

Stockholm, 30 March 2023

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

The shareholders of Orrön Energy AB (publ), 556610-8055 (the “**Company**”), are hereby given notice of the Annual General Meeting to be held on 4 May 2023 at 13.00 (CEST) at Södra Teatern, Mosebacke Torg 1-3, in Stockholm. The entrance to the meeting will open at noon (CEST).

Shareholders may choose to exercise their voting rights at the Annual General Meeting by attending in person, through a proxy or by postal voting.

### Vote at the Annual General Meeting

Those who wish to exercise their voting rights at the Annual General Meeting must:

- be entered as a shareholder in the share register kept by Euroclear Sweden AB on 25 April 2023 or, if the shares are registered in the name of a nominee, request that the nominee registers the shares in their own name for voting purposes in such time that the registration is completed by 27 April 2023.
- give notice of attendance at the Annual General Meeting to the Company in accordance with the instructions set out in the section “*Notice of attendance for participating in person or through a proxy*” or submit a postal vote in accordance with the instructions set out in the section “*Voting by post*” no later than 27 April 2023.

### Notice of attendance for participating in person or through a proxy

Those who wish to participate in the Annual General Meeting in person or through a proxy shall give notice of attendance to the Company no later than 27 April 2023 either:

- electronically on the Company's website, [www.orrön.com](http://www.orrön.com) (only applicable to individuals).
- by email to [info@computershare.se](mailto:info@computershare.se).
- by post to Computershare AB, Box 5267, SE-102 46 Stockholm (Att. “Orrön Energy's AGM”).
- by telephone to +46 (0)8 518 01 554 on weekdays between 09.00 a.m. and 16.00 p.m. (CEST).

The notice of attendance shall state name, date of birth or corporate identification number, address, telephone number and, where relevant, the number of accompanying advisors (not more than two).

Those who do not wish to attend the Annual General Meeting in person or exercise their voting rights by postal voting may exercise their voting rights at the Annual General Meeting through a proxy in possession of a written, signed and dated proxy form. A proxy form issued by a legal entity must be accompanied by a copy of a certificate of registration or a corresponding document of authority for the legal entity. To facilitate the registration at the Annual General Meeting, proxy forms, certificates of registration and other documents of authority should be submitted to the Company at Computershare AB, Box 5267, SE-102 46 Stockholm (Att. “Orrön Energy's AGM”) no later than 27 April 2023. Please note that notice of attendance must be given even if a shareholder wishes to exercise its rights at the meeting through a proxy. A submitted proxy form does not count as a notice of attendance. Template proxy forms in Swedish and English are available on the Company's website, [www.orrön.com](http://www.orrön.com).

### Voting by post

The Board of Directors has resolved that shareholders may exercise their voting rights by postal voting and shareholders who wish to do so, shall use the voting form and follow the instructions available on the Company's website, [www.orrön.com](http://www.orrön.com). The postal vote must be received by the Company no later than 27 April 2023. The postal voting form shall be sent either:

- electronically in accordance with the instructions available on [www.orrön.com](http://www.orrön.com).
- by email to [info@computershare.se](mailto:info@computershare.se).
- by post to Computershare AB, Box 5267, SE-102 46 Stockholm (Att. “Orrön Energy AGM”).

Those who wish to withdraw a submitted postal vote and instead exercise their voting rights by participating in the Annual General Meeting in person or through a proxy must give notice thereof at the registration of the Annual General Meeting prior to the opening of the Annual General Meeting.

## **Proposed agenda**

1. Opening of the Annual General Meeting.
2. Election of Chair 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. Presentation by the Chief Executive Officer.
8. Presentation of the annual and sustainability 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.
11. Resolution in respect of discharge from liability of members of the Board of Directors and Chief Executive Officers.
12. Resolution in respect of the remuneration report prepared by the Board of Directors.
13. Nomination Committee proposals:
  - Proposal for the number of members of the Board of Directors.
  - Proposal for remuneration of the Chair of the Board of Directors and other members of the Board of Directors.
  - Proposal for election of Chair and other members of the Board of Directors.
  - Proposal for remuneration of the auditor.
  - Proposal for election of auditor.
  - Proposal for a revised Nomination Committee Process.
14. Resolution in respect of the number of members of the Board of Directors.
15. Resolution in respect of remuneration of the Chair of the Board of Directors and other members of the Board of Directors.
16. Resolutions in respect of Board members:
  - a) re-election of C. Ashley Heppenstall as a Board member;
  - b) re-election of Grace Reksten Skaugen as a Board member;
  - c) re-election of Jakob Thomasen as a Board member;
  - d) election of Peggy Bruzelius as a Board member;
  - e) election of William Lundin as a Board member; and
  - f) re-election of Grace Reksten Skaugen as the Chair of the Board of Directors.
17. Resolution in respect of remuneration of the auditor.
18. Election of auditor.
19. Resolution in respect of a revised Nomination Committee Process.
20. Resolution in respect of Employee LTIP 2023.
21. Resolution in respect of delivery of shares under the Employee LTIP 2023 through:
  - a) an issue and transfer of warrants of series 2023:1; or
  - b) an equity swap arrangement with a third party.
22. Resolution in respect of authorisation for the Board of Directors to resolve on new issue of shares and convertible debentures.
23. Resolution in respect of authorisation for the Board of Directors to resolve on repurchase and sale of shares.
24. Resolutions in respect of proposals from a shareholder:
  - a) to make a provision of MSEK 1,394.8 for the Swedish Prosecution Authority's claim against the Company; and
  - b) that the Company discloses in detail all current and projected direct and indirect costs and material risks connected with the legal defence of its former Chairman Ian Lundin and its former CEO and Director Alex Schneider, and the Company itself.
25. Closing of the Annual General Meeting.

## **Proposals for resolutions to be presented at the Annual General Meeting of Orrön Energy AB on 4 May 2023**

### **Items 2 and 14–18: Resolutions in respect of Chair of the Annual General Meeting, number of Board members, remuneration of the Chair of the Board of Directors and other members of the Board of Directors, election of Chair of the Board of Directors and of other members of the Board of Directors, and remuneration of the auditor and election of the auditor**

Orrön Energy AB's Nomination Committee for the 2023 Annual General Meeting consists of Ian H. Lundin (Chair, representing Nemesia S.å.r.l.), Oskar Börjesson (representing Livförsäkringsbolaget Skandia, ömsesidigt) Mikael A. Pettersson (representing Dita Invest Holding AB) and Grace Reksten Skaugen (Chair of the Board of Directors). The Nomination Committee for the 2023 Annual General Meeting, appointed by shareholders jointly holding approximately 34.8 per cent of the shares and voting rights in Orrön Energy AB as per 1 August 2022, proposes the following:

- Advokat Klaes Edhall to be appointed as Chair of the Annual General Meeting or, if he is absent, any other person appointed by the Nomination Committee.
- Five members of the Board of Directors to be appointed without deputy members.
- Remuneration of the members of the Board of Directors and the Chair of the Board of Directors, including in respect of Committee membership, to be as follows: (i) annual fees for the members of the Board of Directors of EUR 60,000 (excluding the Chair of the Board of Directors); (ii) annual fees for the Chair of the Board of Directors of EUR 120,000; (iii) annual fees for Committee members of EUR 5,000 per Committee assignment (other than Committee Chairs); and (iv) annual fees for Committee Chairs of EUR 10,000; with the total fees for Committee work (including fees for Chairs of Committees) not to exceed EUR 50,000.
- Re-election of C. Ashley Heppenstall, Grace Reksten Skaugen and Jakob Thomasen as members of the Board of Directors and election of Peggy Bruzelius and William Lundin for a period until the end of the 2024 Annual General Meeting. Peggy Bruzelius was a Board member of the Company from the 2013 AGM until 30 June 2022, during its legacy oil and gas business. Ms. Bruzelius holds a Master of Science (Economics and Business) and an Honorary Doctorate in Economics from the Stockholm School of Economics. Ms. Bruzelius was formerly Managing Director of ABB Financial Services AB and has headed the asset management division of Skandinaviska Enskilda Banken AB. Ms. Bruzelius has held numerous public company Board positions and is currently Chair of Lancelot Holding AB and a Board member of IAG, the parent company of British Airways, Iberia, Air Lingus et al. William Lundin is a member of the Lundin family and holds a degree in Mineral Resource Engineering from Dalhousie University. Mr. Lundin has extensive experience from the natural resource industry through exposure to several Lundin Group companies and is a registered professional engineer in Canada. Mr. Lundin currently works as the Chief Operating Officer of International Petroleum Corp. and has previously held positions with BlackPearl Resources Inc., Lundin Mining Corporation and Denison Mines Corp. Mr. Lundin is currently a director of ShaMaran Petroleum Corp. and Filo Mining Corp., and Chairman of the Board of Africa Energy Corp.
- Re-election of Grace Reksten Skaugen as Chair of the Board of Directors for a period until the end of the 2024 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 Kriström as the auditor in charge, for a period until the end of the 2024 Annual General Meeting.
- Adoption of a revised Nomination Committee Process in accordance with the proposal set out under item 19 below.

### **Item 3: Preparation and approval of the voting register**

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 in person or through proxy and postal votes received by the Company is approved as voting register for the Annual General Meeting.

### **Item 10: Resolution in respect of disposition of the Company's result according to the adopted balance sheet**

The Board of Directors proposes that no dividend is distributed and that all distributable funds are brought forward.

### **Item 19: Resolution in respect of a revised Nomination Committee Process**

The Nomination Committee proposes that the Annual General Meeting resolves to adopt the following Nomination Committee Process, to replace the current Nomination Committee Process that was adopted at the Extraordinary General Meeting 2022, with a change not to require the Chair of the Board to be a member of the Nomination Committee, and to apply until a General Meeting of Shareholders resolves otherwise.

#### **NOMINATION COMMITTEE PROCESS**

##### **1. General**

- 1.1 As per the Swedish Code of Corporate Governance (Code of Governance), the Company shall each year appoint a Nomination Committee which shall have as its sole task to propose decisions to the Annual General Meeting (AGM) on electoral and remuneration issues, and procedural issue for the appointment of the Nomination Committee for the following year.
- 1.2 The AGM shall either appoint the members of the Nomination Committee or specify how they are to be appointed. This Nomination Committee Process shall apply as the Company's nomination procedure generally for all AGMs, until recommended to be amended or replaced by a future Nomination Committee, to specify how the Nomination Committee is to be appointed and to instruct the Nomination Committee on how it is to conduct its work.
- 1.3 References herein to AGMs shall apply *mutatis mutandis* to Extraordinary General Meetings where elections of the Board of Directors and/or the auditor are to take place.

##### **2. Appointment of the Nomination Committee**

- 2.1 The Chair of the Board of Directors shall invite three of the larger shareholders of the Company based on shareholdings as per 1 August of each year, provided such larger shareholders agree to participate, to form a Nomination Committee for the AGM of the following year. The Chair of the Board of Directors may be a member of the Nomination Committee. External members not appointed by a larger shareholder may also be invited to join the Nomination Committee to assist in and facilitate the work of the Nomination Committee.
- 2.2 The names of the members of the Nomination Committee shall be published on the Company's website no later than six months prior to the AGM of the following year. The names of the shareholders that the members were appointed by, if applicable, shall be included in the announcement, as well as information on how shareholders may submit recommendations to the Nomination Committee.
- 2.3 The mandate period of a Nomination Committee commences on the date its composition has been published as per article 2.2 and continues until the publication of the composition of the Nomination Committee for the following AGM.
- 2.4 The Chair of the Board of Directors shall convene the first meeting of each Nomination Committee, which is to be held in good time before the announcement of the composition of the Nomination Committee as per article 2.2. The Nomination Committee shall appoint a Chair at the first meeting.
- 2.5 If the shareholding in the Company changes significantly before the Nomination Committee's work has been completed, or if a member leaves the Nomination Committee before its work has been completed, a change in the composition of the Nomination Committee may take place. If the Nomination Committee then consists of appointees of less than three of the larger shareholders of the Company, the Chair of the Board shall, with the aim to increase the number of members to three, invite another larger shareholder to join the Nomination Committee. If a member ceases to be connected to a larger shareholder, due to termination of employment or similar, that larger shareholder may appoint another person to replace such member of the Nomination Committee. Information about changes to the composition of the Nomination Committee, as well as information about new members and the larger shareholders that they were appointed by, if applicable, shall be published on the Company's website as soon as possible after a change has occurred.

##### **3. Duties of the Nomination Committee**

- 3.1 The Nomination Committee shall prepare proposals for the following resolutions to the AGM:
  - (i) Chair of the AGM;

- (ii) number of members of the Board of Directors;
- (iii) members of the Board of Directors;
- (iv) Chair of the Board of Directors;
- (v) remuneration of the members of the Board of Directors, distinguishing between the Chair and other members and remuneration for Board Committee work;
- (vi) election of auditor of the Company;
- (vii) remuneration of the Company's auditor; and
- (viii) Nomination Committee Process (in case of amendment).

3.2 The proposals of the Nomination Committee shall be presented to the Company in a written report in general at least eight weeks before the AGM to ensure the proposals can be duly included in the notice of the AGM. The Nomination Committee report shall in addition be posted on the Company's website at the same time as the notice of the AGM is issued.

3.3 As a basis for its proposals regarding the members of the Board of Directors, the Nomination Committee shall consider the requirements set forth in the Code of Governance to ensure that the Company's Board of Directors has a size and composition that enables it to manage the Company's affairs efficiently and with integrity.

3.4 In its written report, the Nomination Committee shall include a description of its work and considerations, as well as explanations regarding its proposals, in particular in respect of the following requirements regarding the composition of the Board of Directors:

- (i) candidates' age, principal education and work experience;
- (ii) any work performed by the candidates for the Company and other significant professional commitments;
- (iii) candidates' holdings of shares and other financial instruments in the Company and any such holdings owned by candidates' related natural or legal persons;
- (iv) whether the Nomination Committee deems the candidates to be independent of the Company and Group Management, as well as of major shareholders of the Company;
- (v) in case of re-election, the year that the candidates were first elected to the Board of Directors; and
- (vi) other information that could be of importance to shareholders to assess the candidates' expertise and independence.

3.5 If an election for auditor shall take place at the AGM, the proposal of the Nomination Committee shall be based on a report to be prepared by the Company's Audit Committee, which report shall include an assessment of the independence and impartiality of the proposed auditor, as well as of the implications of services provided to the Company by the proposed auditor outside the scope of general audit work, if applicable.

3.6 The Nomination Committee shall at each AGM give an account of its work and present its proposals for resolutions at the AGM. All members of the Nomination Committee shall endeavour to be present at each AGM.

#### **4. Meetings of the Nomination Committee**

4.1 The Nomination Committee shall meet as often as is required for the performance of its duties. A notice of a meeting shall be circulated by the Chair of the Nomination Committee in good time before each meeting, except as provided in article 2.4 in respect of the first meeting of each Nomination Committee. Any member of the Nomination Committee may reasonably request at any time during the mandate period that a meeting be convened and the Chair shall comply with such reasonable requests.

4.2 The Nomination Committee shall be quorate if more than half of the members are present.

4.3 The Nomination Committee shall endeavour to reach unanimous decisions in all matters to be proposed to the AGM. If a unanimous decision cannot be reached, the Nomination Committee shall present to the AGM the proposals approved by a majority of the members of the Nomination Committee and dissenting members may present their own proposals individually or jointly with other members of the Committee.

4.4 Meetings of the Nomination Committee shall be minuted and the minutes shall be signed by the person keeping the minutes and shall be attested by the Chair and another member appointed by the Nomination Committee. If the Chair has been assigned to keep the minutes, the minutes shall be attested by two other members appointed by the Nomination Committee.

## 5. Other

5.1 All information which is provided to the members of the Nomination Committee by the Company and/or candidates, or which information the Nomination Committee members otherwise receive within the scope of their duties as Nomination Committee members, shall be treated as confidential and may not be disclosed to third parties without the prior approval of the Company.

5.2 No remuneration shall be paid to the members of the Nomination Committee. The Company may however cover reasonable out of pocket expenses that the members may occur in relation to work performed for the Nomination Committee.

5.3 The Nomination Committee shall yearly assess this Nomination Committee Process and shall propose changes to it to the AGM, as appropriate.

### Item 20: Resolution in respect of Employee LTIP 2023

The Board of Directors proposes that the Annual General Meeting resolves to establish a long-term share-related incentive plan in the form of a share option plan for members of Group Management and other employees of the Company on the terms and conditions set out below (the “**Employee LTIP 2023**”).

#### Background and purpose

The reason for establishing the Employee LTIP 2023 is to align the interests of the members of Group Management and other employees with the interests of the shareholders as well as to provide market appropriate reward for a new business reflecting continuity, commitment and share price appreciation. The Board of Directors believes that the Employee LTIP 2023 will provide the Company with a crucial component to a competitive total compensation package to attract and retain employees who are critical to the Company’s future success.

The Employee LTIP 2023 follows the same principles as the long term incentive plan resolved upon by the Extraordinary General Meeting 2022. The Employee LTIP 2023 is offered as a complement to base salaries to create an overall remuneration approach that further emphasises the long-term sustainable growth and strategic success of the Company.

#### Terms and conditions

Subject to the terms and conditions of the Employee LTIP 2023, the Company will grant options (“**Employee Options**”) free of charge to members of Group Management and other employees as allocated by the Board of Directors, or the Compensation Committee of the Board of Directors, pursuant to the following principles.

1. The maximum number of Employee Options that may be granted is 7,000,000. Each Employee Option shall entitle the holder to purchase one share in the Company subject to continued employment within the Group. Accordingly, the maximum number of shares available for the participants under the Employee LTIP 2023 shall be 7,000,000.
2. The Board of Directors shall at its discretion be entitled to grant Employee Options to any employees (expected to grant to approximately 30 employees). The Chief Executive Officer may be granted up to 2,290,000 Employee Options and other employees may be granted up to 1,074,000 Employee Options each (subject to the cap of 7,000,000 Employee Options in total).
3. The purchase price per share in the Company upon exercise of an Employee Option (the “**Exercise Price**”) shall correspond to the volume weighted average price for the Company’s share on Nasdaq Stockholm during 22–26 May 2023, or a later period of five trading days as determined by the Board of Directors in the event the volume weighted average price during 22–26 May 2023 is not deemed to be an appropriate Exercise Price due to intervening changes in the Group, the market or otherwise in the industry.
4. Instead of participants purchasing shares by paying the Exercise Price at exercise of the Employee Options, the primary settlement method shall be to “net equity settle” the Employee Options, meaning that the purchase price for each share shall be equal to the quotient value of the share (currently approximately

SEK 0.01 per share) and that the number of shares that may be purchased shall be reduced by applying the following formula:

Adjusted number of shares = ((A minus B) multiplied by D) divided by (A minus C), where:

- A = the volume weighted average price for the Company's share on Nasdaq Stockholm during the five trading days immediately preceding the date of exercise of the Employee Option
- B = the Exercise Price
- C = the quotient value of the Company's share
- D = the number of Employee Options exercised by the participant

Only whole shares (no fractions) may be delivered and the number of shares delivered at net equity settlement shall thus be rounded down to the nearest number of whole shares.

5. In the event a participant cannot exercise its Employee Options to purchase shares in the Company under applicable laws or regulations or at reasonable cost or with reasonable administrative effort by the participant or the Company, the Board of Directors shall have the right to decide to wholly or partly settle the Employee Options in cash. The Board of Directors shall also have the right to in its own discretion decide that shares and/or cash shall be withheld by the Company in order to cover or facilitate the payment of applicable taxes.
6. The intention is that the Board of Directors shall grant Employee Options on 1 June 2023, but the Board of Directors shall be authorised to in its own discretion finally determine the date of grant taking into account any potential restrictions under applicable laws or regulations. The Employee Options shall vest on 31 May 2026 (the "**Vesting Date**"). The three-year period from 1 June 2023 to the Vesting Date is referred to as the "**Vesting Period**". After the end of the Vesting Period, participants shall be entitled to exercise all or part of the Employee Options until 31 May 2030.
7. In the event of a change of control of the Company or a direct or indirect sale, transfer or other disposal of all or substantially all of the business and assets, the Vesting Period shall be deemed to have completed and the participants shall be entitled to exercise the Employee Options as of the date when the transaction becomes unconditional.
8. Continued employment within the group during the entire Vesting Period shall be a condition for the Employee Options to vest. If the participant resigns after the expiry of the Vesting Period, the participant shall only be entitled to exercise Employee Options during a period of three months following the last day of employment, which may be reasonably extended taking into account any potential restrictions under applicable laws or regulations. The Board of Directors shall be authorised to waive and alter these conditions according to circumstances deemed reasonable.
9. The Board of Directors shall be entitled to recalculate the maximum number of shares (per Employee Option and in total) and the Exercise Price in the event of intervening rights issues, bonus issues, share splits, reverse share splits, dividends or similar events.
10. In order to further align the interests of the members of Group Management with the interests of the shareholders, each member of Group Management shall be required to undertake to retain a minimum of 50 per cent of the shares received when exercising the Employee Options (net after taxes) until the participant has built a personal ownership of shares in the Company equal to 100 per cent of the participant's annual gross base salary (200 per cent for the Chief Executive Officer).
11. The Board of Directors, or the Compensation Committee of the Board of Directors, shall be responsible for the detailed terms and the administration of the Employee LTIP 2023 within the scope and framework of this proposal. In connection therewith, the Board of Directors shall be entitled to adopt different terms and conditions e.g. due to new recruitment, illness, disability, death, redundancy, contractual retirement and other exceptional circumstances determined by the Board of Directors.

#### **Delivery of shares and hedging of costs**

In order to secure the delivery of shares to the participants and cover potential costs (including taxes and social security charges) at exercise of Employee Options under the Employee LTIP 2023, the Board of Directors

proposes that the Annual General Meeting resolves to issue up to 7,350,000 warrants of series 2023:1 (see item 21 a) of the proposed agenda).

In the event the nine-tenth (9/10) majority requirement applicable to the Board of Directors' proposal to issue and transfer warrants of series 2023:1 under item 21 a) of the proposed agenda is not satisfied, the Board of Directors proposes that the Annual General Meeting resolves to approve that the Company hedges its obligations under the Employee LTIP 2023 by entering into an equity swap arrangement with a third party, whereby the third party in its own name shall be entitled to acquire and transfer shares (including to the participants) in accordance with the terms and conditions of the Employee LTIP 2023 (see item 21 b) of the proposed agenda).

### **Estimated costs**

The Employee LTIP 2023 grants participants the right on vesting to purchase shares in the Company for a price equivalent to the Exercise Price. The Employee LTIP 2023 will be accounted for in accordance with the accounting standard IFRS 2 and the costs will be charged to the income statement over the period the Employee Options are earned.

The maximum cost for granting Employee Options under the Employee LTIP 2023 (assuming 100 per cent vesting), excluding costs related to delivery of shares and social security charges, is approximately SEK 28.6 million. Under a scenario where the share price grows by 10 per cent per annum, the maximum cost for social security charges is estimated to be approximately SEK 2.9 million if Employee Options are exercised on the Vesting Date.

### **Effects on key figures**

The effects on key figures depend on the share price development. Assuming a share price and Exercise Price no lower than SEK 10.0; a volatility of 35 per cent; a risk-free rate of 2.28 per cent; a 0 per cent dividend yield; and exercise after 7 years, the number of shares required under the Employee LTIP 2023 amounts to approximately 7 million shares in the Company (subject to final determination of the Exercise Price), corresponding to approximately 2.4 per cent of the total number of shares and votes in the Company. If the Exercise Price is set above SEK 10.0 the maximum number of shares will decrease with the expected costs constant, and if the Exercise Price is set below SEK 10.0, the maximum number of shares will be constant with a decrease in expected costs. The Employee LTIP 2023 is expected to have only marginal effects on the Company's key figures.

If the Employee Options are "net equity settled", the number of shares used can be significantly reduced. Under a scenario where the share price grows by 10 per cent per annum, the use of shares if all Employee Options were exercised on vesting just after the end of the Vesting Period would decrease from a maximum of 2.4 per cent to approximately 0.6 per cent and if all Employee Options were exercised just before the end of the exercise period on 31 May 2030 to approximately 1.2 per cent.

If the warrant settlement method proposed under item 21 a) of the proposed agenda is not approved with the requisite majority and the Company's obligations under the Employee LTIP 2023 are settled by way of an equity swap arrangement with a third party, no dilution effect will arise.

### **Other long-term incentive plans**

For a description of the Company's other outstanding long-term incentive plans (Board LTIP 2022 and Employee LTIP 2022), please see the Company's annual and sustainability report for 2022 (note 22) and the Company's website, [www.orrn.com](http://www.orrn.com).

### **Preparation of the proposal**

The Employee LTIP 2023 proposal has been prepared by the Compensation Committee and has been approved by the Board of Directors in consultation with external advisers.

### **Majority requirement**

A resolution in accordance with the Board of Directors' proposal regarding the establishment of the Employee LTIP 2023 requires support from shareholders representing more than half (1/2) of the votes cast at the Annual General Meeting.

A resolution in accordance with the Board of Directors' proposal regarding the issue and transfer of warrants of series 2023:1 under item 21 a) of the proposed agenda requires support from shareholders representing not



less than nine-tenth (9/10) of both the votes cast and the shares represented at the Annual General Meeting. A resolution in accordance with the Board of Directors' proposal regarding the equity swap arrangement under item 21 b) of the proposed agenda requires support from shareholders representing more than half (1/2) of the votes cast at the Annual General Meeting.

**Item 21: Resolution in respect of delivery of shares under the Employee LTIP 2023 through (a) an issue and transfer of warrants of series 2023:1 or (b) an equity swap arrangement with a third party**

**Background**

Under the Employee LTIP 2023 proposed by the Board of Directors under item 20 of the proposed agenda, the Company has an obligation, subject to certain conditions, to deliver shares in the Company to the participants in the Employee LTIP 2023.

In order to secure the Company's obligation to deliver shares and to cover a portion of the costs (including taxes and social security charges), the Board of Directors proposes that the Annual General Meeting resolves to issue and transfer up to 7,350,000 warrants of series 2023:1 on the terms and conditions set out in item 21 a) below. In the event the nine-tenth (9/10) majority requirement applicable to the proposed warrant settlement method is not satisfied, the Board of Directors proposes that the Annual General Meeting resolves to approve that the Company hedges its obligations under the Employee LTIP 2023 by entering into an equity swap arrangement with a third party, whereby the third party in its own name shall be entitled to acquire and transfer shares (including to the participants) on the terms and conditions set out in item 21 b) below.

The Board of Directors considers the warrant settlement method to be the preferred alternative since the costs for an equity swap arrangement are significantly higher than the costs for issuing and transferring warrants. If the Annual General Meeting resolves to approve the proposed warrant settlement method under item 21 a) below with the requisite majority, the Board of Directors' intends to withdraw its equity swap arrangement proposal under item 21 b) below.

**Item 21 a): Resolution in respect of delivery of shares under the Employee LTIP 2023 through an issue and transfer of warrants of series 2023:1**

In order to secure the Company's obligation to deliver shares under the Employee LTIP 2023, the Board of Directors proposes that the Annual General Meetings resolves to issue and transfer warrants of series 2023:1 in the Company on the following terms and conditions:

1. A maximum of 7,350,000 warrants shall be issued.
2. The right to subscribe for warrants shall, with deviation of the shareholders' preferential rights, rest with the Company itself.
3. The reason for deviating from the shareholders' preferential rights is to secure the Company's obligations to deliver shares and to cover any costs (including taxes and social security charges) under the Employee LTIP 2023.
4. Subscription for the warrants shall take place on a separate subscription list not later than 1 November 2023.
5. The warrants shall be issued free of charge.
6. Each warrant shall entitle the holder to subscribe for one new share in the Company. The subscription price for each new share shall be equal to the quotient value of the Company's share.
7. The warrants may be exercised during the period from and including 1 June 2023 up to and including 1 June 2031.
8. The new shares shall carry rights to dividends for the first time on the record date for dividends that occurs after subscription has been effected.
9. The subscription price and the number of shares for which each warrant entitles subscription may be re-calculated under certain circumstances as set forth in the complete terms and conditions for the warrants.

10. Upon exercise of all 7,350,000 warrants, the Company's share capital will increase by SEK 89,424.07 (based on a quotient value of approximately SEK 0.01). If the subscription price exceeds the quotient value of the shares, the excess amount shall be allotted to the non-restricted statutory reserve (Sw. *den fria överkursfonden*).
11. The Company may transfer up to 7,350,000 warrants (a) free of charge to participants (and/or a designated third party) for the purpose of enabling the delivery of shares in the Company at exercise of Employee Options under the Employee LTIP 2023 and (b) at a price equal to the fair market value of the warrants as determined using a customary valuation method to a designated third party for the purpose of covering any costs (including taxes and social security charges) at exercise of Employee Options under the Employee LTIP 2023.

The complete terms and conditions for the warrants of series 2023:1 will be available at the Company and on the Company's website, [www.orrn.com](http://www.orrn.com), not later than three weeks prior to the Annual General Meeting.

The resolution shall be conditional upon that the Annual General Meeting resolves to establish the Employee LTIP 2023 in accordance with the Board of Directors' proposal under item 20 of the proposed agenda.

A resolution in accordance with the Board of Directors' proposal requires support from shareholders representing not less than nine-tenth (9/10) of both the votes cast and the shares represented at the Annual General Meeting.

**Item 21 b): Resolution in respect of delivery of shares under the Employee LTIP 2023 through an equity swap arrangement with a third party**

The Board of Directors proposes that the Annual General Meeting resolves to approve that the Company hedges its obligations under the Employee LTIP 2023 by entering into an equity swap arrangement with a third party, whereby the third party in its own name shall be entitled to acquire and transfer shares (including to the participants) in accordance with the terms and conditions of the Employee LTIP 2023.

The resolution shall be conditional upon that the Annual General Meeting resolves to establish the Employee LTIP 2023 in accordance with the Board of Directors' proposal under item 20 of the proposed agenda.

A resolution in accordance with the Board of Directors' proposal requires support from shareholders representing more than half (1/2) of the votes cast at the Annual General Meeting.

**Item 22: Resolution in respect of authorisation for the Board of Directors to resolve on new issue of shares and convertible debentures**

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board of Directors 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; and
- (ii) to issue convertible debentures with consideration in cash or in kind or by set-off, where the number of shares that may be issued after conversion shall not exceed 28,500,000.

The Board of Directors may resolve to deviate from the shareholders' preferential rights. If the Board of Directors resolves to deviate from the shareholders' preferential rights, the reason shall be to enable or facilitate acquisitions of companies or businesses 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 per cent.

A resolution in accordance with the Board of Directors' proposal requires the support of shareholders representing at least two thirds (2/3) of the votes cast and of the shares represented at the Annual General Meeting.

**Item 23: Resolution in respect of authorisation for the Board of Directors to resolve on repurchase and sale of shares**

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 the Company's 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 the Company's capital structure and to enable the use of own shares as consideration for or as financing of acquisitions of companies or businesses, to secure obligations under incentive plans and to cover costs, including social security charges, that may arise as a result of incentive plans.

The Board of Directors' reasoned statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act will be available at the Company and on the Company's website, [www.orrön.com](http://www.orrön.com), not later than three weeks prior to the Annual General Meeting.

A resolution in accordance with the Board of Directors' proposal requires the support of shareholders representing at least two thirds (2/3) of the votes cast and of the shares represented at the Annual General Meeting.

**Item 24 a)–b): Resolutions in respect of proposals from a shareholder**

A shareholder proposes (a) to make a provision of MSEK 1,394.8 for the Swedish Prosecution Authority's claim against the Company, and (b) that the Company discloses in detail all current and projected direct and indirect costs and material risks connected with the legal defence of its former Chairman Ian Lundin and its former CEO and Director Alex Schneider, and the Company itself.

Shareholder proposals in relation to the Company's past activities in Sudan were brought by the same shareholder to the 2012, 2013, 2017, 2019, 2020, 2021 and 2022 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 proposals, as well as the Board of Directors' recommendation to vote against the proposals and the reasons for the recommendation, are available on the Company's website, [www.orrön.com](http://www.orrön.com).

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

Orrön Energy AB's share capital amounts to SEK 3,478,713.38, represented by 285,924,614 shares. Each share carries one vote. Orrön Energy AB holds, as of the date of this notice, no treasury shares.

**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.

**Additional documentation**

Complete 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 Orrön Energy's office (Hovslagargatan 5 in Stockholm) and on [www.orrön.com](http://www.orrön.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).

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Stockholm in March 2023  
ORRÖN ENERGY AB (PUBL)  
*The Board of Directors*

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*Orrön Energy is an independent, publicly listed (Nasdaq Stockholm: "ORRON") renewable energy company within the Lundin Group of Companies. Orrön Energy's core portfolio consists of high quality, cash flow generating assets in the Nordics, coupled with greenfield growth opportunities in the Nordics and Europe. With significant financial capacity to fund further growth and acquisitions, and backed by a major shareholder, management and Board with a proven track record of investing into, leading and growing highly successful businesses, Orrön Energy is in a unique position to create shareholder value through the energy transition.*

**Forward-looking statements**

Statements in this press release relating to any future status or circumstances, including statements regarding future performance, growth and other trend projections, are forward-looking statements. These statements may generally, but not always, be identified by the use of words such as "anticipate", "believe", "expect", "intend", "plan", "seek", "will", "would" or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that could occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to several factors, many of which are outside the company's control. Any forward-looking statements in this press release speak only as of the date on which the statements are made and the company has no obligation (and undertakes no obligation) to update or revise any of them, whether as a result of new information, future events or otherwise.