

# Notice of annual general meeting in Nordic Paper Holding AB (publ)

The shareholders of Nordic Paper Holding AB (publ), Reg. No. 556914-1913, with its registered office in Karlstad municipality in Värmland county, (the “**Company**” or “**Nordic Paper**”), are hereby invited to the annual general meeting on Thursday 19 May 2022, at 13.00 at Värmlands Museum, Sandgrundsudden, Karlstad. Registration starts at 12.30.

Nordic Paper welcomes all shareholders to exercise their voting rights at the annual general meeting by attending the venue in person or by voting in advance (postal voting). Information on the resolutions passed at the annual general meeting will be published on 19 May 2022 as soon as the result of the advance voting has been finally confirmed.

## **Preconditions for participation and notice of participation**

### Participation at the venue

A shareholder who wishes to participate in the annual general meeting at the venue in person or represented by a proxy must (i) be recorded in the share register maintained by Euroclear Sweden AB relating to the circumstances on 11 May 2022, and (ii) no later than 13 May 2022 give notice by post to Nordic Paper Holding AB (publ), “AGM 2022”, c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden or by e-mail to [GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com). Shareholders who are natural persons may also cast their advance votes electronically through BankID verification via Euroclear Sweden AB's webpage, <https://anmalan.vpc.se/euroclearproxy>. When providing such notice, the shareholder shall state name, personal or corporate registration number, address, telephone number and the number of any accompanying assistant(s) (maximum two assistants).

If a shareholder is represented by proxy, a written, dated proxy for the representative must be issued. A proxy form is available on the Company's webpage, [www.nordic-paper.com](http://www.nordic-paper.com). If the proxy is issued by a legal entity, a certificate of registration or equivalent certificate of authority should be enclosed. To facilitate the registration at the annual general meeting, the proxy and the certificate of registration or equivalent certificate of authority should be sent via email to [GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com) or by post to Nordic Paper Holding AB (publ), “AGM 2022”, c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden, so that it is received no later than 18 May 2022.

### Participation by advance voting

A shareholder who wishes to participate in the annual general meeting by advance voting must (i) be recorded in the share register maintained by Euroclear Sweden AB relating to the circumstances on 11 May 2022, and (ii) notify its intention to participate in the annual general meeting no later than 13 May 2022, by casting its advance vote in accordance with the instructions below so that the advance vote is received by Euroclear Sweden AB no later than on that day.

A shareholder who wishes to participate in the annual general meeting at the venue in person or represented by a proxy must give notice thereof in accordance with what is set out under “*Participation at the venue*” above. This means that a notification by advance vote is not sufficient for a person who wishes to participate at the venue.

A special form shall be used when advance voting. The advance voting form is available on the Company's webpage [www.nordic-paper.com](http://www.nordic-paper.com). A completed and signed form may be submitted by post to Euroclear Sweden AB so that it is received no later than 13 May 2022. The advance voting form is considered as the notification of participation to the annual general meeting. The populated form may be submitted by e-mail to

GeneralMeetingService@euroclear.com or by post to Nordic Paper Holding AB (publ), "AGM 2022", c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden. Shareholders who are natural persons may also cast their advance votes electronically through BankID verification via Euroclear Sweden AB:s webpage, <https://anmalan.vpc.se/euroclearproxy>. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the advance vote in its entirety) is invalid. Further instructions and conditions are included in the form for advance voting.

If a shareholder votes by proxy, a written and dated proxy shall be enclosed to the advance voting form. Proxy forms for those who wish to vote by proxy can be found on the Company's webpage, [www.nordicpaper.com](http://www.nordicpaper.com). If the shareholder is a legal entity, a certificate of incorporation or an equivalent certificate of authority should be enclosed. If a shareholder has voted in advance and then attends the annual general meeting in person or through a proxy, the advance vote is still valid except to the extent the shareholder casts votes during the annual general meeting or otherwise withdraws its casted advance vote. If the shareholder chooses to participate in a voting during the annual general meeting, the submitted advance vote will be replaced by the vote cast at the annual general meeting. For questions about the meeting or to have the advance vote form sent by post, please contact Euroclear Sweden AB on telephone +46 (0)8-402 91 33 (Monday-Friday at 09.00-16.00).

### **Nominee-registered shares**

To be entitled to participate in the annual general meeting, a shareholder whose shares are held in the name of a nominee must, in addition to providing notification of participation, register its shares in its own name so that the shareholder is recorded in the share register relating to the circumstances on 11 May 2022. Such registration may be temporary (so-called voting right registration) and is requested from the nominee in accordance with the nominee's procedures and in such time in advance as the nominee determines. Voting right registrations completed by the nominee not later than 13 May 2022 are taken into account when preparing the register of shareholders.

### **Proposed agenda**

1. Opening of the annual general meeting.
2. Election of the chairman of the meeting.
3. Election of two persons to verify the minutes together with the chairman of the meeting.
4. Preparation and approval of the voting list.
5. Presentation and approval of the agenda.
6. Determination as to whether the meeting has been duly convened.
7. Presentation by the CEO
8. Presentation of the income statement, balance sheet, consolidated income statement and consolidated balance sheet.
9. Resolution on:
  - a. the adoption of the income statement, balance sheet, consolidated income statement and consolidated balance sheet,
  - b. the appropriation of the Company's profits or losses in accordance with the approved balance sheet, and
  - c. discharging of the members of the board of directors and the CEO from liability.
10. Determination of:
  - a. the number of members of the board of directors, and
  - b. and number of auditors and deputy auditors.
11. Determination of:
  - a. fees to be paid to the members of the board of directors, and
  - b. fees to be paid to the auditors.

12. Election of members of the board of directors and chairman of the board.
  - a. Per Bjurbom (re-election),
  - b. Stefan Lundin (re-election)
  - c. Ying Che (re-election),
  - d. Helene Willberg (re-election),
  - e. Karin Eliasson (re-election),
  - f. Arne Wallin (re-election),
  - g. Chairman of the board: Per Bjurbom (re-election).
13. Election of auditors and deputy auditors.
14. Approval of guarantee commitments for subsidiaries.
15. The nomination committee's proposal for instructions to the nomination committee ahead of the annual general meeting in 2023.
16. Presentation of the board of directors' remuneration report for approval.
17. Resolution on long term incentive programme in the form of warrants for senior executives.
18. Resolution on authorisation to the board of directors to decide on the issuance of new shares
19. Closing of the annual general meeting

### Proposals of the nomination committee

***Items 2, 10-13 and 15: Election of chairman of the meeting, determination of the number of members of the board and auditors, determination of the fees to be paid to the members of the board and auditors, election of members of the board and chairman of the board, election of auditor and proposal for instructions to the nomination committee***

The nomination committee of the Company proposes that the annual general meeting resolves in accordance with the following:

- Victoria Skoglund at Advokatfirman Lindahl shall chair the meeting.
- The number of members of the board of directors elected by the annual general meeting shall be six, without deputies, and the number of auditors shall be one chartered auditing firm.
- For the period until the end of the next annual general meeting, the members of the board shall be paid a total amount of SEK 2,410,000 (SEK 2,425,000), of which SEK 550,000 (SEK 550,000) shall be paid to the chairman of the board and SEK 300,000 (SEK 300,000) shall be paid to each other member of the board elected by the general meeting. For work within the committees of the board, for the period until the end of the next annual general meeting, the members shall be paid a total amount of SEK 360,000 (SEK 375,000), of which SEK 170,000 (SEK 150,000) shall be paid to the chairman of the audit committee and SEK 85,000 (SEK 75,000) to the other member of the audit committee and SEK 70,000 (SEK 50,000) shall be paid to the chairman of the remuneration committee and SEK 35,000 (SEK 25,000) to the other member of the remuneration committee. Auditor fees shall, in accordance with the audit committee's recommendation, be paid in accordance with approved invoice.
- Per Bjurbom, Stefan Lundin, Ying Che, Helene Willberg, Karin Eliasson and Arne Wallin shall be re-elected as members of the board for the period until the end of the next annual general meeting. Per Bjurbom shall be re-elected as chairman of the board. For information regarding the proposed board members, reference is made to the Company's annual report.
- In accordance with the audit committee's recommendation, the chartered auditing firm Öhrlings Pricewaterhousecoopers AB shall be re-elected as auditor for the period until the end of the next annual general meeting, with the request for Martin Johansson as auditor in charge.
- The instructions for the nomination committee ahead of the annual general meeting 2023 shall be left unchanged from the previous year's instructions.

## Proposals of the board of directors

### ***Item 9 b: Appropriation of the Company's profits or losses in accordance with the approved balance sheet***

The board of directors proposes that the annual general meeting resolves on a dividend of SEK 2.00 per share, with a proposed record date for the right to receive dividend on 23 May 2022, whereby the dividend is expected to be paid to the shareholders on 27 May 2022.

Additional information board of directors' dividend proposal, including the board of directors' statement, is set out in the complete proposal which is provided in accordance with below.

### ***Item 14: Approval of guarantee commitments for subsidiaries***

In situations where a subsidiary to Nordic Paper is party to significant agreements, for example larger investments with payment plans, suppliers may in certain cases require a guarantee from the parent company. In accordance with the Company's articles of association and due to Chinese corporate governance rules, the annual general meeting shall approve the Company's guarantee commitments for subsidiaries.

The board of directors proposes, based on an analysis of the need of guarantees given the ongoing and planned investments in the group, that the annual general meeting, for the period until the end of the next annual general meeting, resolves to approve a frame of SEK 400 million for guarantee commitments for subsidiaries.

### ***Item 16: Presentation of the board of director's remuneration report for approval***

The board of directors proposes that the annual general meeting resolves to approve the remuneration report for the financial year 2021 that has been prepared by the board of directors.

### ***Item 17: Resolution on long term incentive programme in the form of warrants for senior executives***

The board of directors proposes that the annual general meeting resolves to issue not more than 600,000 warrants within the scope of a long term incentive programme for senior executives within Nordic Paper as follows.

The proposed incentive program is a three-year programme. In total, the incentive programme will encompass not more than 9 individuals. The incentive programme entails that senior executives within Nordic Paper are offered warrants at market value calculated according to the Black-Scholes valuation formulae. The participant must have entered into pre-emption agreement with a company within the Nordic Paper group to be entitled to participate in the incentive programme. The right to subscribe for the warrants shall be awarded Nordic Paper Holding AB (publ), which shall transfer the warrants to the participants. The warrants shall be issued free of charge to Nordic Paper Holding AB (publ).

Each warrant shall entitle the holder to subscribe for one new share in the company at an exercise price equal to 120 percent of the volume-weighted average price of the company's share during the period of ten trading days falling immediately before the offer for subscription of the warrants (the "VWAP"), in any case not less than the quota value of the share. The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded downwards. In accordance with customary conditions, the number of shares that each warrant entitles to will be recalculated should the company resolve on a share split, consolidation of shares, issue, etc.

If the volume-weighted average price of the company's share during the period of ten trading days falling immediately before each exercise period (as described below) exceeds 170 percent of VWAP, the exercise price shall be increased with an amount corresponding to the part of such average price exceeding 170 percent of VWAP. Thereby, the participant's maximum outcome in the programme is capped.

Each warrant shall entitle the holder to subscribe for one new share in Nordic Paper Holding AB (publ) during either (i) the two-week period following publication of the third interim report of 2025 or (ii) the two-week period following the fourth interim report of 2025 (entailing a vesting period of at least three years).

The price per warrant upon transfer to the participants shall be established by an independent appraiser or auditor firm retained by the company and correspond to the market value of the warrant calculated in accordance with the Black-Scholes valuation model. The full terms and conditions for the warrants have been resolved by the board of directors and are set out in the complete proposal which is provided in accordance with below. The exercise price and number of shares that each warrant entitles to subscribe for may be subject to adjustments as set forth in section 7 of the terms and conditions of the warrants.

A company within the Nordic Paper group shall, in connection with transfer of the warrants to the participants in the program, and with certain exceptions, reserve a pre-emption right regarding the warrants if the participant's employment or assignment within the group is terminated or if the participant wishes to transfer its warrants prior to the warrants being exercisable. The board of directors shall be able to cancel warrants that have not been transferred to participants or that have been repurchased from participants.

#### Allocation of warrants

Not more than 9 senior executives within Nordic Paper shall, provided that they have entered into a pre-emption agreement with a company within the Nordic Paper group, be entitled to acquire warrants. The maximum number of warrants per participant in the program follows from the table below.

Category	Maximum number of warrants per person	Maximum total number of warrants per category
CEO	140 000	140 000
Other senior executives (8 persons)	74 000	460 000
Maximum number of warrants in total		600 000

#### Costs etc.

The total cost for the company for the incentive programme, including the cost for the subsidy described below, is limited and is estimated not to exceed SEK 1,150,000 during the term of the program.

The warrants will be transferred at market value and, therefore, no social security contributions are to be paid by the group in relation to the issue of the warrants.

The company will partly subsidize the participant's acquisition of warrants. The subsidy shall be paid at the end of the program. The subsidy to each participant shall correspond to 50 percent of the participant's investment net after taxes. The total cost for the subsidy, based on a warrant value of SEK 1.11 and an estimated marginal tax of 55 percent, is calculated to amount up to approximately SEK 900,000 for the entire term of the warrant programme of three years, including social security contributions. The warrant value has been estimated based on the Black-Scholes valuation formulae and an assumed price per share of SEK 35.25, a risk-free interest rate of 0 percent and a volatility of 23 percent.

In order to be eligible for the subsidy, with some exceptions, the participant shall, at the time of the payment of the bonus, be employed by the company and remain employed in the company until the warrants can be exercised and not have transferred the participants' warrants prior to when the warrants can be exercised.

The incentive programme is only expected to have a marginal effect on the company's key ratios.

## Dilution

Based on the number of shares in Nordic Paper of the date of the notice to the annual general meeting, the dilution effect of the warrant program will amount to approximately 0.89 percent. The company does not have previous outstanding incentive programmes.

## The rationale for the incentive programme

The rationale for the incentive programme is to create opportunities to motivate and retain senior executives within Nordic Paper. The incentive programme has been established as it is deemed desirable for senior executives within Nordic Paper to also be shareholders of the company. The board of directors considers that an incentive programme as described above is positive for the company and the shareholders in the company.

## Preparation of the proposal

The incentive programme has been prepared by the board of directors in consultation with external advisors. In addition, the proposal has been prepared by the board of directors' remuneration committee and has been reviewed at meetings of the board of directors during the spring of 2022.

## Majority requirements

A valid resolution in accordance with the proposal above requires approval of at least nine tenths (9/10) of the shares represented and votes cast at the general meeting.

### ***Item 18: Resolution on authorisation to the board of directors to decide on the issuance of new shares***

The board of directors proposes that the annual general meeting resolves to authorise the board of directors to, up and until the next annual general meeting, on one or several occasions and with or without preferential rights for existing shareholders, resolve on the issue of new shares, comprising a total of not more than 10 per cent of the total number of outstanding shares in the company as at the time of the annual general meeting's resolution to approve the proposed authorization. It shall also be possible to make such an issue resolution stipulating in kind payment, the right to offset debt or other conditions referred to in Chapter 13 Section 5 first paragraph item 6 in the Swedish Companies Act.

The purpose of the authorisation is to increase the financial flexibility of the company and the acting scope of the board of directors. Should the board of directors resolve on an issue with deviation from the shareholders' preferential rights, the reason for this must be to finance acquisitions of companies or operations. Upon such deviation from the shareholders' preferential rights, the new issue shall be made at market terms and conditions.

The board of directors, or any person appointed by it, shall be authorised to make any minor adjustments to the resolution that may be necessary in connection with the registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

---

## Number of shares and votes

As of the date of this notice there are in total 66,908,800 shares and votes in the Company. The Company does not hold any own shares as of the date of this notice.

## Majority requirements

A valid resolution in accordance with item 18 above requires approval of at least two-thirds (2/3) of the shares represented and votes cast at the general meeting. A valid resolution in accordance with item 17 above requires approval of at least nine tenths (9/10) of the shares represented and votes cast at the general meeting.

**Shareholders' right to obtain information**

The shareholders are reminded of their right to obtain information from the board of directors and the CEO in accordance with Chapter 7 Section 32 of the Swedish Companies Act.

**Complete proposals etc.**

The annual report and the auditor's report, the remuneration report, the complete proposals from the board of directors and the auditor's and the board of directors' statements according to the Swedish Companies Act will be held available at the Company's office on Tullhusgatan 1B, SE-652 26 Karlstad, Sweden, as well as on the Company's website, [www.nordic-paper.com](http://www.nordic-paper.com), no later than three weeks before the annual general meeting. Further, the nomination committee's complete proposals and motivated statement will be available on the address stated above as well as on the website at least four weeks before the annual general meeting. Copies of the documents will be sent to the shareholders who so request and who inform the Company of their postal address.

**Processing of personal data**

More information regarding the processing of your personal data is available in Euroclear's privacy notice that is available at Euroclear's website, <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

---

Karlstad, April 2022

**Nordic Paper Holding AB (publ)**

The board of directors