

Press release

Sundsvall, February 19, 2020

Notice of the SCA Annual General Meeting 2020

Notice is given to the Shareholders of Svenska Cellulosa Aktiebolaget SCA ("SCA") of the Annual General Meeting of Shareholders to be held on Tuesday 31 March 2020, at 1.00 p.m. at Hotell Södra Berget, Sundsvall (registration from 11.30 a.m.)

Registration and notification of attendance

Shareholders who wish to attend the annual general meeting must

- be recorded in the shareholders' register maintained by Euroclear Sweden AB on Wednesday, 25 March 2020, and
- give notice of their intention to attend the meeting no later than Wednesday, 25 March 2020.

Notification may be given in any of the following manners:

- by telephone +46 60 19 33 00, weekdays between 8 a.m. and 5 p.m.
- on the company's website www.sca.com
- by mail to Svenska Cellulosa Aktiebolaget SCA, "Annual General Meeting", c/o Euroclear Sweden AB, Box 191, SE-101 23 STOCKHOLM.

The following applies to shareholders who have their shares registered through a bank or other nominee in order to be entitled to attend the meeting. A part from giving notice of attendance, such shareholders must have their shares registered in their own names.

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Such registration in the shareholders' register must have been completed with Euroclear Sweden AB at the latest on Wednesday, 25 March 2020. Shareholders should in such case inform their bank or nominee of this in due time before Wednesday, 25 March 2020. Such registration can be temporary.

Name, personal identity number/corporate registration number, address and telephone number, and number of assistants, if any, should be stated when notification is given. Shareholders represented by proxyholder must issue a power of attorney to the proxyholder. Proxy forms in Swedish and in English are available upon request and on the company's website www.sca.com. A power of attorney is valid one year from its issue date or such longer time period as set out in the power of attorney, however not more than five years. Anyone representing a legal entity must present a copy of the registration certificate, not older than one year, or equivalent authorization documents, listing the authorized signatories. In order to facilitate the registration at the annual general meeting, powers of attorney in original, registration certificates and other authorization documents should be sent to the company at the abovementioned address, well in advance of the meeting.

Proposed agenda

1. Opening of the meeting and election of chairman of the meeting.
2. Preparation and approval of the voting list.
3. Election of two persons to check 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 the consolidated financial statements and the auditor's report on the consolidated financial statements.
7. Speeches by the chairman of the board of directors and the president.
8. Resolutions on
 - a) adoption of the income statement and balance sheet, and of the consolidated income statement and the consolidated balance sheet,
 - b) appropriations of the company's earnings under the adopted balance sheet and record date for dividend,

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- c) discharge from personal liability of directors and president for 2019.
- 9. Resolution on the number of directors and deputy directors.
- 10. Resolution on the number of auditors and deputy auditors.
- 11. Resolution on the remuneration to be paid to the board of directors and the auditor.
- 12. Election of directors and deputy directors.
Re-election of
 - i. Charlotte Bengtsson,
 - ii. Pär Boman,
 - iii. Lennart Evrell,
 - iv. Annemarie Gardshol,
 - v. Ulf Larsson,
 - vi. Martin Lindqvist,
 - vii. Lotta Lyrå,
 - viii. Bert Nordberg,
 - ix. Anders Sundström,
 - x. Barbara M. Thoralfsson.
- 13. Election of chairman of the board of directors.
- 14. Election of auditors and deputy auditors.
- 15. Resolution on guidelines for remuneration for the senior management.
- 16. Closing of the meeting.

Proposal for resolution under Item 1

The nomination committee proposes Carl Svernlöv, attorney at law, as chairman of the annual general meeting.

Proposal for resolution under Item 8 b)

The board of directors proposes a cash dividend for the financial year 2019 of SEK 2.00 per share and that the record date for the cash dividend is to be Thursday, 2 April 2020. Provided that the annual general meeting resolves in accordance with this proposal, payment of the dividend through Euroclear Sweden AB is estimated to be made on Tuesday, 7 April 2020.

Proposals for resolutions under Items 9–14

The nomination committee proposes the following:

- Item 9: The number of directors shall be 10 with no deputy directors.
- Item 10: The number of auditors shall be one with no deputy auditor.
- Item 11: The remuneration to each director elected by the meeting and who is not employed by the company shall be SEK 645,000 and the chairman of the board of directors is to receive SEK 1,935,000. Members of the remuneration committee are each to receive an additional remuneration of SEK 115,000, while the chairman of the remuneration committee is to receive an additional remuneration of SEK 140,000. Members of the audit committee are each to receive an additional remuneration of SEK 270,000, while the chairman of the audit committee is to receive an additional remuneration of SEK 370,000. Remuneration to the auditor is to be paid according to approved invoice.
- Item 12: Re-election of the directors Charlotte Bengtsson, Pär Boman, Lennart Evrell, Annemarie Gardshol, Ulf Larsson, Martin Lindqvist, Lotta Lyrå, Bert Nordberg, Anders Sundström and Barbara M. Thoralfsson.
- Item 13: Re-election of Pär Boman as chairman of the board of directors.
- Item 14: Re-election of the registered accounting firm EY AB, in accordance with the audit committee's recommendation, for the period until the end of the annual general meeting 2021. If elected, EY AB has announced its appointment of Fredrik Norrman auditor-in-charge.

Proposal for a resolution on item 15

These guidelines shall apply to remuneration to Board members, the President, vice President as well as other members of the senior management. The guidelines do not apply to remuneration resolved by the general meeting.

Principles for remuneration

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, motivate and retain qualified personnel through competitive remuneration in line with market levels. To this end, the total remuneration is to correspond to market practice and be competitive on the senior manager's field of profession, as well as be

linked to the manager's responsibility, authority and performance. Remuneration may consist of fixed salary, variable salary, other benefits and pension, jointly referred to as total remuneration. The company's business strategy can be found in the company's annual and sustainability report.

Variable remuneration

Variable remuneration shall aim at promoting the company's business strategy and long-term interests, including its sustainability. Variable remuneration shall be based on the outcome in relation to short-term and long-term goals, respectively, comprising financial goals, goals that contribute to such, or to the value development of the company's share. It shall be linked to the fixed annual salary and be maximized. Variable remuneration is to be paid as cash remuneration and shall not qualify for pension benefits. The short-term portion shall not exceed 50 percent of the fixed annual salary and the long-term portion shall not exceed 50 percent of the fixed annual salary.

Short-term performance goals may include, for example, organic growth, profit, cash flow, capital efficiency, return, health-safety-environment, individual targets, or a combination thereof.

Long-term performance goals shall be linked to the value development of the company's Class B share, measured as TSR-index (Total Shareholder Return) compared with a weighted index composed of OMX Stockholm 30 and the shares of a number of identified peer companies over a three-year period, where the maximum outcome requires a 5 percent stronger outcome for the SCA share compared to the peer group index over the multiple-year period. Payment of remuneration for the satisfaction of long-term performance goals shall further be linked to a requirement of a certain investment by the manager in the SCA share, with a three-year minimum holding requirement.

Additionally, variable remuneration in the form of project bonuses may be awarded in individual cases. The performance goals shall, in such case, be linked to the project (e.g. Capex or production volume) in order to promote the completion of the project. The satisfaction of goals may be measured, and bonus may be paid, after one or several years. Such project bonus shall not exceed 40 percent of the total fixed annual salary

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during the relevant period.

The company shall be able to refrain from paying variable remuneration when required and possible under applicable law, if there is special cause and withholding the payment is necessary to serve the company's long-term interests, including its sustainability. The company shall also have the possibility to, under applicable law, reclaim variable remuneration paid on incorrect grounds.

Pension and other benefits

Pension benefits shall solely contain defined premium pension benefits, unless the manager is subject to defined benefit pension under applicable collective agreement provisions. The planned retirement age is 65 years. The defined premium pension shall total a maximum of 50 percent of the fixed annual salary.

Other benefits may include, for example, health insurance, company car and wellness allowance.

In the event of termination of employment, a notice period of two years shall typically apply if the termination is initiated by the company, or one year, if termination is initiated by the manager. Severance pay shall not occur.

Decision-making process and reporting

Issues regarding remuneration to senior managers shall be dealt with by the Board of Directors' remuneration committee and, in case of the President, be decided by the Board of Directors. The remuneration committee's tasks shall also include preparing the Board of Directors' decision to propose guidelines for remuneration to senior managers, as well as monitoring and evaluating the application of these. The senior managers shall not participate in the Board of Directors' nor the remuneration committee's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

In the preparation of the remuneration guidelines, salary and employment conditions for the company's other employees in Sweden shall be taken into account, including

information on the employees' total income, the components of the remuneration and increase and growth rate over time, as well as the company's equality policy.

The Board of Directors shall prepare a remuneration report.

Application of and 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.

The guidelines do not take precedence over mandatory provisions under applicable employment regulation or collective agreements. They are also not applicable to agreements already signed.

For more information about the company's application of current remuneration guidelines, please see the company's annual and sustainability report, note "Remuneration of Senior Executives".

These guidelines apply from the annual general meeting 2020 and until further notice.

The nomination committee

The nomination committee is composed of Karl Åberg, AB Industrivärden (chairman), Petter Johnsen, Norges Bank Investment Management, Anders Oscarsson, AMF Försäkring & Fonder, Mikael Hallåker, Handelsbankens Pensionsstiftelse and others, and Pär Boman, chairman of the board of SCA.

Additional information

The financial statements, the auditor's report, the auditor's statement pursuant to Chapter 8, section 54 of the Companies Act regarding remuneration to the senior management, and the board of directors' statement pursuant to Chapter 18, section 4 of the Companies Act, as well as other documentation, which, according to the Companies Act, shall be made available at the annual general meeting, as well as proxy forms, will be available at the company and on the company website, www.sca.com, no later than

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Tuesday, 10 March 2020, and will be distributed free of charge to shareholders upon request and notification of postal address.

The board of directors and the president shall, if any shareholder so requests and the board of directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, and regarding circumstances that can affect the assessment of the company's or its subsidiaries' financial situation or the company's relation to other companies within the group.

The total number of shares in the company amounts to 702,342,489 shares, of which 64,587,672 are series A shares and 637,754,817 are series B shares, representing a total of 1,283,631,537 votes. The series A share carries ten votes and the series B share carries one vote. The information pertains to the circumstances as per the time of issuing this notice.

Processing of personal data

For information on how your personal data is processed, please visit

<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Sundsvall in February 2020

SVENSKA CELLULOSA AKTIEBOLAGET SCA (publ)

The board of directors

For further information, please contact

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