



Press release, Malmö, Sweden, April 29, 2016

Annual general meeting of HEXPOL AB

At today's Annual General Meeting of HEXPOL AB (publ), the following was resolved.

Board of Directors, auditor and fees

The number of directors will be eight. The meeting re-elected Melker Schörling, Georg Brunstam, Alf Göransson, Jan-Anders Månson, Malin Persson, Ulrik Svensson and Märta Schörling. The meeting also elected Kerstin Lindell as new ordinary Board Member. Melker Schörling was re-elected Chairman of the Board. The fees to the Board of Directors shall amount to a total of SEK 3,095,000 (including fees for committee work).

Re-election of the accounting firm Ernst & Young AB, for a period of mandate of one year, consequently up to and including the Annual General Meeting 2017, whereby the accounting firm has informed that the authorised public accountant Johan Thuresson will be appointed as auditor in charge. The auditor shall be remunerated according to agreement.

At the statutory board meeting following the AGM, Melker Schörling (Chairman) and Ulrik Svensson were re-elected members of the Remuneration Committee for the time period until the next statutory board meeting. For the same term, Ulrik Svensson (Chairman), Malin Persson and Märta Schörling were elected members of the Audit Committee.

Dividend

The AGM resolved in accordance with the proposal of the Board of Directors that a dividend of SEK 1.70 per share be declared for the financial year 2015 and that the accumulated earnings be carried forward. The record date for the dividend shall be May 3, 2016.

Nomination Committee

The meeting re-elected Mikael Ekdahl (Melker Schörling AB), Åsa Nisell (Swedbank Robur fonder), Henrik Didner (Didner & Gerge Fonder) and Elisabet Jamal Bergström (Handelsbanken Fonder) as members of the Nomination Committee in respect of the AGM 2017. Mikael Ekdahl was re-elected as Chairman of the Nomination Committee.

Incentive Program 2016/2020

The Annual General meeting resolved to implement an incentive program for the Managing Director and Group CEO, group management, senior executives and key employees in the HEXPOL Group through a directed issue of 2,100,000 subscription warrants.

The right to subscribe for the subscription warrants shall be granted to Gislaved Gummi AB, a wholly-owned subsidiary of HEXPOL AB for subsequent transfers to around 60 participants identified by the Board of Directors to the issue rate of SEK 9 per subscription warrant and any remaining warrants shall be reserved for future recruitments. The issue rate may be adjusted in case of material changes in the price of HEXPOL AB's share from the time of this notice until subscription is made by Gislaved Gummi AB.

Each subscription warrant entitles to subscribe for one series B share in HEXPOL AB during the period commencing on June 1, 2019 up to and including December 31, 2020. The subscription rate for one new share shall be based on a market valuation of the subscription warrants including the issue rate per subscription warrant, which shall be established by an independent valuation institute in accordance with an established valuation method (Black & Scholes) in connection with the allotment of the warrants to Gislaved Gummi AB. The proposed issue of subscription warrants entails a dilution of maximum approximately 0,61 percent in relation to the number of shares in the company.

The reasons for deviation from the shareholders' preferential rights are that HEXPOL AB wishes to introduce a warrants program intended for allotment to senior executives and key employees within the HEXPOL Group, whereby they will be offered the opportunity to take part in a value increase of the company's share. This is expected to increase the interest in the company's development – as well as in the company's share price development – and to stimulate a continued company loyalty over the forthcoming years.

Guidelines for remuneration to senior executives

The AGM resolved on the adoption of guidelines for remuneration to the CEO and other senior executives principally entailing that the remuneration shall consist of a basic salary, a variable remuneration, other benefits and pension and all in all be competitive and in accordance with market practice. The variable remuneration shall be maximized in relation to the basic salary, tied to such performance that the relevant individual may influence and based on the outcome in relation to individually established goals. The variable remuneration is capped and shall constitute a maximum of 130 per cent of the basic remuneration. The Board shall annually consider whether a share or share price related incentive program shall be proposed to the AGM. The notice period shall normally be six months on the part of the employee. In case of notice of termination of the managing director by the company, a notice period of 24 months shall apply. For other senior executives the notice period on the part of the company is normally 12 months. The pension rights shall be either benefit or fee based, or a combination of both, with an individual pension age, however, not lower than 60 years.

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HEXPOL is a world-leading polymers group with strong global positions in advanced polymer compounds (Compounding), gaskets for plate heat exchangers (Gaskets), and plastic and rubber materials for truck and castor wheel applications (Wheels). Customers are mainly system suppliers to players in the global automotive and engineering industries, construction sector, the energy, oil and gas sector, manufacturers of medical equipment as well as OEM manufacturers of plate heat exchangers and forklifts. The Group is organised in two business areas, HEXPOL Compounding and HEXPOL Engineered Products. The HEXPOL Group's sales in 2015 amounted to 11,229 MSEK. The HEXPOL Group has approximately 3,900 employees in eleven countries. Further information is available at www.hexpol.com.

This press release consists of such information that HEXPOL AB (publ) may be obliged to disclose in accordance with the Swedish Securities Market Act and /or the Financial Instruments Trading Act. The information was submitted for publication on April 29, 2016 at 18.00 CET. This is a non-official translation of the Swedish original wording. In case of discrepancies between the English translation and the Swedish original, the Swedish text shall prevail.