

To the shareholders of Axactor SE

## NOTICE OF ANNUAL GENERAL MEETING

on 1 April 2020 at 10:00 (CET)

run as a digital meeting.

### AGENDA

**1. Opening of the general meeting and registration of participating and represented shareholders (no voting)**

The chair of the board will open the general meeting of Axactor SE and register participating and represented shareholders.

**2. Election of person to chair the meeting and election of a person to co-sign the minutes together with the chair**

The board proposes that the general meeting elects Kjetil Hardeng, from the law firm Haavind, to chair the meeting. The board proposes that the general meeting elects one of the shareholders to co-sign the minutes.

The board proposes that the general meeting passes the following resolution:

*“The general meeting elected Kjetil Hardeng to chair the general meeting of the Company. The general meeting elected [name] to co-sign the minutes together with the chair.”*

**3. Approval of the notice and the agenda**

The board proposes that the annual general meeting (“AGM”) passes the following resolution:

*“The annual general meeting approved the notice and the agenda.”*

**4. Approval of the annual accounts and annual report for 2019**

The company’s annual accounts and annual report for the financial year 2019 are available at the company website: <https://www.axactor.com/investors>

The company’s auditor, PwC AS, will report on the audit work in the Company and present the auditor’s report for the group.

The board proposes that the general meeting passes the following resolution:

*“The general meeting resolved to approve and adopt the annual accounts, directors’ report and audit report for the financial year 2019, including the allocation of net profit.”*

**5. Advisory vote related to the board’s report on corporate governance**

Pursuant to section 5-6 fourth paragraph of the Norwegian Public Limited Liability Companies Act, the general meeting shall review and evaluate the board’s report on corporate governance which has been prepared in accordance with section 3-3b of the Norwegian Accounting Act. The corporate governance report for 2019 is included in the company’s annual report.

The board proposes that the general meeting passes the following resolution:

*“The general meeting endorses the Company’s report on corporate governance for the financial year 2019.”*

## **6. The board’s statement on stipulation of salary and other remuneration for executive management**

In accordance with section 6-16a of the Norwegian Public Limited Companies Act, the board has prepared a statement regarding the stipulation of salary and other remuneration to the company’s executive management. The statement is appended to this notice as appendix 4, and available at the company’s website [www.axactor.com](http://www.axactor.com).

The general meeting’s approval of the guidelines in the statement is of an advisory nature. However, the approval of the guidelines relating to remuneration in the form of shares, subscription rights, options and other forms of remuneration linked to shares or the development of the price of the shares in the company or other companies in the group, are binding for the board.

The board recommends that the general meeting endorses the board’s statement (6.1) and approves the proposal related to remuneration linked to the development of the company’s share price (6.2).

### **6.1. Advisory vote related to the board’s statement on stipulation of salary and other remuneration for executive management**

The board proposes that the general meeting passes the following resolution:

*“The general meeting endorses the board’s statement on stipulation of salary and other remuneration to executive management.”*

### **6.2. Approval of the board’s proposal related to remuneration linked to the development of the company’s share price**

The board proposes that the general meeting passes the following resolution:

*“The general meeting approves the board’s proposal related to remuneration linked to the development of the company’s share price as described in the statement on stipulation of salary and other remuneration to executive management.”*

## **7. Election of members to the board of directors**

The recommendation from the Nomination Committee is appended this notice as Appendix 3.

The board of directors of Axactor SE consists of the following members:

- Bjørn Erik Næss (chair)
- Brita Eilertsen (director)
- Merete Haugli (director)
- Lars Erich Nilsen (director)
- Beate Skjerven Nygårdshaug (director)
- Terje Mjøs (director)

Bjørn Erik Næss and Beate Skjerven Nygårdshaug have informed the Nomination Committee that they would like to resign from the Board effective from the 2020 AGM.

The shareholders will vote for each proposed member separately. The proposed members are all evaluated and considered to be competent and independent of the company and its management.

The Nomination Committee recommends that the general meeting passes the following resolution:

*“The board of directors shall have the following composition:*

- Glen Ole Rødland (chair)
- Brita Eilertsen (director)
- Merete Haugli (director)
- Lars Erich Nilsen (director)
- Kathrine Astrup Fredriksen (director)
- Terje Mjøs (director)

*Each member is elected until the annual general meeting of the Company in 2021.”*

## **8. Election of members to the Nomination Committee**

The recommendation from the Nomination Committee is appended this notice as Appendix 3.

The Nomination Committee of Axactor SE consists of the following members:

- Robin Bakken (chair)
- Magnus Tvenge (member)
- Cathrine Lofterød Fegth (member)

Robin Bakken and Cathrine Lofterød Fegth have informed the Nomination Committee that they would like to step down effective from the 2020 AGM. The Nomination Committee recommends the following members are elected to serve in the Nomination Committee from the AGM 2020 until the AGM 2022, and where Magnus Tvenge is re-elected and Anne Lise E. Gryte is elected as new chair of the Nomination Committee.

Anne Lise E. Gryte is employed as managing associate at the lawfirm Wiersholm in Oslo. Ms. Gryte practices corporate and securities law with an emphasis on capital market transactions. Ms. Gryte is also co-founder and Chair of Styrelisten, a non-profit initiative that assists companies looking to fill board positions with identifying qualified women with experience and competencies from a variety of industries and positions. Ms. Gryte holds a Master of Law from the University of Bergen.

The existing Nomination Committee has, in cooperation with chair of the board, carried out a process to identify suitable members to the Nomination Committee whom are all evaluated and considered to be competent and independent of the Company and proposes that the general meeting passes the following resolution:

*“The Nomination Committee shall have the following composition:*

- Anne Lise E. Gryte (chair)
- Magnus Tvenge (member)

*Each member of the Nomination Committee is elected until the annual general meeting of the Company in 2022.”*

## **9. Guidelines for the Nomination Committee**

The Nomination Committee has reviewed the guidelines for its duties, appended this notice as Appendix 3, and proposes that the general meeting passes the following resolution:

*“The guidelines for the Nomination Committee was approved.”*

## **10. Remuneration to the board of directors**

The recommendation from the Nomination Committee is appended this notice as Appendix 3.

The Nomination Committee recommends that the AGM makes the following decision regarding compensation to the directors of the board for the period of 1 April 2020 until the AGM 2021 as follows:

*“The remuneration to the board of directors shall be the following in the period from 1 April 2020 until the annual general meeting in the company in 2021:*

Position in the board:

Chair            NOK 550 000 /year  
Director        NOK 350 000 /year

*Additional fee should be paid for participation in the audit committee:*

Chair            NOK 65 000 /year  
Member:        NOK 50 000 /year

*Additional fee should be paid for participation in the remuneration committee:*

Chair            NOK 65 000 /year  
Member:        NOK 50 000 /year

*Additional fee should be paid for participation in the investment committee:*

Chair            NOK 80 000 /year  
Member        NOK 65 000 /year

## **11. Remuneration to the Nomination Committee**

The recommendation from the Nomination Committee is appended this notice as Appendix 3.

The Nomination Committee recommends that the general meeting makes the following decision regarding compensation of the members of the Nomination Committee for the period of 1 April 2020 until the AGM 2021 as follows:

*“The remuneration to the Nomination Committee shall be the following in the period from 1 April 2020 until the annual general meeting in the Company in 2021:*

Chair:            NOK 60 000 /year  
Member:        NOK 40 000 /year

## **12. Remuneration to the company’s auditor**

The board recommends that the general meeting makes the following decision regarding remuneration for the company’s auditor for 2019:

*“The general meeting resolved, in accordance with the proposal from the board, to approve the auditor’s fee for the fiscal year 2019 in the amount of EUR 153 275.”*

## **13. General authorization to the board to increase the share capital through the issue of new shares**

The board proposes that the AGM authorizes the board to, at one or several occasions prior to the next AGM, issue new shares. Pursuant to the proposal, the maximum number of shares that may be issued based on the authorization, shall be 37,000,000.

A new issue shall be possible with derogation from the shareholder's pre-emption rights. The reason for derogation from the shareholders' right of pre-emption is that the board needs flexibility to carry out private placements towards other companies or persons to acquire assets within the Company's core areas of expertise against full or partial settlement in shares. The authorization shall contain the right to increase the share capital with cash payment, payment through set-off or payment with non-cash consideration.

The board therefore proposes that the general meeting passes the following resolution:

- (i) "Pursuant to section 10-14 of the Public Limited Liability Companies Act, the board is granted authorization to increase the company's share capital by issuing new shares with a total nominal value of up to EUR 19,366,658, equal to 37,000,000 shares, each with a nominal value of EUR 0.523423187712375.*
- (ii) The authorization may be exercised in one or several capital increases.*
- (iii) This authorization may be exercised in connection with acquisitions of assets within the company's core areas of expertise.*
- (iv) The existing shareholders' pre-emptive rights may be waived.*
- (v) Payment of share capital in connection with a capital increase under this authorization may also be made by a contribution in kind or otherwise as described in section 10-2 of the Public Limited Liability Companies Act.*
- (vi) The board is granted the power to determine the subscription rate and the conditions for subscription, and to amend the articles of association section 4 according to the increase in the share capital.*
- (vii) The authorization is valid until the annual General Meeting in 2021, expiring at the latest on 30 June 2021."*

#### **14. Change of ownership of underlying warrants**

Two employee stock option/warrants programs, referred to as ESOP 2015 and ESOP 2017 were approved by the general meeting; ESOP 2015 on 7 November 2015 and amended on 4 May 2018 and 10 April 2019, and ESOP 2017 on 31 May 2017. These programs gives certain employees in the Axactor group the right, but not the obligation, to acquire shares in Axactor SE (formerly Axactor AB (publ)) as set out in the respective program. ESOP 2015 and ESOP 2017 have been established on the basis of underlying warrants issued in favor of the subsidiary Axactor Incentive AB as required by Swedish company law. Since Axactor SE has been relocated from Sweden to Norway, and thereby is covered by Norwegian company law, Axactor SE however may hold the warrants in its own book. By transferring the warrants from Axactor Incentive AB to Axactor SE, both the administrative work as well as the costs for the Axactor group will be reduced, since the former company after the transfer can be liquidated. Provided approval of the transfer by the annual general meeting, the warrants shall be transferred free of charge from Axactor Incentive AB to Axactor SE. This amendment will not change any rights or obligations for the employees covered by ESOP 2015 and ESOP 2017. The employees have been informed and none have raised any concerns.

The board therefore proposes that the general meeting passes the following resolution:

*"The underlying warrants related to ESOP 2015 and ESOP 2017 issued in favor of the subsidiary Axactor Incentive AB shall be transferred to Axactor SE."*

**15. Share warrant/option program**

The company operates an equity-settled, share-based compensation plan. Senior managers and key personnel participate the company's incentive program, ESOP 2015, ESOP 2017 and ESOP 2019. The company has entered into an agreement with Mr Rødland, if elected as Chairman of the Board, to provide advisory services in excess of the tasks that rests with the position as Chairman for a three years term. As compensation for the advisory services, Rødland will receive an option to subscribe for up to 1,000,000 shares in the company. This in board propose a new incentive program for key employees whereas the agreement with Mr Rødland will be included, named ESOP 2020. The ESOP 2020 total program will equal up to 6,500,000 shares.

The share options allocated under ESOP 2020 will be allocated to the company's senior management and key personnel based on company- and individual goal achievement, and at the board's discretion. The board will take into consideration inter alia the company's goals and strategies as well as targeted performance for each senior manager and key personnel, when granting options.

The option plan is a performance-based remuneration scheme reflecting the underlying long-term value creation of the company. The limits for the allocation of share options to senior managers and key personnel is determined by the board, within the board mandates adopted by the AGM.

The AGM is asked to authorize the board to settle the options either by emitting new shares or by acquiring shares in the market. The number of options granted under the ESOP 2020 grant will not exceed 3,51% of the total current outstanding shares of the company.

The options will vest over three years, with 1/3 vesting after one year, 1/3 after two years, and the remaining 1/3 after three years. The authorization suggested below is, however, limited to one year only. The board will decide further terms and conditions. Details will be presented to relevant parties in the ESOP 2020 program.

On this background, it is proposed that the general meeting adopts the following:

**15.1 Authorization to the board to increase the share capital through the issue of new shares**

The board proposes that the general meeting passes the following resolution:

- (i) *"Pursuant to section 10-14 of the Public Limited Liability Companies Act, the board is granted authorization to increase the company's share capital by issuing new shares with a total nominal value of up to EUR 7,067,810.52 equal to 13,503,052 shares, each with a nominal value of EUR 0.523423187712375.*
- (ii) *The authorization may be exercised in one or several capital increases.*
- (iii) *This authorization may only be exercised in connection with the share options allocated under ESOP 2019 and ESOP 2020 which are incentive programs for the company's senior management and key personnel.*
- (iv) *The existing shareholders' pre-emptive rights may be waived.*
- (v) *The board is granted the power to determine the subscription rate and the conditions for subscription, and to amend the articles of association section 4 according to the increase in the share capital.*
- (vi) *The authorization is valid until the AGM in 2021, expiring at the latest on 30 June 2021."*

## 15.2 Authorization to the board to acquire own shares

The board proposes that the general meeting passes the following resolution:


- (i) The company may acquire own shares. Pursuant to section 9-4 of the Public Limited Liability Companies Act, the board is hereby authorized to make such acquisitions on behalf of the company and may further dispose of such shares.*
- (ii) This authorization may only be exercised in connection with the share options allocated under ESOP 2019 and ESOP 2020 which are incentive programs for the company's senior management and key personnel.*
- (iii) The maximum nominal value of the shares which the company may acquire in total may not exceed EUR 7,067,810.52. The board may use the authorization on several occasions within the scope of the total nominal value as mentioned. New own shares may be acquired as replacement for own shares which are disposed.*
- (iv) The minimum and the maximum amount which may be paid for each share is EUR 1,5 and EUR 4 respectively. The board determines the consideration when disposing of the Company's own shares.*
- (v) The board decides, in its own discretion, in which ways the company's own shares shall be acquired.*
- (vi) The authorization to acquire own shares is valid until the AGM in 2021, expiring at the latest on 30 June 2021."*

Oslo, 10 March 2020

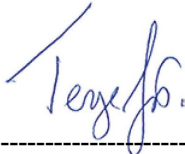
The board of directors in Axactor SE



Bjørn Erik Næss  
Chairman of the Board



Beate Skjerven Nygårdshaug  
Board Member



Terje Mjøs  
Board Member



Brita Eilertsen  
Board Member



Lars Erich Nilsen  
Board Member



Merete Haugli  
Board Member

## Appendices:

1. Notice of attendance, advance note and proxy
2. Information to the shareholders
3. Recommendation from the Nomination Committee of Axactor SE
4. The board's statement on remuneration of executive management

The appendices are available at the company website [www.axactor.com](http://www.axactor.com).