

## PRESS RELEASE

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### **WELCOME TO THE ANNUAL GENERAL MEETING OF ROTTNEROS AB**

#### PLEASE NOTE THE CHANGE OF DATE FOR THE ANNUAL GENERAL MEETING 2016 IN RELATION TO WHAT HAS PREVIOUSLY BEEN ANNOUNCED

The shareholders of Rottneros AB (publ), corporate identity number 556013-5872, are hereby invited to attend the Annual General Meeting (AGM) to be held at 2 p.m. on Monday, 30 May 2016. Location: World Trade Center Stockholm, conference room Manhattan, Kungsbron 1, in Stockholm. Registration for the AGM will open at 1.30 p.m.

#### **Registration and notification**

Shareholders who wish to participate in the proceedings of the AGM must

- be registered as shareholders in the register of shareholders maintained by Euroclear Sweden AB on Tuesday, 24 May 2016, and
- notify the company of their intention to attend the AGM no later than Tuesday, 24 May 2016. The Notification can be made via Rottneros' website, [www.rottneros.com](http://www.rottneros.com). Notification may also be made in writing to Rottneros AB, c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden, or by phone at +46 8 402 90 78. Please include in the notification your name, social security number or corporate identity number, as well as address, phone number, and the number of assistants accompanying the shareholder to the AGM.

#### **Nominee-registered shares**

In addition to notification, shareholders whose shares are registered in the name of a nominee through a bank or other nominee must request to have their shares temporarily re-registered in their own name in the register of shareholders per Tuesday, 24 May 2016, in order to be entitled to attend the AGM. Shareholders should inform its nominee of such request well in advance of this date.

#### **Power of attorney and authorization documents**

Shareholders represented by proxy must issue a power of attorney for their proxy. If the power of attorney is issued by a legal entity, authorization documents for the legal entity, evidencing the authority to issue the proxy (the registration certificate or corresponding authorisation documents), shall be attached. Representatives of a legal entity shall submit equivalent authorization documents. To facilitate registration for the AGM, the power of attorney, in original, and any authorisation documents shall have been received by the company at Euroclear Sweden AB at the above address no later than on Tuesday, 24 May 2016. Proxy forms are available on the company's website, [www.rottneros.com](http://www.rottneros.com).

#### **Agenda**

1. Calling to order of the AGM.
2. Election of a Chair to preside over the AGM.
3. Drawing-up and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to check the AGM minutes.
6. Resolution as to whether the AGM has been duly convened.

Rottneros is an independent producer of market pulp. The Group comprises the parent company Rottneros AB, listed on NASDAQ Stockholm, and its subsidiaries Rottneros Bruk AB and Vallviks Bruk AB with operations involving the production and sale of market pulp. The Group also includes the wood procurement company Rottneros Baltic SIA in Latvia. The Group has just over 260 employees and had a turnover of approximately SEK 1.8 billion in the 2015 financial year.

7. Presentation of the annual report and audit report, of the consolidated accounts and group audit report, the auditor's statement on whether the guidelines for remuneration of senior executives have been adhered to and also a report from the auditor on the audit work during 2015.
8. Address by the CEO and questions from shareholders.
9. Resolution concerning the adoption of the income statement and balance sheet, as well as the consolidated income statement and consolidated balance sheet.
10. Resolution concerning the disposition of the company's profit as stated in the adopted balance sheet.
11. Resolution on discharge from liability of the members of the Board and the CEO.
12. Presentation of the Nominating Committee's proposals.
13. Determination of the number of Board members to be elected by the AGM and the number of auditors and deputy auditors.
14. Determination of fees for the Board of Directors and auditors.
15. Election of Board members and Chair of the Board.
16. Election of auditors and deputy auditors, if any.
17. Resolution on the Nominating Committee ahead of the 2017 AGM.
18. Resolution on guidelines for remuneration of senior executives.
19. Conclusion of the AGM.

***Items 2 and 13 to 17 – Chair of the AGM, the number of Board members and also the number of auditors, fees, election of Board members and Chair of the Board, auditors and Nominating Committee ahead of the 2017 AGM***

The Nominating Committee, appointed in accordance with the guidelines resolved by the 2015 AGM, consists of Olle Grundberg (Arctic Paper S.A), Stefan Sundh (PROAD AB) and Rune Ingvarsson (Chair of the Board of Rottneros AB). The Nominating Committee proposes the following:

- Item 2      Attorney Ingrid Westin Wallinder, from Ramberg Advokater, to serve as Chair of the AGM.
- Item 13      The number of Board members elected by the general meeting shall be six.  
  
The company shall have a chartered auditing firm as auditor.
- Item 14      The following fees shall without change be paid to meeting-elected board members whom are not employed by the company: SEK 550,000 to the Chair of the Board and SEK 275,000 to each of the other Board members; furthermore, no fee shall be paid for committee work. Employee representatives shall receive a fee of SEK 27,500 per person for the time required to read materials ahead of meetings.  
  
Auditors' fees are paid based on an invoice approved by the CEO.  
  
If possible from a tax perspective, and provided that it is cost neutral to the company, a Board member may invoice the fees for the Board work. If a Board member invoices the board fee through a company, the remuneration shall be increased to cover statutory social security contributions and value added tax.
- Item 15      The following persons are elected as Board members: Re-election of Directors Marie S. Arwidson, Rune Ingvarsson and Per Skoglund and new-election of Per Lundeen, Roger Mattsson and Ulf Carlson.  
  
Re-election of Rune Ingvarsson as Chair of the Board.  
  
Per Lundeen was born in 1955 and has a Master of Engineering (Chemical Engineering) from Chalmers University in Gothenburg. Per is the resigning CEO and President of Rottneros AB, a position he has held since the autumn of 2014. He was previously a board member of Rottneros from 2013 up until the 2015 AGM. Per is chairman of Nilsbyn Invest AB and Strand Packaging AB as well as board member of

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Fiskeby Board AB and Packbridge AB. Per has a longstanding experience of different capacities within Åkerlund & Rausing group, inter alia as CEO of Å&R Packaging group.

Roger Mattsson was born in 1973 and has a Master's degree in Economics from Gothenburg School of Economics. Roger is currently working as CFO of Nemus Holding AB and acting CEO of Munkedal Skog AB. Roger is also a member of the Supervisory Board for Artic Paper S.A and has previously worked as group controller within Artic Paper.

Ulf Carlson was born in 1950 and has a Master of Engineering (Chemical Engineering) from Chalmers University in Gothenburg. Ulf is the board member of a number of research boards, such as vice chairman of the Troedsson foundation and the IVA network "The Innovators", also member of the Lyckeby Stärkelsen Reserch Foundation, and Acosense as well as a member of IVA's dept. VIII. He has long and broad experience from the forest industry where he held a number of leading R & D positions within pulp/paper at companies such as SCA, Mölnlycke and Eka Chemicals (currently Akzo Nobel) and as a researcher within the pulp/paper field.

Board member Roger Asserståhl has declined re-election.

Item 16 Re-election of the chartered auditing firm Ernst & Young Aktiebolag as the company's auditor for the period extending from the end of the 2016 AGM until the end of the 2017 AGM. The auditing firm has informed the company that the Authorised Public Accountant Erik Sandström will be appointed as auditor in charge.

Item 17 It is proposed that the Nominating Committee consists of the Chair of the Board and two additional members and that the Chair of the Board shall not chair the Committee. One of these two members, in addition to the Chair of the Board, must be a representative of the company's largest shareholder and one shall be a representative of one of the company's other four largest shareholders. Neither of these two members may also be a Board member. In the event that, during the Nominating Committee's mandate period, one or more shareholders that have appointed members of the Nominating Committee are no longer among the five largest shareholders in terms of the number of votes, the members appointed by these shareholders shall relinquish their positions and the shareholder(s) that have taken a position among the five largest shareholders in terms of number of votes shall have the right to appoint their own representatives or offer the shareholder who is next in line in terms of number of votes a place on the Nominating Committee, so that there are three Committee members. The Chair of the Board is responsible for ensuring that members are appointed as stated above. The names of the Nominating Committee members are to be presented no later than six months prior to the 2017 AGM. The Nominating Committee shall appoint a chair from within its ranks. The composition of the Nominating Committee at any given time shall be published on the company's website.

The Nominating Committee shall submit proposals on the following matters for decisions by the 2017 AGM:

1. the Chair of the general meeting;
2. the number of Board members;
3. the election of Board members;
4. the election of Chair of the Board;
5. board fees, including distribution between the Chair and other Board members as well as compensation for committee work;
6. fees for the auditors;
7. the election of auditors; and
8. guidelines for the appointment of a new Nominating Committee.

#### **Item 10 – Dividends**

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The Board of Directors proposes a dividend as follows:

- a) an ordinary dividend of SEK 0.30 per share, according to the Board's proposal previously announced in the year-end report for 2015 and in the profit allocation proposal in the Annual Report for 2015, and
- b) an extra dividend of SEK 0.20 per share, according to an increased proposal by the Board, press released on 19 April, 2016 (in total SEK 0.50 per share).

The background of the increased proposal is the positive development of the group during the past two years, resulting in a very strong balance sheet with a high equity ratio. At the end of 2015, the company was debt-free with a large liquidity reserve and the equity ratio was 77 percent. The proposed extra dividend improves Rottneros' current and future financing and capital structure and the rate of return on capital employed will increase. The Board's long-term objective is to transform the company's financial structure through increased borrowing. The Board's statement regarding the dividend in accordance with Chapter 18, Section 4 of the Swedish Companies Act will be made available in the manner described below, together with the other documents.

The record date for receiving the dividend is proposed to be Wednesday, 1 June 2016. With the proposed record date the dividend is expected to be paid out through Euroclear Sweden AB on Tuesday, 7 June 2016. The last day of trading in the company's shares including the right to dividend is Monday, 30 May 2016.

**Item 18 – Guidelines for remuneration of senior executives**

The Board of Directors proposes that the AGM approve the following guidelines with respect to the remuneration of the senior executives.

At present, 'senior executives' refers to the five people who, including the CEO, form the group management.

The remuneration paid to the CEO and other senior executives shall comprise:

- fixed salary;
- possible variable component of remuneration;
- other benefits; and
- pension benefits.

The total remuneration package must be in line with market rates and competitive in the labour market in which the executives work.

Fixed salary and variable remuneration are related to the responsibilities and powers held by each executive. The variable component of remuneration, which is cash, is based on outcomes in relation to defined and measurable targets and is capped in relation to fixed salary. The variable component of remuneration for the CEO is capped at 50 per cent of the fixed salary, and the variable component of remuneration for other senior executives is capped at 30 per cent of the fixed salary. The programme for the variable component of remuneration should be designed so that the Board of Directors can impose conditions, restrict or decline to make payments of variable component of remuneration in exceptional financial circumstances if such measure is considered to be reasonable and compatible with the duties of the company in relation to shareholders, employees and other interested parties.

The period of notice is between six months and one year should notice be given by the executive and between one and two years should notice be given by the company. The CEO is entitled to severance pay and a salary during the period of notice of in total up to an amount corresponding to the fixed salary for two years.

Pension benefits are either defined benefit or defined contribution plans or a combination thereof, and executives are entitled to receive pension no earlier than from the age of 65.

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Matters relating to remuneration for the executive management are dealt with by the Compensation Committee. The principles of remuneration and other terms of employment for the executive management, together with remuneration for the CEO, shall be decided by the Board of Directors.

If the company in a particular case assigns an individual Board member tasks on behalf of the company over and above regular Board and committee duties, the Board of Directors shall determine the level of remuneration, which must be reasonable and in line with market rates.

The Board of Directors will conduct an annual evaluation of whether or not to propose a long-term incentive programme to the AGM.

The Board of Directors shall be authorised to depart from these guidelines if in an individual case there are special reasons for doing so.

### **Documents**

The Nominating Committee's proposals, including its reasoned statement regarding its recommendation for the Board of Directors and information about members recommended for election, are available at Rottneros' Head Office (Vallvik Bruk in Vallvik, Söderhamn) and on the company's website, [www.rottneros.com](http://www.rottneros.com).

The Board's complete proposal for dividend, the Board's statement regarding the dividend as well as a statement from the auditor are available at the company's head offices and on the company's website (see addresses provided above).

The annual report and audit report, as well as the auditor's statement on the implementation of the guidelines for remuneration of senior executives, are available at the company and on the company's website.

All of the documents mentioned will be sent on request to the postal address provided by the shareholders. Such requests can be made by phone at +46 8 402 90 78.

All of the documents will also be available at the AGM.

### **Shares and votes**

The company has a total of 153,393,890 shares with one vote each. The company holds 821,965 own shares.

### **Information about the shareholders' right to request information at the AGM**

The Board of Directors and CEO shall, if requested by any shareholder and if the Board of Directors is of the opinion that it can be done without causing material harm to the company, provide disclosures about: circumstances that may affect the assessment of an item listed on the agenda; circumstances that may impact the assessment of the company's or a subsidiary's financial situation; and the company's relationship with another group company.

Vallvik, April 2016  
Board of Directors of Rottneros AB

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For further information, please contact:  
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Rottneros discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The Information was submitted for publication on 26 April 2016 at 14:00 CET.

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