

## Notice of the Annual General Meeting of Lundin Energy AB

The shareholders of Lundin Energy AB are hereby given notice of the Annual General Meeting to be held on Tuesday 30 March 2021 at 13.00 (CEST).

### Important information regarding participation and voting

As a consequence of the global COVID-19 pandemic, the Board of Directors has decided to hold the Annual General Meeting as a virtual meeting combined with an option to vote by post in advance of the Annual General Meeting in accordance with the Swedish Act on Temporary Exemptions to Facilitate the Execution of General Meetings in Companies and Associations (SFS 2020:198).

For terms and instructions for online participation and voting at the Annual General Meeting, please refer to the section "*Online participation and voting at the Annual General Meeting*" below.

For terms and instructions for voting by post in advance of the Annual General Meeting, please refer to the section "*Voting by post in advance of the Annual General Meeting*" below.

Please note that despite thorough preparations, it cannot be ruled out that as a result of technical complications, online participation or voting at the Annual General Meeting do not work as intended. The Annual General Meeting will be held regardless of any such complications and there is a risk that votes submitted online at the Annual General Meeting are not registered. Consequently, if you want to be certain of being able to exercise your voting rights, you should vote by post in advance of the Annual General Meeting.

Please also note that it will not be possible to vote both by post in advance of the Annual General Meeting and online at the Annual General Meeting. If a postal vote is submitted in accordance with the terms and instructions for voting by post and such postal vote is not withdrawn by the shareholder by Wednesday 24 March 2021, the Company will consider the postal vote at the Annual General Meeting.

It is possible to vote by post in advance of the Annual General Meeting and still follow the Annual General Meeting without exercising any voting rights online, please see the section "*Voting by post in advance of the Annual General Meeting*" below for more information.

### Online participation and voting at the Annual General Meeting

Shareholders who wish to participate at the virtual Annual General Meeting on Tuesday 30 March 2021 at 13.00 (CEST) must:

- be entered as a shareholder in the share register kept by Euroclear Sweden AB on Monday 22 March 2021 or, if the shares are registered in the name of a nominee, request that the nominee registers the shares in the shareholder's own name for voting purposes in such time that the registration is completed by Wednesday 24 March 2021; and
- give notice of participation no later than Wednesday 24 March 2021 through the website [www.lundin-energy.com](http://www.lundin-energy.com) (only applicable to individuals) or by post to Computershare AB, "Lundin Energy AB's AGM", Box 5267, 102 46 Stockholm, Sweden, by telephone Int +46-8-518 01 554 or by email [info@computershare.se](mailto:info@computershare.se).

When giving notice of participation, please state name, personal identification number or corporate registration number, address and telephone number.

In order to participate and vote online, you must have a reliable network connection throughout the Annual General Meeting. Participation online is possible through a computer, a smartphone or a tablet, updated with the latest software version of operating systems etc., by using a web browser.

If you have registered to participate in the Annual General Meeting, you will receive login instructions on the admission card which will be sent to the address stated in your notice of participation. On the day of the Annual General Meeting, you can login on the virtual platform from 11.00 CEST and you must have logged in on the virtual platform no later than 13.00 CEST to be able to participate.

In connection with each voting item, you will be able to choose between the alternatives "Yes", "No" and "Abstain". There will be no opportunity to speak but it will be possible to ask questions during the meeting by typing a question using a Q&A function.

Shareholders who do not participate or vote online in person may exercise their rights at the Annual General Meeting through a proxy. In order for the proxy to obtain login instructions to the virtual platform, the proxy's name, personal identification number or corporate registration number and address be included in the registration to participate online. A proxy form is available on [www.lundin-energy.com](http://www.lundin-energy.com) and will be sent to shareholders upon request. Proxy forms, certificates of registration and other documents of authority shall be appended to the application to participate online.

### **Voting by post in advance of the Annual General Meeting**

Shareholders who wish to exercise their voting rights by post in advance of the Annual General Meeting must:

- be entered as a shareholder in the share register kept by Euroclear Sweden AB on Monday 22 March 2021 or, if the shares are registered in the name of a nominee, request that the nominee registers the shares in the shareholder's own name for voting purposes in such time that the registration is completed by Wednesday 24 March 2021; and
- ensure that the Company receives a postal vote in accordance with the instructions set out below by Wednesday 24 March 2021.

In order to vote by post in advance of the Annual General Meeting, the shareholders shall use the voting form and follow the Company's instructions that are available on the Company's website, [www.lundin-energy.com](http://www.lundin-energy.com). The completed voting form should be sent either:

- by post to Computershare AB, Att. "Lundin Energy AB's AGM", Box 5267, 102 46 Stockholm, Sweden; or
- by email to Computershare AB (with the reference "Lundin Energy AB's AGM"); or
- electronically with BankID through the Company's website, [www.lundin-energy.com](http://www.lundin-energy.com).

If a shareholder's voting rights are exercised by proxy, a power of attorney and other authorisation documents must be enclosed with the voting form. A proxy form is available on [www.lundin-energy.com](http://www.lundin-energy.com) and will be sent to shareholders upon request.

Shareholders who wish to exercise their voting rights by post in advance of the Annual General Meeting may still follow the Annual General Meeting online (without also exercising voting rights online). In order to receive login instructions, please elect for this option in the voting form.

### **Proposed agenda**

1. Opening of the Annual General Meeting.
2. Election of Chairman of the Annual General Meeting.
3. Preparation and approval of the voting register.
4. Approval of the agenda.
5. Election of one or two persons to approve the minutes.
6. Determination as to whether the Annual General Meeting has been duly convened.
7. Introductory comments by the Chief Executive Officer.
8. Presentation of the annual report and the auditor's report, the consolidated financial statements and the auditor's Group report as well as the Remuneration Report prepared by the Board of Directors and the auditor's statement on compliance with the Policy on Remuneration.
9. Resolution in respect of adoption of the income statement and the balance sheet and the consolidated income statement and consolidated balance sheet.
10. Resolution in respect of disposition of the Company's result according to the adopted balance sheet and determination of record dates for the dividend.
11. Resolution in respect of discharge from liability of the members of the Board of Directors and the Chief Executive Officer:
  - a) Peggy Bruzelius (Board Member);
  - b) C. Ashley Heppenstall (Board Member);
  - c) Ian H. Lundin (Chairman);
  - d) Lukas H. Lundin (Board Member);
  - e) Grace Reksten Skaugen (Board Member);

- f) Torstein Sanness (Board Member);
  - g) Alex Schneider (Board Member and CEO);
  - h) Jakob Thomasen (Board Member); and
  - i) Cecilia Vieweg (Board Member).
12. Resolution in respect of adoption of the Remuneration Report prepared by the Board of Directors.
  13. Presentation by the Nomination Committee:
    - Proposal for the number of members of the Board of Directors.
    - Proposal for remuneration of the Chairman and other members of the Board of Directors.
    - Proposal for election of Chairman of the Board of Directors and other members of the Board of Directors.
    - Proposal for remuneration of the auditor.
    - Proposal for election of auditor.
  14. Resolution in respect of the number of members of the Board of Directors.
  15. Resolution in respect of remuneration of the Chairman and other members of the Board of Directors.
  16. Resolutions in respect of Board members:
    - a) re-election of Peggy Bruzelius as a Board member;
    - b) re-election of C. Ashley Heppenstall as a Board member;
    - c) re-election of Ian H. Lundin as a Board member;
    - d) re-election of Lukas H. Lundin as a Board member;
    - e) re-election of Grace Reksten Skaugen as a Board member;
    - f) re-election of Torstein Sanness as a Board member;
    - g) re-election of Alex Schneider as a Board member;
    - h) re-election of Jakob Thomasen as a Board member;
    - i) re-election of Cecilia Vieweg as a Board member;
    - j) election of Adam I. Lundin as a Board member; and
    - k) re-election of Ian H. Lundin as the Chairman of the Board of Directors.
  17. Resolution in respect of remuneration of the auditor.
  18. Election of auditor.
  19. Resolution in respect of the 2021 Long-term, Performance-based Incentive Plan.
  20. Resolution in respect of delivery of shares under the 2021 Long-term, Performance-based Incentive Plan.
  21. Resolution to grant extraordinary cash compensation to a Board member, equally the former CEO.
  22. Resolution to authorise the Board of Directors to resolve on new issue of shares and convertible debentures.
  23. Resolution to authorise the Board of Directors to resolve on repurchase and sale of shares.
  24. Resolutions in respect of matters initiated by a shareholder:
    - a) a shareholder proposes that the Company aligns its legal defence strategy with its human rights policy.
    - b) a shareholder proposes that the Company discloses in detail all current and projected direct and indirect costs connected with the legal defence.
  25. Closing of the Annual General Meeting.

## **Proposals for resolutions at the Annual General Meeting of Lundin Energy AB on Tuesday 30 March 2021 in Stockholm**

### **Preparation and approval of the voting register (item 3)**

The Board of Directors proposes that the register prepared by Computershare AB (on behalf of the Company) based on the Company's share register, shareholders attending online and postal votes received by the Company is approved as voting register for the Annual General Meeting.

### **Election of one or two persons to approve the minutes (item 5)**

The Board of Directors proposes that Arne Lööw, representing Fjärde AP Fonden and Peter Lundkvist, representing Tredje AP Fonden, or, if one or both of them are absent, any person or persons appointed by the Board of Directors, are elected to attest the minutes of the meeting.

### **Resolution in respect of disposition of the Company's result (item 10)**

The Board of Directors proposes that the Annual General Meeting resolves on a cash dividend in the amount of USD 1.80 per share, corresponding to USD 512 million (rounded off), to be paid in quarterly instalments of USD 0.45 per share, corresponding to USD 128 million (rounded off). Before payment, each quarterly dividend of USD 0.45 per share shall be converted into a SEK amount based on the USD to SEK exchange rate published by Sweden's central bank (Riksbanken) four business days prior to each record date (rounded off to the nearest whole SEK 0.01/share). The final USD equivalent amount received by the shareholders may therefore slightly differ depending on what the USD to SEK exchange rate is on the date of the dividend payment. The SEK

amount per share to be distributed each quarter will be announced in a press release four business days prior to each record date.

Relevant dates for the proposed dividend:

Ex-dividend date	Record date	Expected payment date
31 March 2021	1 April 2021	8 April 2021
1 July 2021	2 July 2021	7 July 2021
1 October 2021	4 October 2021	7 October 2021
4 January 2022	5 January 2022	11 January 2022

In order to comply with Swedish company law, a maximum total SEK amount shall be pre-determined to ensure that the annual dividend distributed does not exceed the available distributable reserves of the Company and such maximum amount for the proposed dividend has been set to a cap of MSEK 7,636 (i.e., MSEK 1,909 per quarter). If the total dividend would exceed the cap of MSEK 7,636, the dividend will be automatically adjusted downwards so that the total dividend corresponds to the cap of MSEK 7,636.

If Riksbanken does not publish the USD to SEK exchange rate on the fourth business day prior to the relevant record date, the conversion into SEK will be based on the USD to SEK exchange rate published by Riksbanken immediately before such business day.

**Resolutions in respect of Chairman of the Annual General Meeting, number of Board members, remuneration of the Chairman of the Board of Directors and other members of the Board of Directors, election of Chairman of the Board of Directors and of other members of the Board of Directors, remuneration of the auditor and election of the auditor (items 2 and 14–18)**

Lundin Energy AB's Nomination Committee for the 2021 Annual General Meeting consists of Aksel Azrac (Chairman, representing Nemesia S.å.r.l.), Filippa Gerstädt (representing Nordea Funds) and Ian H. Lundin (Chairman of the Board of Directors). The Nomination Committee for the 2021 Annual General Meeting, appointed by shareholders jointly holding approximately 34.6 percent of the shares and voting rights in Lundin Energy AB as per 1 June 2020, proposes the following:

- Advokat Klaes Edhall to be appointed as Chairman of the Annual General Meeting or, if he is absent, any other person appointed by the Nomination Committee.
- Ten members of the Board of Directors to be appointed without deputy members.
- Remuneration of the members of the Board of Directors and the Chairman of the Board of Directors, including in respect of Committee membership, to be as follows: (i) annual fees of the members of the Board of Directors of USD 62,000 (excluding the Chairman of the Board of Directors); (ii) annual fees of the Chairman of the Board of Directors of USD 130,000; (iii) annual fees for Committee members of USD 14,700 per Committee assignment (other than Committee Chairs); and (iv) annual fees for Committee Chairs of USD 20,300; with the total fees for Committee work, not to exceed USD 193,200.
- Re-election of Peggy Bruzelius, C. Ashley Heppenstall, Ian H. Lundin, Lukas H. Lundin, Grace Reksten Skaugen, Torstein Sanness, Alex Schneider, Jakob Thomassen and Cecilia Vieweg as members of the Board of Directors for a period until the end of the 2022 Annual General Meeting, and election of Adam I. Lundin as a member of the Board of Directors, for a period until the end of the 2022 Annual General Meeting. Mr. Lundin was born in 1987 and is a Swedish citizen. Mr. Lundin is an experienced senior management and Board member of public and private companies focused on the natural resource sector. Mr. Lundin has studied mining technology and marketing management at the British Columbia Institute of Technology. Mr. Lundin worked during 2012-2017 with an international investment bank, including as co-head of the London office, and he was the Chief Executive Officer and President of Filo Mining during 2017-2019. Mr. Lundin is currently the Chief Executive Officer and President, and Board member, of Josemaria Resources, and Chairman of the Board of Filo Mining Corp and Africa Energy Corp, and a Board member of NGEx Minerals and the Lundin Foundation. Mr. Lundin has advised the Nomination Committee that he will not stand for re-election as Chairman of Africa Energy Corp in 2021.
- Re-election of Ian H. Lundin as Chairman of the Board of Directors for a period until the end of the 2022 Annual General Meeting.
- The auditor's fees shall be payable upon approval of their invoice.
- Re-election of the registered accounting firm Ernst & Young AB as the auditor of the Company, which intends to appoint authorised public accountant Anders Krström as the auditor in charge, for a period until the end of the 2022 Annual General Meeting.

**Resolution for the 2021 Long-term, Performance-based Incentive Plan (item 19)**

The Board of Directors proposes that the Annual General Meeting resolves to establish a long-term, performance-based incentive plan (“**LTIP 2021**”) in respect of Group Management and a number of key employees of Lundin Energy AB (publ) (“**Lundin Energy**” or the “**Company**”), which follows similar principles as the long-term, performance-based incentive plans approved by the 2014 - 2020 Annual General Meetings, as set forth below.

The primary reason for establishing LTIP 2021 is to align the interests of Group Management and other key employees with the interests of the shareholders, and to provide market appropriate reward reflecting performance and commitment. The Board of Directors also believes that the proposed LTIP 2021 will provide Lundin Energy with a crucial component to a competitive total compensation package to attract and retain executives who are critical to Lundin Energy’s on-going success. Participants in the LTIP 2021 will not be entitled to receive any new awards under any of the Company’s other long-term incentive (“**LTI**”) plans in the same year.

The Board of Directors intends to propose to future Annual General Meetings to establish LTI plans based on principles corresponding to the currently proposed LTIP 2021. In order to be eligible to participate in such future LTI plans, each participant needs to build towards a meaningful shareholding in Lundin Energy, meaning that a certain portion of any allotted shares pursuant to LTIP 2021 (and any future LTI plans) shall be retained until the required level of shareholding has been met.

### **Implementation of LTIP 2021**

The Board of Directors proposes that the Annual General Meeting 2021 resolves on the implementation of the LTIP 2021 in accordance with the terms and conditions set out below.

#### *Terms and conditions*

- (a) Awards under LTIP 2021 are proposed to be made to approximately 20 permanent employees of the Lundin Energy Group (the “**Participants**”), comprising the CEO and other members of Group Management as well as certain other key employees within the Lundin Energy Group. The Board of Directors may, within the total number of shares available under LTIP 2021, invite a limited number of additional Participants in LTIP 2021 following recruitment to the Lundin Energy Group.
- (b) LTIP 2021 gives the Participants the possibility to receive shares in Lundin Energy subject to uninterrupted employment and to the fulfilment of a performance condition over a three year performance period normally commencing on 1 July 2021 and expiring on 30 June 2024 (the “**Performance Period**”). The performance condition (the “**Performance Condition**”) is based on the share price growth and dividends (“**Total Shareholder Return**”) of the Lundin Energy share compared to the Total Shareholder Return of a peer group of companies (the “**Peer Group**”). At the beginning of the Performance Period, the Participants will, free of charge, be granted awards (“**LTIP Awards**”) which, to the extent that i.a. the Performance Condition is met, entitle the Participant to be allotted, also free of charge, shares in Lundin Energy (“**Performance Shares**”) as soon as reasonably practicable following the end of the Performance Period.
- (c) The LTIP Award (i.e. the number of Performance Shares that a Participant may be allotted following the expiration of the Performance Period, provided that i.a. the Performance Condition is met) to be awarded to each Participant shall be calculated as follows:

LTIP Award = A multiplied by B divided by C multiplied by D, where

A is the Participant’s monthly gross base salary applicable as at the date of grant of the LTIP Award;

B is a number of months as determined by the Board of Directors in respect of each Participant, taking into account such factors as industry benchmarking and the Participant’s position within the Lundin Energy Group (but in any case, not exceeding 36 months);

C is the average closing price of the Lundin Energy share on Nasdaq Stockholm for the three month period immediately prior to the Performance Period (the “**Initial Share Price**”); and

D is the product of the factors representing the proportional increases in the number of Performance Shares under award, calculated by dividing the value of the Lundin Energy share at

closing on the ex-dividend date plus the declared dividend by the value of the share at closing on the ex-dividend date, for each dividend until allotment.

Fractions of allotted Performance Shares shall be rounded-off to the immediate lower whole number.

Assuming a share price of the Lundin Energy share as of 24 February 2021 of SEK 273.50, the total number of Performance Shares that may be allotted under LTIP 2021 as at the date of award (assuming 100 per cent vesting) is approximately 280,000, corresponding to approximately 0.10 per cent of the current total number of shares and votes in Lundin Energy. Since LTIP Awards are intended to be awarded in July 2021 and the share price of the Lundin Energy share may fluctuate until the Initial Share Price is determined, and considering additional Participants (if any) following recruitment and increased awards due to dividends, it is proposed that the total number of Performance Shares under LTIP 2021 shall not exceed 450,000.

- (d) Allotment of Performance Shares will be determined by the Board of Directors after the expiration of the Performance Period on the basis of LTIP Awards made and is conditional on (i) the Participant retaining his or her uninterrupted employment in the Lundin Energy Group until the expiry of the Performance Period and (ii) the extent to which (if any) the Performance Condition has been met. The LTIP Award will as in previous years compensate for dividends distributed, however, to ensure further alignment with shareholders' interests, LTIP 2021 will do so by increasing the number of Performance Shares under award proportionally during the award period through the formula described in (c) above, entailing also a reinvestment of dividends received during the award period. The Board of Directors may reduce (including reduce to zero) allotment of Performance Shares at its discretion, should it consider the underlying performance not to be reflected in the outcome of the Performance Condition, for example, in light of operating cash flow, reserves, and health and safety performance.
- (e) A minimum and a maximum level for the Performance Condition to be fulfilled have been established by the Board of Directors. In order for the LTIP Awards to give entitlement to the maximum number of Performance Shares, the maximum level for the Performance Condition must have been fulfilled. The Performance Condition calculation will be made based on a comparison of Total Shareholder Return of the Lundin Energy share to the Peer Group, comparing the period of three months prior to the commencement of the Performance Period with the period of three months prior to the end of the Performance Period. The LTIP Awards will vest based on the comparative Total Shareholder Return of the Lundin Energy share from no vesting below the 50th percentile performance and with vesting at or above the 50th percentile performance (i.e. on a straight line basis) from one-third entitlement at the 50th percentile performance to 100 per cent vesting at the 75th percentile performance or above. The Performance Condition calculation will be performed by the Board of Directors. Lundin Energy intends to present the level of fulfilment of the LTIP 2021 Performance Condition in the 2024 Annual Report.
- (f) The Participants will not be entitled to transfer, pledge or dispose of the LTIP Award or any rights or obligations under LTIP 2021, or exercise any shareholders' rights regarding the LTIP Awards during the Performance Period.
- (g) Shares allotted under LTIP 2021 (or any future LTI plans) shall be subject to certain disposition restrictions meaning that the Participants shall be building towards a meaningful shareholding in Lundin Energy. The required level of shareholding will be either 50 per cent or 100 per cent (200 per cent for the CEO) of the Participant's annual gross base salary based on the Participant's position within the Lundin Energy Group. Notwithstanding this requirement, the Company may pay part or whole of the allotment of Performance Shares in cash in order to facilitate the payment of the Participant's tax liabilities. However, a minimum of 50 per cent of the allotted Performance Shares (after taxes and social security charges) under LTIP 2021 will be required to be retained until the required level of shareholding has been met.
- (h) Recalculation of the Performance Condition and the LTIP Awards, including the number of Performance Shares allotted, shall take place in the event of an intervening dividend in kind, bonus issue, split, preferential rights issue and/or other similar corporate events.

#### *Structure and administration*

The Board of Directors of Lundin Energy will be responsible for the structure and administration of LTIP 2021, as well as for the detailed terms and conditions applicable between Lundin Energy and the Participants. The

detailed terms and conditions will be adopted within the scope of the terms and conditions and guidelines stated herein. In connection therewith, the Board of Directors will be entitled to adopt different terms and conditions for LTIP 2021 regarding, among other things, the Performance Period and allotment of Performance Shares in the event of commencement or termination of employment during the Performance Period, e.g. due to new recruitments, illness, disability, death, redundancy, contractual retirement and other exceptional circumstances determined by the Board of Directors.

The Board of Directors will be entitled to make adjustments in order to comply with special rules or market conditions abroad. In the event that delivery of Performance Shares to Participants cannot take place under applicable law or at a reasonable cost and employing reasonable administrative measures, the Board of Directors will be entitled to decide that Participants may, instead, be offered a cash settlement. In the event of a change of control, the vesting of any LTIP Awards under LTIP 2021 will be accelerated, based upon performance up to such time.

#### *Peer Group*

The Board of Directors has reviewed the Peer Group and determined that it shall consist of the following companies for LTIP 2021: Aker BP, Apache Corporation, BP, Cairn Energy, ConocoPhillips, DNO, Energean, ENI, Equinor, Galp Energia, Hess Corporation, Kosmos Energy, MOL Group, Oil Search, OMV, Repsol, Santos, Total and Vermilion Energy. The Board of Directors shall have the power to amend the Peer Group in order to maintain a representative and relevant group of companies during the Performance Period.

#### **Delivery of shares, costs etc.**

The LTIP Awards entitle Participants to receive free of charge already existing Lundin Energy shares.

Under items 20 and 23 of the proposed agenda, the Board of Directors proposes that the Annual General Meeting resolves to authorise the Board of Directors to acquire own shares for the purposes of securing delivery of shares and covering costs, including social security charges, that may arise as a result of LTIP 2021 and that the Annual General Meeting resolves on a transfer of a maximum of 450,000 own shares for the purposes of securing delivery of shares to participants in LTIP 2021. As an alternative to acquisitions and transfers of own shares, the Board of Directors may resolve to hedge the Company's obligations under LTIP 2021 by entering into an equity swap arrangement with a third party on terms in accordance with market practice, whereby the third party in its own name shall be entitled to acquire and transfer shares in the Company.

The LTIP 2021 will be accounted for in accordance with the accounting standard IFRS 2 and the costs will be charged to the income statement over the Performance Period.

The maximum cost for granting LTIP Awards under LTIP 2021 (assuming 100 per cent vesting), excluding costs related to delivery of the Performance Shares, is approximately USD 8.9 million (approximately SEK 74.5 million), excluding social security charges. On this basis, the maximum cost for social security charges is estimated to be approximately USD 0.9 million (approximately SEK 7.7 million) assuming 100 per cent vesting.

#### **Effects on key figures**

Under the assumptions set out in item (c) above and upon full allotment of Performance Shares, the number of shares under LTIP 2021 amounts to approximately 280,000 shares in Lundin Energy (subject to final determination of the Initial Share Price and adjustments for dividends), corresponding to approximately 0.10 per cent of the current total number of shares and votes in the Company. If the total number of Performance Shares under LTIP 2021 reaches the cap of 450,000 shares in Lundin Energy, it will correspond to approximately 0.16 per cent of the current total number of shares and votes in the Company. LTIP 2021 is expected to have only marginal effects on Lundin Energy's key figures.

#### **Preparation of the proposal**

The proposal for LTIP 2021 has been prepared by the Compensation Committee and resolved on by the Board of Directors.

#### **Other incentive schemes in Lundin Energy**

For a description of the Company's other LTI plans, reference is made to the Company's Annual Report for 2020, note 29, and the Company's website, [www.lundin-energy.com](http://www.lundin-energy.com). In addition to the plans described there, no other LTI plans have been implemented in Lundin Energy.

### **Majority requirement**

The proposal to implement LTIP 2021 requires the affirmative support of shareholders holding more than half of the votes represented at the Annual General Meeting.

For information on the majority requirements that apply to the proposed acquisitions and transfers of own shares, see the Board of Directors' proposals under items 20 and 23 of the proposed agenda.

### **Resolution in respect of delivery of shares under the 2021 Long-term, Performance-based Incentive Plan (item 20)**

The Board of Directors proposes that the Annual General Meeting resolves to transfer treasury shares held by the Company to the participants under the LTIP 2021 on the following terms and conditions.

- A maximum of 450,000 shares may be transferred.
- The shares shall, with deviation from the shareholders' preferential rights, be transferred to the participants in LTIP 2021 that are eligible to receive shares under the LTIP. Further, shares may, with deviation from the shareholders' preferential rights, be transferred to subsidiaries of the Company, whereby such subsidiary shall be obligated to immediately transfer such shares to the participants eligible to receive shares under the relevant LTIP.
- The shares shall be transferred free of charge.
- The transfers of shares shall be subject to all terms and conditions under LTIP 2021. Accordingly, shares shall only be transferred if and to the extent allotment of shares shall take place under LTIP 2021. Further, shares shall be transferred within the time period set out in the terms and conditions for LTIP.
- The number of shares that may be transferred under the LTIP 2021 may be recalculated as a result of bonus issues, share splits, rights issues or similar measures in accordance with the terms and conditions of the LTIP 2021.

The rationale for the proposed transfers of treasury shares held by the Company and for the deviation from the shareholders' preferential rights is to enable delivery of shares to the participants in LTIP 2021.

This proposal requires the affirmative support of shareholders holding at least nine tenths of the votes cast as well as of the shares represented at the Annual General Meeting.

### **Resolution to grant extraordinary cash compensation to a Board member, equally the former CEO (item 21)**

The Board member and former CEO, Alex Schneider, has been instrumental to the success of the Company, having worked with the Company since its creation, and specifically to the discovery and development of the Johan Sverdrup field.

The Board of Directors proposes that the Annual General Meeting resolves to grant Alex Schneider an extraordinary cash compensation in an amount equal to the value of 75,000 shares in the Company. The cash compensation shall be conditional upon, and become payable in connection with, Johan Sverdrup Phase 2 coming on-stream, meaning when oil flows through the Phase 2 process facilities. The value of the 75,000 shares shall be determined based on the volume-weighted average price per share on Nasdaq Stockholm during 20 trading days preceding and following the Company's public announcement of such event (adjusted for any impact of potential dividend payments during this period, which entails that when calculating the volume-weighted average price, the dividend per share amount shall be added to the share price at the ex-dividend date for such dividend).

### **Resolution to authorise the Board of Directors to resolve on new issue of shares and convertible debentures (item 22)**

The Board of Directors proposes that the Board of Directors is authorised to decide, at one or more occasions until the next Annual General Meeting:

- (i) to issue no more than 28,500,000 new shares with consideration in cash or in kind or by set-off or otherwise with conditions and thereby be able to resolve to deviate from the shareholders' preferential rights. To the extent the new shares are issued with deviation from the shareholders' preferential rights they shall be issued at a subscription price that closely corresponds to the market price of the shares at the time of the issue; and



- (ii) to issue convertible debentures with consideration in cash or in kind or by set-off or otherwise with conditions and thereby be able to resolve to deviate from the shareholders' preferential rights, where the number of shares that may be issued after conversion must not exceed 28,500,000. To the extent the convertible debentures are issued with deviation from the shareholders' preferential rights they shall be issued at a subscription price that closely corresponds to market value based on the market price of the shares at the time of the issue of the convertible debentures.

If the Board of Directors resolves to deviate from the shareholders' preferential rights, the reason shall be to enable Lundin Energy to make business acquisitions or other major investments. The total number of shares that can be issued based on the proposed authorisations under (i) and (ii) may not together exceed 28,500,000. If the authorisation is exercised in full for issues with deviation from the shareholders' preferential rights, the dilution effect is approximately ten percent.

This proposal requires the affirmative support of shareholders holding at least two thirds of the votes given for this resolution and of the shares represented at the Annual General Meeting.

### **Resolution to authorise the Board of Directors to resolve on repurchase and sale of shares (item 23)**

The Board of Directors proposes that the Board of Directors is authorised, during the period until the next Annual General Meeting, to decide on repurchases and sales of Lundin Energy shares on Nasdaq Stockholm. The maximum number of shares repurchased shall be such that shares held in treasury from time to time do not exceed ten percent of all shares of the Company. The maximum number of shares that may be sold is the number of shares that the Company at such time holds in treasury. Repurchase and sale of shares on Nasdaq Stockholm may take place only at a price within the spread between the highest bid price and lowest ask price prevailing and disseminated by Nasdaq Stockholm from time to time. The repurchases and sales shall be made in accordance with the provisions concerning the purchase and sale of a company's own shares under applicable stock exchange rules and other applicable rules and regulations.

The purpose of the authorisation is to provide the Board of Directors with an instrument to optimise Lundin Energy's capital structure and thereby create added value for the shareholders, to secure Lundin Energy's obligations under its incentive plans and under the proposal under item 21 of the proposed agenda and to cover costs, including social security charges, that may arise as a result of the LTIP programs of the Company.

This proposal requires the affirmative support of shareholders holding at least two thirds of the votes given for this resolution and of the shares represented at the Annual General Meeting.

### **Resolutions in respect of matters initiated by a shareholder (items 24 a)-b))**

The Company has received two shareholder proposals in relation to its past operations in Sudan, including to align its legal defence strategy with its human rights policy and to disclose all current and projected direct and indirect costs connected to the legal case in Sudan. Shareholder proposals in relation to the Company's past activities in Sudan were brought by the same shareholder to the 2012, 2013, 2017, 2019 and 2020 Annual General Meetings, where they were rejected by the shareholders. The Board of Directors finds the proposals set out in items 24 a)-b) of the proposed agenda not in the best interests of the Company and its shareholders, and recommends voting against the proposals. The complete proposals, as well as the Board of Directors' recommendation to vote against the proposals and the reasons for the recommendation, are available on Lundin Energy's website [www.lundin-energy.com](http://www.lundin-energy.com).

### **Number of shares and votes in the Company**

Lundin Energy AB's share capital amounts to SEK 3,478,713.38, represented by 285,924,614 shares. Each share carries one vote. Lundin Energy AB holds, as per 24 February 2021, 1,573,143 shares in treasury. The Company's Articles of Association are available on [www.lundin-energy.com](http://www.lundin-energy.com).

### **Shareholders' right to request information**

The Board of Directors and the Chief Executive Officer shall, if a shareholder so requests and the Board of Directors considers that it may do so without significant damage to the Company, give information at the Annual General Meeting regarding circumstances that could affect the assessment of an item on the agenda and circumstances that could affect the assessment of the Company's or a subsidiary's financial situation. The duty to give information also applies to the Company's relationship with another Group company and the consolidated financial statements.

The Chief Executive Officer's speech will be available on [www.lundin-energy.com](http://www.lundin-energy.com) after the Annual General Meeting.

### **Additional documentation**

The complete proposals, the Board of Directors' recommendations regarding the shareholder proposals and other documents that shall be made available prior to the Annual General Meeting pursuant to the Swedish Companies Act and the Swedish Corporate Governance Code are available at Lundin Energy's office (Hovslagargatan 5 in Stockholm) and on [www.lundin-energy.com](http://www.lundin-energy.com).

The documents will be sent to shareholders free of charge upon request if their postal address is provided.

### **Handling of personal data and external participants**

For information on how personal data is processed in connection with the Annual General Meeting, see the privacy notices of Euroclear Sweden AB and Computershare AB available at their respective websites, [www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf](http://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf). and [www.computershare.com/se/gm-gdpr](http://www.computershare.com/se/gm-gdpr).

It will not be possible for the Company to verify if any external persons are following the Annual General Meeting online. Consequently, the Board of Directors has, in accordance with the Swedish Act on Temporary Exemptions to Facilitate the Execution of General Meetings in Companies and Associations (SFS 2020:198), resolved to allow persons who are not shareholders to follow the Annual General Meeting online.

Stockholm in February 2021  
LUNDIN ENERGY AB (PUBL)  
*The Board of Directors*

*Lundin Energy is an experienced Nordic oil and gas company that explores for, develops and produces resources economically, efficiently and responsibly. We focus on value creation for our shareholders and wider stakeholders through three strategic pillars: Resilience, Sustainability and Growth. Our high quality, low cost assets mean we are resilient to oil price volatility, and our organic growth strategy, combined with our sustainable approach and commitment to decarbonisation, firmly establishes our leadership role in a lower carbon energy future. (Nasdaq Stockholm: LUNE). For more information, please visit us at [www.lundin-energy.com](http://www.lundin-energy.com) or download our App [www.myrapp.com/lundin](http://www.myrapp.com/lundin)*

For further information, please contact:

Edward Westropp  
VP Investor Relations  
Tel: +41 22 595 10 14  
[edward.westropp@lundin-energy.com](mailto:edward.westropp@lundin-energy.com)

Robert Eriksson  
Head of Media Communications  
Tel: +46 701 11 26 15  
[robert.eriksson@lundin-energy.com](mailto:robert.eriksson@lundin-energy.com)

**Forward-looking statements**

Certain statements made and information contained herein constitute “forward-looking information” (within the meaning of applicable securities legislation). Such statements and information (together, “forward-looking statements”) relate to future events, including Lundin Energy’s future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of reserves and/or resources, future production levels, future capital expenditures and their allocation to exploration and development activities, future drilling and other exploration and development activities. Ultimate recovery of reserves or resources are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning proven and probable reserves and resource estimates may also be deemed to constitute forward-looking statements and reflect conclusions that are based on certain assumptions that the reserves and resources can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions) are not statements of historical fact and may be “forward-looking statements”. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations and assumptions will prove to be correct and such forward-looking statements should not be relied upon. These statements speak only as on the date of the information and Lundin Energy does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, operational risks (including exploration and development risks), production costs, availability of drilling equipment, reliance on key personnel, reserve estimates, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical risk, and financial risks. These risks and uncertainties are described in more detail under the heading “Risk management” and elsewhere in Lundin Energy’s Annual Report. Readers are cautioned that the foregoing list of risk factors should not be construed as exhaustive. Actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are expressly qualified by this cautionary statement.