

*Translation*

**SSAB AB (publ)  
556016-3429**

**MINUTES**

<b>Matter</b>	Annual General Meeting	
<b>Date</b>	April 1, 2020	
<b>Place</b>	Stockholm	
<b>Present</b>	Shareholders according to voting register ( <u>Exhibit 1</u> )	
	Bengt Kjell	Chairman of the Board
	Martin Lindqvist (by phone)	President
	Rickard Andersson	Main accountant
	Sven Unger	Chairman of the meeting
	Jonas Bergstrand	Recorder of the minutes

**ITEM 1 CHAIRMAN AND RECORDER OF THE MINUTES**

The meeting was opened by Bengt Kjell in his capacity as Chairman of the Board of Directors. The meeting appointed Advokat Sven Unger to chair the meeting.

The Chairman requested that undersigned Jonas Bergstrand take the minutes of the day's meeting.

The General Meeting resolved that photographing and sound recording other than the company's own were not allowed.

**ITEM 2 VOTING REGISTER**

A voting register was prepared in respect of the shares represented at the meeting, in accordance with Exhibit 1.

The voting register was approved.

**ITEM 3 AGENDA**

The agenda proposed by the Board of Directors was approved.

**ITEM 4 ELECTION OF PERSONS TO ATTEST THE MINUTES**

Anne-Charlotte Hormgard and Madeleine Ericson were appointed to attest the minutes together with the Chairman.

**ITEM 5 NOTICE OF THE MEETING**

Notice to attend the Annual General Meeting had been issued in accordance with the provisions in the by-laws.

The General Meeting resolved to approve the notice procedure.

**ITEM 6 ANNUAL REPORT AND AUDITOR'S REPORT AS WELL AS THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE GROUP**

The annual report by the Board of Directors and the President, the auditor's report, the consolidated financial statements and the auditor's report for the Group for the 2019 financial year, as incorporated in the printed annual report, were presented to the Annual General Meeting, together with the auditor's opinion relating to compliance with the Annual General Meeting's guidelines regarding compensation to senior executives (Exhibit 2).

The Chairman of the Board held an address and provided an account of the Board's work in 2019.

The President, Martin Lindqvist, held an address in which he described the Group's activities during 2019, including strategic goals and safety work. He also commented on how the spread of COVID-19 affects the company's operations.

Main accountant Rickard Andersson described the audit work and thereafter presented part of the auditor's report and the auditor's report for the Group for the 2019 financial year as well as the auditor's opinion relating to compliance with the Annual General Meeting's guidelines regarding compensation to senior executives.

The shareholders were afforded an opportunity to put questions related to the items on the agenda.

#### **ITEM 7            RESOLUTIONS REGARDING**

a)        ADOPTION OF THE INCOME STATEMENT AND BALANCE SHEET AS WELL AS THE CONSOLIDATED INCOME STATEMENT AND CONSOLIDATED BALANCE SHEET

Upon the recommendation of the auditor, the General Meeting resolved to adopt the income statement and the consolidated income statement for the 2019 financial year as well as the balance sheet and consolidated balance sheet as per 31 December 2019, as incorporated in the printed annual report.

b)        ALLOCATION OF THE COMPANY'S EARNINGS

The Board of Director's revised proposal pursuant to this item was presented to the Annual General Meeting. In accordance with the proposal by the Board of Directors and the President it was resolved that no dividends shall be paid for the financial year 2019 and that the year's profit, balanced profits and free funds are carried forward.

c)        DISCHARGE FROM LIABILITY

Upon recommendation of the auditor, the General Meeting resolved to grant the directors and the President discharge from liability with respect to management of the Company's affairs during 2019.

It was noted that directors present and the President did not participate in the decision.

#### **ITEM 8            DETERMINATION OF NUMBER OF DIRECTORS**

Upon a proposal by the Nomination Committee, it was resolved that there should be eight directors elected by the General Meeting.

**ITEM 9 FEES TO THE CHAIRMAN OF THE BOARD AND DIRECTORS AS WELL AS AUDITORS**

In accordance with the Nomination Committee's revised proposal, the General Meeting resolved that fees for the period until the close of the next Annual General Meeting shall be paid in the amount of SEK 1,800,000 to the Chairman of the Board and SEK 600,000 to each director who is not employed in the Group. That compensation to directors in respect of committee work in the Audit Committee be paid in the amount of SEK 135,000 each, with the exception of the position of Chairman of the Audit Committee, for which payment shall be made in the amount of SEK 225,000. That compensation to directors in respect of committee work in the Remuneration Committee be paid in the amount of SEK 110,000 each, with the exception of the position of Chairman of the Remuneration Committee, for which payment shall be made in the amount of SEK 170,000.

Fees shall be paid to the auditor in accordance with approved invoices.

**ITEM 10 ELECTION OF BOARD OF DIRECTORS**

Following the presentation of a report regarding appointments held in other companies by the proposed directors, in accordance with the Nomination Committee's proposal, and reasoned statement, the following persons were elected as directors for a term of office pursuant to Chapter 8, section 13, paragraph 1 of the Swedish Companies Act:

Bo Annvik (re-election)  
Petra Einarsson (re-election)  
Marika Fredriksson (re-election)  
Marie Grönborg (re-election)  
Bengt Kjell (re-election)  
Pasi Laine (re-election)  
Martin Lindqvist (re-election)  
Annareetta Lumme-Timonen (new-election)

It was noted the Matti Lievonen had declined re-election.

It was noted that pursuant to the Private Employees (Board Representation) Act, the Company's employees have appointed Sture Bergvall, Tomas Karlsson and Patrick Sjöholm as directors, with Mikael Henriksson, Tomas Jansson and Tomas Westman as alternate directors.

**ITEM 11 ELECTION OF CHAIRMAN OF THE BOARD**

Upon a proposal by the Nomination Committee, the General Meeting elected Bengt Kjell as Chairman of the Board of Directors.

**ITEM 12 RESOLUTION REGARDING NUMBER OF AUDITORS AND AUDITOR ELECTION**

Upon a proposal by the Nomination Committee, it was resolved that the number of auditors shall be one registered auditing company and that Ernst & Young AB is re-elected as auditors for one year until the Annual General Meeting for 2021. It was informed that Rickard Andersson will be the main accountant.

**ITEM 13 RESOLUTION REGARDING INSTRUCTION FOR THE  
NOMINATION COMMITTEE**

The General Meeting resolved in accordance with the Nomination Committee's proposal. The instruction below apply for the Nomination Committee.

“The Nomination Committee's assignments and tasks are set out in the Swedish Corporate Governance Code.

The Chairman of the Board is authorized to invite not less than three and not more than five of the major shareholders in terms of votes to each appoint a member who, together with the Chairman of the Board, shall constitute a Nomination Committee. The determination as to which shareholders constitute the three to five major shareholders in terms of votes shall be based on ownership information from Euroclear Sweden AB's register as per the final day of trading in July (grouped by owner) unless, not later than the sixth weekday in August, any other shareholder gives written notice to the Chairman of the Board and proves his status as one of the three to five major shareholders in terms of votes.

If the Chairman of the Board deems that there is reason to believe that a proposed member's conflict of interest or any other circumstances relating to the individual or the company he or she is representing may damage or have other adverse effects on the Company and its business interests, the Chairman of the Board shall constitute the Nomination Committee together with its members. Thereafter, the Nomination Committee shall decide whether or not the proposed member should be offered a seat on the Nomination Committee. The member concerned shall be given opportunity to comment but may not participate in the decision.

If deemed appropriate as a consequence of any subsequent change in ownership structure, the Nomination Committee shall be entitled to invite additional shareholders to assume a place on the Nomination Committee; however, the total number of members shall not exceed six.

The member representing the largest shareholder in terms of votes shall be Chairman of the Committee. Regardless of how and by whom a member is appointed, the member has to safeguard the interests of all shareholders. The composition of the Nomination Committee shall be published not later than six months prior to the next Annual General Meeting. In the event a member of the Nomination Committee leaves the Committee before its work is completed, the Chairman of the Board shall, if considered necessary by the Nomination Committee, invite the same shareholder - or, if the latter is no longer one of the major shareholders, - the shareholder who, in terms of size of shareholding, is next entitled to appoint a replacement. Members of the Nomination Committee shall receive no fees, but any costs incurred in the course of the nomination work shall be borne by the Company.

If a member is appointed by a shareholder who has sold parts of its holding of SSAB shares and where the shareholder is no longer found among the six largest shareholders in terms of voting, the Nomination Committee can decide that the member shall resign. The member concerned shall be given opportunity to comment but may not participate in the decision.

If a member of the Nomination Committee deems that there is reason to believe that a member's conflict of interest or any other circumstances relating to the individual or the company he or she is representing may damage or have other adverse effects on the Company and its business interests, the Nomination Committee may decide that the

member shall resign. The member concerned shall be given opportunity to comment but may not participate in the decision.

Prior to the Nomination Committee's proposal to the General Meeting, the Nomination Committee must take into account any potential Board member's conflict of interest or other circumstances relating to the individual or the company he or she is representing and which may damage or have other adverse effects on the Company and its business interests.

The Nomination Committee shall, when preparing its proposals for Board members, apply a diversity policy consisting of Rule 4.1 in the Swedish Corporate Governance Code.

When deciding on the Nomination Committee, unanimity shall be sought. When unanimity cannot be reached, decisions are taken by a simple majority and in the case of equal number of votes, the chairman has the casting vote.

The term of office of the Nomination Committee shall extend until the composition of a new Nomination Committee is published. This instruction for the appointment of the Nomination Committee is applicable until decided otherwise by a future General Meeting.”

#### **ITEM 14 APPROVAL OF REMUNERATION GUIDELINES FOR SENIOR EXECUTIVES**

The General Meeting resolved in accordance with the Board's proposal. The guidelines below apply to the determination of salary and other compensation for the CEO and other senior executives.

“These remuneration guidelines include the CEO and other senior executives. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2020. These guidelines do not apply to any remuneration decided or approved by the general meeting.

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

SSAB's business strategy aims to establish the company as an industry leader in terms of both profitability and sustainability among comparable companies. SSAB's stated objective is to become the safest steel company in the world to work in, and shall in addition adhere to high environmental standards and be a responsible partner to all stakeholders. A more detailed description of the business strategy can be found on the company's website. A successful implementation of the company's business strategy and the safeguarding of the company's long-term interests require that the company can recruit and retain qualified employees. For this, the company must be able to offer competitive remuneration in the labor market on which the executive operates. These guidelines are intended to offer senior executives a competitive total remuneration, which in turn promotes the company's business strategy, long-term interests and sustainability.

*Types of remuneration, etc.*

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration consisting of a short-term variable component ("STI") and a long-term variable component ("LTI"), pension benefits and

other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The satisfaction of criteria for variable cash remuneration shall be measured over a period of one year for STI and three years for LTI. STI may amount to not more than 75 per cent of the fixed annual cash salary for the CEO and not more than 50 per cent for other senior executives. LTI may amount to not more than 30 per cent of the fixed annual cash salary for the CEO and other senior executives.

For the CEO and other senior executives pension benefits shall be contribution-based except in those cases where so provided in the rules of a general pension plan (e.g. the Swedish ITP2 plan). The retirement age should be set individually, however, in no case earlier than the age of 62. In the event the employment terminates prior to the retirement age, the executive shall receive a paid-up policy for earned pension. Variable cash remuneration shall not qualify for pension benefits, except in those cases where so provided in the rules of a general pension plan. The pension premiums shall amount to not more than 50 per cent of the annual pensionable salary.

Other benefits may include, for example, health insurance, medical insurance and company cars. Premiums and other costs relating to such benefits may amount to not more than 10 per cent of the fixed annual cash salary.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

#### *Termination of employment*

Upon termination of an employment, the notice period may not exceed twelve months. Fixed salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed salary for 24 months for the CEO and 18 months for the other senior executives. The period of notice may not exceed six months without any right to severance pay when termination is made by the executive.

For senior executives outside Sweden, the termination period and severance pay may deviate from the above stated due to legislation or local market practice.

#### *Criteria for variable cash remuneration, etc.*

The variable cash remuneration shall be linked to predetermined and measurable criteria. The criteria shall be designed to contribute to the company's business strategy and long-term interests, including sustainability.

The criteria for STI are set annually and shall consist of group objectives, of unit objectives (i.e. objectives related to a particular division, a certain subsidiary or a certain function) and of individual objectives, with distribution as follows.

Group objectives may be financial and non-financial. The financial objectives shall comprise at least 60 per cent of the group objectives and shall be linked to EBITDA margins in relation to a comparison group of the company's competitors, own EBITDA level or margin, return on capital employed, the company's cash flow or the company's stock turnover. The non-financial group objectives shall be linked to sustainability.

The unit objectives may be different for different units. For units with clear profit responsibility, the unit objectives shall to at least 50 per cent consist of financial objectives that shall be linked to sales, volumes, operating profit, operating margins, cost savings, return on capital employed or cash flows. The remaining part of the unit

objectives shall consist of operational objectives linked to sustainability and fulfillment of the unit's strategic plan. For other units, the unit objectives shall be designed so that they clearly contribute to the fulfillment of the respective unit's strategy, including sustainability.

Individual objectives shall consist of quantitative or qualitative objectives aimed at increased value creation for the company.

For the CEO, STI shall comprise at least 85 per cent of group objectives and the remainder of individual objectives. For senior executives with clear own profit responsibility, STI shall comprise at least 45 per cent of unit objectives, up to a maximum of 15 per cent of individual objectives and the remaining part of group objectives. For other senior executives, STI shall consist of at least 70 per cent of group objectives, up to a maximum of 15 per cent of individual objectives and the remaining part of unit objectives.

LTI shall to 40-60 per cent be linked to the total return on the SSAB share in relation to a comparison group of the company's competitors and the remaining part shall be linked to a group-wide financial objective such as return on capital employed, own EBITDA level or EBITDA margin. However, for employees in division Americas, 20-40 per cent of LTI shall be linked to SSAB Americas own earnings and return on capital employed.

The objectives of LTI are to create a common interest for the company management and shareholders to drive the business towards long-term good return on the SSAB-shares and to promote the company's ability to recruit and retain key employees.

The variable cash compensation programs shall be structured such that the board of directors has the possibility, should exceptional circumstances prevail, to restrict the payment of variable cash compensations, or to decline to make such payment, where such a measure is deemed reasonable and compatible with the company's responsibilities to its shareholders, employees and other stakeholders.

To which extent the objectives for variable cash remuneration has been satisfied shall be evaluated when the measurement period has ended. Following a proposal from the remuneration committee, the board of directors is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other senior executives, the remuneration committee is responsible for the evaluation in consultation with the CEO. When the board of directors assesses how the financial objectives have been met, this should be done against the latest published financial information with any adjustments that the board of directors considers necessary or appropriate.

Before the payment of variable cash compensation is effected, the board of directors must verify that the objectives linked to the remuneration have been met and that the remuneration has been calculated correctly.

#### *Salary and employment conditions for employees*

In the preparation of the board of directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the board of directors' and the remuneration committee's basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

#### *The decision-making process to determine, review and implement the guidelines*

The board of directors has established a remuneration committee. The committee's tasks include preparing the board of directors' decision to propose guidelines for executive remuneration. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of these remuneration guidelines as well as the current remuneration structures and compensation levels in the company. The CEO and other senior executives do not participate in the board of directors' or the remuneration committee's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting.

*Derogation from the guidelines*

The board of directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is motivated to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the board of directors' resolutions in remuneration-related matters, including also preparation of resolutions to derogate from the guidelines."

**ITEM 15 RESOLUTION TO AUTHORIZE THE BOARD TO RESOLVE UPON NEW ISSUES OF SHARES**

The General Meeting resolved in accordance with the Board of Directors' proposal to authorize the Board of Directors to, at one or several occasions up to the next Annual General Meeting, resolve on new issues of shares of series B, with or without the disapplication of the shareholders' preferential rights to subscribe for shares. The total number of shares that may be issued by exercise of the authorization shall be within the limits of the articles of association and not exceed ten (10) per cent of the total number of shares in the company at the time of the Board's resolution to issue new shares. The authorization includes a right to resolve to issue new shares for cash consideration, by contribution in kind or payment by set-off. Share issues for cash consideration or for consideration by set-off may be made with disapplication of the shareholders' preferential rights only for the purpose of financing acquisitions and provided that the share issue is made on market terms.

It was noted that all shareholders represented at the AGM supported the resolution, with the exception of those shareholders who had given specific instructions on no-votes and resignations in advance and that the proposal thus was assisted by shareholders representing at least two thirds of both the votes casted and the shares represented at the meeting.

**ITEM 16-18 SHAREHOLDER PROPOSAL FROM THORWALD ARVIDSSON**

The Chairman noted that Thorwald Arvidsson was not present at the meeting, that after the Chairman's question no one requested to speak, that no proposals were presented at the meeting under these items and that the matters therefore were closed.



**ITEM 19 CLOSURE**

The Chairman of the Board expressed the Company's thanks and gratitude to the management and employees for very fine accomplishments in 2019. Special thanks were addressed to retiring Board member Matti Lievonen.

Thereafter the Chairman declared the 2020 Annual General Meeting closed.

Minutes taken by

Jonas Bergstrand

Attested by

Sven Unger

Anne-Charlotte Hormgard

Madeleine Ericson

**TRANSLATION FROM THE SWEDISH ORIGINAL****Auditor's report in accordance with Chapter 8, Section 54 of the Swedish Companies Act (2005:551) on whether the guidelines adopted by the General Meeting regarding remuneration to Group Executive Management have been complied with**

To the General Meeting of SSAB AB (publ), corporate identity 556016-3429

We have examined whether the Board of Directors and the Managing Director of SSAB AB (publ), have, for the year 2019, complied with the guidelines on remuneration to Group Executive Management, adopted at the General Meeting on the 8<sup>th</sup> April 2019 and the General Meeting on the 10<sup>th</sup> April 2018, respectively.

***Responsibilities of the Board of Directors and the Managing Director***

The Board of Directors and the Managing Director are responsible for compliance with the guidelines and for the internal control the Board of Directors and the Managing Director determine is necessary to ensure compliance with the guidelines.

***Auditor's responsibility***

Our responsibility is to issue a report, based on our examination, to the General Meeting regarding whether the guidelines have been complied with. The examination has been performed in accordance with FAR's recommendation RevR 8 *Granskning av ersättningar till ledande befattningshavare i aktiemarknadsbolag* (Examination of Remuneration to Group Executive Management in Listed Companies). Those standards require us to comply with the ethical requirements, and also to plan and perform the examination in such a manner that we may obtain reasonable assurance about whether the guidelines on remuneration have been complied with. The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of SSAB AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The examination has covered the company's organization and documentation of issues concerning remuneration for Group Executive Management, new decisions concerning remuneration, as well as a selection of the financial year's payments to Group Executive Management. The procedures selected depend on the auditor's judgement, including the assessment of the risk that the guidelines have not, in all material respects, been complied with. In making this risk assessment, the auditor considers internal control relevant to the company's compliance with the guidelines in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

We believe that our examination provides a reasonable basis for our conclusion.

***Conclusion***

In our opinion the Board of Directors and the Managing Director of SSAB AB (publ) have, during the year 2019, complied with the guidelines on remuneration to Group Executive Management, which were adopted by the General Meeting on the 8<sup>th</sup> April 2019 and the 10<sup>th</sup> April 2018, respectively.

Stockholm, 3rd March 2020

Ernst & Young AB

**Rickard Andersson**  
**Authorized Public Accountant**