

Minutes recorded at the Annual General Meeting of Shareholders in Ratos AB (publ), reg. no. 556008-3585, on Thursday 14 April 2016 at 16.30 – 19.05 CET at Stockholm Waterfront Congress Centre, Stockholm

**Present:**

Shareholders, proxies and assistants in accordance with the attached voting list, **Appendix I**.

Also present were members of the Board of Directors, except for Annette Sadolin, including the Chairman of the Board, the Company's CEO, the Company's senior auditor, the Secretary to the Board, the Chairman of the Nomination Committee, as well as persons whom the Annual General Meeting in accordance with item 2 has resolved may attend the Meeting as observers.

**1. Opening of the Meeting and election of the Chairman of the Meeting**

The Meeting was opened by the Chairman of the Board, Arne Karlsson, who welcomed shareholders and others present to the 2016 Annual General Meeting.

As proposed by the Nomination Committee, represented by the Chairman of the Nomination Committee Jan Andersson, who also presented the composition of the Nomination Committee, the Meeting **resolved** to appoint Chairman of the Board Arne Karlsson to be the Chairman of the Annual General Meeting.

The Chairman informed the Meeting that the Board had appointed lawyer Ingrid Westin Wallinder, Secretary to the Board, to record the minutes of the Meeting.

**2. Preparation and approval of the voting list**

The Chairman informed the Meeting that a list had been drawn up of shareholders who had notified their attendance at the Annual General Meeting in the prescribed manner and who were included in the register of shareholders on the record date and that persons who had not been registered as present at the Meeting had been removed from the list.

It was recorded that 523 shareholders with 149,997,998 shares were present at the Meeting, representing 81,575,495.3 votes, which corresponds to 46.91% of the total number of shares and 75.43% of the total number of votes in the Company.

The Meeting **resolved** to approve the adjusted list in Appendix I as the voting list for the Annual General Meeting.

The Meeting **resolved** that shareholders who had not registered their shares for voting rights in time as well as those who had notified attendance too late and representatives of the media and invited guests may attend the Meeting as observers.

**3. Election of two persons to verify the minutes together with the Chairman**

The Meeting **resolved** that Emma Otterhem (AP4) and Lars Söderberg (shareholder) should check the minutes together with the Chairman.

#### **4. Determination of whether the Meeting has been duly convened**

It was recorded that the notice of today's Meeting had been given in accordance with the Swedish Companies Act and the Company's Articles of Association through an advertisement in the Swedish Official Gazette (*Post- och Inrikes Tidningar*) on 10 March 2016, by the notice being available on the Company's website since 9 March 2016, and by the Company having announced that the notice of the Meeting had been issued in *Svenska Dagbladet* on 10 March 2016.

The Annual General Meeting was **declared** duly convened.

#### **5. Approval of the Agenda for the Meeting**

The Meeting **resolved** to approve the agenda proposed by the Board which had been contained in the Notice of the Annual General Meeting, **Appendix 2**.

The Chairman informed the Annual General Meeting that an electronic voting system with voting devices would be used for voting during those items on the agenda where it is deemed appropriate.

#### **6. The CEO's address**

CEO Susanna Campbell presented an account of the Company's operations and, together with Chairman of the Board Arne Karlsson, answered questions from shareholders.

#### **7. Presentation of the annual report and the audit report as well as a statement by the auditors concerning guidelines for remuneration to senior executives**

It was recorded that the annual report for the Parent Company and for the Group with an audit report for the 2015 financial year, as well as the auditor's statement regarding guidelines for remuneration to senior executives had been available at the Company's head office and on the Company's website since 10 March 2016. These documents have also been sent to those shareholders who so requested and handed out to those present at the Meeting.

It was recorded that the accounting documents for the Parent Company and the Group had thereby been duly presented.

The Company's Senior Auditor, Peter Clemetson, PricewaterhouseCoopers AB, presented the audit work and the audit report as well as the auditor's statement on compliance with guidelines for remuneration to senior executives.

The Chairman gave a brief presentation of the work of the Board with reference to the Corporate Governance Report in the Annual Report for 2015.

#### **8. Any questions regarding activities in the 2015 financial year**

Shareholders were invited to put questions to the Board, the CEO and the auditor with respect to the Company's operations in 2015.

#### **9. Resolution on adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet**

The Meeting **resolved** to adopt the income statement and balance sheets for the Parent Company and the Group for the 2015 financial year.

## 10. Resolution on discharge from liability for the members of the Board of Directors and the CEO

The Meeting **resolved** to grant discharge from liability to the members of the Board of Directors and the CEO for the 2015 financial year.

It was noted that the members of the Board of Directors and the CEO who were in attendance at the Meeting in the capacity of shareholders did not participate in the vote.

## 11. Resolution on distribution of the Company's profit according to the adopted balance sheet and on record dates for dividends

The Chairman presented the Board's proposal for distribution of the Company's profit.

The Meeting **resolved** in accordance with the Board's proposal for distribution of profit that the amount at the disposal of the Meeting of SEK 9,401m shall be distributed as follows:

- |   |                 |
|---|-----------------|
| (1) Dividend to holders of Class A and B shares of SEK 3.25 per share.  | SEK<br>1,037m*) |
| *) The specified dividend amount is based on the number of shares outstanding on 16 February 2016. The number of shares may change up until the dividend record date depending on the number of treasury shares (5,127,606 Class B at 16 February 2016).  |                 |
| (2) Dividend to holders of Class C preference shares, issued on 19 June 2013 of SEK 25 per quarter, although a maximum of SEK 100 per preference share and year.  | SEK 74m**)      |
| **) The specified dividend amount is based on the number outstanding Class C preference shares (738,732) at 16 February 2016. The number of shares may change up until the dividend record date depending on the number of treasury shares.   |                 |
| (3) Dividend to holders of Class C and/or Class D preference shares which may be issued by the Board pursuant to the authorisation (in accordance with the proposal under item 23) during the period until the 2017 Annual General Meeting of SEK 25 per quarter, although a maximum of SEK 100 per preference share and year (in the event of maximum utilisation of the authorisation). | SEK 125m        |
| To be carried forward to new account  | SEK 8,165m      |

The Meeting **resolved** that the record date for dividends on Class A and Class B shares (according to (1) above) shall be 18 April 2016. It was recorded that dividends are expected to be paid through Euroclear Sweden AB on 21 April 2016.

The Meeting **resolved** that the record dates for the quarterly dividends on outstanding Class C preference shares (according to (2) above) shall be 13 May 2016, 15 August 2016, 15 November 2016 and 15 February 2017. It was recorded that dividends are expected to be paid through Euroclear Sweden on 18 May 2016, 18 August 2016, 18 November 2016 and 20 February 2017.

The Meeting **resolved** that the record dates for the quarterly dividends on newly issued Class C and/or Class D preference shares (according to (3) above) shall be the same as for dividends on outstanding preference shares (according to (2) above) and it was also recorded that dividends are expected to be paid on the corresponding payment dates.

Statement by the Board of Directors pursuant to Chapter 18, Section 4 of the Swedish Companies Act is attached as **Appendix 3**.

## 12. Determination of the number of directors and deputy directors

The Chairman of the Nomination Committee Jan Andersson gave an account, ahead of items 12–14, on the work of the Nomination Committee and presented and motivated the Committee's proposals.

The Meeting **resolved** in accordance with the Nomination Committee's proposal that the number of Board members should be seven without deputies.

## 13. Determination of fees to be paid to the Board of Directors and auditors

Thorwald Arvidsson proposed that fees to the Board remain unchanged compared with last year.

The Meeting **resolved** to reject Thorwald Arvidsson's proposal.

The Meeting **resolved** in accordance with the Nomination Committee's proposal (prepared by the three members of the Nomination Committee who are not members of the Company's Board of Directors) that fees to members of the Board elected by the Annual General Meeting should amount to a total of SEK 4,860,000 to be allocated as follows:

- SEK 1,450,000 to the Chairman of the Board,
- SEK 485,000 to each of the other members of the Board,
- SEK 150,000 to the Chairman of the Audit Committee,
- SEK 100,000 to each of the other members of the Audit Committee,
- SEK 50,000 to the Chairman of the Compensation Committee and
- SEK 50,000 to each of the other members of the Compensation Committee.

It was recorded that under certain conditions, the Board of Directors' fees may be invoiced from a Board member's company and that in such case the fee shall be adjusted upwards with an amount that corresponds to statutory social security charges and value added tax.

Thorwald Arvidsson expressed a reservation against this decision.

The Meeting **resolved** that fees to auditors shall be paid in accordance with approved accounts.

## 14. Election of the Board of Directors and auditor

Regarding an account of the assignments the proposed members of the Board of Directors have in other companies, including certain additional information, the Chairman referred to the specific information about proposed Board members which has been available in the notice to the Meeting and to the Annual Report.

It was recorded that Arne Karlsson and Staffan Bohman have declined re-election.

The Meeting **resolved** in accordance with the Nomination Committee's proposal to re-elect Annette Sadolin, Charlotte Strömberg, Jan Söderberg, Karsten Slotte and Per-Olof Söderberg and to elect Jonas Wiström and Ulla Litzén as new members of the Board.

The Meeting **resolved** in accordance with the Nomination Committee's proposal to elect Jonas Wiström as Chairman of the Board.

Jonas Wiström and Ulla Litzén introduced themselves.

The Meeting **resolved** in accordance with the Nomination Committee's proposal to re-elect registered audit firm PricewaterhouseCoopers AB as the Company's auditor for the period from the end of the 2016 Annual General Meeting until the end of the 2017 Annual General Meeting. It was recorded that the audit firm has announced that authorised public accountant Peter Clemedtsen will be appointed as Senior Auditor.

#### **15. Proposal for decision regarding the Nomination Committee**

The Chairman of the Nomination Committee, Jan Andersson, presented the Nomination Committee's proposal regarding the instructions for the composition of the Nomination Committee, which will apply until such time that the Meeting otherwise resolves in accordance with **Appendix 4**.

The Meeting **resolved**, in accordance with the Nomination Committee's proposal, to adopt the instructions for the composition of the Nomination Committee and the task of the Nomination Committee until such time that the Meeting otherwise resolves in accordance with Appendix 4.

#### **16. The Board's proposal for decision on guidelines for remuneration to senior executives**

The Chairman stated with respect to items 16–23 that the Board's complete proposal has been available at the Company's head office and on the Company's website since 10 March 2016, and sent to shareholders who so wished and handed out at the Meeting.

It was recorded that the documents related to items 16–23 had thereby been duly presented.

The Chairman presented the Board's proposal regarding principles for remuneration of senior executives, **Appendix 5**.

The Meeting **resolved** in accordance with the Board's proposal, Appendix 5.

#### **17. The Board's proposal for decision regarding issue of call options and transfer of treasury shares**

The Chairman presented the Board's proposal on the issue of a maximum of 800,000 call options on treasury shares in the Company to key people in the Company, as well as a transfer of a maximum of 800,000 Class B shares in the company to be made in connection with possible exercise of call options, according to **Appendix 6** and referred to complete terms and conditions for call options 2016/2021 as well as other conditions in Appendix 6.

The Chairman noted that the Meeting's decision in this matter is valid only if it is supported by shareholders who represent at least nine-tenths of both votes cast and the shares represented at the Meeting.

The Meeting **resolved** in accordance with the Board's proposal, Appendix 6. It was recorded that the resolution had been made with the requisite nine-tenths majority.

#### **18. The Board's proposal for decision regarding transfer of treasury shares to administrative employees**

The Chairman presented the Board's proposal on the transfer of a maximum total of 16,000 Class B treasury shares to administrative employees in the Company in accordance with the conditions set out in **Appendix 7**.

The Chairman noted that the Meeting's decision in this matter is valid only if it is supported by shareholders who represent at least nine-tenths of both votes cast and the shares represented at the Meeting.

The Meeting **resolved** in accordance with the Board's proposal, Appendix 7. It was recorded that the resolution had been made with the requisite nine-tenths majority.

#### **19. The Board's proposal for decision regarding issue of synthetic options to senior executives and other key people at Ratos**

The Chairman presented the Board's proposal regarding the issue of synthetic options related to Ratos's investments in the portfolio companies and that the Board shall be responsible for the more detailed design and management of the 2016 Options Programme according to the terms and conditions in **Appendix 8**.

The Chairman noted that the Meeting's decision in this matter is valid only if it is supported by shareholders who represent more than half of the votes cast.

The Meeting **resolved** in accordance with the Board's proposal, Appendix 8.

#### **20. The Board's proposal for decision on amendments to the Articles of Association**

The Chairman presented the Board's proposal on amendments to the Articles of Association's article 6 in order to allow the issue of preference shares in accordance with the proposed authorisation under item 23, according to **Appendix 9**.

The Chairman noted that the Meeting's decision in this matter is valid only if it is supported by shareholders representing at least two-thirds of both votes cast and shares represented at the Meeting.

The Meeting **resolved** in accordance with the Board's proposal in Appendix 9, with entitlement for the Board, the CEO or the person appointed by the same to make minor adjustments in the decision that are required for registration with the Swedish Companies Registration Office. It was recorded that the resolution had been made with the requisite two-thirds majority.

#### **21. The Board's proposal that the Board be authorised to decide on purchase of treasury shares**

The Chairman presented the Board's proposal that the Annual General Meeting authorises the Board during the period before the next Annual General Meeting to decide on acquisition of treasury shares in accordance with the following conditions:

- Acquisition may be made of Class A , Class B, Class C preference shares and Class D preference shares which may be issued prior to the next Annual General Meeting.
- Acquisition must take place on Nasdaq Stockholm.
- Acquisition may take place on one or more occasions prior to the next Annual General Meeting.
- A maximum number of shares may be acquired so that the Company's holding at any time does not exceed seven (7) per cent of all the shares in the Company.
- Acquisition may be made at a price within the price band registered at any time on Nasdaq Stockholm.

The purpose of the purchase of treasury shares is to give the Board more alternatives in its work to create value for the Company's shareholders. This includes hedging of call options issued within the framework of Ratos's incentive programme.

The Chairman noted that a decision under this item is valid only if it is supported by shareholders representing at least two-thirds of both votes cast and shares represented at the Meeting.

The Board's statement according to Chapter 19 Section 22 of the Swedish Companies Act is attached in Appendix 3.

The Meeting **resolved** in accordance with the Board's proposal. It was recorded that the resolution had been made with the requisite two-thirds majority.

**22. The Board's proposal that the Board be authorised to decide on a new issue of Class B shares in conjunction with company acquisitions**

The Board proposes that the Annual General Meeting resolves, during the period until the next Annual General Meeting, to authorise the Board in conjunction with agreements on company acquisitions, on one or several occasions, with or without deviation from the preemptive rights of shareholders, for a cash payment, through set-off or non-cash, to make a decision on a new issue of class B shares in the company. This authorisation shall comprise a maximum of 35 million class B shares. The new issue amount received may, for each individual agreement on company acquisition, amount to a maximum of Ratos's capital contribution for the acquisition.

The reason for deviation from preemptive rights is that the company shall be able to issue shares as payment in conjunction with company acquisitions, alternatively procure capital for such acquisitions. The issue price will be determined in accordance with current market conditions.

The Board of Directors, the CEO or the person appointed by one of them shall be entitled to make any minor adjustments to the above decision which might be required in conjunction with registration with the Swedish Companies Registration Office.

The Chairman noted that a decision under this item is valid only if it is supported by shareholders representing at least two-thirds of both votes cast and shares represented at the Meeting.

The Meeting **resolved** in accordance with the Board's proposal. It was recorded that the resolution had been made with the requisite two-thirds majority.

**23. The Board's proposal that the Board be authorised to decide on a new issue of Class C and/or Class D preference shares in conjunction with company acquisitions**

The Board proposes that the Annual General Meeting resolves, during the period until the next Annual General Meeting, to authorise the Board in conjunction with agreements on company acquisitions, on one or several occasions, with or without deviation from the preemptive rights of shareholders, for a cash payment, through set-off or non-cash, to make a decision on a new issue of Class C and/or Class D preference shares in the company. This authorisation shall comprise a maximum total of 1,250,000 Class C and/or Class D preference shares. The new issue amount received may, for each individual new issue, amount to a maximum of Ratos's capital contribution for the acquisition.

The reason for deviation from preemptive rights is that the company shall be able to issue shares as payment in conjunction with company acquisitions, alternatively procure capital for such acquisitions. The issue price will be determined in accordance with current market conditions.

The Board of Directors, the CEO or the person appointed by one of them shall be entitled to make any minor adjustments to the above decision which might be required in conjunction with registration with the Swedish Companies Registration Office.

The Meeting's resolution on authorisation for the Board to decide on a new issue of Class D preference shares in accordance with this item 23 is conditional on the Meeting resolving in accordance with the Board's proposal for amendments to the Articles of Association in accordance with item 20 above.

The Chairman noted that the Meeting under item 20 above resolved to amend the Articles of Association and a decision under this item is valid only if it is supported by shareholders representing at least two-thirds of both votes cast and shares represented at the Meeting.

The Meeting **resolved** in accordance with the Board's proposal. It was recorded that the resolution had been made with the requisite two-thirds majority.

#### **24. Shareholder Thorwald Arvidsson's proposal for decision, a) – m)**

Thorwald Arvidsson presented his proposal in accordance with **Appendix 10** presented under item 24 a) – m) of the agenda in Appendix 2.

The Chairman commented on all of Thorwald Arvidsson's proposal in accordance with this item and items 25 and 26 and noted that the Board has reviewed the proposals and decided that the Board cannot recommend approval of any of Thorwald Arvidsson's proposals.

The Meeting **resolved** to reject all of Thorwald Arvidsson's proposals under this item 25 a), d) and g) – m). It was recorded that since the Meeting resolved to reject proposals a) and d), the proposals under b) and c) and e) and f) respectively expired.

It was recorded that Thorwald Arvidsson expressed his reservation against the decision.

#### **25. Shareholder Thorwald Arvidsson's proposal for decision on amendments to the Articles of Association (article 6.2)**

Thorwald Arvidsson presented his proposal in accordance with Appendix 10, to amend Article 6.2 in the Articles of Association as follows: "All shares – both ordinary shares and preference shares – carry entitlement to one vote."

The Chairman noted that a decision according to Thorwald Arvidsson's proposal according to this item given the current presence at today's Annual General Meeting is valid only if it is supported by shareholders with at least two-thirds of both votes cast and shares represented at the Meeting and furthermore provided owners of half of all Class A shares and nine-tenths of the Class A shares represented at the Meeting agree to the amendment.

The Meeting **resolved** to reject Thorwald Arvidsson's proposal.

It was recorded that Thorwald Arvidsson expressed his reservation against the decision.

#### **26. Shareholder Thorwald Arvidsson's proposal for decision on amendments to the Articles of Association (article 9)**

Thorwald Arvidsson presented his proposal in accordance with Appendix 10, to amend Article 9 in the Articles of Association through a codicil to the third and fourth paragraphs as follows:

*"Former ministers may not be appointed member of the Board until two years have passed since the individual concerned resigned the position of minister.*

*"Other public full-time politicians may not be appointed member of the Board until one year has passed since the individual concerned resigned the position, except in duly justified circumstances."*

The Chairman noted that a decision according to Thorwald Arvidsson's proposal in accordance with this item is only valid if it is supported by shareholders representing at least two-thirds of both votes cast and shares represented at the Meeting.

The Meeting **resolved** to reject Thorwald Arvidsson's proposal.

It was recorded that Thorwald Arvidsson expressed his reservation against the decision.

## **27. Conclusion of the Meeting**

On behalf of the Board and shareholders, the Chairman thanked the CEO and all employees for their valuable contributions during 2015.

The Chairman expressed a special thank you to retiring Board member Staffan Bohman for his valuable efforts on behalf of the Company.

Shareholder and Board member Jan Söderberg expressed a special thank you to retiring Chairman of the Board Arne Karlsson for his many years and extremely valuable efforts on behalf of the Company as well as for his significant contributions to the development of the Company and its current position during his long term serving as CEO and member of the Board and the past four years as Chairman of the Board.

Gunnar Ek, representing the Swedish Shareholders' Association, expressed a special thank you to Arne Karlsson for his significant contributions on behalf of the Company.

The Chairman declared that the 2016 Annual General Meeting was now closed.

### **Minutes prepared by**

Ingrid Westin Wallinder

### **Checked by**

Arne Karlsson

Emma Otterhem

Lars Söderberg