

# Notice to attend the Annual General Meeting

**The shareholders of SSAB AB (publ) (company registration number 556016-3429) are hereby given notice to attend the Annual General Meeting to be held on Wednesday, April 1, 2020, at 1 pm.**

## Location

City Conference Centre  
Norra Latin, Drottninggatan 71B, Stockholm  
(registration takes place in Marmorsalen with entrance from Barnhusgatan 7A)

## Participation

In order to be entitled to attend the meeting, shareholders must be included in the printout of the share register that is made by Euroclear Sweden AB on Thursday, March 26, 2020 and give notice of their intention to attend the meeting not later than on Thursday, March 26, 2020, preferably before 12 noon.

Notice to attend the Annual General Meeting may be given via the Company's website, [www.ssab.com](http://www.ssab.com), or by telephone on +46 8-45 45 760.

The name, personal identification number (or company registration number), address and telephone number of the shareholder must be provided in the notice.

## Nominee-registered shares

In order to be entitled to attend the Annual General Meeting, shareholders whose shares are registered in the name of a nominee (including Finnish shareholders that are registered within the Finnish book-entry system at Euroclear Finland Oy) must temporarily re-register the shares in their own name with the help of the nominee. Such re-registration must be effected at Euroclear Sweden AB on Thursday, March 26, 2020. Thus, the nominee should be contacted in ample time prior to that date.

## Proxies

Proxies in original and, with respect to a legal entity, a certificate of registration, should be submitted in ample time prior to the Annual General Meeting to: SSAB AB (publ), Årsstämma, c/o Euroclear Sweden, Box 191, 101 23 Stockholm, Sweden. The Company provides proxy forms for shareholders wishing to be represented by a proxy. The form is available on the Company's website, [www.ssab.com](http://www.ssab.com) and will be sent to those shareholders who so request and state their mailing address. Order may be placed by telephone on +46 8 45 45 760.

## Admission cards

Admission cards entitling the holder to attend the Annual General Meeting will be distributed prior to the Annual General Meeting to those shareholders who have submitted applications. It is anticipated that shareholders will receive admission cards not later than on Monday, March 30, 2020. Any shareholder that has not received an admission card prior to the Annual General Meeting will be able to obtain an admission card from the information desk, upon presentation of identification.

Please see below for information on the processing of personal data in connection with the Annual General Meeting.

**Proposed agenda**

1. Election of a chairman of the meeting
2. Preparation and approval of the voting register
3. Approval of the agenda proposed by the Board of Directors
4. Election of one or two persons to attest the minutes of the meeting
5. Determination whether the meeting has been duly convened
6. Presentation of the Annual Report and the auditor's report, as well as the consolidated financial statements and the auditor's report for the Group. In connection therewith:
  - a) An address by the Chairman of the Board
  - b) An address by the President
  - c) A report by the auditor-in-charge regarding the audit work
7. Resolutions regarding:
  - a) Adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet
  - b) Allocation of the Company's result in accordance with the adopted balance sheet
  - c) Discharge from liability for the directors and the President
8. Determination of the number of directors
9. Determination of fees for the Chairman of the Board, directors and auditors
10. Election of the Board of Directors
  - a. Bo Annvik
  - b. Petra Einarsson
  - c. Marika Fredriksson
  - d. Marie Grönborg
  - e. Bengt Kjell
  - f. Pasi Laine
  - g. Martin Lindqvist
  - h. Annareetta Lumme-Timonen (new election)
11. Election of the Chairman of the Board
12. Resolutions regarding number of auditors and auditor election
13. Resolution regarding instruction for the Nomination Committee
14. Approval of Remuneration Guidelines for senior executives
15. Resolution to authorize the Board to resolve upon new issues of shares
16. Shareholder proposal from Thorwald Arvidsson to amend the articles of association and to convert the shares

17. Shareholder proposal from Thorwald Arvidsson to instruct the Board to act to abolish the possibility of so-called voting differentiation in the Swedish Companies Act, primarily, through a petition to the government
18. Shareholder proposal from Thorwald Arvidsson to instruct the Board to prepare a proposal for representation of the small and medium-sized shareholders both in the Board and in the Nomination Committee. The instruction shall include to act for an amendment to the Swedish regulation, primarily through a petition to the government
19. Closing of the Annual General Meeting

**A. The Nomination Committee proposes:**

The Nomination Committee consists of Lars Pettersson, Industrivärden (Chairman of the Nomination Committee); Petter Söderström, Solidium Oy; Peter Hansson, LKAB; Åsa Nisell, Swedbank Robur Fonder and Bengt Kjell (Chairman of the Board of Directors).

1. that attorney Sven Unger be appointed to chair the meeting;
8. that there be eight directors;
9. that Board fees be paid on a yearly basis in the amount of SEK 1,850,000 to the Chairman of the Board and SEK 615,000 to each director who is not employed in the Group. That compensation to directors in respect of committee work in the Audit Committee be paid in the amount of SEK 140,000 each, with the exception of the position of Chairman of the Audit Committee, for which payment shall be made in the amount of SEK 250,000. That compensation to directors in respect of committee work in the Remuneration Committee be paid in the amount of SEK 115,000 each, with the exception of the position of Chairman of the Remuneration Committee, for which payment shall be made in the amount of SEK 185,000. Fees shall be paid to the auditor in accordance with approved invoices;
10. that the following directors be re-elected: Bo Annvik, Petra Einarsson, Marika Fredriksson, Marie Grönborg, Bengt Kjell, Pasi Laine, and Martin Lindqvist. Election of Annareetta Lumme-Timonen as new director. Matti Lievonon has declined re-election.  
  
Annareetta Lumme-Timonen was born in 1967 and holds a Technology Doctorate from the Technical University of Espo (now Aalto University). She is Investment Director and member of the Group Management of Solidium Oy, Member of the external advisory board for sustainability issues at Aalto University in Helsinki and Chairman of Outotec Oy's Nomination Committee. She has previously, among other things, been Director of the start-up fund Vera Oy, investment manager for 3i Nordic plc, Helsinki and Director of the Finnish Sustainable Investment Forum (Finsif);
11. that Bengt Kjell be re-elected as Chairman of the Board;
12. in accordance with the recommendation by the Audit Committee, that the auditors shall be one registered auditing company and to re-elect the audit firm Ernst & Young AB as the Company's auditor for the period until the end of the 2021 Annual General Meeting; and
13. that the Instruction for the Nomination Committee shall be as set out below.

**Instruction for the Nomination Committee in SSAB**

The Nomination Committee's assignments and tasks are set out in the Swedish Corporate Governance Code.

The Chairman of the Board is authorized to invite not less than three and not more than five of the major shareholders in terms of votes to each appoint a member who, together with the Chairman of the Board, shall constitute a Nomination Committee. The determination as to which shareholders constitute the three to five major shareholders in terms of votes shall be based on ownership information from Euroclear Sweden AB's register as per the final day of trading in July (grouped by owner) unless, not later than the sixth weekday in August, any other shareholder gives written notice to the Chairman of the Board and proves his status as one of the three to five major shareholders in terms of votes.

If the Chairman of the Board deems that there is reason to believe that a proposed member's conflict of interest or any other circumstances relating to the individual or the company he or she is representing may damage or have other adverse effects on the Company and its business interests, the Chairman of the Board shall constitute the Nomination Committee together with its members. Thereafter, the Nomination Committee shall decide whether or not the proposed member should be offered a seat on the Nomination Committee. The member concerned shall be given opportunity to comment but may not participate in the decision.

If deemed appropriate as a consequence of any subsequent change in ownership structure, the Nomination Committee shall be entitled to invite additional shareholders to assume a place on the Nomination Committee; however, the total number of members shall not exceed six.

The member representing the largest shareholder in terms of votes shall be Chairman of the Committee. Regardless of how and by whom a member is appointed, the member has to safeguard the interests of all shareholders. The composition of the Nomination Committee shall be published not later than six months prior to the next Annual General Meeting. In the event a member of the Nomination Committee leaves the Committee before its work is completed, the Chairman of the Board shall, if considered necessary by the Nomination Committee, invite the same shareholder - or, if the latter is no longer one of the major shareholders, - the shareholder who, in terms of size of shareholding, is next entitled to appoint a replacement. Members of the Nomination Committee shall receive no fees, but any costs incurred in the course of the nomination work shall be borne by the Company.

If a member is appointed by a shareholder who has sold parts of its holding of SSAB shares and where the shareholder is no longer found among the six largest shareholders in terms of voting, the Nomination Committee can decide that the member shall resign. The member concerned shall be given opportunity to comment but may not participate in the decision.

If a member of the Nomination Committee deems that there is reason to believe that a member's conflict of interest or any other circumstances relating to the individual or the company he or she is representing may damage or have other adverse effects on the Company and its business interests, the Nomination Committee may decide that the member shall resign. The member concerned shall be given opportunity to comment but may not participate in the decision.

Prior to the Nomination Committee's proposal to the General Meeting, the Nomination Committee must take into account any potential Board member's conflict of interest or other circumstances relating to the individual or the

company he or she is representing and which may damage or have other adverse effects on the Company and its business interests.

The Nomination Committee shall, when preparing its proposals for Board members, apply a diversity policy consisting of Rule 4.1 in the Swedish Corporate Governance Code.

When deciding on the Nomination Committee, unanimity shall be sought. When unanimity cannot be reached, decisions are taken by a simple majority and in the case of equal number of votes, the chairman has the casting vote.

The term of office of the Nomination Committee shall extend until the composition of a new Nomination Committee is published. This instruction for the appointment of the Nomination Committee is applicable until decided otherwise by a future General Meeting.

**B. The Board of Directors proposes:**

7.b) Allocation

The Board proposes a dividend of SEK 1.50 per share.

Friday, April 3, 2020, is proposed as the record date for payment of the dividend. Provided that the Meeting resolves in accordance with the proposal, dividends are expected to be distributed by Euroclear Sweden AB on Wednesday, April 8, 2020.

14. Approval of Remuneration Guidelines for senior executives.

These remuneration guidelines include the CEO and other senior executives. The guidelines are forward-looking, i.e. they 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 decided or approved by the general meeting.

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

SSAB's business strategy aims to establish the company as an industry leader in terms of both profitability and sustainability among comparable companies. SSAB's stated objective is to become the safest steel company in the world to work in, and shall in addition adhere to high environmental standards and be a responsible partner to all stakeholders. A more detailed description of the business strategy can be found on the company's website. A successful implementation of the company's business strategy and the safeguarding of the company's long-term interests require that the company can recruit and retain qualified employees. For this, the company must be able to offer competitive remuneration in the labor market on which the executive operates. These guidelines are intended to offer senior executives a competitive total remuneration, which in turn promotes the company's business strategy, long-term interests and sustainability.

*Types of remuneration, etc.*

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration consisting of a short-term variable component ("STI") and a long-term variable component ("LTI"), 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.

The satisfaction of criteria for variable cash remuneration shall be measured over a period of one year for STI and three years for LTI. STI may amount to not more than 75 per cent of the fixed annual cash salary for the CEO and not more than 50 per cent for other senior executives. LTI may amount to not more than 30 per cent of the fixed annual cash salary for the CEO and other senior executives.

For the CEO and other senior executives pension benefits shall be contribution-based except in those cases where so provided in the rules of a general pension plan (e.g. the Swedish ITP2 plan). The retirement age should be set individually, however, in no case earlier than the age of 62. In the event the employment terminates prior to the retirement age, the executive shall receive a paid-up policy for earned pension. Variable cash remuneration shall not qualify for pension benefits, except in those cases where so provided in the rules of a general pension plan. The pension premiums shall amount to not more than 50 per cent of the annual pensionable salary.

Other benefits may include, for example, health insurance, medical insurance and company cars. Premiums and other costs relating to such benefits may amount to not more than 10 per cent of the fixed annual cash salary.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

#### *Termination of employment*

Upon termination of an employment, the notice period may not exceed twelve months. Fixed salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed salary for 24 months for the CEO and 18 months for the other senior executives. The period of notice may not exceed six months without any right to severance pay when termination is made by the executive.

For senior executives outside Sweden, the termination period and severance pay may deviate from the above stated due to legislation or local market practice.

#### *Criteria for variable cash remuneration, etc.*

The variable cash remuneration shall be linked to predetermined and measurable criteria. The criteria shall be designed to contribute to the company's business strategy and long-term interests, including sustainability.

The criteria for STI are set annually and shall consist of group objectives, of unit objectives (i.e. objectives related to a particular division, a certain subsidiary or a certain function) and of individual objectives, with distribution as follows.

Group objectives may be financial and non-financial. The financial objectives shall comprise at least 60 per cent of the group objectives and shall be linked to EBITDA margins in relation to a comparison group of the company's competitors, own EBITDA level or margin, return on capital employed, the company's cash flow or the company's stock turnover. The non-financial group objectives shall be linked to sustainability.

The unit objectives may be different for different units. For units with clear profit responsibility, the unit objectives shall to at least 50 per cent consist of financial objectives that shall be linked to sales, volumes, operating profit, operating margins, cost savings, return on capital employed or cash flows. The remaining part of the unit objectives shall consist of operational objectives linked to sustainability and fulfillment of the unit's strategic plan. For other units, the unit

objectives shall be designed so that they clearly contribute to the fulfillment of the respective unit's strategy, including sustainability.

Individual objectives shall consist of quantitative or qualitative objectives aimed at increased value creation for the company.

For the CEO, STI shall comprise at least 85 per cent of group objectives and the remainder of individual objectives. For senior executives with clear own profit responsibility, STI shall comprise at least 45 per cent of unit objectives, up to a maximum of 15 per cent of individual objectives and the remaining part of group objectives. For other senior executives, STI shall consist of at least 70 per cent of group objectives, up to a maximum of 15 per cent of individual objectives and the remaining part of unit objectives.

LTI shall to 40-60 per cent be linked to the total return on the SSAB share in relation to a comparison group of the company's competitors and the remaining part shall be linked to a group-wide financial objective such as return on capital employed, own EBITDA level or EBITDA margin. However, for employees in division Americas, 20-40 per cent of LTI shall be linked to SSAB Americas own earnings and return on capital employed.

The objectives of LTI are to create a common interest for the company management and shareholders to drive the business towards long-term good return on the SSAB-shares and to promote the company's ability to recruit and retain key employees.

The variable cash compensation programs shall be structured such that the board of directors has the possibility, should exceptional circumstances prevail, to restrict the payment of variable cash compensations, or to decline to make such payment, where such a measure is deemed reasonable and compatible with the company's responsibilities to its shareholders, employees and other stakeholders.

To which extent the objectives for variable cash remuneration has been satisfied shall be evaluated when the measurement period has ended. Following a proposal from the remuneration committee, the board of directors is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other senior executives, the remuneration committee is responsible for the evaluation in consultation with the CEO. When the board of directors assesses how the financial objectives have been met, this should be done against the latest published financial information with any adjustments that the board of directors considers necessary or appropriate.

Before the payment of variable cash compensation is effected, the board of directors must verify that the objectives linked to the remuneration have been met and that the remuneration has been calculated correctly.

#### *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 the company have been taken into account 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' and the remuneration committee's basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

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



The board of directors has established a remuneration committee. The committee's tasks include preparing the board of directors' decision to propose guidelines for executive remuneration. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of these remuneration guidelines as well as the current remuneration structures and compensation levels in the company. The CEO and other senior executives do not participate in the board of directors' or the remuneration committee's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters. 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 are adopted by the general meeting.

*Derogation from the guidelines*

The board of directors 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 motivated 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 of directors' resolutions in remuneration-related matters, including also preparation of resolutions to derogate from the guidelines.

15. Resolution to authorize the Board to resolve upon new issues of shares

The Board of Directors proposes that the Annual General Meeting authorize the Board of Directors to, at one or several occasions up to the next Annual General Meeting, resolve on new issues of shares of series B, with or without the disapplication of the shareholders' preferential rights to subscribe for shares. The total number of shares that may be issued by exercise of the authorization shall be within the limits of the articles of association and not exceed ten (10) per cent of the total number of shares in the company at the time of the Board's resolution to issue new shares. The authorization includes a right to resolve to issue new shares for cash consideration, by contribution in kind or payment by set-off. Share issues for cash consideration or for consideration by set-off may be made with disapplication of the shareholders' preferential rights only for the purpose of financing acquisitions and provided that the share issue is made on market terms.

**C. The shareholder Thorwald Arvidsson proposes:**

16. That § 5 of the Articles of Association should read as follows:  
"There shall be not less than 545,000,000 shares and not more than 2,180,000,000 shares. Each share shall entitle the holder to one vote."  
That the remainder of § 5 and § 6 in its entirety shall be deleted  
That the numbering of the sections shall be amended accordingly  
That all shares of both class A and class B shall be converted into shares without classification.

- 17-18. The proposals under item 17 and 18 appear in full in the agenda.

**Majority rules**

In order to be valid, a resolution pursuant to item 15 requires the approval of at least two thirds of the votes cast and the shares represented at the Annual General Meeting. The resolution by the Annual General Meeting under item 16 is valid if all shareholders represented at the meeting vote in favour of the proposal and those shareholders represent at least nine-tenths of all shares in the Company, alternatively if



shareholders representing at least two-thirds of the votes cast as well as the shares represented at the meeting vote in favour of the proposal and holders of half of all shares of class A and nine-tenths of the shares of class A represented at the meeting agree to the amendments.

#### **Information at the Annual General Meeting**

The shareholders are entitled to some information at the Annual General Meeting. The Board of Directors and the President shall, if any shareholder so requests and the Board of Directors believes that it can be done without material harm to the Company, provide information regarding circumstances that may affect the assessment of an item on the agenda and circumstances that can affect the assessment of the Company's or its subsidiaries' financial situation and the Company's relation to other companies within the group.

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

For information on how personal data is processed in connection with the Annual General Meeting, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

#### **Documents**

The Nomination Committee's proposals and motivated opinion together with information regarding all board members proposed to the Board of Directors of the Company will be available on the Company's website, [www.ssab.com](http://www.ssab.com). The Annual Report and auditor's report and the auditor's opinion whether the Annual General Meeting's guidelines for compensation to senior executives have been complied with will be available at the Company's offices on Klarabergsviadukten 70, D6, Stockholm and on the Company's website, [www.ssab.com](http://www.ssab.com), commencing Wednesday, March 11, 2020 and will be sent to those shareholders who so request and state their address. Orders may be placed by telephone on +46 8-45 45 760.

#### **Number of shares and votes**

In the Company, there are 304,183,270 class A shares, each with one vote per share, and 725,652,056 class B shares, each with 1/10 vote per share, entailing that in total there are 1,029,835,326 shares and 376,748,475.6 votes in the Company.

Stockholm, February 2020

**SSAB AB (publ)**

*The Board of Directors*

Registration will commence at 12 noon and coffee and sandwich will be served before the meeting commences.

***Welcome!***

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

Per Hillström, Head of Investor Relations, [per.hillstrom@ssab.com](mailto:per.hillstrom@ssab.com), phone: +46 70 295 2912

SSAB is a Nordic and US-based steel company. SSAB offers value added products and services developed in close cooperation with its customers to create a stronger, lighter and more sustainable world. SSAB has employees in over 50 countries. SSAB has production facilities in Sweden, Finland and the US. SSAB is listed on Nasdaq Stockholm and has a secondary listing on Nasdaq Helsinki. [www.ssab.com](http://www.ssab.com). Join us also on social media: [Facebook](#), [Instagram](#), [LinkedIn](#), [Twitter](#) and [YouTube](#).