

Protokoll fört vid årsstämma med
aktieägarna i **Arjo AB (publ)**,
org. nr 559092-8064, i Malmö den
20 april 2023

*Minutes kept at the Annual General Meeting
of shareholders in **Arjo AB (publ)**,
corporate ID No. 559092-8064, held in
Malmö, Sweden, on 20 April 2023*

§ 1

Stämman öppnades av styrelsens ordförande, Johan Malmquist.

The Chairman of the Board, Johan Malmquist, opened the Meeting.

§ 2

Johan Malmquist utsågs att såsom ordförande leda förhandlingarna vid stämman. Det antecknades att såsom sekreterare vid stämman tjänstgjorde Arjos chefsjurist Ingrid Carlsson.

Det noterades att, utöver styrelsens ordförande Johan Malmquist, närvarade från Arjos styrelse, styrelseledamoten och tillika koncernchefen och verkställande direktören Joacim Lindoff, styrelseledamoten och tillika valberedningens ordförande Carl Bennet, styrelseledamöterna Eva Elmstedt, Dan Frohm och Ulf Grunander samt styrelsens ordinarie arbetstagarrepresentant Eva Sandling Gralén och arbetstagaruppleanterna Sten Börjesson och Jimmy Linde. Därtill noterades att bolagets huvudansvariga revisor Cecilia Andrén Dorselius var närvarande vid stämman.

Upplystes att styrelsen inför bolagsstämman, i enlighet med bolagets bolagsordning, beslutat att möjliggöra för aktieägare att rösta på förhand genom poströstning samt att förutom anmälda aktieägare, vissa andra personer skulle ha rätt att närvara vid stämman som åhörare.

Johan Malmquist was appointed Chairman to lead proceedings at the Meeting. It was noted that Arjo's Executive Vice President Legal & Business Compliance, Ingrid Carlsson, served as secretary at the Meeting.

It was noted that, in addition to the Chairman of the Board Johan Malmquist, the Board of Arjo was represented through the Board member, President and CEO Joacim Lindoff, the Board member and Chairman of the Nomination Committee Carl Bennet, the Board members Eva Elmstedt, Dan Frohm and Ulf Grunander as well as the Board's ordinary employee representative Eva Sandling Gralén and employee representative deputy members Sten Börjesson and Jimmy Linde. In addition, the auditor in charge, Cecilia Andrén Dorselius, was present at the Meeting.

It was informed that the Board ahead of the Meeting, in accordance with the company's Articles of Association, had resolved to enable shareholders to vote in advance by postal voting and that, in addition

to shareholders having notified their participation, certain other persons should be allowed to participate as audience at the Meeting.

§ 3

Stämman godkände förfarandet för upprättande av röstlängden samt att förteckningen i Bilaga 1 över aktieägare som avgivit poströst eller som närvarade personligen eller genom ombud på stämman skulle gälla som röstlängd vid årsstämman.

The Meeting approved the procedure for preparing the list of voters and that the list in Appendix 1 of the shareholders voting by post or who were present in person or through a representative at the Meeting, should constitute the voting list for the Meeting.

§ 4

Det i kallelsen intagna förslaget till dagordning godkändes av stämman.

The proposed agenda published in the notice was approved by the Meeting.

§ 5

Marianne Nilsson, representerande Swedbank Robur Fonder, och Jannis Kitsakis, representerande Fjärde AP-fonden, utsågs att jämte ordföranden justera dagens protokoll.

Marianne Nilsson, representing Swedbank Robur Fonder, and Jannis Kitsakis, representing Fjärde AP-fonden, were appointed to approve the minutes, jointly with the Chairman.

§ 6

Antecknades att kallelse till stämman skett genom annonsering i Post- och Inrikes Tidningar den 20 mars 2023 samt att kallelsen offentliggjorts och hållits tillgänglig på bolagets webbplats den 15 mars 2023. Att kallelse har skett har vidare annonserats i Svenska Dagbladet den 20 mars 2023. Stämman konstaterades vara i behörig ordning sammankallad.

It was noted that notice to attend the Annual General Meeting had been published on 20 March 2023 in Post- och Inrikes Tidningar and that the notice was made available at the company's website on 15 March 2023. Further, on 20 March 2023, the company announced in Svenska Dagbladet that notice has been issued. It was determined that the Meeting had been duly convened.

§ 7

Ordföranden upplyste att styrelsens och verkställande direktörens årsredovisning med tillhörande balans- och resultaträkning och revisionsberättelse samt koncernbalans- och koncernresultaträkning och koncernrevisionsberättelse för räkenskapsåret 2022 liksom revisorsyttrande om huruvida gällande riktlinjer för ersättning till ledande befattningshavare har följts samt styrelsens förslag till vinstutdelning och motiverat yttrande däröver har funnits tillgängliga på bolaget och bolagets hemsida och skickats till de aktieägare som anmält att de vill erhålla dessa.

Konstaterades att ovan nämnda handlingar ansågs framlagda vid stämman.

Auktoriserade revisorn Cecilia Andrén Dorselius föredrog revisionsberättelsen och koncernrevisionsberättelsen över årsredovisningen, koncernredovisningen, räkenskaperna samt styrelsens och verkställande direktörens förvaltning för räkenskapsåret 2022.

The Chairman reported that the Board's and the CEO's Annual Report with the accompanying Balance Sheet and Income Statement and Auditor's Report and the Consolidated Balance Sheet and Consolidated Income Statement and the Group Auditor's Report for the financial year 2022 as well as the statement of the auditor on the compliance of the applicable guidelines for remuneration to senior executives and the Board's proposal for appropriation of the company's profit and the Board's reasoned statement thereon have been available at the company and on the company's website and have been distributed to all shareholders who registered that they wished to receive a copy.

It was noted that the aforementioned documents were to be considered presented at the Meeting.

The authorised public accountant Cecilia Andrén Dorselius presented the Auditors' Report and the Group Auditors' Report on the Annual Report, the consolidated financial statements, the accounts and the administration of the Board and the CEO for the financial year 2022.

§ 8

Ordföranden redogjorde för bolagsstyrningsfrågor inom Arjo-koncernen samt för styrelsearbetet och arbetet inom ersättningsutskottet under det gångna verksamhetsåret.

Ordföranden för revisionsutskottet, Ulf Grunander, redogjorde för arbetet inom revisionsutskottet under verksamhetsåret 2022 samt för det arvode bolaget erlagt för revisionsuppdraget respektive andra uppdrag till bolagets revisorer.

The Chairman reported on corporate governance matters within Arjo Group, the work of the Board and the work of the Remuneration Committee during the preceding business year.

The Chairman of the Audit Committee, Ulf Grunander, reported on the work performed by the Audit Committee during the business year 2022 and the fees the company had paid for the audit assignment and other assignments conducted by the company's auditors.

§ 9

Verkställande direktören tillika styrelseledamoten och koncernchefen Joacim Lindoff höll ett anförande avseende verksamhetsåret 2022. I anslutning därtill besvarades frågor från aktieägarna.

The CEO, Board member and President Joacim Lindoff reported on the business year 2022. In connection thereto, questions from the shareholders were answered.

§ 10

Stämman beslutade att fastställa den framlagda resultaträkningen och balansräkningen samt även koncernresultaträkningen och koncernbalansräkningen.

The Meeting resolved to adopt the Income Statement and Balance Sheet and the Consolidated Income Statement and the Consolidated Balance Sheet as presented.

§ 11

Stämman beslutade

att i enlighet med styrelsens och verkställande direktörens förslag på så sätt att till aktieägarna utdelas 0,85 kronor per aktie motsvarande totalt 231 514 137,05 kronor samt att resterande belopp balanseras i ny räkning

samt att såsom avstämningsdag för rätt till utdelning fastställa den 24 april 2023.

Konstaterades att utdelning beräknas kunna utsändas av Euroclear Sweden AB med början den 27 april 2023.

The Meeting resolved

to in accordance with the Board's and the CEO's proposal to pay to the shareholders a dividend of SEK 0,85 per share, in total SEK 231,514,137.05 and that the remaining amount should be carried forward.

and to set the record date for the entitlement to dividends as 24 April 2023.

It was noted that dividend payments through Euroclear Sweden AB were expected to commence on 27 April 2023.

§ 12

Stämman beslutade att bevilja styrelsens ledamöter och verkställande direktören Joacim Lindoff ansvarsfrihet för räkenskapsåret 2022.

Det antecknades att varken envar av styrelseledamöterna eller den verkställande direktören deltagit i beslutet såvitt det avsåg styrelseledamöten eller verkställande direktören själv.

The Meeting resolved to discharge the Board members and the CEO Joacim Lindoff from liability for their administration of the company for the financial year 2022.

It was noted that neither the Board members nor the CEO participated in this resolution, concerning the Board member or the CEO themselves.

§ 13

Valberedningens ordförande, Carl Bennet, redogjorde för valberedningens förslag till beslut avseende punkterna 13–16 samt valberedningens uppgifter och arbete inför årsstämman 2023.

Stämman beslutade i enlighet med valberedningens förslag att antalet styrelseledamöter skulle vara sju stycken, utan suppleanter samt att ett registrerat revisionsbolag skall utses till bolagets revisor.

The Chairman of the Nomination Committee, Carl Bennet, reported on the Nomination Committee's proposals under items 13–16 as well as the functions and the work of the Nomination Committee ahead of the Annual General Meeting 2023.

The Meeting resolved in accordance with the proposal of the Nomination Committee that the number of Board members would be seven, without deputy members and that a registered public accounting firm should be elected as the company's auditor.

§ 14

Stämman beslutade i enlighet med valberedningens förslag att arvode till av bolagsstämman valda styrelseledamöter, exklusive utskottsarvode, ska utgå med ett sammanlagt belopp om 4 942 125 kronor, varav 1 578 375 kronor till ordföranden och 672 750 kronor till var och en av de övriga bolagsstämموvalda ledamöter som inte är anställda i koncernen. Stämman beslutade vidare att ersättning för arbete i revisionsutskottet ska utgå med 279 450 kronor till ordföranden och 139 725 kronor till var och en av övriga ledamöter och att ersättning för arbete i ersättningsutskottet ska utgå med 150 075 kronor till ordföranden och 106 605 kronor till var och en av övriga ledamöter. Stämman beslutade att arvode till revisorerna ska utgå enligt godkänd räkning.

The Meeting resolved in accordance with the proposal of the Nomination Committee that fees to the members of the Board elected by the Annual General Meeting, excluding committee fees, be paid in a total amount of SEK 4,942,125, of which SEK 1,578,375 shall be paid to the Chairman and SEK 672,750 to each of the other members elected by the Annual General Meeting who are not employed in the Group. In addition, the Meeting resolved that fees for work on the Audit Committee be paid in an amount of SEK 279,450 to the Chairman and SEK 139,725 to each of the other members, and that fees to the Remuneration Committee be paid in an amount of SEK 150,075 to the Chairman and SEK 106,605 to each of the other members. The Meeting resolved that fees to the auditors shall be paid in accordance with approved invoices.

§ 15

Noterades att valberedningen föreslagit omval av samtliga styrelseledamöter, vilka utgörs av Carl Bennet, Eva Elmstedt, Dan Frohm, Ulf Grunander, Carola Lemne, Joacim Lindoff och Johan Malmquist. Noterades vidare att valberedningen föreslagit omval av Johan Malmquist till styrelsens ordförande.

Upplyste ordföranden att de till omval föreslagna ledamöternas uppdrag i andra företag finns angivna i årsredovisningen och på bolagets hemsida. Konstaterades att de uppdrag vilka de föreslagna styrelseledamöterna har i andra företag skulle anses såsom föredragna vid stämman.

Stämman valde för tiden intill slutet av nästa årsstämma till

styrelseledamöter: Carl Bennet, Eva Elmstedt, Dan Frohm, Ulf Grunander, Carola Lemne, Joacim Lindoff och Johan Malmquist (samtliga omval).

styrelseordförande: Johan Malmquist (omval).

Ordföranden informerade att arbetstagarorganisationerna meddelat att Eva Sandling Gralén och Kajsa Haraldsson kommer att kvarstå som ordinarie arbetstagarledamöter i styrelsen, med Sten Börjesson och Jimmy Linde som suppleanter.

It was noted that the Nomination Committee had proposed re-election of all Board members, which consists of Carl Bennet, Eva Elmstedt, Dan Frohm, Ulf Grunander, Carola Lemne, Joacim Lindoff and Johan Malmquist. It was further noted that the Nomination Committee had proposed re-election of Johan Malmquist as Chairman of the Board.

The Chairman informed that assignments in other companies of the Board members proposed for re-election are presented in the Annual Report and the company's website. It was noted that the proposed

Board members' assignments in other companies should be regarded as presented at the Annual General Meeting.

For the period until the close of the next Annual General Meeting, the Meeting elected

Board members: Carl Bennet, Eva Elmstedt, Dan Frohm, Ulf Grunander, Carola Lemne, Joacim Lindoff and Johan Malmquist (all re-election).

Chairman of the Board: Johan Malmquist (re-election).

The Chairman informed that the employee organizations had notified that Eva Sandling Gralén and Kajsa Haraldsson will remain as ordinary employee representatives of the Board, with Sten Börjesson and Jimmy Linde as deputy members.

§ 16

Stämman omvalde revisionsbolaget Öhrlings PricewaterhouseCoopers AB till bolagets revisor med Cecilia Andrén Dorselius som huvudansvarig revisor intill utgången av årsstämman 2024.

For the period extending to the close of the Annual General Meeting 2024, the Meeting re-elected the accounting firm Öhrlings PricewaterhouseCoopers AB as the company's auditor with Cecilia Andrén Dorselius as auditor in charge.

§ 17

Noterades att styrelsens fullständiga förslag till rapport över ersättningar enligt 8 kap. 53 a § aktiebolagslagen, Bilaga 2, har hållits tillgänglig hos bolaget och på bolagets hemsida tre veckor före stämman. Konstaterades att rapporten därmed var framlagd vid stämman.

Stämman beslutade att godkänna styrelsens förslag till ersättningsrapport för 2022.

It was noted that the Board of Director's complete proposal for report regarding compensation pursuant to Chapter 8, Section 53 a of the Swedish Companies Act, Appendix 2, has been available at the company and on the company's website three weeks prior the Meeting. It was noted that the report thereby was duly presented at the Meeting.

The Meeting resolved to adopt the remuneration report for 2022 in accordance with the Board of Directors' proposal.

§ 18

Ett stort tack riktades till verkställande direktören, ledningen och övrig personal i Arjo för utomordentliga insatser under det gångna verksamhetsåret.

Avslutningsvis tackade ordföranden stämmodeltagarna för deras engagemang och förklarade stämman avslutad.

A great thanks was directed to the CEO, the Executive Management Team and the other employees of Arjo for extraordinary efforts during the past financial year.

Finally, the Chairman thanked the shareholders present for their participation and declared the Meeting closed.

Vid protokollet:
Minutes recorded by:

Ingrid Carlsson

Justeras:
Approved by:

Johan Malmquist

Marianne Nilsson

Jannis Kitsakis

Annual remuneration report 2022

Introduction

This report describes how the principles of remuneration for senior executives at Arjo, adopted by the Annual General Meeting 2022, were implemented in 2022. The report also provides information on remuneration to the CEO and a summary of Arjo's application of the performance criteria for awarding variable cash remuneration.

The report has been prepared in accordance with the Swedish Companies Act and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Further information on executive remuneration is available in note 3 (Personnel) on pages 88–90 in the 2022 Annual Report. Information on the work of the Remuneration Committee in 2022 is set out in the Corporate Governance Report available on pages 69–70 in the annual report 2022.

Remuneration of the Board of Directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and disclosed in note 3 on page 88–90 in the Annual Report 2022. This information can also be found as an appendix to this report.

Key developments 2022

The CEO summarizes Arjo's overall performance in his statement on pages 6–8 of the 2022 Annual Report.

Arjo's principles for remuneration of senior executives: scope, purpose and deviations

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. The basic principle is that remuneration and other terms and conditions of employment for senior executives shall be based on market conditions and be competitive in all markets where Arjo operates, to ensure that competent and skillful employees can be attracted, motivated and retained.

Individual levels of remuneration shall be based on experience, competence, responsibility and performance and be market-conforming in the country in which the senior executive is employed.

The CEO of Arjo has during 2022 received the following remuneration components; base salary, short term incentive (based on EBITDA, working capital and sustainability), long term incentive (based on EPS), benefits and pension contributions.

The principles of remuneration of senior executives are found on pages 88–90 in the annual report 2022.

Description of significant changes to the guidelines and consideration of the opinions of the shareholders

During 2022, the company has complied with the applicable remuneration guidelines adopted by the general meeting. No deviations from the principles have been decided and no derogations from the procedure for implementation of the principles have been made. No opinions on the remuneration guidelines were presented.

Share-based remuneration

Arjo does not have long-term share-based incentive plans.

Application of performance criteria

The performance measures for the CEO's variable remuneration have been selected to deliver the Arjo strategy and to encourage behavior that is in the long-term interest of the Arjo. In the selection of performance measures, the strategic objectives and short-term and long-term business priorities for 2022 have been taken into account.

Arjo long-term incentive program (LTIP)

The Arjo Board decided to introduce three-year long-term incentive programs in 2020, 2021 and 2022. The programs are cash-based and encompass 50–55 participants. The incentive program is an addition to the annual base and variable salary.

Objective

The incentive programs are targeted and have a long-term content. The aim of the programs is to strengthen commitment and reward and retain key leaders and employees who can exercise the greatest influence over Arjo's mid and long-term performance.

Goal

Each program extends for three years and remuneration may total a maximum of four monthly salaries per program. The calculation of outcome excludes the Group's exceptional items and impact of any acquisitions and divestments.

Outcome and payment

The outcome of the programs are calculated every year and accumulated over the three-year period. Any outcome for the program that started in 2020 will be paid in 2023 provided that the participant remains employed at the company on the payment date.

Table 1 – Total remuneration of the CEO (SEK)

Table 1 below sets out total remuneration expenses for Arjo's CEO during 2022, 2021, 2020, 2019 and 2018 (SEK).

Name of Director, position	Fiscal year	Fixed remuneration		Variable remuneration		Extraordinary items	Pension expenses	Total remuneration	Proportion of fixed/variable remuneration
		Basic pay	Other benefits	One-year variable	Multi-year variable				
Joacim Lindoff CEO	2022	9,103,500	151,954	446,250	0 ²⁾	0	2,677,500	12,379,204	96/4
	2021	8,618,999	1,171,304 ¹⁾	6,800,000	2,925,795	0	2,550,000	22,066,098	56/44
	2020	8,130,000	1,082,492 ¹⁾	6,426,000	2,258,678	0	2,409,750	20,306,920	57/43
	2019	7,803,000	239,709 ¹⁾	650,000	0	0	2,295,000	10,987,709	94/6
	2018	7,472,499	655,204 ¹⁾	3,465,890	420,517	0	2,241,750	14,255,860	73/27

1. Including variable vacation pay, but excluded from 2022.

2. Vested amount for 2022 from Arjo LTI programs 3–5, of which SEK 0 to be paid during 2023.

Table 2a - Performance of the CEO in the reported fiscal year

Set out in Table 2a below is a description of how the criteria for payment of variable short-term compensation have been applied during the fiscal year.

Name of Director, position	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance
			b) Actual award/remuneration outcome
Joachim Lindoff CEO	Adjusted earnings before interest, tax depreciation and amortization (EBITDA) ¹⁾	65%	a) SEK 1,744 M b) SEK 0
	Working Capital (R12)	25%	a) 137 days b) SEK 0
	Sustainability CO ₂ reduction	5%	a) 3,029 tons CO ₂ b) SEK 223,125
	Sustainability SBT implementation	5%	a) Implementation step completed b) SEK 223,125

1. Adjusted for exceptional items and translated at last year's exchange rates.

Table 2b - Performance of the CEO in the reported fiscal year

Set out in Table 2b below is a description of how the criteria for payment of variable long-term compensation have been applied during the fiscal year.

Name of Director, position	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) Measured performance
			b) Actual award/remuneration outcome
Joachim Lindoff CEO	Earnings per share (adjusted EPS) 2022 ²⁾ ; Target 2.42 (Program 3 2020–2022)	33.3%	a) SEK 1.80 b) SEK 0 (earned)
	Earnings per share (adjusted EPS) 2022 ²⁾ ; Target: 2.8 (average) (Program 4 2021–2023)	33.3%	a) SEK 1.86 b) SEK 0 (estimated)
	Earnings per share (adjusted EPS) 2022 ²⁾ ; Target 3.39 (average) (Program 5 2022–2024)	33.3%	a) SEK 1.80 b) SEK 0 (estimated)

2. Adjusted for exceptional items and translated at last year's exchange rates.

Comparative information on the change of remuneration and Arjo's performance

Table 3 - Change of remuneration and Arjo's performance over the last five reported fiscal years (RFY)

Annual change	2019 vs 2018	2020 vs 2019	2021 vs 2020	2022 vs 2021	2022
Joachim Lindoff, CEO	SEK -3,268,151	SEK +9,319,211	SEK +1,759,178	SEK -9,686,894	SEK 12,379,204

Arjo's performance

Group operating profit	SEK +178 M	SEK +195 M	SEK +211 M	SEK -386 M	SEK 691 M
Group net sales	SEK +708 M	SEK +102 M	SEK -8 M	SEK +909 M	SEK 9,979 M

Average remuneration on a full-time equivalent basis of employees

Arjo employees ³⁾	SEK +50,811	SEK +72,653	SEK +112,311	SEK -62,205	Average total remuneration is SEK 924,394 for 2022
Arjo employees ⁴⁾					
Actual number	173 vs 150	179 vs 173	192 vs 179	206 vs 192	206 employees

3. The average remuneration of a full-time equivalent for RFY 2018, 2019 includes all employees in Sweden (excluding the Management Team), annual base salary during 2018, 2019, pension contributions during 2018, 2019 and actual variable pay paid out during 2018, 2019 but it relates to performance for the preceding year according to Arjo STIP Plan.

4. The average remuneration of a full-time equivalent for RFY 2020 and in the future includes all employees in Sweden (excluding the Management Team) annual base salary during the year, pension contributions for the year and target of variable pay for the year since it is not yet calculated and paid out.