



## SCANDINAVIAN TOBACCO GROUP

### Company Announcement 3/2019

Copenhagen, 18 March 2019

#### NOTICE CONVENING THE ANNUAL GENERAL MEETING OF SCANDINAVIAN TOBACCO GROUP A/S

In accordance with Article 7 of the Articles of Association, notice is hereby given of the annual general meeting of Scandinavian Tobacco Group A/S (the "Company") to be held on

Wednesday 10 April 2019 at 4.30 p.m.  
at Axelborg, Vesterbrogade 4A, DK-1620 Copenhagen V

#### Agenda

In accordance with Article 8.2 of the Articles of Association, the agenda of the meeting is as follows:

1. Report of the Board of Directors on the Company's activities during the past financial year
2. Adoption of the audited annual report

*The audited annual report is available on [www.st-group.com](http://www.st-group.com).*

3. Appropriation of profit or loss as recorded in the adopted annual report

*The Board of Directors proposes to the general meeting that the Company pays for the financial year 2018 a dividend of DKK 6.00 per share of DKK 1.*

4. Adoption of the remuneration of the Board of Directors and any Board committees

*The Board of Directors proposes that the remuneration of the Board of Directors for the financial year 2019 be as follows (i.e. unchanged from 2018):*

- *Ordinary members of the Board of Directors shall be paid a base annual fee of DKK 400,000*
- *The chairman shall receive three times the base annual fee*
- *The vice-chairman shall receive 1.75 times the base annual fee*
- *The chairman of the Audit Committee shall receive a fee corresponding to 75 percent of the base annual fee*
- *Other members of the Audit Committee shall receive a fee corresponding to 37.5 percent of the base annual fee*
- *The chairman of each of the Remuneration Committee and Nomination Committee shall receive a fee corresponding to 25 percent of the base annual fee*

- *The members of each of the Remuneration Committee and Nomination Committee shall receive a fee corresponding to 12.5 percent of the base annual fee*

*The fees for the chairmen and members of the committees are in addition to their fee as chairman, vice-chairman or member of the Board of Directors. In addition to the above, the company may also pay social contributions and similar fees that it may be charged by foreign authorities in relation to the fees paid to members of the Board of Directors. Further, the company may pay travel expenses and other expenses related to the work as a member of the Board of Directors.*

#### 5. Election of members to the Board of Directors

*Pursuant to Article 11.1 of the Articles of Association, all members of the Board of Directors elected by the general meeting are elected for one year at a time. The Board of Directors has received notice that Søren Bjerre-Nielsen wishes to resign from the Board of Directors.*

*The Board of Directors proposes re-election of the following Board members:*

*Nigel Northridge (Chairman), Henrik Brandt (Vice-chairman), Dianne Neal Blixt, Luc Missorten and Anders Obel. The Board of Directors proposes election of Marlene Forsell and Claus Gregersen as new members of the Board of Directors.*

*Information about the nominated candidates is enclosed and is also available at the company's website ([www.st-group.com](http://www.st-group.com)).*

#### 6. Election of auditor(s)

*Pursuant to Article 16.1 of the Articles of Association, the auditor elected by the general meeting is up for election. The Board of Directors proposes to re-elect PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab in accordance with the Audit Committee's recommendation. The Audit Committee has not been influenced by any third party and no clause of a contract entered into with a third party has been imposed upon it, which restricts the general meeting's choice of certain auditors or audit firms.*

#### 7. Any proposals by the Board of Directors and/or shareholders

*The Board of Directors has not received any proposals from the shareholders.*

### **VOTING REQUIREMENTS**

Adoption by the general meeting of proposals set out in items 2, 3, 4, 5 and 6 on the agenda requires a simple majority at the general meeting, see Article 10.2 of the Articles of Association.

### **REGISTRATION, ADMISSION AND PROXY**

#### **Registration date**

In accordance with Article 9.4 of the Articles of Association, a shareholder's right to participate in the general meeting and the number of votes, which the shareholder is entitled to cast, is determined in accordance with the number of shares held by such shareholder on 3 April 2019 at 11.59 pm (*the registration date*). The shares held by each shareholder are determined at the registration date on the basis of the shareholdings registered in the share register and in accordance with any notices on shareholding received, but not yet registered, by the

Company in the share register as of the registration date.

#### **Deadline for notice of attendance**

A shareholder or its proxy wishing to attend the general meeting must give notice thereof and order admission cards on the Investor Portal at the Company's website, [www.st-group.com](http://www.st-group.com), or by printing the admission card order form found on the website and submitting it to Computershare A/S, Lottenborgvej 26D, 2800 Kongens Lyngby, telefax +45 4546 0998, e-mail [gf@computershare.dk](mailto:gf@computershare.dk) no later than 5 April 2019 11.59 pm.

#### **Admission card**

Admission cards will be issued electronically only. Thus, admission cards will not be distributed by ordinary mail. Please register the email address, to which the electronic admission card should be sent, on the Investor Portal at the Company's website, [www.st-group.com](http://www.st-group.com), when you request the admission card.

Shareholders who have ordered admission cards for the general meeting have the following options:

- print the admission card and bring it to the general meeting, or
- bring the admission card on a smartphone or tablet, or
- collect the admission card at the general meeting upon presentation of proper ID.

#### **Proxy and postal votes**

If you are prevented from attending the general meeting, you may appoint a proxy to cast the votes carried by your shares. The proxy can be submitted directly via the Investor Portal on the Company's website [www.st-group.com](http://www.st-group.com), or by printing the proxy form at the website and submitting it, duly signed and dated, to Computershare A/S, Lottenborgvej 26D, 2800 Kongens Lyngby, telefax +45 4546 0998, e-mail [gf@computershare.dk](mailto:gf@computershare.dk). The proxy must be submitted so that it is received no later than 5 April 2019 at 11.59 pm.

Shareholders may also vote by post directly on the Investor Portal on the Company's website, [www.st-group.com](http://www.st-group.com), no later than 9 April 2019 at 11.59 pm. Alternatively, shareholders can submit the printed, signed and dated postal vote form found at the website to Computershare A/S, Lottenborgvej 26D, 2800 Kongens Lyngby, telefax +45 4546 0998, e-mail [gf@computershare.dk](mailto:gf@computershare.dk). Vote by post must be received by Computershare A/S no later than 9 April 2019 at 11.59 pm. Once a vote by post has been received, the vote cannot be revoked by the shareholder.

#### **LANGUAGE**

In accordance with Article 9.7 of the Articles of Association the general meeting will be conducted in English. Shareholders may choose to speak in Danish or English.

#### **SHARE CAPITAL AND VOTING RIGHTS**

The Company's share capital is DKK 100,000,000, divided into 100,000,000 shares of DKK 1 each. Article 9.1 of the Articles of Association stipulates that each share of nominally DKK 1 shall carry one vote at the general meeting.

#### **AGENDA ETC.**

The complete, unabridged text of the documents to be submitted to the general meeting, including the audited annual report, as well as the agenda with the full text of all proposals to be submitted to the general meeting, the total number of shares and voting rights as at the date of the notice and the forms to be used for voting by

proxy and by post are available at the Company's website, [www.st-group.com](http://www.st-group.com).

## **RIGHT TO INQUIRE**

Article 9.6 of the Articles of Associations afford to the shareholders the right to ask questions in writing to the Company's management about matters of significance to the assessment of the annual report and the general position of the Company or the assessment of any matter to be resolved at the general meeting. Shareholders may also ask questions to the management of the company at the general meeting.

Scandinavian Tobacco Group A/S

The Board of Directors

### **For further information, please contact:**

For investor enquiries:

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## CANDIDATES FOR THE BOARD OF DIRECTORS

### **Nigel Northridge (Chairman)**

Independent

Born in 1956

Nationality: Irish

Joined the board in 2016 and was elected Vice-Chairman in 2016 and Chairman in 2017. Chairman of the Remuneration Committee and the Nomination Committee.

#### **Educational background:**

- HND in Business Studies from Northern Ireland Polytechnic, Sullivan Upper School, Belfast

#### **Competencies:**

- Long professional experience as an executive director in the international tobacco industry
- Experience as executive and non-executive director in managing publicly listed companies
- Sales and marketing of fast-moving consumer goods

#### **Selected former employment positions:**

- CEO of Gallaher Group PLC 2000-2007
- Held a number of sales, marketing and then general management positions within the group of Gallaher Tobacco Ltd. (subsequently Gallaher Group PLC) in the UK and overseas, before being appointed to the board of directors in 1993, a position held 1993-2000

#### **Directorships and other offices:**

- Chairman of the board of Hogg Robinson Group PLC., Belfast City Airport (Non-Executive Chairman), Senior Independent Director at Inchcape PLC.

### **Henrik Brandt**

Independent

Born in 1955

Nationality: Danish

Joined the board in 2017 and was elected Vice-chairman in 2017. Member of Remuneration Committee and Nomination Committee.

#### **Educational background:**

- MBA from Stanford University
- Master of Science (Econ), Copenhagen Business School

#### **Competencies:**

- Extensive experience in leading international, publicly listed and private equity businesses
- Sales and marketing of fast-moving consumer goods
- Strategic business development

#### **Selected former positions:**

- President and CEO Royal Unibrew A/S 2008-2017
- President and CEO of Unomedical a/s 2003-2008
- President and CEO of Sophus Berendsen Group 1999-2002
- CEO of House of Prince A/S and Group Executive of Skandinavisk Tobakskompagni A/S 1992-1999
- President and CEO of Fritz Hansen A/S 1989-1992
- President and CEO of Kevi A/S 1987-1989

**Directorships and other offices:**

- Chairman of the board of Toms Gruppen A/S, Rockwool International A/S, Fritz Hansen A/S, Intervare A/S, nemlig.com A/S, Uno Equity ApS (and subsidiaries hereof), Danish Bake Holding ApS (Ole & Steen)
- Member of the board of Ferd Holding as, Gerda & Victor B. Strands Fond, Gerda & Victor B. Strand Holding A/S

**Dianne Neal Blixt**

Independent

Born in 1959

Nationality: American

Joined the board in 2016. Member of the Audit Committee

**Educational background:**

- Master's degree in Business Administration and Finance from University of North Carolina at Greensboro

**Competencies:**

- Significant experience in business analysis
- Financial management and reporting expertise
- Considerable insight into the US tobacco industry

**Selected former positions:**

- Member of the board of directors of Lorillard, Inc. 2011-2015
- Executive Vice President and Chief Financial Officer of Reynolds American, Inc., 2004-2007
- Various positions in Reynolds American and its subsidiaries 1988-2003
- Executive Vice President and Chief Financial Officer of R. J. Reynolds Tobacco Holdings, Inc. 2003-2004

**Directorships and other offices:**

- Chairperson of the board of the National Sports Media Association
- Member of the board of directors of Ameriprise Financial Services, Inc.
- Director on the Board for the non-profit entity Reynolda House Museum of American Art

**Marlene Forsell**

Independent

Born in 1976

Nationality: Swedish

**Educational background:**

- Master of Science degree in Business Administration and Economics from Stockholm School of Economics

**Competencies:**

- Extensive experience with and insight into financial matters
- Enterprise performance management
- Reporting processes in listed companies
- Considerable insight into the tobacco industry

**Selected former positions:**

- Senior Vice President and CFO of Swedish Match AB 2013-2018
- Member of the board of Scandinavian Tobacco Group A/S 2014-2017
- Various positions in the Swedish Match group, including Vice President Group Reporting and Vice President Business Control 2004-2013
- Analyst Ernst & Young 2001-2004

**Directorships and other offices:**

- Member of the board of Kambi Group plc and Lime Technologies AB

**Claus Gregersen**

Independent

Born in 1961

Nationality: Danish

**Educational background:**

- Bachelor of Commerce degree (HD) in Business Finance from Copenhagen Business School

**Competencies:**

- Board experience from international, private and public enterprises
- Management experience from Danish and international enterprises
- Extensive experience with M&A, capital markets, strategic development, risk management and operations

**Selected former positions:**

- CEO and Country Manager at Carnegie Investment Bank 2010-2017
- Partner, Select Partners, Asset Management 2005-2010

**Directorships and other offices:**

- CEO of Chr. Augustinus Fabrikker Aktieselskab
- Chairman of the board of Vækstfonden, Skandinavisk Holding A/S, Skodsborg Sundhedscenter A/S, Kurhotel Skodsborg A/S, Rungsted Sundpark A/S, Skodsborg Sundpark A/S
- Vice-Chairman of the board of Jeudan A/S
- Member of the board of Gyldendal A/S, Fritz Hansen A/S, Tivoli A/S, Axcel Future, Scandinavian Tobacco Group's Gavefond and Søren Gyldendal Fonden
- Member of the management of CAF Invest A/S, Ejendomme af 1. januar 2012 ApS, CG61 ApS

**Luc Missorten**

Independent

Born in 1955

Nationality: Belgian

Joined the board in 2016. Member of the Audit Committee

**Educational background:**

- Law degree from the Catholic University of Leuven
- Certificate of Advanced European Studies from the College of Europe, Bruges
- Master of Laws from the University of California, Berkeley

**Competencies:**

- Executive and non-executive general management experience
- Substantial experience in financial management of international corporations

**Selected former positions:**

- CEO of Corelio NV 2007-2014
- Group CFO and Executive Vice President for Finance at UCB S.A. 2004-2007
- Executive Vice President and CFO at Inbev S.A. (now ABI) 1995-2003

**Directorships and other offices:**

- Chairman of the board of Ontex Group NV.
- Member of the board of Barco NV, Recitel NV/SA, GIMV NV and Mateco Sarl

**Anders Obel**

Independent

Born in 1960

Nationality: Danish

Joined the Board in 2018

**Educational background:**

- BSc in Economics and Business Administration from Copenhagen Business School

**Competencies:**

- Extensive experience in management of industrial and investment companies
- Strategic business development
- Economic and financial expertise

**Selected former positions:**

- Member of the board of directors of Forenet Kredit f.m.b.a., Nykredit Holding A/S and Nykredit Realkredit 2009-2017
- Member of the board of directors of Scandinavian Tobacco Group A/S 2010-2016
- Vice President at Gemini Consulting/Cap Gemini 1996-2002
- Various positions, including Manager, at Hambros Bank Plc., 1985-1996

**Directorships and other offices:**

- CEO at C.W. Obel A/S
- Chairman of the board of C.W. Obel Bolig A/S, C.W. Obel Ejendomme A/S, Obel-LFI Ejendomme A/S, Semco Maritime A/S, Semco Maritime Holding A/S, Goodvalley A/S and Anders Christen Obel ApS, Haxholm v/Anders Christen Obel
- Vice Chairman of the board of Fritz Hansen A/S, Danfoss Semco A/S and Skandinavisk Holding A/S
- Member of the board of Scandinavian Tobacco Group's Gavefond, DMP Partners A/S, Erhvervsinvest Management A/S, Minkpapir A/S, PAL-CUT A/S, Safe Load A/S, C.W. Obels Fond, Danmark-Amerika Fondet, Fonden Det Obelske Jubilæumskollegium, Mullerupgaard- og Gl. Estrupfonden, Høvdingsgaard Fonden, Skjærringefonden and Woodmancott Fonden