

Press Release – 31 March 2020

# Notice of Annual General Meeting in Karnov Group AB (publ)

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Karnov Group AB (publ) will hold the Annual General Meeting on Tuesday 5 May 2020 at 3.00 p.m., at Norstedts Juridik's office, Warfvinges väg 39, Stockholm, Sweden. Due to the Covid-19 pandemic, Karnov Group has decided to take the following precautionary measures in connection with the AGM in consideration of the health and safety of our shareholders, employees and other stakeholders:

- Registration will not start until 2.30 p.m.
- The AGM will be sent as a webcast on Karnov Group's website and shareholders are asked to vote using a proxy form and follow the AGM via the webcast.
- In order to keep the duration of the AGM at a minimum, the CEO speech will be shortened.
- The presence of Board members and management will be limited. In case the Chairman of the Board and the CEO are not able to attend in person they will participate via telephone or video link.
- The number of staff will be limited and external guests will not be invited.

Due to instructions from Swedish authorities, shareholders are encouraged to consider the possibility to appoint a proxy holder to vote on their behalf instead of being physically present at the AGM. Proxy form will be available at

<https://www.karnovgroup.com/en/section/governance/general-meetings/>

There is a proposal for a temporary change of law that would enable Karnov Group to collect proxies from its shareholders and allow voting by post. If this law enters into force before the AGM, the company intends to offer one or both of these options to its shareholders.

Karnov Group will if necessary update the information regarding the AGM on the company's website [www.karnovgroup.com](http://www.karnovgroup.com).

See the full notice of the AGM below or visit [www.karnovgroup.com](http://www.karnovgroup.com).

The shareholders of Karnov Group AB (publ), reg. no. 559016-9016 (the “Company”), are hereby invited to the Annual General Meeting to be held at 3 p.m. on Tuesday, 5 May 2020, in Norstedts Juridik’s premises, Warfvings väg 39, Stockholm.

#### **Participation**

Shareholders who wish to participate in the proceedings of the AGM must:

- **both** be registered in the register of shareholders maintained by Euroclear Sweden AB as per Tuesday, 28 April 2020,
- **and** notify the Company of their intention to attend the AGM not later than Tuesday, 28 April 2020.

Notification shall be made by telephone (+45 52 19 65 52), weekdays between 9:00 a.m. and 4.30 p.m. or by e-mail (AGM@karnovgroup.com). Notification can also be made in writing under address Karnov Group AB (publ), Att: Annual General Meeting, Warfvings väg 39, 112 51 Stockholm.

Notification must include the shareholder’s name, personal identity number or corporate identity number, address, phone number, and the number of any assistants accompanying the shareholder.

#### **Share registered in the name of a custodian**

Shareholders whose shares are registered in the name of a custodian through a bank or through another authorised depository must request to be temporarily registered on 28 April 2020 in the shareholders’ register of Euroclear Sweden AB in order to have the right to attend the AGM. The shareholder must therefore contact the custodian well in advance of this day and request such temporarily registration.

#### **Power of attorney**

Shareholders who participate via proxy or representative should send authorization documents (power of attorney and/or registration certificate) to the Company at the address above well in advance of the AGM. Proxy forms can be downloaded from the Company’s website [www.karnovgroup.com](http://www.karnovgroup.com). Proxy forms and the certificate of registration (or other document of authorisation) must not be issued more than five years prior to the AGM.

#### **Proposed agenda**

1. Opening of the general meeting and election of chairman of the meeting.
2. Preparation and approval of the voting register.
3. Approval of the agenda.
4. Election of one or two persons to verify the minutes.
5. Determination of whether the meeting has been duly convened.
6. Submission of the annual report and the auditor’s report as well as the consolidated financial statements and the auditor’s report for the group.
7. Resolutions regarding:
  - a. adoption of the income statement and balance sheet, as well as the consolidated income statement and consolidated balance sheet,
  - b. appropriation of the Company’s profit or loss according to the adopted balance sheet,
  - c. discharge from liability for the members of the Board of Directors and the CEO.
8. Resolution on the number of members of the Board of Directors and the number of auditors.
9. Resolution on the fees to be paid to the members of the Board of Directors and the auditor.
10. Election of members of the Board of Directors, chairman of the Board of Directors and auditor.
11. Resolution on guidelines for appointment of Nomination Committee and instructions for the Nomination Committee.
12. Resolution on guidelines for compensation of senior executives.

13. Resolution on the establishment of a long-term incentive program (LTIP 2020) including (A) establishment of LTIP 2020, (B) authorisation for the Board of Directors to resolve on directed issue of shares of series C, (C) authorisation for the Board of Directors to resolve on acquisition of own shares of series C, and (D) transfer of own ordinary shares.
14. Resolution regarding authorisation for the Board of Directors to resolve on new issues of shares.
15. Resolution regarding amendment of the Articles of Association.
16. Conclusion of the general meeting.

## Proposals

### *Item 1 – Election of chairman of the meeting*

The Company's Nomination Committee ahead of the 2020 AGM consists of Sacha Oschry (committee chairman, Rothschild & Co, Five Arrows Principal Investments), Christian Petersen (Vind LV AS), Thomas Ehlin (Fjärde AP-fonden) and Magnus Mandersson (Karnov Group AB).

The Nomination Committee proposes Magnus Mandersson to serve as chairman of the AGM.

### *Item 77.b – Appropriation of the Company's profit or loss according to the adopted balance sheet*

The Board of Directors proposes a dividend of SEK 0.45 per share. 7 May 2020 has been proposed as record date for the dividend. If the general meeting decides according to the proposal the dividend is expected to be distributed by Euroclear Sweden AB on 12 May 2020.

### *Item 8 – Resolution on the number of members of the Board of Directors and the number of auditors*

The Nomination Committee proposes that

- The number of directors elected by the general meeting shall be five (5) without any deputies, and that
- The number of auditors shall be one (1) accounting firm without any deputies.

### *Item 9 – Resolution on the fees to be paid to the members of the Board of Directors and the auditor*

The Nomination Committee proposes the following fees to the Board of Directors and the auditor until the AGM 2021:

- SEK 575,000 (previously 500,000) for the chairman of the Board and SEK 315,000 (previously 300,000) for each of the other AGM-elected non-executive directors,
- SEK 150,000 (unchanged) for the chairman of the audit committee and SEK 50,000 (unchanged) for each of the other directors of the audit committee,
- SEK 100,000 (unchanged) for the chairman of the remuneration committee and SEK 35,000 (unchanged) for each of the other directors of the remuneration committee, and
- auditor's fee in accordance with approved invoice.

### *Item 10 – Election of members of the Board of Directors, chairman of the Board of Directors and auditor*

The Nomination Committee proposes:

- re-election of Magnus Mandersson, Ulf Bonnevier, Lone Møller Olsen and Mark Redwood as directors,
- election of Salla Vainio as a new director, and
- re-election of Magnus Mandersson as chairman of the Board.

Samuel Offer and Vivek Kumar have declined re-election.

Salla Vainio (born 1969) is the CEO of strategy and marketing consultancy Marketing Clinic. She has a long experience in top management roles in various companies, and her special expertise lies in leading expert organizations. Previously, she was the CEO of Fondia, a business law expert company active in Finland, Sweden and the Baltics. Salla Vainio is a member of Directors' Institute Finland (DIF) and has been in several executive boards both as a member and a chairman. Salla Vainio holds a Master of Science in Economics from Helsinki School of Economics and Business Administration.

More detailed presentation of all other proposed individuals is available on the Company's website: [www.karnovgroup.com](http://www.karnovgroup.com).

The Nomination Committee proposes, in accordance with the audit committee's recommendation, re-election of the registered public accounting firm PricewaterhouseCoopers AB for the period up to and including the AGM 2021. Should PricewaterhouseCoopers AB be elected, the accounting firm has announced that, the Authorised Public Accountant Aleksander Lyckow will serve as auditor in charge.

*Item 11 – Resolution on guidelines for appointment of Nomination Committee and instructions for the Nomination Committee*

The Nomination Committee proposes that the AGM adopt the following guidelines for appointment of Nomination Committee and instructions for the Company's Nomination Committee, to apply until new instructions have been adopted.

The Nomination Committee shall be composed of the representatives of the three largest shareholders (or group of shareholders) in terms of voting rights listed in the shareholders' register maintained by Euroclear Sweden AB as of the last business day of August, and the chairman of the Board of Directors, who will also convene the first meeting of the Nomination Committee.

Board members may be members of the Nomination Committee but may not constitute a majority thereof. If more than one Board member is a member of the Nomination Committee, no more than one of those members may be dependent of a major shareholder of the Company.

The member representing the largest shareholder in terms of voting rights shall be appointed chairman of the Nomination Committee. Members of the Board of Directors may not be the chairman of the Nomination Committee. If the member representing the largest shareholder in terms of voting rights is a Board member, the Nomination Committee shall appoint another member as chairman.

In the event that a member leaves the Nomination Committee prior to the work of the committee having been completed, a representative from the same shareholder (or group of shareholders) may replace the leaving member, if deemed necessary by the Nomination Committee. In the event that a shareholder (or group of shareholders) represented in the Nomination Committee has reduced its holding of shares in the Company, the representative from such shareholder (or group of shareholders) may resign and, if deemed appropriate by the Nomination Committee, a representative from the shareholder next in line in terms of size may be provided an opportunity to enter. If the shareholding in the Company is otherwise significantly changed before the Nomination Committee's work has been completed, a change in the composition of the Nomination Committee may take place, in such way that the Nomination Committee deems appropriate. Changes in the composition of the Nomination Committee shall be made public as soon as possible.

The composition of the Nomination Committee is to be announced no later than six months before the AGM.

The Nomination Committee is tasked with, ahead of the AGM, submitting proposals for a) chairman of the AGM, b) directors' fees and other compensation for committee work, c) election of directors, d) election of the chairman of the Board of Directors, e) election of the auditor and auditor's fees, f) changes in the instructions for the Nomination Committee, if applicable, and g) other matters that according to the Swedish Corporate Governance Code, are to be handled by the Nomination committee.

In its evaluation of the Board of Directors' appraisal, and in its proposal, the Nomination Committee shall consider that the Board of Directors is to have a composition appropriate to the Company's operations, phase of development and other relevant circumstances. The Board members elected by the general meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. The Nomination Committee is to strive for gender balance on the Board of Directors of the Company.

Remuneration shall not to be paid to the members of the Nomination Committee. The Company is to pay any necessary expenses that the Nomination Committee may incur in its work.

The term of office for the Nomination Committee ends when the composition of the following Nomination Committee has been announced.

*Item 12 – Resolution on guidelines for compensation of senior executives*

**Guidelines for executive remuneration**

The Board of Directors proposes that the AGM resolves to approve the Board of Directors' proposal for guidelines for executive remuneration. The guidelines encompass salary and other remuneration for the Company's CEO and other senior executives. The guidelines also encompass remuneration to Board members insofar as they receive remuneration in addition to Board fees for services relating to a position covered by these guidelines. The guidelines shall apply to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines at the AGM 2020. These guidelines do not apply to any remuneration resolved by general meeting.

For employments governed by rules other than Swedish, remuneration may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

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

A prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company is able to recruit and retain qualified personnel. To this end, it is necessary that the Company offers competitive remuneration. These guidelines enable the Company to offer the executive management a competitive total remuneration.

For information about the Company's business model and strategy, see the Company's website ([www.karnovgroup.com/](http://www.karnovgroup.com/)).

A Long-term share-related incentive plan in form of a share saving program has been implemented in the Company. The plan has been resolved by a general meeting and is therefore excluded from these guidelines. The long-term share-related incentive plan proposed by the Board of Directors and submitted to the AGM 2020 for approval is excluded for the same reason. Unlike the program resolved by the extraordinary general meeting 2019, the proposed plan is directed only to two additional senior executives. The proposed plan follows otherwise similar principles as the long-term incentive program resolved by the extraordinary general meeting 2019. The plans include among others the CEO and other senior executives in the group. For more information regarding these incentive plans, including the criteria which the outcome depends on, please see <https://www.karnovgroup.com/en/incentive-program/>.

#### **Types of remuneration**

Remuneration and other terms and conditions of employment shall be adequate to enable the Company and the group to retain and recruit skilled senior executives at a reasonable cost. The remuneration to senior executives may consist of fixed remuneration, variable remuneration, pension, other benefits and severance payment and it shall be based on principles of performance, competitiveness and fairness. The general meeting can also, irrespective of these guidelines, resolve on, among other things, share-related or share price-related remuneration.

##### *Fixed remuneration*

Each senior executive shall be offered a fixed remuneration in line with market conditions and based on the senior executive's responsibility, expertise and performance.

##### *Variable remuneration*

Variable remuneration may comprise annual variable cash salary and long-term variable pay in the form of cash. Variable remuneration shall be subject to the fulfilment of defined and measurable targets. 60 per cent of the variable remuneration is based on financial performance decided by the Board of Directors based on the Company's financial targets, 20 per cent of the variable remuneration is based on non-financial performance activities decided by Board of Directors to achieve the financial targets and 20 per cent of the variable remuneration is based on individual targets contributing to the overall targets of the Company. This creates incentives to promote the Company's business strategy, long-term interests and sustainability.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration for the CEO may amount to not more than 100 per cent of the total fixed annual salary and the variable cash remuneration for the other senior executives may amount to not more than 75 per cent of the total fixed annual salary. Variable cash remuneration shall not qualify for pension benefits unless otherwise provided by mandatory collective agreement provisions.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the Company.

In special cases, agreements may be reached on remuneration of a non-recurring nature, provided such remuneration does not exceed an amount corresponding to the individual's total fixed annual salary and maximum variable cash salary, and is not paid more than once per year and per individual.

##### *Pension*

Agreements regarding pensions shall, where applicable, be premium based and designed in accordance with the level and practice applicable in the country in which the senior executive is employed. The CEO shall receive pension premiums of 10 per cent of the total fixed annual salary. Other senior executives shall receive pension premiums of no more than 35 per cent of the total fixed annual salary.

##### *Other benefits*

Other benefits, such as a Company car, preventive care, health care and health insurance, may be paid in accordance with customary market terms. The other benefits shall amount to not more than 10 per cent of total fixed annual salary.

#### *Termination of employment*

Fixed remuneration during notice periods and severance payment, including payments for any restrictions on competition, shall in aggregate not exceed an amount equivalent to the fixed remuneration for 12 months for the CEO and no more than 12 months for other senior executives. No severance pay shall be paid in the case of termination by the employee.

#### **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 remuneration committee's and the Board of Directors' 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 Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the AGM. The guidelines shall be in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the Company. The members of the remuneration committee are independent of the Company and its executive management. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

#### **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 necessary 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. This includes any resolutions to derogate from the guidelines.

*Item 13 – Resolution on the establishment of a long-term incentive program (LTIP 2020) including (A) establishment of LTIP 2020, (B) authorisation for the Board of Directors to resolve on directed issue of shares of series C, (C) authorisation for the Board of Directors to resolve on acquisition of own shares of series C, and (D) transfer of own ordinary shares.*

The Board of Directors proposes that the AGM resolves to establish a long-term incentive program ("LTIP 2020") in accordance with item A below. Unlike the program resolved by the extraordinary general meeting 2019, LTIP 2020 is directed only to two additional senior executives. LTIP 2020 follows otherwise similar principles as the long-term incentive program resolved by the extraordinary general meeting 2019. Resolution under item A shall be conditional upon the AGM resolves on hedging measures relating to LTIP 2020 in accordance with the proposal under item B-D below.

#### **LTIP 2020 in brief**

The Board of Directors' proposal involves:

- the establishment of LTIP 2020 under which certain senior executives appointed after LTIP 2019 may be granted a total of 9,302 ordinary shares in the Company subject to the satisfaction of certain vesting requirements: and
- for the purpose of ensuring delivery of shares and hedging social security costs under LTIP 2020:
  - an authorisation for the Board of Directors to issue not more than 9,302 shares of series C to a third party designated by the Company and to acquire such own shares of series C; and
  - transfer of 9,302 own ordinary shares

The purpose of LTIP 2020 is to encourage a broad ownership amongst the group's employees, facilitate recruitment, maintain competent employees, increase the alignment of interest between the employees and the Company's shareholders and increase motivation to reach or exceed the Company's financial targets.

#### **A. Establishment of LTIP 2020**

The Board of Directors proposes that LTIP 2020 is established in accordance with the following principal terms and conditions.

1. LTIP 2020 is directed to two full-time senior executives of the group (corresponding to category 2 of LTIP 2019) which has been appointed after the end of the vesting period of LTIP 2019, collectively referred to as the “**Participants**”.
2. Participation in LTIP 2020 requires the Participants to acquire ordinary shares in the Company or allocate already acquired ordinary shares to the program (“**Savings Shares**”). The maximum investment permitted in Savings Shares is 4,651 Saving Shares. Acquisitions of Savings Shares must be made no later than on 19 May 2020. If applicable insider rules and regulations prohibit a Participant from purchasing shares in the Company during the period up until 19 May 2020, the Board of Directors has the right to postpone the last day of investment for such Participant.
3. Each Savings Share entitles the Participants, subject to the limitations set out in item 4 as well as the satisfaction of the requirements set out in item 6, the right to receive up to five shares in the Company free of charge (“**Performance Shares**”) depending on category and satisfaction of the performance requirements specified in the table below.

Category	Performance Shares for the satisfaction of Requirements 1 <sup>1</sup>	Performance Shares for the satisfaction of Requirements 2 <sup>1</sup>	Performance Shares for the satisfaction of Requirements 3 <sup>1</sup>
2	Up to 1.0	Up to 2.0	Up to 2.0
1) Maximum number of shares per Savings Share that entitle the Participant to allotment of Performance Shares pursuant to the terms and conditions of LTIP 2020. Requirements 1-3 are defined in item 7 below.			

4. In aggregate, a maximum of 9,302 Performance Shares may be allotted to the Participants.
5. The period commencing on 19 May 2020 (or the later date determined by the Board of Directors in accordance with item 2 above) and expiring three years after such date is below referred to as the “**Vesting Period**”. Performance Shares are expected to be allotted to the Participants within 30 days from the expiry of the Vesting Period, or as soon as practicable thereafter in order to comply with rules and regulations applicable on delivery of Performance Shares.
6. The right to receive Performance Shares is conditional upon the Participant’s employment not having been terminated and all Savings Shares being retained by the Participant during the entire Vesting Period. The Board of Directors has the right to waive these conditions for example, where a Participant’s employment is terminated as a result of death, long-term illness, statutory retirement age or if the group has given notice of termination of the participant’s employment without cause (including, for the avoidance of doubt, notice of termination due to redundancy/shortage of work (Sw. *arbetsbrist*)).
7. For the Participants, the right to receive Performance Shares is conditional upon the satisfaction of the performance requirements set out below.

**Requirement 1** means that the TSR during the Vesting Period shall be positive.

“TSR” means the sum of the price change of the Company’s ordinary share on Nasdaq Stockholm, added with the value of any reinvested cash dividends per share, during the Vesting Period.

**Requirement 2** is based on the Organic Growth during the financial years 2020-2022, and:

- (i) a CAGR below 3% means that no Performance Shares shall be allotted
- (ii) a CAGR equal to or above 6% means that the maximum number of Performance Shares shall be allotted
- (iii) a CAGR between 3% and 6% means that the allotment of Performance Shares shall be linear in relation to the allotment set out in (i)-(ii)

“Organic Growth” means change in net sales during the current period, excluding acquisitions and currency effects, in relation to net sales of the corresponding period of the preceding year.

**Requirement 3** is based on the Organic Growth in Adjusted EBITA during the financial years 2020-2022, and:

- (i) a CAGR below 4 % means that no Performance Shares shall be allotted
- (ii) a CAGR equal to or above 8 % means that the maximum number of Performance Shares shall be allotted
- (iii) a CAGR between 4 % and 8 % means that the allotment of Performance Shares shall be linear in relation to the allotment set out in (i)-(ii) above.

“Organic Growth in Adjusted EBITA” means change in Adjusted EBITA during the current period, excluding acquisitions and currency effects, in relation to Adjusted EBITA for the corresponding period of the preceding year.

“Adjusted EBITA” means earning before financial items and taxes, excluding acquisition related purchase price allocation (PPA) amortisation and adjusted for the impact of items affecting comparability.

8. The Board of Directors shall for each Participant determine the number of Performance Shares that may be allotted within the applicable ranges set forth in item 3 above.
9. The number of Performance Shares to be allotted (if any) may be recalculated by the Board of Directors in the event of share issues, share splits, reversed share splits or similar events.
10. If significant changes occur in the Company or in the market, or in the event the costs for LTIP 2020 significantly exceed the estimated costs, and this, in the opinion of the Board of Directors, results in a situation where the conditions for allotment of Performance Shares become unreasonable, the Board of Directors is entitled to make adjustments to LTIP 2020, including, among other things, to resolve on a reduced allotment of Performance Shares, or to not allot any Performance Shares at all.
11. Participation in LTIP 2020 requires that it is permitted and appropriate with regards to applicable laws and regulations in the jurisdiction in which the relevant Participant is resident and that the Board of Directors deems it feasible at reasonable administrative and financial costs.
12. In the event delivery of Performance Shares to a Participant cannot take place under applicable law or at reasonable cost or with reasonable administrative effort, the Board of Directors may pay a part of the entire allotment to such Participant in cash instead of shares. The Board of Directors may also retain allotted Performance Shares and settle a part of the allotment in cash in order to facilitate the payment of the Participants’ tax liabilities.
13. The Board of Directors is responsible for the detailed design and implementation of LTIP 2020. Accordingly, the Board of Directors is to prepare and execute any necessary full-text documentation to the participants and otherwise manage and administer LTIP 2020.

#### *Estimated costs for LTIP 2020*

The costs for LTIP 2020 will be calculated in accordance with IFRS 2 and distributed over the Vesting Period.

Assuming a share price of SEK 43 at the time of implementation of LTIP 2020, that each Participant invests in Saving Shares up to the maximum amount, that 50 per cent of the maximum number of Performance Shares are allotted and an annual share price increase of 10 per cent during the Vesting Period, the total cost for LTIP 2020, including social security costs (at an average rate of 16 per cent), is estimated to approximately SEK 4.2 million.

Assuming a share price of SEK 43 at the time of implementation of LTIP 2020, that each Participant invests in Savings Shares up to the maximum amount, that the maximum number of Performance Shares are allotted and an annual share price increase of 10 per cent during the Vesting Period, the total cost for LTIP 2020, including social security costs (at an average rate of 25 per cent), is estimated to approximately SEK 6.1 million.

#### *Effects on key ratios*

The costs for LTIP 2020 are expected to have a marginal effect on the group’s key ratios.

#### *Dilution effect*

In order to secure delivery of shares under LTIP 2020 and to secure and cover social security charges, the Company will issue and acquire 9,302 own shares of series C, corresponding to approximately 0.01 per cent of the total number of shares and votes in the Company (as per the date of notice of the AGM, the number of shares in the Company amounts to 97,670,567 shares).

#### *Information outstanding related incentive programs*



For a description of the Company's other long-term incentive programs, see the Company's Annual Report 2019, note 7 and the Company's website, [www.karnovgroup.com](http://www.karnovgroup.com). Other than programs described therein, the Company do not have any share related programs.

#### *Preparation of the Board of Directors' proposal*

The proposal has been prepared by the remuneration committee in consultation with external advisers.

#### **B. Authorisation for the Board of Directors to resolve on directed issue of shares of series C**

The Board of Directors proposes, for the purposes of (a) securing delivery of shares to the participants of LTIP 2020, and (b) securing and covering costs that can be triggered by the LTIP 2020 (e.g., social security charges and tax), that the Board of Directors is authorised to resolve on a directed issue of shares of series C in accordance with the following.

1. A maximum of 9,302 shares of series C shall be issued.
2. The right to subscribe for the new shares of series C shall, with deviation from the shareholders' preferential rights, rest with Nordea Bank Abp, Swedish branch.
3. The subscription price shall correspond to the quotient value of the shares at the time of the subscription of the shares.
4. Payment for subscribed shares of series C shall be made in cash at subscription.
5. A conversion provision and a redemption provision shall apply to the new shares of series C.
6. The authorisation may be exercised until the next AGM.

#### **C. Authorisation for the Board of Directors to resolve on acquisition of own shares of series C**

The Board of Directors proposes, for the purposes of (a) securing delivery of shares to the participants of LTIP 2020 and (b) securing and covering costs that can be triggered by the LTIP 2020 (e.g. social security charges and tax), that the Board of Directors is authorised to resolve on acquisitions of own shares of series C in accordance with the following.

1. A maximum of 9,302 shares of series C in the Company may be acquired, however only to such extent that, following each acquisition, the Company holds a maximum of 10 per cent of all shares by the Company.
2. Acquisition shall be made through an offer directed to all holders of shares of series C.
3. The purchase price shall be an amount that corresponds to the quotient value of the shares (applicable at the time of the subscription of the shares).
4. Payment for acquired shares of series C shall be made in cash.

#### **D. Transfer of own ordinary shares**

The Board of Directors proposes, for the purpose of securing delivery of ordinary shares under LTIP 2020, that a maximum of 9,302 own ordinary shares be transferred to the participants of LTIP 2020 in accordance with the following.

1. The right to receive ordinary shares shall, with deviation from the shareholders' preferential rights, be granted to the participants, with right for each of the participants to receive no more than the maximum number of ordinary shares allowed under the terms and conditions of LTIP 2020. Furthermore, subsidiaries within the group shall have the right to receive ordinary shares, free of consideration, and such subsidiaries shall be obliged to immediately transfer, free of consideration, such shares to the participants in accordance with the terms and conditions of LTIP 2020.
2. The participants' right to receive ordinary shares are conditional upon the fulfilment of all terms and conditions of LTIP 2020.
3. The ordinary shares shall be transferred within the time period set out in the terms and conditions of LTIP 2020.
4. The ordinary shares shall be transferred free of charge.
5. The number of ordinary shares that may be transferred to the participants may be recalculated in the event of share issues, share splits, reverse share splits or similar events having an impact on the total number of shares in the Company in accordance with the terms and conditions of LTIP 2020.

*Item 14 - Resolution regarding authorisation for the Board of Directors to resolve on new issues of shares*

The Board of Directors proposes that the AGM authorise the Board of Directors to, within the limits of the Articles of Association, until the next AGM, on one or more occasions, resolve to issue new ordinary shares of series A. The Board of Directors is proposed to be authorised to resolve on issues to the extent that the Company's share capital may be increased by an amount equal to not more than 10 percent of the registered share capital at the time of the 2020 AGM. The purpose of the issues shall be to acquire or finance acquisitions of all or parts of companies or businesses, through the issue with or without deviation from the shareholders preferential rights, or through payment in kind or by set-off of claims or on other terms. The issues shall be made at market terms less the discount that may be required to achieve sufficient subscription interest.

#### *Item 15 - Resolution regarding amendment of the Articles of Association*

The Board of Directors proposes that the AGM resolves to amend § 12 in the Company's Articles of Association due to expected legislative changes. The proposal means that the Articles of Association § 12 is amended from its current wording:

#### *§ 12 Right to participate at general meetings*

*Those who wish to attend a general meeting must be entered as a shareholder in a transcription or other presentation of the share register relating to the circumstances five weekdays prior to the general meeting and give notice of attendance to the Company no later than the day set out in the notice to attend the general meeting. Such day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and must not be earlier than the fifth weekday prior to the general meeting.*

*Shareholders may be accompanied by not more than two advisors at the general meeting, however, only if the shareholder has notified the Company of the number of advisors in the manner stated in the previous paragraph.*

To the following wording:

#### *§ 12 Right to participate at general meetings*

*Those who wish to attend a general meeting must be entered as a shareholder in the share register in the manner prescribed by the Companies Act and give notice of attendance to the Company no later than the day set out in the notice to attend the general meeting. Such day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and must not be earlier than the fifth weekday prior to the general meeting.*

*Shareholders may be accompanied by not more than two advisors at the general meeting, however, only if the shareholder has notified the Company of the number of advisors in the manner stated in the previous paragraph.*

#### **Special majority requirement**

A resolution by the AGM in accordance with item 13 is valid only if it has the support of shareholders representing at least nine-tenths of the number of votes and shares represented at the AGM. A resolution by the AGM in accordance with item 14 and 15 is valid only if it has the support of shareholders representing at least two-thirds of the number of votes and shares represented at the AGM.

#### **Shares and votes**

On the day this notice was issued, the Company had a total of 97,670,567 shares in issue. The Company does not hold any treasury shares.

#### **Disclosures at the AGM**

The Board of Directors and the CEO shall, if requested by any shareholder and if the Board is of the opinion that it can be done without causing material harm to the Company, at the AGM provide disclosures about conditions that may impact assessment of an item of business on the agenda, about conditions that may impact assessment of the Company's or a subsidiary's financial situation, and about the Company's relationship with another group company.

#### **Documents**

The Board's and Nomination Committee's complete proposals and other documents that are to be made available in accordance with the Swedish Companies Act and the Swedish Corporate Governance Code, are available from the Company at Warfvinges väg 39, 112 51 Stockholm and on the Company's website, [www.karnovgroup.com](http://www.karnovgroup.com), not later than three weeks before the AGM, and will be sent to shareholders who so request and provide their postal address.

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

For information on how your personal data is processed in connection to the AGM see the privacy policy available on Euroclear Sweden AB's website: <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

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Stockholm, March 2020  
**Karnov Group AB (publ)**  
*The Board of Directors*

**For more information, please contact:**

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*This information was submitted for publication on 31 March 2020, at 9.00 a.m. CET.*

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