

NASDAQ Copenhagen A/S  
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Announcement No. 19 / 2020  
03 April, 2020  
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### **Notice of Annual General Meeting in SP Group A/S**

Enclosed please find notice of Annual General Meeting in SP Group A/S on Monday 27 April, 2020, including attachments.

**Further information:**

**CEO Frank Gad**  
**Phone: (+45) 70 23 23 79**  
**[www.sp-group.dk](http://www.sp-group.dk)**



*In case of any discrepancies, the Danish version shall prevail.*

April 2020

Dear Shareholder

SP Group A/S' Annual General Meeting will be held on Monday 27 April 2020 at 12h00 (Danish time).

SP Group will keep the date of the AGM unchanged. However, it is uncertain for how long Denmark will be affected by the Corona virus situation.

**Request for not coming to the AGM**

SP Group is taken the Corona virus situation very seriously and wants to comply with the requirements and measures of the Danish authorities for the safety of the population. Therefore, we request our shareholders **not** to come to the AGM. Instead, you can vote prior to the AGM and attend the AGM via live webcast that we will be hosting on the internet.

Just a few Board Members and members from the Executive Board will be present at the AGM. All planned activities and food and beverage services are cancelled.

Obviously, the implementation of the general meeting requires that we are able to comply with the health regulations of the authorities. Due to this we must emphasize that our shareholders do not physically attend the AGM. Instead, you can exercise your shareholder rights prior to the AGM. In case the Corona virus situation against all expectations is getting better, we will inform you accordingly on our homepage. We hope you understand our attitude in this situation and are looking very much forward to meeting you all at our AGM in the spring 2021.

**Use your shareholder rights and watch the live transmission conducted in Danish on the internet (live webcast) from the meeting**

We ask our shareholders to:

- vote electronically/written no later than 26 April 2020 at 12h00 or by proxy no later than 23 April 2020 at 23h59. You can find more information how to vote in the Notice of the Annual General Meeting or on [www.sp-group.dk/AGM](http://www.sp-group.dk/AGM)
- follow the AGM via our live transmission on the internet (live webcast) on [www.sp-group.dk/Shareholderportal](http://www.sp-group.dk/Shareholderportal). The AGM and webcast begin on 27 April 2020 at 12:00 noon.

Shareholders can send questions/comments to SP Group about the agenda and the documents of the AGM to [AGMeeting@sp-group.dk](mailto:AGMeeting@sp-group.dk). For practical reasons please send such questions/comments in writing no later than 26 April 2020 at 12:00 noon.

Should you have any questions to above please take contact by sending an e-mail to [AGMeeting@sp-group.dk](mailto:AGMeeting@sp-group.dk) or by calling Mia Mørk on +45 7023 2379 (Monday-Friday between 9:00 and 16:00).

On behalf of Board of Directors and the Executive Board

Hans W. Schur, Chairman

## Notice of

# Annual General Meeting in SP Group A/S

The Annual General Meeting will be held on:

**Monday 27 April, 2020 at 12.00 noon**

at MedicoPack A/S' premises, Industrivej 6, 5550 Langeskov

with the following agenda:

1. The Board of Directors' report on the activities of the company in the past year.
2. Presentation of the annual report with audit report and management's review as well as resolution on approval of the annual report including remuneration report.
3. Resolution on discharge to the Board of Directors and the Executive Board.
4. Resolution on the distribution of profit or for the treatment of loss according to the adopted annual report. Please note that the Board of Directors proposes that no dividend is paid for the financial year 2019.
5. Any proposals from the Board of Directors or shareholders:
  - a. Proposal for approval of remuneration for the Board of Directors for the current financial year.

The Board of Directors proposes that directors' fees for the financial year 2020 should be DKK 450,000 for the chairman, DKK 275,000 for the deputy chairman and DKK 225,000 for other board members. Moreover, it is proposed that the chairman of the Audit Committee should receive a separate fee of DKK 50,000 in addition to the directors' fee. The remuneration remains unchanged compared to the financial year 2019.

- b. Proposal for approval of remuneration policy.

The Board of Directors proposes to approve the remuneration policy which has been drafted in order to meet the new statutory requirements in sections 139 and 139 (a) of the Danish Companies Act.

If the remuneration policy is approved, then article 5 (5) of the company's articles of association regarding general guidelines for incentive-based remuneration no longer apply and will be deleted in its entirety in accordance with section 139 (6) of the Danish Companies Act. Hence, articles 5 (6) – 5 (7) will become articles 5 (5) – 5 (6).

- c. Proposal for a new authorisation to distribute extraordinary dividend to replace the authorisation in article 5 (7) in the company's articles of association.

The Board of Directors proposes to replace article 5 (7) in the articles of association (which will become article 5 (6) if the remuneration policy is approved) with the following authorisation to distribute extraordinary dividend:

*"In accordance with Sections 182 and 183 of the Danish Companies Act (Selskabsloven) the Board of Directors is authorised to decide on distribution of extraordinary dividend to the extent the company's and the group's financial position allows for it. The extraordinary dividend must be justifiably based on the company's and the group's financial position, made in cash and be made in accordance with the rules thereon in the Danish Companies Act."*

- d. Authorisation to the Board of Directors to file.

The Board of Directors proposes that the general meeting authorises the Board of Directors to file the registrable resolutions adopted by the general meeting with the Danish Business Authority and to make such amendments to the documents prepared in connection with such resolutions, as the Danish Business Authority may request in order to complete registration of the resolutions.

- 6. Election of members of the Board of Directors.

All members of the Board of Directors elected by the General Meeting are up for election.

The Board of Directors proposes re-election of Hans Wilhelm Schur, Erik Preben Holm, Niels Kristian Agner, Hans-Henrik Horsted Eriksen and Bente Overgaard. See the annual report for a description of the candidates.

7. Election of auditor.

The Board of Directors proposes re-election of Ernst & Young, Godkendt Revisionspartnerselskab, CVR-no. 30 70 02 28. The Board of Directors, who are all members of the Audit Committee have not been influenced by any third parties and are not - and have not been - subject to any agreement with any third party, which may in any way limit the appointment of a specific Audit Firm by the Annual General Meeting.

8. Any other business.

The notice of the Annual General Meeting (including the agenda, the complete proposals and the size of the share capital and the voting rights of the shareholders at the time of the convening of the Annual General Meeting), a version of the present articles of association, draft remuneration policy and the audited annual report for 2019 signed by the Executive Board and the Board of Directors (including remuneration report and a description of the proposed candidates for the Board of Directors) are available for inspection by the shareholders at the premises of the company, Snavevej 6-10, 5471 Søndersø, as of 3 April, 2020. Furthermore, the documents are available at the company's website:

[www.sp-group.dk](http://www.sp-group.dk) under "Investor Relations" as of Friday 3 April, 2020.

**The registration date ("Registreringsdatoen")** is Monday 20 April, 2020 – 1 week prior to the Annual General Meeting.

Any shareholder, who is a shareholder in SP Group A/S as per the registration date, is entitled to appear and vote at the Annual General Meeting, when he has requisitioned an admission card as described below. Votes may be casted by proxy. At the Annual General Meeting, any share amount of DKK 2 entitles the holder to 1 vote. At the time of the convening of the Annual General Meeting, the share capital of the company amounts to DKK 22,780,000 and is divided into shares of DKK 2 each.

In order to gain access to the Annual General Meeting, shareholders and consultants (attendants) must in due time require admission cards which will be handed out at the entrance. Ordering of admission cards and vote by proxy must be made electronically via the shareholders' portal on the company's website [www.sp-group.dk](http://www.sp-group.dk) under "Investor Relations". Access is achieved by stating deposit number and password appearing from the top of the entry form. If you have no access to the Internet, admission cards may be requested from SP Group A/S by filling in and sending the entry form, which has been distributed to all the shareholders in SP Group A/S. Here it is also possible to vote by proxy.

Shareholders also have the opportunity to cast a postal vote before the General Meeting.

Votes by post or by proxy must be casted in writing to:

Computershare A/S, Lottenborgvej 26D, 1. Sal, DK-2800 Kgs. Lyngby, Denmark.

Proxy form and postal vote form have been distributed to all shareholders and have been published on SP Group A/S' shareholder portal, [www.sp-group.dk](http://www.sp-group.dk) under "Investor Relations".

If signing up electronically to the Annual General Meeting, the shareholders are requested to state their email address for future electronic communication purposes.

Deadline for requiring admission cards or vote by proxy is:

Thursday 23 April, 2020 at 11.59 p.m.

Postal votes may be casted as per the same deadline.

Shareholder status is proven either by a registration of the shareholder's title in the company's register of shareholders or by presentation of documentation from the shareholder's account controller. At the time of the request for an admission card, this documentation must not be older than 14 days.

Until the date of the Annual General Meeting, shareholders may submit questions concerning the agenda or other documents etc. to be used at the Annual General Meeting. Questions must be submitted to SP Group A/S by email to [MM@sp-group.dk](mailto:MM@sp-group.dk), attn. Mia Mørk.

Søndersø 3 April, 2020

The Board of Directors of SP Group A/S

In case of any discrepancies between the Danish and the English notice of the Annual General Meeting, the Danish version shall prevail.



## Remuneration policy

### 1) Introduction

This Remuneration Policy (the “Policy”) outlines the remuneration composition for SP Group A/S’ (“SP Group” or “Company”) Board of Director and Executive Board and is prepared in accordance with Sections 139 and 139(a) of the Danish Companies Act and in accordance with the Danish Recommendations on Corporate Governance.

The purpose of this Policy is to describe the framework for remuneration of SP Group’s Board of Directors and Executive Board and how each component serves to support and drive the Company’s business strategy and long-term sustainable value creation.

The remuneration and other relevant terms of employment of SP Group’s employees have been taken into consideration in the preparation of this Policy. The remuneration of SP Group’s employees follows the same overall principles and component design as set out in this Policy in that remuneration is determined in order to support the successful delivery of SP Group’s strategy. The application of the same overall principles helps to support the delivery of the Company’s strategy across SP Group.

This Policy is prepared by SP Group’s Board of Directors and submitted for approval at the general meeting. The Policy is prepared through a transparent process and when deemed relevant, with external support.

It is the opinion of SP Group that there is no risk of conflicting interest in connection with the preparation of this Policy as the Policy is adopted by the Board of Directors and approved by the general meeting and the members of the Board of Directors only receive fixed remuneration which is approved by the general meeting.

### 2) General principles

The overall objectives of this Policy are to ensure 1) alignment of interest between SP Group’s Board of Directors and Executive Board and SP Group’s shareholders, (ii) that SP Group is able to attract, motivate and retain qualified members to the Board of Directors and the Executive Board and (iii) long-term sustainable value creation for the benefit of all SP Group’s stakeholders. The remuneration of the Board of Directors and the Executive Board, including the split between fixed and variable remuneration, is deemed to support these objectives.

### 3) Remuneration of the Board of Directors

All members of the Board of Directors receive a fixed annual director’s fee (“Base Fee”). If a board member joins or resigns during an election period, the board member will receive a pro rata share of the annual director’s fee. The Chairman may receive a fee up to 2 times the Base Fee and the Deputy Chairman and the Chairman of the Audit Committee may receive a supplement to the Base Fee of up to 50% of the Base Fee due to their additional duties.

Members of the Board of Directors do not receive any incentive pay.

If a member of the Board of Directors takes on specific ad hoc tasks in accordance with the Rules of Procedure for the Board of Directors, such member may receive an ad hoc fee for the work carried out, subject to approval by the Board of Directors. The ad hoc fee must subsequently be approved by the shareholders at the next annual general meeting.

Reasonable expenses in relation to board- or committee meetings, that are established by the Board of Directors for the purpose of performing specific tasks assigned by the Board of Directors, may be reimbursed by the Company.

The remuneration of board members is assessed annually by the Board of Directors. Board member remuneration components are determined based on a benchmark against relevant Danish and international peers.

The remuneration of the Board of Directors is approved by the general meeting each fiscal year.

To be able to attract qualified board members, the Company has taken out a customary directors' liability insurance. To the extent the insurance coverage is insufficient, the Company will in certain cases cover additional claims that a board member may personally incur.

#### **4) Remuneration of the Executive Board**

The remuneration of the Executive Board consists of fixed and variable (short- and long-term) components in addition to non-monetary benefits. The variable components consist of an annual cash bonus and a long-term share-based incentive scheme.

The remuneration of the Executive Board is determined based on a benchmark against relevant Danish and international peers and is approved by the the Board of Directors annually.

The members of the Executive Board pay their pension contributions themselves.

The combination of fixed pay and short- and long-term incentive schemes are aimed to support the Company's strategy by both incentivising short-term financial performance and long-term sustainable value creation for the benefit of the Company's stakeholders.

The fixed pay accounts for 50-100% of the value of the total remuneration to each of the members of the Executive Board depending on the achievement of certain KPIs applicable for the short-term incentive scheme, as will be described below.

To be able to attract qualified members of the Executive Board, the Company has taken out a customary officers' liability insurance. To the extent the insurance coverage is insufficient, the Company will in certain cases cover additional claims that a member of the Executive Board may personally incur.

##### **4.1) Fixed remuneration**

The total fixed pay of each member of the Executive Board consists of a base salary and non-monetary benefits such as company car, insurance, phone, etc. In addition, members of the Executive Board may receive contributions relating to housing and reimbursement of expenses relating to crossborder relocation as well as certain other expenses related to establishing and maintaining a household when relocating cross-border.



The fixed part of the remuneration of each member of the Executive Board is disclosed each year in the Company's annual report and/or in the Company's remuneration report.

#### **4.2) Variable remuneration – short-term incentive scheme**

As part of the variable pay, members of the Executive Board may receive an annual cash bonus of up to 50% of the fixed pay, which is tied to the achievement of certain key performance indicators (“KPIs”) as determined by the Board of Directors each year.

The KPIs are linked to the financial performance of SP Group such as organic growth, operating profit (EBIT) etc., however, the Board of Directors can supplement the financial performance KPIs with nonfinancial KPIs (climate, environment and society) if the Board of Directors deems it relevant to support the achievement of the Company's strategy.

The Board of Directors may decide to distribute discretionary bonus. The level of the annual bonus under the short-term incentive scheme is determined annually by measuring the achievement of the specific KPIs on the basis of the results included in SP Group's annual report.

Pay-out of the above-mentioned bonus normally takes place within the second quarter of the new fiscal year after the general meeting's approval of the annual report. The pay-out bonus amount is prorated based on days employed and the member's annual salary amount(s) over the relevant fiscal year. The actual bonus amounts paid to each member of the Executive Board are disclosed every year in the Company's annual report and/or in the Company's remuneration report.

#### **4.3) Variable remuneration – long-term incentive scheme**

To ensure retention and a direct correlation with the long-term value creation benefitting shareholders and stakeholders, the Board of Directors has decided to establish a long-term incentive scheme consisting of warrants to the Executive Board.

Under the long-term incentive scheme, each member of the Executive Board is eligible once a year to receive warrants with a value at the time of grant of up to six months' base salary. The size of the grant is calculated based on the base salary at the end of the previous fiscal year, unless otherwise determined by the Board of Directors. The value of the warrants granted is calculated in accordance with the Black-Scholes formula.

The warrants have a term of six years and are exercisable after three years. The term of six years ensures that members of the Executive Board are incentivised to create not only short-term results but also long-term results for the Company. Upon vesting, each warrant can be exercised and gives the right to acquire one share in SP Group. Warrants are granted at an exercise price which is between 0% and 10% higher than the market price at the date of grant with the addition of 7.5% per annum until the date of exercise. Warrants that have not been exercised by the expiry of the exercise period will lapse automatically and without compensation. The Board of Directors may in their sole discretion decide to include achievement of relevant targets as a condition to vesting of the warrants if deemed relevant to support the Company's business strategy and long-term value creation. The long-term incentive scheme comprises customary “good leaver” and “bad leaver” provisions to incentivise retention and long-term contribution in delivering on the Company's strategy.

The recipients may choose to either vest the warrants over a period of three years or to acquire the warrants against cash payment. Any tax consequence for the recipients due to the grant of warrants is of no concern to the Company.

To the extent possible, warrants granted are covered by the Company's holding of treasury shares, alternatively by issuance of new shares.

In extraordinary circumstances, the Board of Directors may decide to accelerate the vesting of warrants and/or to adjust the terms of exercise, e.g. in the case of significant transactions affecting the value of the warrants granted. In such event, the remuneration report will include a description of the accelerated vesting and the reasons behind.

#### **4.4) Extraordinary awards**

With the aim of achieving the purpose of this Policy, the Board of Directors may decide to award individual Executive Board members one-off extraordinary bonuses, sign-on bonuses or retention bonuses. Such amount(s) will be disclosed in the Company's annual report and/or in the Company's remuneration report.

Extraordinary awards may consist of cash and/or share-based components. The value of extraordinary awards should not exceed 100% of the fixed pay for the relevant position at the time of the award.

#### **5) Clawback, penalties and the like**

Clawback provisions entitling SP Group in certain situations to reclaim variable remuneration in full or in part from members of the Executive Board exist both in terms of the short-term and the long-term incentive schemes. Payment of all variable pay components (under the short-term as well as the long-term incentive scheme) is subject to recovery or "claw back" by SP Group where it is established that remuneration was paid based on data which has proven to be misstated, when variable pay components are subject to performance criteria, and, in respect of all variable pay components, if a member of the Executive Board has acted grossly negligent or fraudulently.

#### **6) Termination and severance pay**

Members of the Executive Board may resign from SP Group by giving six months' notice.

In future appointments the Board of Directors cannot agree to a longer notice of dismissal than 24 months.

In future appointments the Executive Board cannot agree to a longer dismissal than 12 months.

If members of the Executive Board are dismissed by SP Group, the Company will not be obliged to pay special severance pay.

As a main rule, service agreements for members of the Executive Board are not time limited.

In the event a member of the Executive Board dies, the Company may pay up to six months' post-service salary to his/her spouse and children under the age of 24, however not exceeding expiry of employment, if the employment prior hereto has been terminated with notice by either party.

#### **7) Deviations to the Remuneration Policy**

The Board of Directors may in special circumstances deviate from this Policy if any part of this Policy no longer drives business performance, the achievement of the Company's strategy or to motivate and keep the employees.

Any deviation from this Policy will be described and explained in the Company's annual report and/or remuneration report. A change to any strategic component of remuneration will be disclosed in the Company's annual report and/or in the Company's remuneration report.

#### **8) Approval and publication**

The Board of Directors is responsible for the compliance with this Policy and for completing an annual review of this Policy.

This Policy is submitted to the general meeting for approval at least every fourth year and upon any proposed material amendment to this Policy.

This Policy has been approved by the Board of Directors on 27 March 2020 and by the general meeting on [dd/mm] 2020 and is available at SP Group's website, [www.sp-group.dk](http://www.sp-group.dk).