

*The information provided herein is such that AB Industrivärden (publ) is obligated to disclose pursuant to the Securities Market Act (SFS 2007:528). Submitted for publication at 10:00 a.m. on March 31, 2015.*

## PRESS RELEASE

### Notice of Annual General Meeting 2015

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**AB Industrivärden (publ) will hold its Annual General Meeting at 2 p.m. on May 6, 2015, at Grand Hotel, Vinterträdgården (entrance at the corner of Stallgatan/Blasieholmsgatan), in Stockholm. Registration opens at 1 p.m., at which time a few of Industrivärden's portfolio companies will make presentations of their operations.**

#### Right to attend and notification

Those who on April 29, 2015, are registered as shareholders in the shareholder register maintained by Euroclear Sweden AB and who have notified the Company of their intention to attend the Annual General Meeting by no later than April 29, 2015, have the right to attend the Annual General Meeting. Notification may be made by post to AB Industrivärden (publ), Box 5403, SE-114 84 Stockholm, Sweden; by phone at +46 (0)8 666 64 00; by fax at +46 (0)8 661 46 28; or by e-mail at [agm@industrivarden.se](mailto:agm@industrivarden.se). Notification by e-mail requires confirmation from the Company by e-mail (within 24 hours on weekdays) that notification has been received. Notification may also be made using the form on Industrivärden's website: [www.industrivarden.net](http://www.industrivarden.net). Upon notification, shareholders must provide their name, personal identity number/corporate identity number, address and phone number. The same dates, addresses, etc. apply for notification of the number of any assistants accompanying the shareholder. Proxies, certificates of incorporation and other authorization documents must be on hand at the Annual General Meeting, and to facilitate entry to the meeting, they should be submitted to the Company no later than April 29, 2015. Any proxies must be shown in original and may not be older than one year unless a longer validity period (max. five years) is stated on the proxy form. The Company provides proxy forms on its website: [www.industrivarden.net](http://www.industrivarden.net).

Shareholders whose shares are registered in the name of a nominee must, in order to be entitled to attend the meeting, request that their nominee re-register their shares in their own name, so that the shareholder is registered in the shareholder register on April 29, 2015. Such registration may be temporary. Shareholders who wish to register their shares in their own name should inform their nominee well in advance of April 29, 2015.

#### The Board's proposed agenda

- 1 Opening of the meeting
- 2 Election of a chairman to preside over the Annual General Meeting
- 3 Drawing-up and approval of the register of voters
- 4 Approval of the agenda
- 5 Election of persons to check the minutes
- 6 Decision as to whether the Annual General Meeting has been duly convened
- 7 Presentation of:
  - a. the annual report and audit report, and of the consolidated accounts and audit report for the Group

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- b. the auditor's statement on whether the guidelines for executive compensation, which have applied since the previous Annual General Meeting, have been followed
- c. the Board's proposed distribution of earnings and statement in support of such proposal
- 8 Address by the CEO
- 9 Decisions concerning:
  - a. adoption of the Income Statement and Balance Sheet, and the Consolidated Income Statement and Consolidated Balance Sheet
  - b. distribution of the Company's earnings as shown in the adopted Balance Sheet
  - c. the record date, in the event the Annual General Meeting resolves to distribute earnings
  - d. discharge from liability to the Company of the members of the Board of Directors and the CEO
- 10 Decision on the number of directors
- 11 Decision regarding directors' fees for each of the Company directors
- 12 Election of directors and the Chairman of the Board
- 13 Decision on the number of auditors
- 14 Decision on the auditor's fees
- 15 Election of auditor
- 16 Decision on guidelines for executive compensation
- 17 Decision on a long-term share saving program
- 18 Resolution on proposal from shareholder Thorwald Arvidsson that the Annual General Meeting resolve to delegate to the Board of Directors:
  - a. to write to the Government of Sweden, requesting a prompt appointment of a commission instructed to propose legislation on the abolishment of voting power differences in Swedish limited liability companies
  - b. to take necessary action to create a shareholders' association in the Company
  - c. to prepare a proposal regarding representation on the Board and the Nominating Committee for the small and medium-sized shareholders
- 19 Resolution on proposal from shareholder Thorwald Arvidsson to amend the Articles of Association
- 20 Resolution on proposal from shareholder Thorwald Arvidsson for a special review of the manner in which Industrivärden has exercised its principal ownership in SCA
- 21 Closing of the Annual General Meeting

## **The Board's other proposals**

### Dividend and record date

The Board of Directors and the CEO propose a dividend of SEK 6.25 per share.

May 8, 2015, has been proposed as the record date for payment of the dividend. Provided that the Annual General Meeting votes in favor of this proposal, dividends are expected to be sent out via Euroclear Sweden AB on May 13, 2015.

### Guidelines for executive compensation

The Board proposes that the Annual General meeting resolve in favor of the following guidelines (the proposal is in line with the Annual General Meeting's resolution in 2014): Compensation paid to the CEO and other members of the executive management shall consist of a base salary, a variable salary, other benefits and pension. The total compensation should be competitive and in line with the going rate in the market, and shall be commensurate with the executive's responsibilities and authority. The variable salary consists of a short-term variable salary component (yearly) and a long-term variable salary component. The short-term variable salary component is based on individual performance, shall have a cap, and never exceed the base salary. The long-term variable salary is based on the long-term performance of the Company's stock and shall have a cap. None of the variable components shall be pensionable. Upon cancellation of an executive's employment contract by the Company, a two-year notice period applies. No severance pay should be payable. Pension benefits shall be either defined-benefit or defined-contribution, or a combination of both, and give the

members of the executive management the right to retire from 60 or 65 years of age, depending on their position. The Board may depart from these guidelines if there are special reasons for doing so in individual cases.

## Long-term share saving program

### *Background*

The 2012 Annual General Meeting resolved on the implementation of a long-term share saving program, which replaced previous incentive programs. Long-term share saving programs are intended to be annually recurring and form the type of long-term variable salary. The Share Saving Program (the "Share Saving Program" or the "Program") that is now proposed by the Board of Directors to the 2015 Annual General Meeting corresponds in its construction to the programs approved by the 2012-2014 Annual General Meetings. The intention is that the Program will be part of a total compensation package that is in line with the going rate in the market, where the employee receives matching shares (or an equivalent cash amount) after three years, subject to investment of part of the employee's fixed salary in Industrivärden shares and subject to the employee remaining employed when matching occurs. The purpose of the Program is to encourage Industrivärden's employees to increase their shareholdings and thereby further emphasize long-term shareholder value. The Share Saving Program is deemed to increase Industrivärden's prospects for retaining and recruiting competent employees as well as the employees' interest and involvement in Industrivärden's business and development. In light of the above, the Program is deemed to have a positive effect on Industrivärden's future development and therefore be advantageous both to the shareholders and to the employees of Industrivärden.

The Board of Directors thus proposes that the 2015 Annual General Meeting resolve on the implementation of a long-term share saving program for no more than 30 employees of the Industrivärden Group.

### *The Board of Directors' proposal for resolution*

The Board of Directors proposes that the Annual General Meeting resolve to implement the Program based on the terms and conditions set out below.

- a. The Program is open to no more than 6 members of Industrivärden's management ("Management"), to no more than 10 key persons employed within the Industrivärden Group ("Key Persons"), and to no more than 14 other permanent employees within the Industrivärden Group ("Employees").
- b. Under the terms of the Program, Management, Key Persons and Employees are offered the opportunity to, provided that they have made an investment of their own in Class C shares in Industrivärden ("Saving Shares") during the period May 15–October 20, 2015 (the "Acquirement Period"), from a designated third party be allotted Class C shares in Industrivärden free of charge ("Matching Shares"). For each Saving Share, Management may be allotted three (3) Matching Shares, Key Persons two (2) Matching Shares, and Employees one (1) Matching Share. Due to the fact that allotment of Matching Shares will be pensionable for certain program participants in the Key Persons and Employees categories, such program participants may be allotted fewer than two (2) Matching Shares and one (1) Matching Share, respectively, for each Saving Share. To the extent that program participants are entitled to receive allotment of Matching Shares, the participant shall have the right, instead of Matching Shares, to choose to receive a cash amount that is cost-neutral for Industrivärden. With respect to what is specified below on allocation of Matching Shares it shall, where applicable, instead pertain to the receipt of cash amounts.
- c. Allotment of Matching Shares is estimated to occur shortly after publication of Industrivärden's interim report for the third quarter of 2018.
- d. The maximum number of Saving Shares that each program participant may acquire is limited in such way that Saving Shares may be acquired for an amount corresponding to a maximum of ten (10) percent of the participant's annual base gross salary for 2015.
- e. In order for a program participant to be allotted Matching Shares it is required that, with certain specific exemptions, he or she is permanently employed within the Industrivärden Group for

- the duration of the entire Lock-up Period and that the participant, throughout this Lock-up Period, has retained the Saving Shares. Saving Shares disposed of prior to the expiration of the Lock-up Period will therefore not entitle to any allotment of Matching Shares. Should a program participant retire during the Lock-up Period, the entitlement to receive allotment of Matching Shares shall be reduced in proportion to the time remaining in the Lock-up Period.
- f. The Program shall comprise a maximum of 150,000 Class C shares in Industrivärden (Matching Shares). Should Saving Shares be acquired at a share price such that the total number of Matching Shares exceeds 150,000, the number of Matching Shares that may be transferred to the program participants will be proportionally reduced.
  - g. The Board of Directors shall be authorized to establish the detailed terms and conditions for the Program.
  - h. If significant changes in Industrivärden or in the market were to occur, or if the costs for the Program were to significantly exceed the estimated costs, and this, in the opinion of the Board of Directors, were to result in a situation where the conditions for allotment of Matching Shares under the Program become unreasonable, the Board of Directors shall be entitled to make adjustments to the Program, including, among other things, a decision to reduce the allotment of Matching Shares or to not allot any Matching Shares at all. For Management and Key Persons, who may be allocated three (3) and two (2) Matching Shares, respectively, the following shall apply for allocations of more than one (1) Matching Share: If the Board of Directors is of the opinion that Industrivärden's performance during the Lock-up Period is not aligned with Industrivärden's long-term financial objectives, the Board of Directors shall have the right to decide on a reduced allocation or that no allocation of said Matching Shares be made at all.
  - i. The number of Matching Shares shall be subject to recalculation as a result of intervening bonus issues, splits, rights issues and/or other similar corporate events.

#### *Drafting of the proposal*

The proposal regarding the Program to the 2015 Annual General Meeting has been decided on by the Board of Directors after consultation with major shareholders.

#### *Hedging, etc.*

The Board of Directors intends to hedge the expected financial exposure of the Program by, on behalf of Industrivärden, entering into an equity swap agreement with a third party on terms in accordance with market practice, whereby the third party in its own name shall be entitled to acquire and transfer Class C shares in Industrivärden to the program participants.

As proposed the Program may in total comprise a maximum of 150,000 Class C shares in Industrivärden, representing approximately 0.03 percent of all outstanding shares in Industrivärden and approximately 0.09 percent of all outstanding Class C shares in Industrivärden.

In accordance with the scope of the Program as described above, the costs are estimated to total approximately SEK 15 million, under the assumption that 30 employees participate in the Program and that all program participants acquire the maximum number of Saving Shares.

The Program is expected to have only marginal effects on Industrivärden's and the Industrivärden Group's key ratios.

#### *Majority requirements*

The Annual General Meeting's resolution in accordance with the above requires a majority of more than half of the votes cast.

#### **Nominating Committee's proposals**

The Nominating Committee has consisted of Sverker Martin-Löf, Chairman of the Board; Bo Damberg, the Jan Wallander and Tom Hedelius Foundation and others; Mats Guldbrand, L E

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Lundbergföretagen; Mikael Schmidt, SCA pension foundations and others; and Håkan Sandberg, Handelsbanken Pension Foundation and Handelsbanken Pension Fund, and others. Håkan Sandberg has served as Nominating Committee chair. The Nominating Committee has made the following proposals.

Chairman to preside over the Annual General Meeting :

Attorney Sven Unger

Number of directors:

Six and no deputies.

Directors' fees:

Unchanged at SEK 2,000,000 for the Chairman of the Board, SEK 1,200,000 for the Vice Chairman of the Board (this position did not exist in 2014), unchanged at SEK 600,000 for each of the other non-executive directors. No separate fee shall be paid for committee work.

Directors:

Re-election of Pär Boman, Christian Caspar, Nina Linander, Fredrik Lundberg, Annika Lundius and Anders Nyren. Sverker Martin-Löf, Boel Flodgren and Stuart Graham have declined re-election.

Chairman of the Board: New election of Anders Nyren.

As a matter of information it can be mentioned that the principal owners have proposed that Industrivärden's Board appoint Fredrik Lundberg as Vice Chairman of the Board.

Number of auditors

One accounting firm.

Auditor's fee:

Payable on account (unchanged).

Auditor

Re-election of PricewaterhouseCoopers AB for a term extending until the end of the 2016 Annual General Meeting.

## **Proposals from shareholders**

The proposals under items 18 and 20 are set out in the agenda.

Proposal to amend the Articles of Association (item 19)

Shareholder Thorwald Arvidsson has proposed that the Articles of Association be amended as follows. This is under the condition that Thorwald Arvidsson's proposal to send a request to the Swedish Government is not approved (item 18 a).

§ 5 The number of shares shall be not less than 380,000,000 and not more than 1,520,000,000. All shares shall carry equal rights.

§ 6 To be deleted.

§ 7 To be deleted.

(Numbering of the Articles of Association to be amended accordingly.)

Thorwald Arvidsson proposes that the Board of Directors be authorized to take such measures as may be required as a consequence of the above amendments of the Articles of Association.

### *Majority requirements*

A resolution by the Annual General Meeting according to item 18 requires that shareholders representing more than half of the votes cast at the meeting vote in favor of the proposal. A resolution by the Annual General Meeting to amend the Articles of Association in accordance with item 19 is valid if all shareholders represented at the meeting vote in favor of the proposal and those shareholders represent at least nine-tenths of all shares in the Company, alternatively if shareholders representing at least two-thirds of the votes cast as well as the shares represented at the meeting vote in favor of the proposal and holders of half of all shares of Class A and nine-tenths of the shares of Class A represented at the meeting agree to the amendments. A resolution by the Annual General Meeting to commission a special review in accordance with item 20 requires that shareholders of at least one-tenth of all shares in the Company or of at least one-third of the shares represented at the meeting, vote in favor of the proposal or that shareholders with more than half of the votes cast vote in favor of the proposal.

### **Documents**

Accounting records, audit reports and auditors' statements, and the Board's proposed distribution of earnings and statement in support of such proposal, will be on hand for the shareholders at the Company three weeks before the Annual General Meeting. These documents will also then be posted on the Company's website, [www.industrivarden.net](http://www.industrivarden.net), and will be sent to shareholders at their postal address upon request. The documents will also be available at the Annual General Meeting

### **Number of shares and votes in the Company**

The total number of shares in AB Industrivärden is 432,341,271, of which 268,186,050 are Class A shares and 164,155,221 are Class C shares. Each Class A share carries one vote. Each Class C share carries one-tenth of a vote. The total number of votes is 284,601,572.1. This data pertains to the conditions at the time this notice is issued.

### **Disclosures at the Annual General Meeting**

The shareholders have the right to certain disclosures at the Annual General Meeting: The Board of Directors and the CEO shall, if requested by any shareholder, and if the Board believes that it can be done without causing material harm to the Company, provide disclosures on conditions that could affect the assessment of a matter on the agenda, conditions that could have an effect on the assessment of the Company's or a subsidiary's financial situation as well as of the Company's relations with another Group company. A shareholder who wishes to submit questions in advance can do so by post: AB Industrivärden, the Board of Directors, Box 5403, SE-114 84 Stockholm, Sweden, or by e-mail: [agm@industrivarden.se](mailto:agm@industrivarden.se)

Stockholm, March 2015

AB Industrivärden (publ)  
*The Board of Directors*