

## **NOTICE TO ATTEND THE ANNUAL GENERAL MEETING IN INSTALCO INTRESSENER AB (PUBL)**

The shareholders in Instalco Intressenter AB, reg. no. 559015-8944, are hereby given notice to attend the annual general meeting on Tuesday 8 May 2018 at 5:00 p.m at Meeting Room, Alströmergatan 20 in Stockholm. Registration for the meeting commences at 4:30 p.m.

### **Notification**

Shareholders that wish to participate at the meeting must both be entered in the shareholders' register, kept by Euroclear Sweden AB (the Swedish Central Securities Depository & Clearing Organisation), on the record day which is Wednesday 2 May 2018 and also no later than the same day (Wednesday 2 May 2018) notify the company of their attendance and any assistant; either by mail to Instalco Intressenter AB "Årsstämma 2018", Lilla Bantorget 11, SE-111 23 Stockholm or by e-mail to [arsstamma@instalco.se](mailto:arsstamma@instalco.se).

Notification shall include full name, personal identification number or corporate registration number, address and daytime telephone number and, if applicable, information about representative, proxy and assistants. The number of assistants may not be more than two. In order to facilitate entry to the meeting, notification should, where appropriate, be accompanied by powers of attorney, registration certificates and other documents of authority.

Personal data obtained from the share register kept by Euroclear Sweden AB, notices and attendance at the meeting and information on representatives, proxies and assistants will be used for registration, preparation of the voting list for the meeting and, where appropriate, the minutes of the meeting.

### **Nominee registered shares**

Shareholders who have their shares registered in the name of a nominee must request temporary entry in the transcription of the share register kept by Euroclear Sweden AB in order to be entitled to participate at the meeting. The shareholder must inform the nominee well in advance of 2 May 2018, at which time the register entry must have been made.

### **Proxy**

A shareholder represented by proxy shall issue a power of attorney which shall be dated and signed by the shareholder. If issued by a legal entity the power of attorney shall be accompanied by registration certificate or, if not applicable, equivalent documents of authority. Power of attorney forms for those shareholders wishing to participate by proxy are available on the company's website [www.instalco.se](http://www.instalco.se). The original version of the power of attorney shall also be presented at 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. Approval of the agenda
4. Election of one or two persons to attest the minutes
5. Determination whether the meeting has been duly convened
6. The CEO's statement
7. Submission and presentation of the annual report and the auditor's report as well as of the consolidated accounts and the auditor's report for the group
8. Resolutions regarding approval of the profit and loss account and the balance sheet as well as of the consolidated profit and loss account and the consolidated balance sheet,
9. Resolution regarding allocation of the company's profits in accordance with the adopted balance sheet
10. Resolution regarding discharge from liability for the members of the board of directors and the CEO
11. Determination of the number of board members, the number of auditors and, if applicable, deputy auditors

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12. Determination of remuneration to the board of directors and the auditor
13. Election of ordinary board members, auditors and, if applicable, deputy auditors
14. Resolution regarding guidelines for remuneration to senior management
15. Resolution regarding principles for the appointment of, and instructions for, nomination committee
16. Resolution regarding issue of warrants and formation of subsidiary
17. Resolution regarding authorization for the board of directors to increase the share capital
18. Closing of the meeting

**The nomination committee's proposed resolutions**

The nomination committee, established in accordance with a resolution adopted at an extraordinary general meeting held on 10 April 2017, consisting of Peter Möller (appointed by FSN Capital), Helen Fasth Gillstedt (appointed by Handelsbanken Fonder), Magnus Skåniger (appointed by Swedbank Robur Fonder) and the chairman of the board of directors, Olof Ehrlén, has presented the following proposed resolutions. The nomination committee's reasoned opinion is available on the company's website [www.instalco.se](http://www.instalco.se).

**Item 1. Election of chairman of the meeting**

The nomination committee proposes Olof Ehrlén to be elected as chairman of the meeting.

**Items 11-13. Election and remuneration of board of directors and auditor**

The nomination committee proposes that the board of directors shall be composed of six (6) ordinary members without deputy members for the period until the end of the next annual general meeting, and that the following members shall be elected as ordinary members: Olof Ehrlén, Johnny Alvarsson, Carina Qvarngård, Carina Edblad, Per Leopoldsson and Camilla Öberg. Consequently, the nomination committee proposes re-election of Olof Ehrlén and Johnny Alvarsson and new-election of Carina Qvarngård, Carina Edblad, Per Leopoldsson and Camilla Öberg. Furthermore, it is proposed that Olof Ehrlén shall be re-elected as chairman of the board of directors. Information about the proposed members, such as regarding education, work experience, assignments in the company and other important assignment, etc. can be found in the nomination committee's reasoned opinion on the company's website [www.instalco.se](http://www.instalco.se).

The nomination committee proposes that remuneration to the board of directors for the coming term of office shall be paid by a total of SEK 2,000,000, of which SEK 500,000 is to be paid to the chairman and SEK 250,000 is to be paid to the other board members, corresponding to an increased remuneration for the chairman of SEK 138,000 and an increased remuneration for the other board members with SEK 110,000. Furthermore, the nomination committee proposes that remuneration for the coming term of office shall be paid by SEK 150,000 to the chairman and SEK 50,000 to each of the other members of the board's audit committee. No special remuneration is proposed to be paid to the remuneration committee. The nomination committee proposes to elect a registered auditing firm as auditor and that remuneration to the company's auditor shall be paid in accordance with approved invoices. The nomination committee proposes re-election of the auditing firm Grant Thornton Sweden AB as auditor (Grant Thornton has informed the nomination committee that Jörgen Sandell will continue as auditor-in-charge in case of re-election).

**Item 15. Resolution regarding principles for the appointment of and instructions for a nomination committee**

The nomination committee proposes no changes to the principles for the appointment of and instruction for the nomination committee applicable without limitation in time as resolved by the extraordinary general meeting held on 10 April 2017. The principles in force means, in essence, that the nomination committee shall consist of the chairman of the board of directors and three members appointed by the three, in number of votes, largest shareholders at the end of the third quarter each year. If any of the shareholders choose to waive their right to appoint a member of the nomination committee, the right will then pass to the next largest shareholder, and so on. The name of the nomination committee members and the name of the shareholders who have appointed the members shall be published no later than six months before the annual general meeting. The nomination committee elects a chairman. The chairman of the board shall not be the chairman of the nomination committee. If a member leaves the nomination committee before its assignment is

completed and the nomination committee considers that there is a need to replace this member, a new member shall be appointed by the same shareholder who appointed the resigned member or, if that shareholder is no longer one of the shareholders with the largest number of votes, by the shareholder belonging to this group. If a shareholder who has nominated a certain member substantially reduces its holding in the company and the nomination committee does not consider that it is inappropriate in the light of the possible need for continuity before an annual general meeting, the member shall leave the nomination committee and the nomination committee shall offer the largest shareholder who has not appointed a member of the nomination committee to appoint a new member. The nomination committee shall furthermore have the composition and fulfill the tasks from time to time set out in the Swedish Code of Corporate Governance. Nomination committee members shall not receive remuneration from the company. Any expenses incurred in connection with the nomination committee's work shall be paid by the company, subject to approval by the chairman of the board. The principles in full will be kept available in accordance with the "Documents" section below.

### **The board of directors' proposed resolutions**

#### **Item 9. Allocation of the company's profits in accordance with the adopted balance sheet**

The board proposes a dividend of SEK 1.10 per share and that the remaining balance is to be carried forward. The proposed record date for receipt of dividend is 11 May 2018. With this record date, dividends are expected to be paid by Euroclear Sweden AB on 16 May 2018.

#### **Item 14. Resolution regarding guidelines for remuneration to senior management**

The board of directors proposes that the annual general meeting resolves on guidelines for remuneration and other terms of employment for senior management with essentially the following content (corresponding to the guidelines adopted at the extraordinary general meeting held on 10 April 2017). The basic principle is that remuneration and other terms of employment must be marketable and competitive to ensure that the company group can attract and retain competent senior management for the company at reasonable costs. Compensation shall consist of fixed remuneration, variable remuneration, pension and other benefits. Variable remuneration shall be paid in cash and based on the outcome in relation to result targets within the individual area of responsibility (group or business area) and coincide with shareholders' interests. Variable remuneration shall be pensionable unless otherwise agreed and equal to a maximum of 50 percent of the fixed annual salary for the CEO and other senior executives. Pension benefits shall be in the form of contribution plans. Other benefits, such as company car, additional health insurance or occupational health care, shall be of limited value in relation to other remuneration and marketable. The notice period shall normally be six months for the CEO and three to six months for other senior executives. In case of termination by the company, the notice period for all senior executives shall be no more than twelve months, with entitlement to severance pay after the end of the notice period, not exceeding 100 percent of the fixed salary for a maximum of twelve months (fixed salary during the term of notice and severance pay shall, in other words, not exceed 24 fixed monthly salaries) and is deductible. The board shall have the right to waive the guidelines if there are special reasons for this in an individual case. The board's complete proposal will be kept available in accordance with the "Documents" section below.

#### **Item 16. Resolution regarding issuance of warrants and formation of a subsidiary (in summary)**

Item 16 on the agenda relates to an incentive programme for senior executives and other employees within the company group. In total, 315 employees within the group will be offered the opportunity to participate in the programme. The board believes that an incentive programme according to the presented proposal will be beneficial to the group and the company's shareholders.

In essence, the proposal includes the following three parts:

1. The board proposes that the annual general meeting resolves to authorize the board, or anyone appointed by the board, to take all necessary measures to form a wholly-owned subsidiary for the purpose of facilitating the incentive programme.

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2. The board also proposes that the annual general meeting resolves on a directed issue to the subsidiary of a maximum of 1,534,389 warrants, each warrant entitles to subscription for one new share in the company at a subscription/exercise price of 120 percent of the share price five trading days subsequent to the annual general meeting.
3. The board also proposes that the annual general meeting resolves to approve the subsidiary's transfer of warrants to the participants of the incentive programme.

Each participant shall be entitled to acquire a certain maximum number of warrants depending on the participant's position within the group. The right to acquire warrants shall be given to the CEO of the group, new CEOs and deputy CEOs of subsidiaries, the group management, former CEOs and other key persons within the group.

Subscription of shares through exercise of warrants may take place during the period from and including 22 May 2021 until and including 12 June 2021. The warrants shall be transferred against payment of the theoretical market value calculated by an independent valuation institute by use of the Black & Scholes valuation model. The warrants should not entail any social security costs for the group in Sweden or Finland. In Norway, social security charges will arise for the group in connection with any exercise of the warrants, at a percentage of currently 14.1 percent.

At full subscription, by exercise of all warrants, a maximum of 1,534,389 new shares may be issued corresponding to a dilution of approximately 3.0 percent of both the current number of outstanding shares and the maximum number of additional shares from previous programmes.

**Item 17. Resolution regarding authorization for the board of directors to issue new shares and convertible bonds**

The board proposes that the annual general meeting authorizes the board to, at one or more occasions, until the time of the next annual general meeting, with or without deviation from the shareholders' preferential rights, against payment in cash, payment in kind or payment through set-off, resolve on the issuance of new shares and/or convertible bonds entailing issuance of or conversion to a number of shares corresponding to a maximum dilution of 20 percent of the share capital and votes in the company. The purpose with the authorization is to increase the company's financial flexibility as well as to enable payment with own shares and/or convertible bonds, partly in connection with any acquisitions of companies or businesses that the company may carry out and partly to settle any earn-outs in connection with such acquisitions. Issuance against payment in cash with deviation from shareholders' preferential rights may only be take place in order to finance consideration to be paid in cash in connection with acquisitions of companies or businesses. Issuance with payment though set-off with deviation from shareholders' preferential rights may only be made in connection with settlement of earn-outs relating to acquisitions of companies or businesses. In the case of issuance with deviation from the shareholders' preferential rights, the basis for the determination of the issue price shall be the prevailing market conditions at the time when shares and/or convertible bonds are issued.

**SPECIAL MAJORITY REQUIREMENT**

A valid decision in accordance with the board's proposal under item 16 on the agenda requires endorsement by shareholders with at least nine tenths (9/10) of both the votes cast and the shares represented at the meeting. A valid decision in accordance with the board's proposal under item 17 on the agenda requires endorsement by shareholders representing at least two thirds of both the votes cast and the shares represented at the meeting.

**NUMBER OF SHARES AND VOTES IN THE COMPANY**

At the time of issuance of this notice, there are a total of 47,682,275 outstanding shares and votes in the company. The company holds no own shares.

**SHAREHOLDERS' RIGTH TO REQUEST INFORMATION**

Pursuant to Chapter 7 section 32 of the Swedish Companies Act (Sw. aktiebolagslagen) the board of directors and the managing director are under a duty to, if any shareholder so requests and the board of directors deems that it can be made without material damage to the company, provide information, regarding circumstances which may affect the assessment of a matter on the agenda

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or of the company's economic situation. Such duty to provide information also comprises the company's relation to the other group companies, the consolidated accounts and such circumstances regarding subsidiaries which are set out in the foregoing sentence.

**DOCUMENTS**

The accounts, auditor's report and other documents to be dealt with at the shareholders' meeting will be kept available at the company's office not later than three weeks before the meeting. The documents will be sent free of charge to shareholders who so request and state their postal address. The documents will also be made available not later than the aforementioned date on the company's website [www.instalco.se](http://www.instalco.se). All the above mentioned documents will also be presented at the shareholders' meeting.