting of the shareholders in Intrum AB (publ)

**The shareholders of Intrum AB (publ) are hereby summoned to the Annual General Meeting on Thursday 29 April 2021. In light of the COVID-19 pandemic, the AGM will be conducted pursuant to so called mail-in procedures, meaning that no shareholders will attend the AGM in person or through proxy. Instead, shareholders can participate in the AGM by voting and submitting questions in advance pursuant to the instructions described below.**

## **LINK TO NOTIFICATION AND ADVANCE VOTING<sup>1</sup>**

*This document is an unofficial translation of the corresponding Swedish document. In the event of any discrepancies between this document and the Swedish version, the latter shall prevail.*

### **Overview of Mail-In Procedures for the AGM 2021**

Due to the COVID-19 pandemic and in order to ensure the health and safety of the company's shareholders, employees and other stakeholders, the Board of Directors of Intrum AB (publ) has resolved on extraordinary meeting procedures pursuant the temporary act on general meetings (2020:198).

The following procedures will apply:

1. The AGM will take place on Thursday 29 April 2021. However, no shareholders, proxy holders or other external persons will be able to attend in person.

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<sup>1</sup> <https://postrosta.web.verified.eu/?source=intrum>

2. Shareholders will only be able to participate in the AGM by voting on the matters and the proposals on the meeting agenda and submitting questions to the Company in advance. See further below for more details on how.
3. The agenda for the AGM and further information about certain items are as set forth below.
4. There will be no webcast in connection with the AGM.
5. A press release will be issued following the AGM informing of those material items that are approved by the AGM as soon as the outcome of the mail-in voting procedure has been finally established.
6. Details of the actual voting results will be included in the minutes of the meeting and will be published within two weeks after the AGM.

Shareholders who wish to attend the Annual General Meeting shall

*both* be entered in the company's register of shareholders kept by Euroclear Sweden AB (not nominee-registered) by 21 April 2021;

*and* notify their intention to attend the meeting by 28 April 2021 at the latest. The exercise of voting rights in accordance with the mail-in procedure will be considered as a notification from the shareholder to attend the meeting.

Any shareholder intending to participate in the AGM via advanced voting must submit the following information in connection with their submission:

- name
- personal identity number / registration number
- telephone number
- e-mail address
- registered shareholding

Advance voting will be available from 7 April 2021 until 28 April 2021. A shareholder can vote in advance by any of the following methods:

1. Website Voting: Voting may be done digitally through the link above.
2. Regular Mail: Voting may be submitted by completing the advance voting form available on the Company's website [www.intrum.com](http://www.intrum.com) and send a physical copy of such form, together with any power of attorney and/or other authorization documents to Intrum AB (publ), "Årsstämman", 105 24 Stockholm.

A shareholder cannot give any other instructions than selecting one of the options specified at each point in the advanced voting form. A vote (i.e. the postal voting in its

entirety) is invalid if the shareholder has modified the form to provide specific instructions or conditions or if pre-printed text is amended or supplemented.

For any questions regarding advance voting, please contact [agm@intrum.com](mailto:agm@intrum.com) or by phone +46 (8) 616 77 00 weekdays between 09.00 and 16.00.

### **Shares registered in the name of a nominee**

Shareholders whose shares are nominee-registered must have their shares temporarily registered with Euroclear Sweden AB in their own name. Such re-registration must be effected by 21 April 2021. Shareholders should thus make the request via their nominee in ample time before this date. Such registration may be temporary.

### **Proxy**

Shareholders represented by proxy shall send the written, dated and by the shareholder signed proxy to the company in original in ample time before the Annual General Meeting together with the advance voting form. Attested copies of the certificate of registration (or equivalent authorization documents) evidencing the authority to issue the proxy, shall be enclosed if the proxy is issued by a legal entity. A proxy form is available on the company's website, [www.intrum.com](http://www.intrum.com).

### **Processing of personal data**

Personal data obtained from notifications, proxies and from the share register maintained by Euroclear Sweden AB will be used for the necessary registration and preparation of the voting list for the Annual General Meeting.

For further information on how your personal data is processed, see:

<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

### **Questions**

Questions to the company in conjunction with the Annual General Meeting can be submitted to the company until 19 April 2021. Questions will be responded to and published no later than on 24 April 2021.

Questions and answers will be available at the company's premises, Intrum AB (publ), Sicklastråket 4, Nacka and on [www.intrum.com](http://www.intrum.com) and will be sent to the shareholder who has submitted the question, provided that the shareholder's address is provided by the shareholder or is known to the company.

Shareholders who wishes to forward a question can do so in the following manner:

1. Email: Questions can be sent to [agm@intrum.com](mailto:agm@intrum.com).
2. Mail: Questions can be sent to Intrum AB (publ), "Årsstämma", 105 24 Stockholm.

A shareholder forwarding a question must state his/her name, personal identity number/registration number. In addition, the shareholder is advised to state his/her email address and telephone number.

The Board and the CEO shall, upon request of a shareholder, and provided that the Board of Directors deems this can be done without causing significant harm to the company, inform about circumstances which may affect the assessment of an item on the agenda, circumstances which may affect the assessment of the Company's or its subsidiaries' financial position.

## **Miscellaneous**

There are in total 121,720,918 shares and votes in the company at the time of the notice. As per the day of this notice, the company holds 850,000 own shares.

## **Proposed Agenda**

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of persons to certify the minutes (and to count votes)
6. Determination of whether the Meeting has been duly convened
7. Submission of the annual accounts and the auditor's report, and consolidated accounts and auditor's report on the consolidated accounts, for the financial year 2020
8. Resolution on adoption of profit and loss statement and balance sheet and consolidated profit and loss statement and consolidated balance sheet
9. Resolution on appropriation of profit
10. Resolution regarding discharge of liability of the Members of the Board and the CEO for the administration during 2020
11. Determination of the number of Board Members and Deputy Board Members.
12. Determination of remuneration to the Members of the Board and fee to the auditor
13. Election of Board Members and Deputy Board Members as well as Chairman of the Board

14. Election of auditor
15. Resolution regarding approval of the remuneration report
16. Resolution regarding guidelines for remuneration and other terms of employment for key executives
17. Resolution regarding long-term incentive program 2021 and authorization for the Board to resolve on acquisition and transfer of own shares
18. Resolution regarding amendment of the terms in the long-term incentive programs 2019 and 2020
19. Resolution regarding authorization for the Board to resolve on acquisition and transfer of own shares
20. Resolution regarding amendment of the Articles of Association
21. Conclusion of the Meeting

## **The Nomination Committee's proposals for the Annual General Meeting 2021, including a motivation of the proposed Board**

In accordance with the resolution passed at the Annual General Meeting 2020, the Chairman of the Board has convened the largest shareholders of the company based on the number of votes held at the end of August. The shareholders have then appointed members to the Nomination Committee.

The Nomination Committee has consisted of:

Robert Furuhjelm	Cidron 1748 Sarl/Nordic Capital
Tomas Flodén	AMF & AMF Fonder
Helen Fasth-Gillstedt	Handelsbanken Fonder
Pia Gisgård	Swedbank Robur Fonder
Ossian Ekdahl	Första AP-fonden

The Chairman of the Board, Per E. Larsson, has been co-opted to the Nomination Committee.

### **The Nomination Committee's proposals**

- Item 2 Björn Kristiansson, KANTER Advokatbyrå, is proposed to be appointed Chairman of the Meeting or, in case he is unavailable, a person proposed by the Board.
- Item 11 The Board is proposed to consist of eight (nine) Board members with no deputy Board members.

Item 13 Fees to the Board and remuneration for committee work (to Board members elected by the AGM) are proposed to amount to a total of SEK 6,850,000 (7,130,000<sup>2</sup>) which shall be distributed as follows:

- SEK 1,465,000 to the Chairman of the Board (1,315,000)
- SEK 655,000 to each of the other Board members (630,000)
- SEK 280,000 to the Chairman of the Audit and Risk Committee (205,000)
- SEK 170,000 to each of the other two members of the Audit and Risk Committee (150,000)
- SEK 90,000 to each of the two members of the Remuneration Committee (85,000)

Additional compensation for travel time of SEK 20,000 per physical Board meeting held in Sweden is proposed to be paid to Andrés Rubio.

Fee to the auditor is proposed to be paid in accordance with approved invoice.

Item 13 It is proposed to re-elect Liv Fiksdahl, Per E. Larsson, Hans Larsson, Kristoffer Melinder, Andreas Näsвик, Magdalena Persson, Andrés Rubio and Ragnhild Wiborg, all for the period until the conclusion of the next Annual General Meeting.

Magnus Yngen has declined re-election.

The Nomination Committee further proposes to re-elect Per E. Larsson as Chairman of the Board, for the period until the conclusion of the next Annual General Meeting.

Item 14 It is proposed to elect the audit firm Deloitte AB, with Patrick Honeth as auditor-in-charge, for the period until the conclusion of the next Annual General Meeting.

## **Motivated opinion regarding the proposed Board of Directors**

As basis for the Nomination Committee's proposal, the Chairman of the Board has presented an overview of the company's operations, targets and strategies and the work of the Board during the previous year. Information about the Board's annual evaluation of its work has been presented to the Nomination Committee. The Nomination Committee has held four recorded meetings. Moreover, the Nomination Committee has held individual meetings with all Board members as well as with the CEO.

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<sup>2</sup> Last year's remuneration includes compensation to the members of the Investment Committee. The Nomination Committee proposes that no additional remuneration for Investment Committee work is awarded from 2021 and onwards.

The Nomination Committee has evaluated and discussed to what extent the current Board meets the demands placed upon it, inter alia in terms of relevant experience and expertise in relation to the company's operations, current situation and long-term needs. The Committee has specifically focused on the transformation program that is being implemented and what requirements that places on the Board, and what additional competences the Board may require in a longer term perspective, however not necessarily this year.

The requirement for diversity and variety of the Board has been considered and the Nomination Committee has strived for an equal gender distribution. The Nomination Committee has as diversity policy applied rule 4.1 in the Swedish Corporate Governance Code. An assessment has also been made in respect of each member's ability to devote the Board engagement sufficient time and commitment.

The vice chairman Magnus Yngen has declined re-election. All other members have declared themselves available for re-election.

Considering the company's transformation program and the ongoing pandemic, the Nomination Committee believes the Board's work would benefit from continuity. There is no urgent need to add additional competences short term, even though that should be considered in a longer term perspective. A Board with nine members is somewhat large considering the company's needs. Therefore, the Nomination Committee suggests that the current Board members are re-elected, apart from Magnus Yngen. The Committee sees no need to appoint a new Vice Chairman.

Thus, the Nomination Committee proposes re-election of Liv Fiksdahl, Per E. Larsson, Hans Larsson, Kristoffer Melinder, Andreas Näsvis, Magdalena Persson, Andrés Rubio and Ragnhild Wiborg. It is also proposed to re-elect Per E. Larsson as Chairman of the Board.

The Nomination Committee considers that the proposed Board together possesses the breadth, competence and experience required considering the company's operations, development phase, long-term needs and other relevant circumstances.

The Nomination Committee considers that Per E. Larsson, Kristoffer Melinder and Andreas Näsvis are not independent in relation to Nordic Capital Fund VIII, the principal owner of the company, but independent in relation to the company and the company management. Other proposed Board members are deemed to be independent in relation to both the company and the company management and to the company's major owners.

The Nomination Committee notes that 37.5 per cent of the proposed Board members are women, an improvement compared to last year's 33 per cent. The Nomination Committee considers it very important to continue to improve the gender distribution in the Board.

Having reviewed remuneration levels in comparable companies, the Nomination Committee has concluded that the overall remuneration level should be increased

slightly and that more substantial increases should be made for the Chairman of the Board and the Chair of the Audit- and Risk Committee, as well as the other members of the Audit- and Risk Committee.

The Board has established an Investment Committee, with all Board members participating. Additional remuneration has been awarded for that Committee in recent years. The Nomination Committee does no longer see a need for any additional remuneration for that Committee, however the overall remuneration should be adjusted accordingly.

Since the proposed Board has fewer members than the current and a new Vice Chairman is not proposed to be appointed, the total remuneration under this proposal will imply a decrease by approximately 4 per cent, despite the proposed adjustments.

Further information about the proposed Board members are available at [www.intrum.com](http://www.intrum.com).

## **Proposals by the Board**

### Item 3 Preparation and approval of the voting list

The voting list proposed to be approved is the voting list prepared by the company, based on the share ledger and the votes received, certified by the certifiers.

### Item 5 Election of persons to certify the minutes (and to count votes)

The Board proposes that two certifiers are appointed and that Helen Fasth-Gillstedt, representing Handelsbanken Fonder, and Emil Boström, Mannheimer Swartling, representing Cidron 1748 Sarl, are appointed or, if any of them is unavailable to attend, the persons proposed by the Board.

### Item 9 Resolution on appropriation of profit

The Board and the CEO has proposed that the profits in the parent company at the disposal of the Annual General Meeting, consisting of share premium reserve of 17,441,835,284, retained earnings of SEK -5,937,679,426 and the result for the year of SEK 419,219,769, in total amounting to SEK 11,923,375,627, is appropriated so that SEK 12.00 per share, in total SEK 1,450,451,016 is distributed to the shareholders and that the remaining balance of SEK 10,472,924,611 is carried forward. The amount that is proposed to be distributed to the shareholders and the amount that is proposed to be carried forward is based on all outstanding shares (excluding 850,000 shares held by the company) as per 31 December 2020.



The Board proposes 3 May 2021 as record day. If the Annual General Meeting resolves in accordance with the proposal, the dividend is expected to be paid out via Euroclear Sweden AB on 6 May 2021.

Item 15 Resolution regarding approval of remuneration report

The Board proposes that the Annual General Meeting resolves to approve the Board's remuneration report according to Chapter 8 Section 53 a of the Swedish Companies Act.

Item 16 Resolution regarding guidelines for remuneration and other terms of employment for key executives

The Board proposes that the following guidelines for executive remuneration shall be approved by the Annual General Meeting. The proposal has been prepared by the Remuneration Committee of the Board.

The guidelines apply to the CEO and other members of Intrum's Group Management Team ("GMT"). The guidelines are forward-looking, i.e. they are applicable to agreements on remuneration, and on amendments to remuneration already agreed, entered into after adoption of the guidelines by the Annual General Meeting 2021. These guidelines do not apply to any remuneration to be separately resolved or approved by the General Meeting.

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

In short, Intrum's business strategy is, to continue to grow, both in existing and new markets, and to continue to build its position as the undisputed market leader within the credit management industry. For more information regarding the company's business strategy, visions and goals, please see [www.intrum.com](http://www.intrum.com).

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified employees. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the GMT a competitive total remuneration.

Long-term share-related incentive programmes ("LTIPs") have been implemented in the company. Such LTIPs have been adopted by the Annual General Meeting and are therefore excluded from these guidelines. The LTIP proposed by the Board to be adopted by the Annual General Meeting 2021 is excluded for the same reason, as well as similar programs to be adopted in the future. The proposed LTIP essentially corresponds to existing LTIPs. The LTIPs includes the GMT and other key employees in the company. The evaluation metrics used to assess the

outcome of the LTIPs are distinctly linked to the business strategy and thereby to the company's long-term value creation.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's long-term business strategy and short-term interests, including its sustainability.

### Forms of remuneration

Remuneration in the company should reflect job complexity, responsibility and performance, and it should be competitive in comparison with comparable companies within similar industries in the relevant geographies. The remuneration shall consist of the following components: annual fixed cash salary ("Base Salary"), annual variable cash remuneration ("Variable Salary Part/VSP"), pension benefits and other benefits. Additionally, the General Meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration such as LTIPs.

### Base Salary

The Base Salary is based on three cornerstones: job complexity & responsibility, performance and local market conditions. The Base Salary is subject to annual revision.

### Variable Salary Part

Intrums Variable Salary Part ("VSP") aims to drive, and is designed to vary with, short-term business performance, and is set for one year at a time. The evaluation metrics are individually decided for each member of the GMT, and consist of financial results (on group level or country level/s, as applicable) such as Cash EBIT, Cash Return on Invested Capital Portfolio Investment Service Line Earnings, Return On Investments and Book Value Growth. Members of the GMT may also have a smaller portion of targets linked to operational or non-financial metrics, such as Employee Engagement Index. The Board may also decide to adjust the metric targets or apply other similar evaluation metrics if deemed appropriate.

The maximum VSP pay-out is 100 percent of the Base Salary for the CEO and the CFO. For the other members of the GMT (except for the Chief Risk Officer, who is not eligible for VSP) the normal maximum VSP pay-out is 35 to 50 percent of the Base Salary.

To which extent the evaluation metrics for awarding VSP have been satisfied is evaluated and determined when the measurement period has ended. The company's Remuneration Committee is responsible for preparing the VSP evaluation for all GMT members. The determination of the VSP outcome is then resolved by the Board in its entirety.

No deferral periods are applied in relation to VSP and the VSP agreement does not contain any clause entitling the company to reclaim VSP.

## Extraordinary arrangements

Other one-off arrangements can be made on individual level in extraordinary circumstances when deemed necessary and approved by the Board. The purpose might be in relation to recruitments, retention of top talent needed to secure successful implementation of the business strategy.

Any such arrangement need to be capped at an amount equal to two (2) times the individual's annual fixed salary.

## Pension benefits and other benefits

Intrum applies a retirement age of 65 for all members of the GMT, unless otherwise follows from applicable national rules.

For the CEO, pension benefits, including health insurance (Sw: *sjukförsäkring*), shall be premium defined. VSP does not constitute pensionable income. The pension premiums for premium defined pension shall amount to not more than 35 percent of the Base Salary.

For other GMT members, pension benefits, including health insurance, shall be premium defined unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. Variable cash remuneration shall qualify for pension benefits to the extent required by mandatory collective agreement provisions. The pension premiums for premium defined pension shall amount to not more than 30 percent of the Base Salary.

Other benefits than pension benefits may include, for example, life insurance, medical insurance (Sw: *sjukvårdsförsäkring*), housing and company cars. For GMT members with housing benefits, such benefits may not amount to more than 20 percent of the Base Salary. For GMT members without housing benefits, such benefits may not amount to more than ten percent of the Base Salary.

## Termination of employment

The notice period may not exceed twelve months if notice of termination of employment is made by the company. Base Salary during the notice period, severance pay and compensation during a non-compete period may together not exceed an amount equivalent to twenty-four months Base Salary. The notice period may not exceed six months without any right to severance pay when termination is made by the GMT member.

Remuneration for non-compete undertakings shall compensate for loss of income. The remuneration amounts to not more than 100 percent of the Base Salary at the time of termination of employment, unless otherwise provided by mandatory collective agreement provisions, and shall be paid during the time the non-compete undertaking applies, however not for more than twelve months following termination of employment.

## Remuneration and employment conditions for employees

In preparation of the Board's proposal for these guidelines and when evaluating whether the guidelines and the limitations set out herein are reasonable, account has been taken regarding the remuneration and employment conditions for employees of the company. This has been done by reviewing e.g. the employees' total remuneration, the components of their remuneration and remuneration growth rate over time.

## The decision-making process to determine, review and implement the guidelines

The Board has established a Remuneration Committee. The Remuneration Committee's tasks include preparing the Board's decision to propose these guidelines. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The guidelines shall be in force until new guidelines are adopted by the Annual General Meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the GMT, the application of the guidelines for GMT as well as the current remuneration structures and compensation levels in the company.

The members of the Remuneration Committee are independent of the company and the GMT. The CEO and other members of the GMT do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

## Derogation from the guidelines

The Board may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation 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, the Remuneration Committee's tasks include preparing the Board's resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

## Description of material changes to the guidelines and how the views of shareholders' have been taken into consideration

These guidelines do not entail any significant changes in relation to the company's existing guidelines, apart from the section about extraordinary arrangements.

The company has not received any views from shareholders to take into consideration.

Information on remuneration resolved but not yet due and on derogations from the remuneration guidelines resolved by the Annual General Meeting 2020

Previous Annual General Meetings have resolved on guidelines for executive remuneration and other terms of employment for the period up until the next Annual General Meeting. In short, these guidelines entail that Base Salary and VSP shall be payable on conditions similar to what has been described in these guidelines. Base Salary and VSP is expensed during the financial year, and VSP is paid out after the year-end report has been adopted by the Board.

The guidelines adopted by the Annual General Meeting 2020 have been adhered to without derogation, and all previously approved remuneration that has not yet been paid out is in line with the framework set out above.

Item 17 Resolution regarding long-term incentive program 2021 and authorization for the Board to resolve on acquisition and transfer of own shares

**(a) implementation of a performance based long-term incentive program for 2021**

The Board has decided to propose a long-term incentive program for 2021. The Board is convinced that the proposed program will be beneficial to the company's shareholders as it will contribute to the possibilities to recruit and retain competent employees, align the interests and perspectives of the senior executives with those of the shareholders and create a close commitment to Intrum.

The Board proposes, in view of the above, that the Annual General Meeting resolves to implement a performance based, long-term incentive program for 2021 (the "LTI 2021") with the following principal terms and conditions:

a) The program is proposed to include up to 75 senior managers and key employees of the Intrum Group ("the Participants"), who are divided into three groups: the CEO, CFO and the CIO ("Group 1"), the other members of Group Management ("Group 2"), and other senior managers and key employees ("Group 3"). Invitation to participate in the program shall be provided by Intrum during 2021.

b) Participants in LTI 2021 are offered to be allocated Restricted Shares and Performance Shares, which shall be based on maximum performance values for each Participant. The maximum performance value for the Participants in Group 1 will be 100-200 per cent of the Participant's annual base salary at invitation, for Participants in Group 2 35-75 per cent

of the Participant's annual base salary at invitation and for participants in Group 3 20-50 per cent of annual base salary at invitation.

Each maximum value shall thereafter be divided in half and converted equally into a maximum number of Restricted Shares and Performance Shares<sup>3</sup>, based on the volume weighted average closing price paid for the Intrum share on Nasdaq Stockholm during a period of twenty trading days after the release of Intrum's report for the fourth quarter, reduced by the present value of estimated dividend payments for the period until shares are allotted.

c) Allocation of Restricted Shares and Performance Shares under LTI 2021 is conditioned upon the Participant remaining employed until 1 January 2024. Exemptions to this requirement may be prescribed in specific cases, including a Participant's death, disability, retirement or the divestiture of the Participant's employing company from the Intrum Group.

d) The calculation of the LTI 2021 Performance Share outcome for each Participant in relation to maximum performance value shall be connected to a performance target for the Group established by the Board for the Intrum share Total Shareholder Return ("TSR"), or other similar metric deemed appropriate by the Board.<sup>4</sup> The performance target adopted by the Board will stipulate a minimum level, a target level, and a maximum level, that may be adjusted if deemed appropriate.

Allocating Performance Shares depending on TSR development is seen as an efficient performance target for aligning the interests and perspectives of senior managers, key employees and shareholders.

e) Performance outcome of the established performance target will be determined by the Board the first quarter of 2024. TSR is measured over three years. The volume weighted average closing price paid for the Intrum share on Nasdaq Stockholm during a period of twenty trading days after the release of Intrum's report for the fourth quarter is used for measuring start- and end values. The present value of estimated dividend payments for the period until Performance Shares are allocated should be included in the calculation.

- i. If the target performance level is reached, the allocation will amount to the maximum performance value following from b). If performance is below the target level but exceeds the minimum level, a proportionate allocation of Performance Shares will be made.

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<sup>3</sup> With a possibility for the Board to make adjustments for extraordinary events such as bonus issue, split, rights issue and/or other similar events.

<sup>4</sup> With a possibility for the Board to make adjustments for extraordinary events.

- ii. If the maximum performance level is reached or exceeded, the allocation will amount to (but not exceed) 150 percent of each Participants respective maximum number of Performance shares. If performance is below maximum level but exceed target level, a proportionate allocation of Performance Shares will be made between maximum and target level, and between target level and minimum level.
- iii. No allocation of Performance Shares will be made if performance amounts to or is below the minimum level.

Information on the performance targets and the outcome for both Restricted Shares and Performance Shares will be provided no later than during the first half of 2024.

f) If all conditions of the LTI 2021 are met, allocation of Restricted Shares and Performance Shares will take place in the first half of 2024. Allocation will be free of charge except for tax liabilities.

g) Certain deviations in or adjustments of the terms and conditions for the LTI 2021 may be made, including cash settlement instead of delivery of shares, based on local rules and regulations as well as applicable market practice or market conditions.

h) The Board, or a committee established by the Board for these purposes, shall be responsible for the preparation and management of the LTI 2021, within the framework of the aforementioned terms and conditions.

i) If material changes would occur within the Intrum Group or on the market that, according to the Board's assessment, would lead to the conditions for allocation of Restricted Shares and Performance Shares no longer being reasonable, the Board will have the right to make also other adjustments of the LTI 2021, including e.g. a right to resolve on a reduced allocation of shares.

#### Costs for the LTI 2021

The total IFRS 2 costs for the LTI 2021 if the maximum outcome is delivered, are estimated to a maximum of MSEK 78, which corresponds to less than two (2) per cent of total employment costs for 2020. The costs will be recognized over the years 2021-2023. The costs have been calculated as the sum of salary costs, including social costs, and administration costs for the program. Social costs has been calculated assuming a share price of SEK 410. Administration costs are estimated to be less than MSEK 1. The company intends to hedge the entire cost of LTI 2021 in accordance with item 17 (b) below. In such case, total costs are expected to amount to MSEK 100.

The salary costs have been calculated based on the value, at the start of the program, of the Restricted Shares and Performance Shares that may be allotted at maximum performance, with a reduction of the present value of estimated dividend payments until settlement of LTI 2021. The estimate regarding maximum costs assumes maximum performance and that the number of Participants that will leave the Group during the performance period is five per cent per annum.

If repurchased shares are allocated under the program the number of outstanding shares is estimated to increase with not more than 500,000 shares.<sup>5</sup> Such maximum increase would have a dilutive effect on Earnings Per Share of approximately 0.40 per cent. The above calculations assume that Intrum undertakings under the LTI 2021 are secured with own shares.

#### Hedging measures for the LTI 2021

LTI 2021 lead to certain financial exposure for the company, due to price development for the Intrum share. The aim is to hedge this exposure by the acquisition of own shares (item 17 (b) on the agenda) or, if the proposal regarding acquisition of own shares in 17 (b) is not supported by the required shareholder majority, with so-called equity swap contracts with third parties. Social security contributions are hedged. Based on current interest levels, it is estimated that the annual interest expense for the hedging arrangement for LTI 2021 is cost neutral.

There are different methods for effectuating the transfer of shares to the Participants under the programs, such as delivery of own shares and an agreement with a third party under which the third party transfers shares to the Participants under the programs. The Board considers delivery of own shares as the most cost efficient and flexible method. Therefore this is the main alternative (item 17 (c) below). If the Annual General Meeting does not resolve in accordance with item 17 (c), the Board will enter into swap contracts with third parties, pursuant to which the third parties will acquire shares on the market and transfer these to the Participants under the programs.

#### *Preparation of the proposal for the LTI 2021*

The proposal regarding the LTI 2021 has been prepared by the Remuneration Committee and the Board.

#### *Other incentive programs in Intrum*

The share-based incentive programs LTI 2018, LTI 2019 and LTI 2020 are currently ongoing within Intrum. For a description of these and the company's other incentive programs, reference is made to the annual reports for 2018, 2019 and 2020 (note 28) and the company's website, [www.intrum.com](http://www.intrum.com).

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<sup>5</sup> With a possibility for the Board to make adjustments for extraordinary events such as bonus issue, split, rights issue and/or other similar events.



## **(b) acquisition of own shares**

The Board proposes that the Annual General Meeting shall resolve to authorize the Board to, during the period until the next Annual General Meeting and on one or more occasions, resolve on acquisition of the company's own shares in accordance with the following:

1. Acquisition may only take place provided that the company's holding of own shares, at any given time, which does not exceed 10 per cent of all shares in the company.
2. Acquisition shall be made on a regulated market or on a market corresponding to a regulated market outside the European Economic Area.
3. Acquisition shall only be made at a price which is within the at any time recorded registered price interval, which shall refer to the interval between the highest buying price and the lowest selling price.
4. Payment for the shares shall be made in cash.

Acquisitions may take place with the purpose of securing the obligations of the company (including social security contributions) relating to LTI 2021 and other share-based incentive programs decided upon by a General Meeting at any time.

## **(c) transfer of own shares to the Participants**

The Board proposes that the Annual General Meeting shall resolve on transfer of the company's own shares to the Participants in accordance with the following:

1. Intrum shall have the right to transfer up to 500,000 shares, free of charge, to the Participants in under the terms and conditions of the LTI 2021.
2. The number of shares has been calculated on the basis of maximum participation and maximum fulfilment of performance targets.
3. The transfer of the shares shall not occur earlier than 20 February 2024 nor later than the Annual General Meeting 2024.

The reason for the deviation from the shareholders' pre-emptive rights to acquire the shares is for the company to enable the delivery of shares under the LTI 2021.

## **(d) transfer of own shares on a regulated market**

The Board proposes that the Annual General Meeting shall resolve to authorize the Board to, during the period until the next Annual General Meeting and on one or more occasions, resolve on transfer of the

company's own shares to the Participants in accordance with the following:

1. The company cannot transfer more shares than the number of shares held by the company at the time of the Board's resolution (or the higher number that can result from recalculation as a result of a bonus issue, split, pre-emption rights issue or similar measure).
2. Transfer shall only be made on a regulated market or on a market corresponding to a regulated market outside the European Economic Area.
3. Transfer shall only be made at a price which is within the at any time recorded registered price interval, which shall refer to the interval between the highest buying price and the lowest selling price.
4. Payment for the shares shall be made in cash.

The reason for the Board's proposal is that the company shall have the opportunity to continually adjust the number of shares that are acquired in order to secure obligations (including costs for social security contributions) related to LTI 2019, LTI 2020 and LTI 2021.

#### *Majority requirements*

The resolution of the Annual General Meeting on implementation of the program according to item (a) above requires that more than half of the votes cast at the Annual General Meeting approve the proposal. The Annual General Meeting's resolution on item (c) above requires that shareholders representing at least nine-tenths of the votes cast as well as the shares represented at the Annual General Meeting approve the proposal. The Annual General Meeting's resolution on item (b) and (d) above requires that shareholders representing at least two-thirds of the votes cast as well as the shares represented at the Annual General Meeting approve the proposal.

#### Item 18 Resolution regarding amendment of the terms in the long-term incentive programs 2019 and 2020

The Board proposes that the Annual General meeting resolves to amend the allocation period in the long-term incentive programs of 2019 (LTI 2019) and 2020 (LTI 2020) as set out below. The amendments serve to simplify the allocation process in the outstanding programs and will not change the participants' right to receive shares or other compensation under the terms of the programs. The amendments do not have any financial impact on the company.

<b>Current wording</b>	<b>Proposed wording</b>
LTI 2019, item 18 (c), 3 - The transfer of the shares shall not occur earlier than 31 March 2022 nor later than the Annual General Meeting 2022	LTI 2019, item 18 (c), 3 - The transfer of the shares shall not occur earlier than 1 February 2022 nor later than the Annual General Meeting 2022.

LTI 2020, punkt 17 (c), 3 - The transfer of the shares shall not occur earlier than 31 March 2023 nor later than the Annual General Meeting 2023	LTI 2020, item 17 (c), 3 - The transfer of the shares shall not occur earlier than 1 February 2023 nor later than the Annual General Meeting 2023
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*Majority requirement*

The Annual General Meeting's resolution requires that shareholders representing at least nine-tenths of the votes cast as well as the shares represented at the Annual General Meeting approve the proposal.

Item 19 Resolution regarding authorisation to the Board to resolve on acquisition and transfer of own shares

In order to give the Board flexibility to, during the period until the next Annual General Meeting, resolve upon changes of the capital structure of the company and thereby create an increased shareholder value it is proposed by the Board that the Annual General Meeting authorises the Board to, during the period until the next Annual General Meeting and on one or more occasions, resolve on acquisition of own shares in accordance with the following:

1. Acquisition may only take place provided that the company's holding of own shares, at any given time, does not exceed 10 per cent of all shares in the company.
2. Acquisition shall only be made on a regulated market or on a market corresponding to a regulated market outside the European Economic Area.
3. Acquisition shall only be made at a price which is within the at any time recorded registered price interval, which shall refer to the interval between the highest buying price and the lowest selling price.
4. Payment for the shares shall be made in cash; and

**that** the Annual General Meeting authorises the Board to, during the period until the next Annual General Meeting and on one or more occasions, resolve on transfer of the company's own shares for, or in connection with, or as a consequence of acquisition of companies, businesses or debt portfolios, in accordance with the following:

1. The transfer of shares may take place with deviation from the shareholders' pre-emptive rights.
2. Transfer of shares may take place on Nasdaq Stockholm at a price which is within the at any time recorded registered price interval, which shall refer to the interval between the highest buying price and the lowest selling price.
3. Transfer of shares may also take place outside Nasdaq Stockholm. Such transfer may be made at a minimum price per share corresponding to an amount approximate to the price of the

company's shares on Nasdaq Stockholm at the time of the decision on the transfer.

4. Payment for transferred shares can be made in cash, by payment in kind or by offsetting a claim against the company.
5. Transfer may be effected by no more than all of the company's own shares held by the company at the time of the Board's decision on transfer.

*Majority requirement*

The resolution shall be valid only where supported by not less than two-thirds of both the votes cast and of the shares represented at the Annual General Meeting.

Item 20 Resolution regarding amendment of the Articles of Association

The Board proposes that the Annual General Meeting shall resolve to amend the Articles of Association as set out below.

As a consequence of the introduction of the new item 11, the current items 11-12 are proposed to be numbered item 12-13.

<b>Current wording / Addition</b>	<b>Proposed wording</b>
Item 11 - new item	§ 11 - The Board of Directors may collect power of attorneys in accordance with the procedure described in Chapter 7, section 4, second paragraph of the Swedish Companies Act (2005:551). The Board of Directors may before a General Meeting resolve that the shareholders shall be entitled to vote by post prior to the General Meeting.
§ 12 - The Company's shares shall be registered in a record verification register pursuant to the Financial Instruments Accounts Act (1998:1479).	§ 13 - The Company's shares shall be registered in a record verification register pursuant to the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479)

*Majority requirement*

The resolution shall be valid only where supported by not less than two-thirds of both the votes cast and of the shares represented at the Annual General Meeting.

Accounts and auditor's report for the financial year 2020, the Board's motivated statements in accordance with Chapter 18 Section 4 and Chapter 19 Section 22 of the Swedish Companies Act, and the auditor's statements in accordance with Chapter 8 Section 54 of the Swedish Companies Act, will not later than on 8 April 2021 be held available at the company's offices at Sicklastråket 4 in Nacka, Sweden, on the company's website [www.intrum.com](http://www.intrum.com), and will be sent to the shareholders who request this and who inform the company of their postal address.

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Stockholm in March 2021

The Board of Intrum AB (publ)

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Intrum is the industry-leading provider of Credit Management Services with a presence in 24 markets in Europe. Intrum helps companies prosper by offering solutions designed to improve cash flows and long-term profitability and by caring for their customers. To ensure that individuals and companies get the support they need to become free from debt is one important part of the company's mission. Intrum has circa 10,000 dedicated professionals who serve around 80,000 companies across Europe. In 2020, revenues amounted to SEK 16.85 billion. Intrum is headquartered in Stockholm, Sweden and the Intrum share is listed on the Nasdaq Stockholm exchange. For further information, please visit [www.intrum.com](http://www.intrum.com).