

Protokoll fört vid årsstämma med aktieägarna i  
**GARO Aktiebolag (publ)**, org.nr 556051-7772,  
i Gnosjö den 19 maj 2020

*Minutes kept at the Annual General Meeting of  
shareholders in **GARO Aktiebolag (publ)**, corporate ID  
No. 556051-7772, held in Gnosjö, Sweden, on 19 May 2020*

## § 1

Stämman öppnades av styrelsens ordförande, Stefan Jonsson.

Upplystes att försiktighetsåtgärder vidtagits för att minska risken för spridning av coronaviruset, innebärande bland annat att verkställande direktören Patrik Andersson inte kommer att hålla sitt sedvanliga anförande samt att varken valberedningen eller styrelsen närmare kommer att redogöra för sina förslag till stämman.

*The Chairman of the Board, Stefan Jonsson, opened the Meeting.*

*It was informed that precautionary measures had been taken in order to limit the spread of the coronavirus, meaning, among other things, that the CEO Patrik Andersson will not hold his presentation as customary and that neither the Nomination Committee nor the Board of Directors will give a more detailed description of their proposals to the Meeting.*

## § 2

Stefan Jonsson utsågs att såsom ordförande leda förhandlingarna vid stämman. Det antecknades att såsom sekreterare vid stämman tjänstgjorde advokat Aleksander Ivarsson.

*Stefan Jonsson was appointed Chairman to lead the proceedings at the Meeting. It was noted that attorney at law Aleksander Ivarsson served as secretary at the Meeting.*

## § 3

De aktieägare som upptagits såsom närvarande i bilagda förteckning Bilaga 1 hade inom föreskriven tid anmält sitt deltagande i stämman. Förteckningen godkändes såsom röstlängd vid stämman.

*The shareholders recorded as present in the enclosed Appendix 1 had announced their intent to participate in the Meeting within the stipulated time. The list was approved as the voting list at 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

Daniel Emilsson och Ulf Hedlundh, representerande Svolder AB, utsågs att jämte ordföranden justera dagens protokoll.

*Daniel Emilsson and Ulf Hedlundh, representing Svolder AB, were appointed to approve the minutes, jointly with the Chairman.*

## § 6

Anmälades att kallelse till stämman skett genom annonsering i Post- och Inrikes Tidningar den 21 april 2020 samt att kallelsen offentliggjorts och hållits tillgänglig på bolagets webbplats den 17 april 2020. Att kallelse har skett har vidare annonserats i Dagens industri den 21 april 2020. Stämman konstaterades vara i behörig ordning sammankallad.

*It was reported that notice to attend the Annual General Meeting had been published on 21 April 2020 in Post- och Inrikes Tidningar and that the notice was made available at the company's website on 17 April 2020. Further, on 21 April 2020 the Company announced in Dagens industri that notice had been issued. It was determined that the Meeting had been duly convened.*

## § 7

Ordföranden upplyste att verkställande direktören Patrik Anderssons anförande kommer att hållas tillgängligt på bolagets hemsida efter stämman. Aktieägarna bereddes tillfälle att ställa frågor till den verkställande direktören.

*The Chairman reported that the CEO Patrik Andersson's report will be made available at the company's website after the Meeting. The shareholders were given the opportunity to ask questions to the CEO.*

## § 8 (a) – (c)

Ordföranden upplyste att årsredovisning med tillhörande balans- och resultaträkning samt koncernbalans- och koncernresultaträkning för räkenskapsåret 2019 liksom revisorsyttrande om huruvida de riktlinjer för ersättning till ledande befattningshavare som gällt sedan föregående årsstämma har följts samt styrelsens förslag till vinstdisposition har funnits tillgängliga på bolagets hemsida och skickats till de aktieägare som anmält att de vill erhålla dessa. Konstaterades att ovan nämnda handlingar ansågs framlagda vid stämman.

Aktieägarna bereddes tillfälle att ställa frågor till auktoriserade revisorn Joakim Falck.

*The Chairman reported that the Annual Report with the accompanying Balance Sheet and Income Statement and the Consolidated Balance Sheet and Consolidated Income Statement for the financial year*

2019 as well as the statement of the auditor on the compliance of the guidelines for remuneration to the CEO and other senior executives applicable since the last Annual General Meeting and the Board's proposal for appropriation of the company's profit have been available 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 considered presented at the Meeting.

The shareholders were given the opportunity to ask questions to the authorised public accountant Joakim Falck.

## § 9

Stämman beslutade härefter:

*The Meeting hereafter resolved:*

- a) att fastställa den framlagda resultaträkningen och balansräkningen samt även koncernresultaträkningen och koncernbalansräkningen.
- a) *to adopt the Income Statement and Balance Sheet and the Consolidated Income Statement and the Consolidated Balance Sheet as presented.*
- b) att i enlighet med styrelsens förslag, ingen utdelning skulle lämnas och de till årsstämman förfogande stående medel om totalt **202 114 511 kronor** skulle balanseras i ny räkning.
- b) *to in accordance with the Board's proposal not to distribute any dividend and that the company's funds available for distribution, amounting to **SEK 202,114,511**, shall be carried forward.*
- c) att bevilja styrelsens ledamöter och de verkställande direktörerna ansvarsfrihet för räkenskapsåret 2019.

Det antecknades att varken styrelseledamöterna eller den verkställande direktören deltagit i beslutet såvitt avsåg dem själva.

- c) *The Meeting resolved to discharge the Board members and the CEO from liability for their administration of the company for the financial year 2019.*

*It was noted that neither the Board members nor the CEO participated in this resolution as regards themselves.*

## § 10

Stämman beslutade i enlighet med valberedningens förslag att antalet styrelseledamöter oförändrat skulle vara sex stycken, utan suppleanter.

*The Meeting resolved in accordance with the proposal of the Nomination Committee that the number of Board members would be unchanged six, without deputy members.*

## § 11

Stämman beslutade i enlighet med valberedningens förslag att arvode till av bolagsstämman valda styrelseledamöter ska utgå oförändrat med 470 000 kronor till ordföranden och 210 000 kronor till var och en av de bolagsstämmovalda ledamöterna. Vidare beslutade stämman i enlighet med valberedningens förslag att arvode till ledamöterna i revisionsutskottet ska utgå oförändrat med 80 000 kronor till ordföranden och 40 000 kronor till var och en av de övriga ledamöterna i revisionsutskottet.

Stämman beslutade i enlighet med valberedningens förslag om att arvode till revisorn ska utgå i enlighet med 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 remuneration for Committee work, shall be unchanged and be paid by SEK 470,000 to the Chairman of the Board and SEK 210,000 to each of the Board members elected by the AGM. Further, the Meeting resolved in accordance with the proposal of the Nomination Committee that fees to the members of the Audit Committee shall be unchanged and be paid by SEK 80,000 to the Chairman and SEK 40,000 to each of the other members of the Audit Committee.*

*The Meeting resolved in accordance with the proposal of the Nomination Committee that fee to the auditor shall be paid according to approved invoice.*

## § 12

Noterades att valberedningen föreslagit omval av styrelseledamöterna Rickard Blomqvist, Susanna Hilleskog, Mari-Katharina Jonsson Kadowaki, Lars-Åke Rydh och Stefan Jonsson samt nyval av Ulf Hedlundh. Noterades vidare att valberedningen föreslagit omval av Stefan Jonsson som styrelsens ordförande. Upplystes att Per Holmstedt hade avböjt omval. Ulf Hedlundh presenterade sig.

Upplyste ordföranden att de till omval föreslagna ledamöternas uppdrag i andra företag finns angivna i årsredovisningen samt att den till nyval föreslagna ledamöternas uppdrag finns angivna i valberedningens förslag och motiverade yttrande. Beslutade stämman 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: Stefan Jonsson (ordförande), Rickard Blomqvist, Susanna Hilleskog, Mari-Katharina Jonsson Kadowaki, Lars-Åke Rydh (samtliga omval) och Ulf Hedlundh (nyval).

styrelsens ordförande: Stefan Jonsson (omval).

Informerade ordföranden att arbetstagarorganisationen IF Metall utsett Jonas Lohtander till ordinarie arbetstagarrepresentant i styrelsen.

*It was noted that the Nomination Committee had proposed re-election of the Board members Rickard Blomqvist, Susanna Hilleskog, Mari-Katharina Jonsson Kadowaki, Lars-Åke Rydh and Stefan Jonsson*

and new election of Ulf Hedlundh. Further, it was noted that the Nomination Committee had proposed re-election of Stefan Jonsson as Chairman of the Board. It was informed that Per Holmstedt had declined re-election. Ulf Hedlundh presented himself.

The Chairman informed that assignments in other companies of the Board members proposed for re-election are presented in the Annual Report and that assignments in other companies of the Board member proposed for new election are presented in the Nomination Committee's proposals and reasoned statement. The Meeting resolved 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: Stefan Jonsson (Chairman) Rickard Blomqvist, Susanna Hilleskog Mari-Katharina Jonsson Kadowaki, Lars-Åke Rydh (all re-election) and Ulf Hedlundh (new election).

Chairman of the board: Stefan Jonsson (re-election).

The Chairman informed that the employee organization IF Metall had appointed Jonas Lohtander as ordinary employee representative of the Board.

### § 13

Ordföranden redogjorde för valberedningens förslag till val av bolagets revisor.

Stämman omvalde Ernst & Young AB till bolagets revisor för en mandatperiod om ett år. Informerades om att auktoriserade revisorn Joakim Falck kommer vara huvudansvarig revisor för bolaget.

*The Chairman presented the Nomination Committee's proposal for auditor for the Company.*

*The Meeting re-elected Ernst & Young AB as auditor for the Company for a period of mandate of one year. It was informed that Joakim Falck will be auditor in charge.*

### § 14

Ordföranden redogjorde för styrelsens förslag avseende riktlinjer för ersättning till ledande befattningshavare, Bilaga 2.

Stämman beslutade om riktlinjer i enlighet med styrelsens förslag.

*The Chairman presented the Board's proposal regarding guidelines for remuneration to the CEO and other senior executives, Appendix 2.*

*The Meeting resolved to adopt the guidelines in accordance with the Board's proposal.*

### § 15

Ordföranden redogjorde för styrelsens förslag avseende beslut om ändring av bolagsordningen, Bilaga 3.

Stämman beslutade att ändra bolagsordningen i enlighet med styrelsens förslag. Det antecknades att beslutet var enhälligt och att beslutet således fattats med erforderlig majoritet om två tredjedelar av såväl avgivna röster som vid stämman företrädde aktier.

*The Chairman presented the Board's proposal regarding amendment of the Articles of Association, Appendix 3.*

*The Meeting resolved to amend the Articles of Association in accordance with the Board's proposal. It was noted that the resolution was unanimously adopted and that the resolution thus was taken with the required majority of two thirds of the votes cast as well as of the shares represented at the Meeting.*

## § 16

Avtackades särskilt Per Holmstedt för sin tid som styrelseledamot i bolaget. Tackade ordföranden stämmodeltagarna för visat intresse och förklarade stämman avslutad.

*Per Holmstedt was specially thanked for his service as Board member of the company. The Chairman thanked the shareholders present for their interest and declared the Meeting closed.*

---

Vid protokollet:  
*Minutes recorded by:*

---

Aleksander Ivarsson

Justeras:  
*Approved by:*

---

Stefan Jonsson

---

Daniel Emilsson

---

Ulf Hedlundh

## **The Board of Directors proposal on guidelines for remuneration for senior executives**

---

The Board of Directors of GARO Aktiebolag (publ) proposes that the Annual General Meeting 2020 resolves on the following guidelines for remuneration for senior executives.

### *Scope of the guidelines, etc.*

The persons that during the guidelines duration are part of the Group management and other senior executives that report directly to the CEO and Board Members that is employed by the company, hereinafter referred to as “senior executives”. fall within the provisions of these guidelines. 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.

If a Board Member conducts work for the company that is not Board work, remuneration shall be paid on market terms taking into account the nature and effort of the work. The remuneration shall be determined by the Board (or the General Meeting if required by law). Board Members employed by the company shall not receive separate remuneration for Board assignments in the company or affiliate companies.

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.

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

In short, the company’s business strategy is to, with a focus on innovation, sustainability and design, provide profitable complete solutions for the electrical industry. For more information regarding the company’s business strategy, please see <http://corporate.garo.se/en/about-garo/our-mission>. 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. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the executive management a competitive total remuneration.

Variable cash remuneration covered by these guidelines shall aim at promoting the company’s business strategy and long-term interests, including its 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, 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 awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration for the CEO may amount to not more than



---

MSEK 2 per year and shall not be pensionable income. The variable cash remuneration to other senior executives shall not exceed 30 per cent of the fixed annual cash salary. The variable cash remuneration shall be linked to clear performance related criteria in easy and transparent designs. The criteria can be financial, non-financial or be individualized, quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development. Currently, these criteria include among others sales and earnings based financial criteria.

When the measurement period has ended, an assessment/evaluation to which extent the criteria for awarding variable cash remuneration has been satisfied shall be made. 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 executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on established financial data for the relevant period.

For the CEO, pension benefits, including health insurance (*Sw: sjukförsäkring*), shall be premium defined. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the pensionable income. For other executives, pension benefits, including health insurance, shall be premium defined unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the pensionable income.

The non-cash remuneration to the Group management, e.g. car allowance, computer, cell-phone, additional private health insurance or private health service, can be paid to the extent considered to be in accordance with relevant market terms for senior executives at other corresponding positions on the market on which the company operates. Such benefits may amount to not more than 15 per cent of the fixed annual cash salary.

#### *Termination of employment*

The notice period may not exceed twelve months if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the CEO's fixed cash salary for two years, and one year for other executives. The period of notice may not to exceed six months without any right to severance pay when termination is made by the executive.

#### *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' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to executives and remuneration to other employees will be disclosed in the remuneration report.

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

The Board of Directors has not established a Remuneration Committee, since the Board of Directors found it more appropriate for the entire Board to fulfil the duties of the Remuneration Committee. 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. The Board of Directors shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

*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 necessary 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. This includes any resolutions to derogate from the guidelines.

*Information on remuneration resolved upon but not yet due for payment*

Information on remuneration resolved upon but not yet due for payment is presented in note 8 of the Annual Report 2019.

---

Gnosjö in April 2020  
**GARO Aktiebolag (publ)**  
*The Board of Directors*



## The Board of Directors proposal for amendment of the Articles of Association

The Board of Directors of GARO Aktiebolag (publ) proposes that the Annual General Meeting 2020 resolves to amend the Articles of Association in accordance with below.

The Board of Directors proposes that § 9 subparagraph 2 in the Articles of Association is amended in accordance with below, in order to prevent contradiction between the provision and the expected amended wording of the Swedish Companies Act (2005:551).

Current wording § 9 st. 2	Proposed wording § 9 st. 2
Shareholders wishing to participate in the General Meeting of the shareholders must, firstly, be registered in the transcript of the entire shareholders' register prevailing five weekdays prior to the Meeting and, secondly, notify the company of their intention to attend the Meeting not later than the day stipulated in the notice convening the General Meeting. The latter day must not be a Sunday, any other public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and must not be more than five weekdays before the Meeting.	Shareholders wishing to participate in the General Meeting of the shareholders must, firstly, be registered in the transcript <i>or other presentation</i> of the entire shareholders' register <del>prevailing five weekdays prior to the Meeting</del> <i>on the record date for the General Meeting, which is established in accordance with the Swedish Companies Act</i> , and, secondly, notify the company of their intention to attend the Meeting not later than the day stipulated in the notice convening the General Meeting. The latter day must not be a Sunday, any other public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and must not be more than five weekdays before the Meeting.

Further, the Board of Directors proposes that § 1 and 11 of the Articles of Association shall be amended in accordance with below, due to certain earlier changes of statutory law. Please note that the proposed amendment of § 1 does not affect the English unofficial translation of the Articles of Association.

Current wording § 1	Proposed wording § 1
§ 1. Company name The name of the company is GARO Aktiebolag. The company is a public company (publ).	§ 1. Company name The name of the company is GARO Aktiebolag. The company is a public company (publ).
Current wording § 11	Proposed wording § 11
§ 11. CSD Company The Company's shares shall be registered in a central securities depository register in accordance with the Swedish Financial Instruments Accounts Act (1998:1479).	§ 11. CSD Company The Company's shares shall be registered in a central securities depository register in accordance with the Swedish <i>Central Securities Depositories</i> and Financial Instruments Accounts Act (1998:1479).

After the proposed amendment, the company's Articles of Association will have the wording set out in Appendix A.

### **Authorisation**

The Board of Directors proposes that the CEO shall be authorized to make such minor adjustments of the above resolution as may be required in connection with the registration with the Swedish Companies Registration Office.

### **Majority requirement**

In order to be valid, a resolution regarding amendment of the Articles of Association requires approval of at least two thirds of the votes cast and the shares represented at the meeting.

---

Gnosjö in April 2020  
**GARO Aktiebolag (publ)**  
*The Board of Directors*

Reg. No. 556051-7772

**Appendix A**

**ARTICLES OF ASSOCIATION**

adopted at Annual General Meeting on 19 May 2020

**§ 1. Company name**

The name of the company is GARO Aktiebolag. The company is a public company (publ).

**§ 2. Registered office**

The board of the company shall have its registered office in the municipality of Gnosjö.

**§ 3. Object of business**

The company shall, directly or through subsidiaries, conduct business within manufacturing of sealed electrical installation materials and socket means to the construction and electrical industry, in addition hereto, the company shall conduct and offer economy and management services to group companies, own and manage property and conduct business compatible therewith.

**§ 4. Share capital**

The share capital shall amount to not less than SEK 14,000,000 and not more than SEK 56,000,000.

**§ 5. Number of shares**

The number of shares shall be not less than 10,000,000 and not more than 40,000,000.

**§ 6. Board of directors**

The board of directors shall consist of no less than three (3) and no more than seven (7) directors.

**§ 7. Auditors**

The company shall have one (1) or two (2) auditors in charge with no more than two (2) deputy auditors. As auditor shall be elected an authorized public accountant or a registered public accounting firm.

**§ 8. Annual General Meeting**

General Meetings shall be held in Gnosjö, Malmö or Stockholm

Annual General Meeting shall be held annually no later than six (6) months after the end of the financial year.

At the Annual General Meeting the following items shall be addressed:

1. Election of the chairman of the meeting.
2. Preparation and approval of the voting list.
3. Election of one or two persons to approve the minutes.
4. Determination of whether the meeting has been duly convened.
5. Approval of the agenda.
6. Presentation of the annual report and the auditor's report, and if applicable, the consolidated financial statements and the group auditor's report.
7. Resolutions regarding:
  - a. adoption of the income statement and the balance sheet, and, if applicable, the consolidated income statement and the consolidated balance sheet;
  - b. appropriation of the company's profit or loss according to the adopted balance sheet;
  - c. discharge from liability for the members of the board of directors and the managing director.
8. Resolution regarding fees for the members of the board of directors and fees for the auditors.
9. Resolution regarding the number of directors of the board of directors and auditors and deputy auditors.
10. Election of members of the board of directors, as well as election of auditors and deputy auditors.
11. Any other matter on which the annual general meeting is required to decide pursuant to the Swedish Companies Act or the Articles of association.

## **§ 9. Notice**

Official notification to attend a General Meeting of the shareholders shall be announced in the Official Swedish Gazette (*Sw. Post- och Inrikes Tidningar*) and on the company's website. The announcement of the notification of the General Meeting is to be advertised in Dagens industri.

Shareholders wishing to participate in the General Meeting of the shareholders must, firstly, be registered in the transcript or other presentation of the entire shareholders' register on the record date for the General Meeting, which is established in accordance

with the Swedish Companies Act, and, secondly, notify the company of their intention to attend the Meeting not later than the day stipulated in the notice convening the General Meeting. The latter day must not be a Sunday, any other public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and must not be more than five weekdays before the Meeting.

At the General Meeting, shareholders may be accompanied by one or two advisors, however, only if the shareholder notifies the company of the number of advisors in the manner stated above.

#### **§ 10. Financial year**

The financial year of the company shall comprise the period January 1 to December 31.

#### **§ 11. CSD Company**

The Company's shares shall be registered in a central securities depository register in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479).

---