



## SCANDINAVIAN TOBACCO GROUP

### Company Announcement 17/2022

Copenhagen, 9 March 2022

#### NOTICE CONVENING THE ANNUAL GENERAL MEETING OF SCANDINAVIAN TOBACCO GROUP A/S

In accordance with Article 7 of the Articles of Association, notice is hereby given of the annual general meeting of Scandinavian Tobacco Group A/S (the "Company") to be held on

Thursday 31 March 2022 at 4.30 pm.  
at Axelborg, Vesterbrogade 4A, 1620 Copenhagen V

#### Follow the general meeting via webcast

Instead of attending in person, our shareholders have the opportunity to follow the general meeting via live webcast transmission on the Investor Portal (available on the website <http://investor.st-group.com>). The general meeting and the webcast will commence on 31 March 2022 at 4.30 pm.

#### Agenda

In accordance with Article 8.2 of the Articles of Association, the agenda of the meeting is as follows:

1. Report of the Board of Directors on the Company's activities during the past financial year
2. Adoption of the audited annual report

*The audited annual report is available on [www.st-group.com](http://www.st-group.com).*

3. Appropriation of profit as recorded in the adopted annual report

*The Board of Directors proposes to the general meeting that the Company pays for the financial year 2021 a dividend of DKK 7.50 per share of DKK 1.*

4. Presentation of the Company's remuneration report for an advisory vote

*The remuneration report is available on [www.st-group.com](http://www.st-group.com).*

5. Adoption of the remuneration of the Board of Directors and Board committees

*The Board of Directors proposes that the remuneration of the Board of Directors for the financial year 2022 be as follows (unchanged from 2021):*

- *Ordinary members of the Board of Directors shall be paid a base annual fee of DKK 440,000*
- *The chairman shall receive three times the base annual fee*
- *The vice-chairman shall receive two times the base annual fee*
- *The chairman of the Audit Committee shall receive a fee corresponding to 75 percent of the base annual fee*
- *Other members of the Audit Committee shall receive a fee corresponding to 37.5 percent of the base annual fee*
- *The chairman of each of the Remuneration Committee and Nomination Committee shall receive a fee corresponding to 25 percent of the base annual fee*
- *The members of each of the Remuneration Committee and Nomination Committee shall receive a fee corresponding to 12.5 percent of the base annual fee*

*The fees for the chairmen and members of the committees are in addition to their fee as chairman, vice-chairman or member of the Board of Directors. In addition to the above, the Company may, in accordance with the Company's remuneration policy, also pay social contributions and similar fees that it may be charged by foreign authorities in relation to the fees paid to members of the Board of Directors. Further, the Company may pay travel expenses and other expenses related to the work as a member of the Board of Directors.*

6. Any proposals by the Board of Directors and/or shareholders

*The Board of Directors has not received any proposals from the shareholders.*

6A. Reduction of the Company's share capital

*The Board of Directors proposes that the Company's share capital is reduced.*

*On 10 March 2021, the Company announced a share buy-back programme with the purpose to adjust the Company's capital structure and meet obligations relating to the group's share-based incentive programme. The programme was completed on 28 February 2022.*

*Some of the treasury shares acquired are proposed to be cancelled resulting in the share capital being reduced by treasury shares of a nominal value of DKK 4,500,000 allocated to nominal DKK 4,500,000 own shares with a nominal value of DKK 1 each. After the reduction, the nominal value of the Company's share capital will be DKK 93,000,000.*

*Pursuant to section 188 of the Danish Companies Act, notice is hereby given that the purpose of the capital reduction is to cancel part of the Company's portfolio of treasury shares. According to the practice of the Danish Business Authority, this is comparable to a capital reduction for distribution to shareholders, see section 188(1)(ii) of the Danish Companies Act. The Company has in 2021 and 2022 repurchased treasury shares for an average price of DKK 129.84 per share of nominally DKK 1. This means that in addition to the nominal capital reduction amount, a total of DKK 600,000,000 has been paid out to the Company's shareholders.*

*Prior to the implementation of the capital reduction, the Company's creditors will be requested to file any claims they may have against the Company within a period of 4 weeks. The request will be published via the Danish Business Authority's IT system. The capital reduction will be implemented after expiry of the said 4-week deadline.*

*Adoption of the proposal implies the following amendment of Article 3.1 of the Articles of Association taking effect upon completion of the capital reduction:*

*"3.1 The company's share capital is nominally DKK 93,000,000, divided into shares of DKK 1 or any multiple thereof."*

6B. Change to Articles of Association: Election of vice-chairman optional

*The Board of Directors proposes the following amendment of Article 11.2 of the Articles of Association:*

*"11.2 The board of directors elects a chairman and may decide to elect a vice-chairman. No member of the executive management may be elected as chairman or vice-chairman."*

*With the proposal it will be optional for the Board of Directors whether it elects only a chairman or both a chairman and a vice-chairman.*

7. Election of members to the Board of Directors

*Pursuant to Article 11.1 of the Articles of Association, all members of the Board of Directors elected by the general meeting are elected for one year at a time.*

*Nigel Northridge (Chairman) and Luc Missorten have informed the Company that they will not stand for re-election. The Board of Directors proposes re-election of the following Board members: Henrik Brandt (Current Vice-chairman), Dianne Blixt, Marlene Forsell, Claus Gregersen, Anders Obel and Henrik Amsinck.*

*As announced on 24 January 2022 (Company Announcement No.6/2022), subject to the elections at the Annual General Meeting, the Board of Directors intends to elect Henrik Brandt as Chairman of the Board of Directors.*

*Information about the nominated candidates is enclosed and is also available at the Company's website ([www.st-group.com](http://www.st-group.com)).*

8. Election of auditor(s)

*Pursuant to Article 15.1 of the Articles of Association, the auditor elected by the general meeting is up for election annually. The Board of Directors proposes to re-elect PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab in accordance with the Audit Committee's recommendation. The Audit Committee has not been influenced by any third party and no clause of a contract entered into with a third party has been imposed upon it, which restricts the general meeting's choice of certain auditors or audit firms.*

## VOTING REQUIREMENTS

Adoption of the proposals in items 6A and 6B on the agenda requires adoption by at least 2/3 of both the votes cast and the share capital represented at the general meeting. The other proposals on the agenda may be adopted by a simple majority of votes, see Article 10.2 of the Articles of Association.

## REGISTRATION, ADMISSION AND PROXY

### Registration date

In accordance with Article 9.4 of the Articles of Association, a shareholder's right to participate in the general meeting and the number of votes, which the shareholder is entitled to cast, is determined in accordance with the number of shares held by such shareholder on 24 March 2022 at 11.59 pm (*the registration date*). The shares held by each shareholder are determined at the registration date on the basis of the shareholdings registered in the share register and in accordance with any notices on shareholding received, but not yet registered, by the Company in the share register as of the registration date.

### Deadline for notice of attendance

A shareholder or its proxy wishing to attend the general meeting in person must give notice thereof and order admission cards on the Investor Portal at the Company's website, [www.st-group.com](http://www.st-group.com), or by printing the admission card order form found on the website and submitting it to Computershare A/S, Lottenborgvej 26D, 2800 Kongens Lyngby, email [gf@computershare.dk](mailto:gf@computershare.dk), so that it is received by Computershare no later than 25 March 2022 11.59 pm.

### Admission card

Admission cards will be issued electronically only. Thus, admission cards will not be distributed by ordinary mail. Please register the email address, to which the electronic admission card should be sent, on the Investor Portal at the Company's website, [www.st-group.com](http://www.st-group.com), when you request the admission card.

Shareholders who have ordered admission cards for the general meeting have the following options:

- print the admission card and bring it to the general meeting, or
- bring the admission card on a smartphone or tablet, or
- collect the admission card at the general meeting upon presentation of proper ID.

### Proxy and postal votes

You may appoint a proxy to cast the votes carried by your shares. The proxy can be submitted directly via the Investor Portal on the Company's website, [www.st-group.com](http://www.st-group.com), or by printing the proxy form at the website and submitting it, duly signed and dated, to Computershare A/S, Lottenborgvej 26D, 2800 Kongens Lyngby, email [gf@computershare.dk](mailto:gf@computershare.dk). The proxy must be submitted so that it is received by Computershare no later than 25 March 2022 at 11.59 pm.

Shareholders may also vote by post directly on the Investor Portal on the Company's website, [www.st-group.com](http://www.st-group.com). Alternatively, shareholders can submit the printed, signed and dated postal vote form found at the website to Computershare A/S, Lottenborgvej 26D, 2800 Kongens Lyngby, email [gf@computershare.dk](mailto:gf@computershare.dk). Vote by post must be received by Computershare A/S no later than 30 March 2022 at 11.59 pm. Once a vote by post has been received, the vote cannot be revoked by the shareholder.

## LANGUAGE

In accordance with Article 9.7 of the Articles of Association the general meeting will be conducted in English. Shareholders present at the meeting may choose to speak in Danish or English.

## SHARE CAPITAL AND VOTING RIGHTS

The Company's share capital is nominally DKK 97,500,000, divided into 97,500,000 shares of DKK 1 each. Article 9.1 of the Articles of Association stipulates that each share of nominally DKK 1 shall carry one vote at the general meeting.

## AGENDA ETC.

The complete, unabridged text of the documents to be submitted to the general meeting, including the total number of shares and voting rights as at the date of the notice, the agenda with the full text of all proposals to be submitted to the general meeting, the forms to be used for voting by proxy and by post, as well as the audited annual report, the sustainability report and the remuneration report are available at the Company's website, [www.st-group.com](http://www.st-group.com).

## RIGHT TO INQUIRE

According to Article 9.6 of the Articles of Association, the shareholders have the right to ask questions in writing to the Company's management about matters of significance to the assessment of the annual report and the general position of the Company or the assessment of any matter to be resolved at the general meeting. Shareholders may also ask questions to the management of the Company at the general meeting.

## PERSONAL DATA

In connection with the general meeting, the Company collects, processes and retains certain personal data. In this respect reference is made to the Company's Privacy Policy and Cookie Policy, which are available on the Company's website ([www.st-group.com](http://www.st-group.com)).

Scandinavian Tobacco Group A/S

The Board of Directors

### For further information, please contact:

For investor enquiries:

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## CANDIDATES FOR THE BOARD OF DIRECTORS

### **Henrik Brandt (Current Vice-chairman)**

Independent

Born in 1955

Nationality: Danish

Joined the board in 2017 and was elected Vice-chairman in 2017. Member of Remuneration Committee and Nomination Committee.

#### **Educational background:**

- MBA from Stanford University
- Master of Science (Econ), Copenhagen Business School

#### **Competencies:**

- Extensive executive and non-executive experience in leading international, publicly listed and private equity businesses
- Sales and marketing of fast-moving consumer goods
- Strategic business development

#### **Selected former positions:**

- President and CEO Royal Unibrew A/S 2008-2017
- President and CEO of Unomedical A/S 2003-2008
- President and CEO of Sophus Berendsen A/S (now Berendsen A/S) 1999-2002
- CEO of House of Prince A/S (1990-1999) and Group Executive of Skandinavisk Tobakskompagni A/S 1992-1999
- President and CEO of Fritz Hansen A/S 1989-1992
- President and CEO of Kevi A/S 1987-1989

#### **Directorships and other offices:**

- Chairman of the board of Toms Gruppen A/S, Fritz Hansen A/S, Intervare A/S (and its subsidiary nemlig.com A/S) and Danish Bake Holding ApS (Ole & Steen)
- Member of the board of Ferd Holding as, Gerda & Victor B. Strands Fond/Toms Gruppens Fond and Gerda & Victor B. Strand Holding A/S

### **Dianne Neal Blixt**

Independent

Born in 1959

Nationality: American

Joined the board in 2016. Member of the Audit Committee

#### **Educational background:**

- Master's degree in Business Administration and Finance from University of North Carolina at Greensboro

#### **Competencies:**

- Significant experience in business analysis
- Financial management and reporting expertise
- Considerable insight into the US tobacco industry

#### **Selected former positions:**

- Member of the board of directors of Lorillard, Inc. 2011-2015
- Executive Vice President and Chief Financial Officer of Reynolds American, Inc., 2004-2007
- Various positions in Reynolds American and its subsidiaries 1988-2003
- Executive Vice President and Chief Financial Officer of R. J. Reynolds Tobacco Holdings, Inc. 2003-2004

#### **Directorships and other offices:**

- Member of the board of Ameriprise Financial Services, Inc. (Chairperson of the Compensation Committee, Member of the Audit Committee, Member of the Executive Committee), Triad Business Bank (Member of the Executive Committee), the National Sports Media Association (Member of the Finance and Governance Committee) and Reynolda House Museum of American Art (Chairperson of the Strategy Committee, Member of the Finance Committee)

### **Marlene Forsell**

Independent

Born in 1976

Nationality: Swedish

Joined the board in 2019. Chairman of the Audit Committee.

#### **Educational background:**

- Master of Science degree in Business Administration and Economics from Stockholm School of Economics

#### **Competencies:**

- Extensive experience with and insight into financial matters
- Enterprise performance management
- Reporting processes in listed companies
- Considerable insight into the tobacco industry

#### **Selected former positions:**

- Senior Vice President and CFO of Swedish Match AB 2013-2018
- Member of the board of Scandinavian Tobacco Group A/S 2014-2017
- Various positions in the Swedish Match group, including Vice President Group Reporting and Vice President Business Control 2004-2013
- Analyst Ernst & Young 2001-2004

#### **Directorships and other offices:**

- Member of the board of Kambi Group plc (Chairman of the Audit Committee), Lime Technologies AB (Chairman of the Audit Committee), Nobia AB (Chairman of the Audit Committee), InDex Pharmaceuticals Holding AB and AddSecure AB (Member of the Audit Committee)

### **Claus Gregersen**

Not independent

Born in 1961

Nationality: Danish

Joined the board in 2019. Member of the Remuneration Committee and the Nomination Committee.

#### **Educational background:**

- Bachelor of Commerce degree (HD) in Business Finance from Copenhagen Business School

#### **Competencies:**

- Board experience from international, private and public enterprises
- Management experience from Danish and international enterprises
- Extensive experience with M&A, capital markets, strategic development, risk management and operations

#### **Selected former positions:**

- CEO and Country Manager at Carnegie Investment Bank 2010-2017
- Partner, Select Partners, Asset Management 2005-2010

#### **Directorships and other offices:**

- Chairman of the board of Skandinavisk Holding A/S, Skodsborg Sundhedscenter A/S, Kurhotel Skodsborg A/S, Rungsted Sundpark A/S, Skodsborg Sundpark A/S, The Scandinavian ApS and Scandinavian Tobacco Group's gævefond
- Vice-Chairman of the board of Jeudan A/S (Member of the Remuneration Committee and the Nomination Committee)
- Member of the board of Gyldendal A/S (Member of the Remuneration Committee and the Nomination Committee), Fritz Hansen A/S, Tivoli A/S (Member of the Audit Committee), Axcel Future, Aktive Ejere and Søren Gyldendal Fonden
- CEO of Chr. Augustinus Fabrikker Aktieselskab and CAF Invest A/S

### **Anders Obel**

Independent

Born in 1960

Nationality: Danish

Joined the Board in 2018

#### **Educational background:**

- BSc in Economics and Business Administration from Copenhagen Business School

#### **Competencies:**

- Extensive experience in management of industrial and investment companies
- Strategic business development
- Economic and financial expertise

#### **Selected former positions:**

- Member of the board of directors of Forenet Kredit f.m.b.a., Nykredit Holding A/S and Nykredit Realkredit 2009-2017
- Member of the board of directors of Scandinavian Tobacco Group A/S 2010-2016
- Vice President at Gemini Consulting/Cap Gemini 1996-2002
- Various positions, including Manager, at Hambros Bank Plc., 1985-1996

#### **Directorships and other offices:**

- Chairman of the board of C.W. Obel Bolig A/S, C.W. Obel Ejendomme A/S, Obel-LFI Ejendomme A/S, Semco Maritime A/S, Semco Maritime Holding A/S, Goodvalley A/S (Member of the Audit Committee and the Nomination Committee, Chairman of the Remuneration Committee), Woodmancott Fonden and Haxholm v/Anders Christen Obel
- Vice Chairman of the board of Fritz Hansen A/S and Skandinavisk Holding A/S
- Member of the board of Scandinavian Tobacco Group's gævefond, Minkpapir A/S, Palcut A/S, C.W. Obels Fond, Danmark-Amerika Fondet (Danmarks amerikanske selskab), Fonden Det Obelske Jubilæumskollegium, Mullerupgaard- og Gl. Estrupfonden, Høvdingsgaard Fonden, Skjørringefonden, Aktieselskabet Dampskibsselskabet Orient's Fond, Kilsmark A/S, Rexholm A/S, A/S Motortramp and Skovselskabet af 13. December 2017 A/S
- CEO of C.W. Obel A/S and Anders Christen Obel ApS

### **Henrik Amsinck**

Independent

Born in 1961

Nationality: Danish

Joined the Board in 2021

#### **Educational background:**

- M. Sc. Business Economics, Aarhus University

#### **Competencies:**



- Executive experience from contributing to the running of large, international and global corporations
- Extensive experience with strategy development, change and program management
- Considerable insight into digital transformation, global IT management and cyber security & compliance
- Experience with retail and online business

**Selected former positions:**

- CIO and Corporate Management Member in the LEGO Group, 2007-2021
- CIO and board member, TDC Totalløsninger A/S & TDC A/S, 2005-2007
- Finance and IT Director, Management Board Member, AAK A/S, 2004-2005
- CIO, Aarhus Oliefabrik A/S, 1999-2004

**Directorships and other offices:**

- Member of the board of DSB (Member of the Audit Committee), LEGO GmbH and LEGO India, Private Limited

## OVERVIEW OF PROPOSED CHANGES TO THE ARTICLES OF ASSOCIATION

<b>Article</b>	<b>Current text</b>	<b>Proposed text</b>
3.1	The company's share capital is DKK nominally 97,500,000, divided into shares of DKK 1 or any multiple thereof.	The company's share capital is nominally DKK 93,000,000, divided into shares of DKK 1 or any multiple thereof.
11.2	The board of directors elects a chairman and a vice-chairman. No member of the executive management may be elected as chairman or vice-chairman.	The board of directors elects a chairman and may decide to elect a vice-chairman. No member of the executive management may be elected as chairman or vice-chairman.