

(a) Reduction of the share capital by way of cancellation of own shares and (b) increase of the share capital by way of bonus issue(a) Reduction of the share capital by way of cancellation of own shares

The Board of Directors proposes that the annual general meeting resolves to reduce the share capital by way of cancellation of own shares which were repurchased under the SEK 5 billion share buy-back program. The program was announced on April 20, 2018, and the discontinuance of the program after the annual general meeting 2020 was announced on October 17, 2019.

The reduction of the share capital shall be made with SEK 394,695,609.55 by way of cancellation of 119,908,673 shares. The purpose of the reduction is allocation to unrestricted equity to be used as resolved by the annual general meeting in accordance with item (b) below.

The resolution to reduce the share capital under this item (a) may be effectuated without obtaining an authorization from the Swedish Companies Registration Office or, in disputed cases, a court of general jurisdiction, as the Company simultaneously effectuates a bonus issue, as set out under item (b) below, with an amount corresponding to no less than the amount the share capital is being reduced with, as set out above. Combined, these measures entail that neither the Company's restricted equity nor its share capital is reduced.

(b) Increase of the share capital by way of bonus issue

With the purpose of restoring the share capital after the proposed reduction of the share capital, as set out under item (a) above, the Board of Directors proposes that the annual general meeting on the same time resolves to increase the share capital by way of a bonus issue with an amount corresponding to SEK 394,695,609.55, which equals the amount the share capital is reduced with by way of cancellation of shares, as set out under item (a) above. The bonus issue shall be carried out with the amount being transferred from unrestricted equity without the issuance of new shares.

The Board of Directors proposes that the resolutions under items (a) and (b) above will be voted on at the annual general meeting as one joint resolution.