

## NOTICE OF ANNUAL GENERAL MEETING

The shareholders of **Lifco AB (publ)**, org nr 556465-3185, are hereby invited to attend the Annual General Meeting (AGM) to be held on Friday 26 April 2019, at 2 p.m. CET at Bonnierhuset, Torsgatan 21 in Stockholm, Sweden.

### Right to attend

Shareholders who wish to attend the AGM must:

- be recorded in the register of shareholders maintained by Euroclear Sweden AB (*the Swedish Central Securities Depository*) on Thursday 18 April 2019, and
- notify the Company of their intention to participate in the meeting not later than on Thursday 18 April 2019.

Shareholders who have trustee-registered their shares must re-register the shares in their own name to be entitled to participate in the meeting. Such registration, which may be temporary, must be completed on Thursday 18 April 2019. Accordingly, shareholders must inform the trustee of this request in ample time prior to this date.

### Notice of attendance

Notice of attendance shall be made in writing to Lifco AB, Attn: "AGM", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden, or by telephone +46 (0)8-402 92 82 or on Lifco's website [lifco.se](http://lifco.se). The notice shall state name, address, telephone number, personal or corporate identity number, number of shares held and, if applicable, the number of advisors (not more than two) that will accompany the shareholder at the meeting. An entrance card to be shown when registering for the AGM will be sent in confirmation of the notice of attendance. Shareholders represented by proxy shall issue a dated and signed power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate or corresponding document shall be appended, which indicates the authorized signatories of the legal entity. The original power of attorney and, where applicable, the certificate should be submitted to the Company at the address indicated above well in advance of the meeting. Proxy forms are provided at the Company's website [lifco.se](http://lifco.se), and will be sent to shareholders that so request.

### Proposal for 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 one or two persons to approve the minutes
6. Determination of compliance with the rules of convocation
7. Presentation of
  - a) the Annual Report and the Auditors' Report
  - b) the Consolidated Accounts and the Group Auditors' Report

- c) the statement by the auditor on compliance of the Guidelines for Remuneration to Senior Executives applicable since last AGM
- d) the Board's proposal for distribution of the Company's profit and the Board's reasoned statement thereon
8. Report on the work of the Board of Directors, including the work and functions of the Remuneration Committee and the Audit Committee
9. The CEO's report
10. Resolution regarding the adoption of the Income Statement and the Balance Sheet as well as the Consolidated Income Statement and the Consolidated Balance Sheet
11. Resolution regarding dispositions in respect of the Company's profit according to the adopted Balance Sheet
12. Resolution regarding discharge from liability for the Board of Directors and the CEO
13. Establishment of the number of board members and auditors
14. Establishment of fees to the Board of Directors (including fees for work in Committees) and the auditor
15. Election of the Board of Directors and Chairman of the Board
  - a) Re-election of Carl Bennet;
  - b) Re-election of Ulrika Dellby;
  - c) Re-election of Erik Gabrielson;
  - d) Re-election of Ulf Grunander;
  - e) Re-election of Anna Hallberg;
  - f) Re-election of Annika Espander Jansson;
  - g) Re-election of Johan Stern;
  - h) Re-election of Axel Wachtmeister;
  - i) New election of Per Waldemarson; and
  - j) Re-election of Carl Bennet as Chairman of the Board.
16. Election of auditor
17. Resolution regarding Nomination Committee
18. Resolution regarding Guidelines for Remuneration to Senior Executives
19. Closing of the Meeting

### **Proposals by the Nomination Committee (items 2 and 13–16)**

The Nomination Committee in respect of the 2019 AGM consists of Carl Bennet (*Carl Bennet AB*), Per Colleen (*the Fourth National Swedish Pension Fund*), Hans Hedström (*Carnegie Funds*), Marianne Nilsson (*Swedbank Robur Funds*) and Adam Nyström (*Didner & Gerge Funds*).

The Nomination Committee has proposed the following:

**Chairman of the AGM:** The Chairman of the Board, Carl Bennet, shall be elected Chairman of the AGM.

**Board of Directors:** The number of board members elected by the General Meeting shall be nine with no deputy members. As board members, re-election shall be made of Carl Bennet, Ulrika Dellby, Erik Gabrielson, Ulf Grunander, Anna Hallberg, Annika Espander Jansson, Johan Stern and Axel Wachtmeister. Per Waldemarson shall be elected new

member of the Board. Gabriel Danielsson has declined re-election. As Chairman of the Board, Carl Bennet shall be re-elected.

**Board member proposed for new election:** Per Waldemarson, born 1977, is CEO and President of Lifco. Per Waldemarson joined Lifco in 2006 as CEO of Brokk AB and was appointed Head of Business Area Dental in 2009. In December 2017 he was appointed deputy CEO and in February 2019 Per Waldemarson was appointed CEO and President. Before joining Lifco, he was a management consultant at Bain & Co. Per Waldemarson has a MSc in Business Administration.

**Board and committee fees:** Board fees, excluding remuneration for committee work, shall amount to a total of SEK 5,535,000 of which SEK 1,230,000 to the Chairman and SEK 615,000 to each of the other board members elected by the General Meeting who are not employees of Lifco Group. Work in the Audit Committee shall be compensated by SEK 240,000 to the Chairman and SEK 120,000 to each of the other members. Work in the Remuneration Committee shall be compensated by SEK 130,000 to the Chairman and SEK 80,000 to each of the other members.

**Auditor:** The Company is to have one auditor, with no deputies. The registered auditing firm, PricewaterhouseCoopers AB, shall be re-elected as auditor for the period up until the end of the annual meeting of shareholders in 2020. The Authorised Public Accountant Eric Salander will serve as Auditor-in-Charge. Audit fees shall apply as agreed.

The proposal regarding the auditors is in accordance with the Audit Committee's recommendation.

Information concerning all members proposed for re-election is available on the company's website [lifco.se](http://lifco.se).

### **Dividend (item 11)**

The Board of Directors and the CEO propose that the AGM resolves on a dividend of SEK 4.60 per share for the financial year 2018 and that the record date for the dividend shall be Tuesday 30 April 2019. If the AGM resolves in accordance with the proposal, it is expected that the dividend will be disbursed by Euroclear Sweden on Monday 6 May 2019. The last day for trading in the Lifco share including the right to dividend is Friday 26 April 2019.

### **Nomination Committee (item 17)**

The Nomination Committee proposes that the AGM resolves:

- to instruct the Chairman of the Board to convene a Nomination Committee for the AGM 2020, composed of the Chairman of the Board, one representative of each of the Company's five largest shareholders as per 31 August 2019, as well as one representative of the minority shareholders,
- that, in the event any of the five largest shareholders refrains from exercising its right to appoint a representative to the Nomination Committee, such right shall

pass to the shareholder that, next to these five shareholders, has the largest shareholding in the Company,

- that, in the event a representative no longer represents the relevant shareholder, or otherwise resigns from the Nomination Committee prior to the completion of its work, such shareholder shall be offered the opportunity to appoint a new representative to the Nomination Committee,
- that, in the event a representative represents a shareholder that has sold all or the main part of its shareholding in Lifco, the Nomination Committee may resolve that such member shall resign and, if deemed appropriate by the Nomination Committee, offer another representative for a larger shareholder a place in the Nomination Committee, and
- that the Nomination Committee shall perform such duties that fall on the Nomination Committee in accordance with the Swedish Code of Corporate Governance.

### **The Board's Proposal Regarding Guidelines for Remuneration to Senior Executives (item 18)**

The Board of Directors proposes that the Annual General Meeting resolves on the following guidelines for remuneration to senior executives. The guidelines are in line with the principles applied to date.

#### **1. Scope of the guidelines**

These guidelines cover remuneration and other terms of employment for individuals being part of the Group management of Lifco AB during the validity of the guidelines, in the following referred to as "senior executives". At present, the Group management has three members.

#### **2. Basic principles and remuneration elements**

The basic principle is that remuneration and other terms and conditions of employment for senior executives shall be based on market conditions and be competitive in all markets where Lifco operates, to ensure that competent and skillful employees can be attracted, motivated and retained. Individual levels of remuneration shall be based on experience, competence, responsibility and achievement.

The total remuneration to senior executives shall comprise basic salary, variable remuneration, pensions and other benefits.

#### **3. Principles for various types of remuneration**

##### **Fixed remuneration**

The fixed remuneration, meaning the basic salary, shall be based on the individual employee's area of responsibility, authority, competence and experience.

##### **Variable remuneration**

The allocation between basic salary and variable remuneration shall be proportional to the responsibility and authority of the employee. The variable remuneration shall be connected to predetermined and measurable criteria, established with the purpose to

promote the long-term added value of the Company. As regards the CEO, the variable remuneration shall be capped at 70% of the basic salary. The variable remuneration shall be based on the individual goals proposed by the Remuneration Committee and set by the Board of Directors. Examples of such goals are earnings, volume growth, working capital and cash flow. In respect of other senior executives, the variable remuneration shall be based on the result within the executive's responsibility area as well as the outcome of individual goals.

In addition to the variable remuneration, share or share-related incentive programs approved by the AGM may occasionally be implemented.

#### **Pension**

Pension rights for the CEO and for other senior executives shall apply from earliest the age of 60. Pension agreements shall be contracted according to national regulations applicable in the senior executive's country of residence. Pension levels shall be based on a certain share of the basic salary. Pension benefits shall be inviolable.

#### **Terms of notice**

Upon notice by the CEO, a notice period of six months shall apply. Upon termination of employment by the Company, a notice period of maximum 18 months shall apply, with right for the CEO to obtain salary during such period. The termination pay shall not be set off against other income.

Upon termination of employment of other senior executives by the Company, the senior executive shall have the right to obtain salary during a notice period of maximum twelve months.

#### **Other benefits**

Other benefits such as company car, extra health insurance or occupational health service may be provided to the extent this is considered customary for senior executives holding equivalent positions on the labour market where the employee is active. The total value of such benefits shall, however, amount to a minor part of the total remuneration.

#### **4. Other**

The guidelines shall apply to agreements entered into after the adoption by the Annual General Meeting and to changes made in existing agreements after this date. The Board of Directors shall retain the right to deviate from the guidelines if motivated by particular reasons on an individual basis.

Information on remuneration, etc. to senior executives during the financial year 2018 is set forth on pages 30–31 and in note 10 of the 2018 Annual Report.

#### **Documents and other information**

The annual report and other supporting resolution documentation will be held available at the Lifco's premises at Verkmästaregatan 1 in Enköping, Sweden, and on the Company's website [lifco.se](http://lifco.se), no later than three weeks prior to the meeting. The

documents will be sent to shareholders who so request and specify their postal address. Shareholders are reminded of their right to request information under Chapter 7, Section 32 of the Swedish Companies Act.

There are a total of 90,843,260 shares in Lifco, entitling to 145,526,990 votes. Of these shares, 6,075,970 are class A shares with ten votes per share and 84,767,290 are class B shares with one vote per share. The Company holds no treasury shares.

For information about processing of your personal data, reference is made to the integrity policy available at Euroclear Sweden AB's webpage  
<https://www.euroclear.com/dam/ESw/Legal/Privacynotice-bolagsstammor-engelska.pdf>.

Lifco's registered office is in Enköping, Sweden.

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Enköping in March 2019

**The Board of Directors of Lifco AB (publ)**