



*This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.*

## **NOTICE TO THE ANNUAL GENERAL MEETING IN HEXAGON AB (publ)**

**The shareholders of Hexagon AB are invited to attend the Annual General Meeting (AGM) to be held at 16:00 CET on Tuesday 2 May 2023, at IVA Conference Center, Grev Turegatan 16, Stockholm.**

**The Board of Directors has, pursuant to Chapter 7, Section 4 a of the Swedish Companies Act (*Sw. aktiebolagslagen*) and the company's Articles of Association, decided that shareholders shall be able to exercise their voting rights by postal voting before the General Meeting. Consequently, shareholders may choose to exercise their voting rights at the AGM by attending in person, through a proxy or by postal voting.**

### **A. PARTICIPATION IN PERSON OR BY PROXY**

Shareholders who wish to attend the AGM must:

firstly, be recorded as shareholders in the share register maintained by Euroclear Sweden AB on Friday 21 April 2023, and

secondly, notify the company of their attendance no later than Tuesday 25 April 2023, according to the instructions below.

Notice of attendance to the Annual General Meeting can be given on Hexagon's website, [www.hexagon.com](http://www.hexagon.com), or by post to: Hexagon AB, "Annual General Meeting", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden, or by phone +46 8-402 92 21, on 25 April 2023 at the latest.

When giving notice of attendance, the shareholder must state their name, personal identity number/corporate identity number, address, telephone number (daytime) and shareholding.

For shareholders who wish to be represented by a proxy, an original proxy to act on behalf of the shareholder should be attached to the notice of attendance. A proxy form will be available on the company's website [www.hexagon.com](http://www.hexagon.com) and will be sent by post to shareholders that contact the company and state their address. Representatives of a legal entity should also send a copy of the registration certificate or similar documentation of authorisation.

## **B. PARTICIPATION BY POSTAL VOTING**

Shareholders may exercise their voting rights through postal voting. Shareholders who wish to participate in the Annual General Meeting by postal voting must:

firstly, be recorded as shareholder in the share register maintained by Euroclear Sweden AB on Friday 21 April 2023, and

secondly, notify the company by submitting a postal vote in accordance with the instructions below, so that the postal vote is received by Euroclear Sweden AB no later than Tuesday 25 April 2023.

A special form must be used for the postal vote. The postal voting form is available on the company's website [www.hexagon.com](http://www.hexagon.com). A separate notification to the Annual General Meeting is not required as the postal voting form will be considered as a notification. Completed and signed postal voting forms can be sent by mail to Hexagon AB, "Annual General Meeting", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden, or by e-mail to [GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com). Completed and signed forms must be received by Euroclear Sweden AB no later than 25 April 2023. Shareholders may also cast their votes electronically through verification with BankID via Euroclear Sweden AB's website <https://anmalan.vpc.se/EuroclearProxy>, by 25 April 2023 at the latest.

Shareholders may not submit special instructions or conditions with the postal vote. In such cases, the entire postal vote will be invalid. Further instructions and conditions can be found in the postal voting form and at <https://anmalan.vpc.se/EuroclearProxy>.

If the shareholder submits the postal vote by proxy, a written and dated power of attorney signed by the shareholder must be attached to the postal voting form. Proxy forms are available on the company's website [www.hexagon.com](http://www.hexagon.com) and will be sent on request to shareholders who state their postal address. If the shareholder is a legal person, a registration certificate or other authorization document must be attached to the form.

Please note that shareholders who wish to attend the Annual General Meeting in person or by proxy must notify the company in accordance with the instructions under the heading "Participation in person or by proxy" above. A notification of participation by postal voting is not sufficient for shareholders who wish to attend the Annual General Meeting in person or by proxy.

## **C. NOMINEE-REGISTERED SHARES**

To participate in the AGM, shareholders with nominee-registered shares must – in addition to notification to the company of their attendance or submission of a postal vote – request their bank or broker to have the shares owner-registered with Euroclear Sweden AB, in order for the shareholder to be recorded in the share register. Such re-registration must be made by 21 April 2023 and the nominee should be notified in due time before this date. Re-registration requested by the shareholder in such time that the registration has been completed by the nominee no later than 25 April 2023 will be taken into account in the preparation of the share register.

## **D. AGENDA OF THE ANNUAL GENERAL MEETING**

### Proposal for agenda

1. Opening of the Meeting.
2. Election of Chairman of the Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of two persons to check the minutes.
6. Determination of compliance with the rules of convocation.
7. Address by the President.
8. Presentation of
  - (a) the annual report and the auditors' report, as well as the consolidated financial report and auditors' report on the consolidated financial report for the financial year 2022,
  - (b) a statement from the company's auditor confirming compliance with the guidelines for the remuneration of senior executives that have applied since the preceding Annual General Meeting, and
  - (c) the proposal of the Board of Directors for the dividend and statement thereon.
9. Resolutions concerning
  - (a) adoption of the income statement and balance sheet, and of the consolidated income statement and consolidated balance sheet, all as per 31 December 2022,
  - (b) disposition of the Company's profit as set forth in the balance sheet adopted by the Meeting and the record date for dividend distribution, and
  - (c) discharge of the Board of Directors and the Managing Director from personal liability.
10. Determination of the number of members and deputy members of the Board of Directors.
11. Determination of the fees to be paid to the board members and auditors.
12. Election of board members and auditors.
13. Election of members of the Nomination Committee.
14. Resolution on approval of remuneration report.
15. Resolution on a performance based long term incentive programme (Share Programme 2023/2026)
16. Authorization for the Board of Directors on acquisition and transfer of own shares.
17. Authorization for the Board of Directors to issue shares, convertibles and/or warrants.
18. Closing of the Meeting.

### **Proposals for resolutions**

#### **Election of Chairman of the Meeting (item 2)**

The Nomination Committee elected in anticipation of the 2023 Annual General Meeting, comprising Mikael Ekdahl (Melker Schörling AB), Jan Dworsky (Swedbank Robur fonder), Liselott Ledin (Alecta) and Anders Oscarsson (AMF and AMF Fonder) has proposed that Gun Nilsson be elected Chairman of the 2023 Annual General Meeting.

**Proposal for resolution on dividend (item 9 b)**

For the financial year 2022, the Board of Directors proposes that a dividend of EUR 0.12 per share be declared. Thursday 4 May 2023 is proposed as the record date for the right to receive dividend. If the Annual General Meeting so resolves, the dividend is expected to be distributed by Euroclear Sweden AB starting on Thursday 11 May 2023. Payment is made in EUR, provided that EUR can be received by the shareholder's yield account; if not, payment will be distributed in SEK, whereby currency exchange is made in accordance with Euroclear Sweden AB's applicable procedures.

**Proposals regarding election of board members and auditor and fees (items 10-12)**

The Nomination Committee proposes the following:

- The number of Board Members shall be seven, without deputies.
- Directors' fees shall be paid as follows: SEK 2,200,000 to the Chairman of the Board and SEK 690,000 to each of the other Board Members elected by the Annual General Meeting who are not employed by the company. As remuneration for committee work, the chairman of the Remuneration Committee shall receive SEK 85,000 and each member of the Remuneration Committee SEK 60,000 and the chairman of the Audit Committee shall receive SEK 325,000 and member of the Audit Committee SEK 250,000.
- Re-election of Board Members Ola Rollén, Gun Nilsson, John Brandon, Sofia Schörling Högberg, Märta Schörling Andreen, Brett Watson and Erik Huggers as ordinary Board Members. Ulrika Francke, Henrik Henriksson and Patrick Söderlund have declined re-election.
- New election of Ola Rollén as the Chairman of the Board.
- Re-election of auditing firm PricewaterhouseCoopers AB as the company's auditor for a period of one year, i.e., until the end of the Annual General Meeting 2024, in accordance with the recommendation from the Audit Committee, whereby it is noted that the auditing firm has notified that the authorised public accountant Bo Karlsson will be appointed principally responsible auditor.
- Fees to auditor shall be payable according to contract.

**Proposal for election of members of the Nomination Committee (item 13)**

Shareholders representing in total approximately 52 per cent of the number of votes in the company recommend that the AGM resolves as follows regarding the Nomination Committee in respect of the AGM 2024:

- The Nomination Committee shall have four members.
- Re-election of Mikael Ekdahl (Melker Schörling AB), Jan Dworsky (Swedbank Robur fonder) and Liselott Ledin (Alecta), and new election of Brett Watson (Infor) as members of the Nomination Committee in respect of the Annual General Meeting 2024. The Chairman of the Board shall be co-opted to the Nomination Committee.
- Re-election of Mikael Ekdahl as Chairman of the Nomination Committee.
- In case a shareholder, whom a member of the Nomination Committee represents, is no longer one of the major shareholders of Hexagon, or if a member of the Nomination Committee is no longer employed by such shareholder, or for any other reason leaves the Committee before the Annual General Meeting 2024, the Committee shall be entitled to appoint another representative among the major shareholders to replace such member.

**Resolution on approval of remuneration report (item 14)**

The Board of Directors proposes that the Annual General Meeting resolves to approve the Board of Director's report regarding compensation pursuant to Chapter 8, Section 53 a of the Swedish Companies Act.

**Proposal for resolution on a performance based long term incentive programme (Share Programme 2023/2026) (item 15)**

The Board of Directors proposes that the General Meeting resolves on implementation of a performance based long-term share programme for 2023 ("Share Programme 2023/2026") for the group management, division managers, senior executives and key employees within the Hexagon Group as follows.

*The rationale for the proposal*

The purpose of Share Programme 2023/2026 is to strengthen the Hexagon Group's ability to retain and recruit competent employees, provide competitive remuneration and to align the interests of the shareholders with the interests of the employees concerned. Through a share-based incentive programme, the employees' remuneration is tied to the company's earnings and value growth and creates long-term incentives for the programme participants. In light of the above, the Board of Directors believes that the implementation of Share Programme 2023/2026 may have a positive effect on the long-term value growth of the Group and, consequently, that Share Programme 2023/2026 is beneficial to both the shareholders and the company.

*Participants in Share Programme 2023/2026 and allocation*

Share Programme 2023/2026 is proposed to include a maximum of approximately 2,000 senior executives and key employees within the Hexagon Group, who are divided into five groups: the President and CEO ("Group 1"), group management ("Group 2"), division managers ("Group 3") and other senior executives and key employees ("Group 4" and "Group 5"). Invitation to participate in the programme shall be provided by Hexagon no later than 30 June 2023. Participation in Share Programme 2023/2026 requires that the participant has been employed by the Hexagon Group for at least twelve (12) months prior to the date of the offer.

Participants are offered to be allocated performance awards that may entitle to Series B shares according to the conditions set out below. The performance awards shall be based on a maximum value for each participant category. The maximum value for the participants in Group 1 will be 100 per cent of the participant's annual base salary for 2022, for participants in Group 2 50 per cent of the participant's annual base salary for 2022, for participants in Group 3 and Group 4, 100 per cent of the participant's annual base salary for 2022, and for participants in Group 5, 35 per cent of the participant's annual base salary for 2022. The total sum of the maximum values of the performance awards thus defined for all participants will not exceed EUR 60 million, including social costs.

The share price used to calculate the number of shares to which the performance awards entitles will be the volume-weighted average of the market price of Hexagon Series B shares on Nasdaq Stockholm during a period of five (5) trading days before the day the participants are offered to participate in the programme.

*Performance condition*

Allocated performance awards entitle to the receipt of Series B shares in the company provided that the performance condition related to the development of Hexagon's earnings per share<sup>1</sup> compared to the target level set by the Board of Directors during the measurement period 1 January 2023 until 31 December 2026 are fulfilled, where the last financial year during the measurement period is compared with the financial year preceding the measurement period, with reservation for any reduction in the number of shares in accordance with the terms of Share Programme 2023/2026. The Board of Directors intends to present the fulfillment of the performance-based condition in the annual report for the financial year 2026.

*Other conditions*

In addition to the above conditions, the following shall apply for the performance awards.

- Performance awards shall be granted free of charge after the Annual General Meeting.
- Each performance award entitles the holder to receive one Series B share in the company free of charge approximately four (4) years after allotment of the award (vesting period), provided that the above performance condition has been met and that the holder, at the time of the release of the interim report for the first quarter 2027 still is employed by the Hexagon Group. Exemptions to the requirement of employment may be granted in specific cases, including a participant's disability or retirement.
- The Board of Directors shall have the opportunity to make adjustments as a result of extraordinary events such as bonus issue, share split, rights issue and/or other similar events.
- The performance awards are non-transferable and may not be pledged.
- The performance awards can be granted by the company or any other company within the Group.

*Preparation and administration*

The Board of Directors shall be responsible for preparing the detailed terms and conditions and administration of Share Programme 2023/2026, in accordance with the above mentioned terms and guidelines. To this end, the Board of Directors shall be entitled to make adjustments to meet foreign regulations or market conditions. The Board of Directors may also make other adjustments, including for example a right to resolve on a reduced allotment of shares, if significant changes in the Hexagon Group, or its operational environment, would, as assessed by the Board of Directors, result in a situation where the established terms and conditions for Share Programme 2023/2026 no longer are appropriate or reasonable.

In the event that the Board of Directors considers that the delivery of shares under Share Programme 2023/2026 cannot be achieved at a reasonable cost, with reasonable administrative efforts or due to specific market conditions, the Board of Directors shall

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<sup>1</sup> Earnings per share is defined as the company's earnings per share after tax and dilution, excluding non-recurring items.

have the right to make appropriate local adjustments to the programme or instead offer participants a cash settlement.

*Scope and costs of the programme*

Provided that the share price for the company's Series B share at the time of allotment of performance awards under Share Programme 2023/2026 is SEK 111.80<sup>2</sup>, Share Programme 2023/2026 will, in accordance with the principles and assumptions set out above, comprise maximum 5,468,000 Series B shares in total, which corresponds to approximately 0.2 per cent of the total outstanding shares in the company.

Provided that the performance condition is fully met, the total costs for Share Programme 2023/2026 in accordance with the principles and assumptions set out above, is estimated to a maximum of approximately EUR 60 million, allocated over the vesting period. Estimated social costs and administration costs for the programme are included in the amount.

In the event that the total costs of Share Programme 2023/2026 would exceed EUR 60 million, the total number of allocated Series B shares in Hexagon will be reduced so that the total costs of Share Programme 2023/2026 will not exceed this amount. Such reduction will be made pro rata in relation to the highest value for each participant category in accordance with the above.

*Delivery of shares under Share Programme 2023/2026*

To ensure the delivery of Series B shares under Share Programme 2023/2026, the company intends to enter into an agreement with a third party on terms in accordance with market practice, under which the third party shall, in its own name, acquire and transfer Series B shares in the company to the participants in accordance with Share Programme 2023/2026.

*Preparation of the proposal*

Share Programme 2023/2026 has been initiated by the Board of Directors of Hexagon and has been structured in consultation with external advisers. Share Programme 2023/2026 has been prepared by the Remuneration Committee and reviewed at meetings with the Board of Directors.

*Previous incentive programmes in Hexagon*

For a description of Hexagon's other incentive programmes, Share Programme 2020/2023, Share Programme 2021/2024 and Share Programme 2022/2025, please see the company's Annual Report 2022, note 30, and the company's website [www.hexagon.com](http://www.hexagon.com). In addition to the programmes described therein, there are no other long term incentive programmes in Hexagon.

**Resolution on authorization for the Board of Directors on acquisition and transfer of own shares (item 16)**

Hexagon has previously, on the basis of authorization by the General Meeting, acquired own Series B shares for the purpose of using repurchased shares to give the Board of Directors the opportunity to adjust the company's capital structure, to finance potential company acquisitions, and as a hedge for the company's share-based incentive

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<sup>2</sup> Corresponding to the closing price on 24 March 2023 for Hexagon's Series B share on Nasdaq Stockholm.

programmes. As of 1 January 2023, the company held 15,800,000 own Series B shares, corresponding to approximately 0.6 per cent of the total number of shares in the company. The Board of Directors makes the assessment that it remains advantageous for the company to continue to be able to use repurchased shares in order to adjust the company's capital structure, on account of potential company acquisitions and for the company's share-based incentive programmes.

In view of the above, the Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to pass a resolution, on one or more occasions for the period up until the next Annual General Meeting, on acquisition and transfer of Series B shares in the company. Acquisition of shares may be made at a maximum of Series B shares so that the company's holding does not exceed ten (10) per cent of all shares in the company at that time. Acquisitions of shares on Nasdaq Stockholm may only occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and the lowest selling price. Transfer of Series B shares may be made at a maximum of ten (10) per cent of the total number of shares in the company. A transfer may be made with deviation from the shareholders' preferential rights on Nasdaq Stockholm as well as to third parties in connection with acquisition of a company or a business. Compensation for transferred shares can be paid in cash, through an issue in kind or a set-off. Transfers of shares on Nasdaq Stockholm may only occur at a price per share within the share price interval registered at that time, where share price interval means the difference between the highest buying price and the lowest selling price. Transfer in connection with acquisitions may be made at a market value assessed by the Board of Directors.

The purpose of the authorizations is (i) to give the Board of Directors the opportunity to adjust the company's capital structure and thereby contribute to increased shareholder value, (ii) to enable acquisition opportunities by financing acquisitions with the company's own shares, and (iii) to ensure the company's undertakings, due to share-related or share-based incentive programs (other than delivery of shares to participants in incentive programs), including social security costs.

The resolution according to this item requires approval from shareholders representing at least two-thirds of both the number of votes cast as well as the shares represented at the general meeting in order to be valid.

#### **Resolution on authorization for the Board of Directors to issue shares, convertibles and/or warrants (item 17)**

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors during the period up until the next AGM to, on one or more occasions, with or without deviation from the shareholders' preferential rights, and with or without provisions for contribution in kind, set-off or other conditions, resolve to issue Series B shares, convertibles and/or warrants (with rights to subscribe for or convert into Series B shares). By resolutions in accordance with the authorization, the number of shares may be increased by a number corresponding to a maximum of ten (10) percent of the number of outstanding shares in the company at the time when the Board of Directors first uses the authorization.

The purpose of the authorization and the reasons for a potential deviation from the shareholders' preferential rights as set out above, is to ensure financing of acquisitions of companies, part of companies or businesses or to strengthen the company's capital



base and equity/assets ratio. Such issues may not require amendment of the Articles of Association applicable from time to time. In case of deviation from the shareholders' preferential rights, issues by virtue of the authorisation shall be made on market conditions. In accordance with the conditions set out above, the Board of Directors shall also be authorized to resolve on other terms as considered necessary by the Board of Directors to carry out the issues.

The Board of Directors further proposes that the Managing Director, or anyone appointed by the Managing Director, shall have the right to make any adjustments that may be necessary in connection with the registration of the resolution with the Swedish Companies Registration Office (*Sw: Bolagsverket*).

The resolution according to this item requires approval from shareholders representing at least two-thirds of both the number of votes cast as well as the shares represented at the general meeting in order to be valid.

#### **E. AVAILABLE DOCUMENTS**

The Annual Report and the auditor's statement as well as the auditors' statement regarding whether the guidelines for the remuneration of senior executives have been complied with, the Board of Director's remuneration report, the Board of Director's complete proposal concerning items 15-17 together with related documents, as well as the Board of Director's statement pursuant to Chapter 18, Section 4 and Chapter 19, Section 22 of the Swedish Companies Act will be kept available for the shareholders at the company's headquarters in Stockholm no later than Tuesday 11 April 2023. Copies of the documents will be sent to those shareholders who request to receive such information and who have provided their address and will be available at the company's website [www.hexagon.com](http://www.hexagon.com) and at the Annual General Meeting.

#### **F. SHAREHOLDERS' RIGHT TO RECEIVE INFORMATION AT THE ANNUAL GENERAL MEETING**

The Board of Directors and the Managing Director shall, if requested by a shareholder and the Board of Directors considers that it can be done without material damage to the company, provide information regarding issues that (i) may affect the assessment of an item on the agenda (ii) circumstances that may affect the assessment of the company's or its subsidiaries' financial position or information concerning (iii) the company's relation with other companies within the group. Shareholders may send questions in advance by mail to Hexagon AB (publ), Box 3692, SE-103 59 Stockholm, Sweden or by e-mail to [bolagsstamma@hexagon.com](mailto:bolagsstamma@hexagon.com).

#### **G. NUMBER OF SHARES AND VOTES IN THE COMPANY**

The total number of shares in the company amounts to 2,705,477,888 of which 110,250,000 are shares of Series A (with 10 votes per share), and 2,595,227,888 are shares of Series B (with 1 vote per share). The total number of votes in the company amounts to 3,697,727,888. Hexagon AB (publ) holds 15,800,000 of its own Series B shares, corresponding to an equal number of votes, for which the company cannot exercise voting rights.

## **H. PROCESSING OF PERSONAL DATA**

For information about the processing of your personal data, see  
<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

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Stockholm in March 2023  
*The Board of Directors*  
**Hexagon AB (publ)**