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

The shareholders of Instalco AB, reg. no 559015-8944, are hereby given notice to attend the annual general meeting to be held on Thursday the 7<sup>th</sup> of May 2020 at 5:00 p.m. at Venue 81, Drottninggatan 81 in Stockholm. Registration for the meeting commences at 4:30 p.m.

### NOTIFICATION

Shareholders who wish to participate in the meeting must be registered in the shareholders' register, kept by Euroclear Sweden AB, on the record day, Thursday the 30<sup>th</sup> of April 2020, and must notify the company of their attendance and, if applicable, any assistants, no later than the same day (30<sup>th</sup> of April 2020) either by regular mail to Instalco AB, "Annual General Meeting 2020", Lilla Bantorget 11, SE-111 23 Stockholm or by e-mail to [arsstamma@instalco.se](mailto:arsstamma@instalco.se).

The notification of registration shall include full name, personal identification or corporate registration number, address, daytime telephone number and, if applicable, information regarding the shareholder's representatives, proxies or assistants. A shareholder may only have two assistants attending the annual general meeting. To facilitate the entry to the meeting, the registration shall, if applicable, be accompanied by relevant powers of attorney, registration certificates and other authorization documents.

Personal data obtained from the share register, as kept by Euroclear Sweden AB, the registrations and any attendance at the general meeting, including any information regarding representatives, proxies and assistants, will be used for registration, preparation of the voting list for the meeting and, where applicable, the minutes of the meeting.

### SPECIAL ARRANGEMENTS BECAUSE OF THE RISK FOR SPREAD OF THE VIRUS COVID-19 (CORONAVIRUS)

The board of director's has, in light of continued spread of the coronavirus and that the continued development of the coronavirus outbreak remains difficult to evaluate with any certainty, decided to implement certain precautionary measures for the annual general meeting on 7<sup>th</sup> May 2020 to ascertain the well-being of the company's shareholders' as well as the opportunity for them to exercise their shareholder rights at the annual general meeting. At the time of issue of this convening notice, the Public Health Agency of Sweden has made the assessment that the risk for spread of the virus is very high. In order to reduce risk for general spread of the virus, it is the agency's recommendation to avoid large gatherings and crowds. If one cannot avoid large gatherings, any time spent in such a situation should be kept at a minimum as far as possible.

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Due to the board of director's resolution, the arrangements at the annual general meeting will change as following:

- The time for registration is 16:30. Please note that congestion may arise if many participants arrive just before the opening of the meeting;
- No food or beverage will be served in connection with the annual general meeting;
- The CEO's statement will be published on the company's webpage [www.instalco.se](http://www.instalco.se) in connection with the opening of the annual general meeting. Shareholders who wish to ask questions to the CEO, are asked to send their questions in advance to [arsstamma@instalco.se](mailto:arsstamma@instalco.se);
- The number of non-shareholders present at the meeting will be limited; and
- The timeframe for the annual general meeting will be kept a minimum, without restricting the shareholders' right.

In light of the authorities' recommendations and for shareholders who are concerned about the coronavirus outbreak, the shareholders are asked to carefully consider the possibility not to attend the meeting in person and instead attend by proxy. At the time of the issue of this convening notice, there is a proposition temporary change of law which would enable the company to collect proxies and allow postal ballot. If implemented prior to the annual general meeting being held, the company will consider offering the shareholders one or both options.

Instalco is monitoring the development of the outbreak and the authorities recommendations closely and will if necessary take further precautionary measures regarding the annual general meeting and update the information at the company's website [www.instalco.se](http://www.instalco.se).

## **NOMINEE REGISTERED SHARES**

Shareholders who have their shares registered in the name of a nominee or private broker must request a temporary entry in the shareholders' register, as kept by Euroclear Sweden AB, to be entitled to participate at the annual general meeting. The shareholder must inform the nominee hereof well in advance of the 30<sup>th</sup> of April 2020, which is the latest time when the entry of the register must have been made. Such registration may be temporary.

## **PROXY**

Any shareholder who is to be represented by proxy shall issue a written power of attorney which shall be dated and duly signed by the shareholder. If the power of attorney is to be issued by a legal entity, the registration certificate of the entity or, if a registration certificate is not available, an equivalent document of authorization shall be enclosed to the power of attorney. A power of attorney is valid one year from the issue date or for such longer period as specified in the power of attorney, however no longer than five years. Forms for the power of attorneys are made available on the company's website, [www.instalco.se](http://www.instalco.se), for those shareholders who wish to participate at the general meeting

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by proxy. Please note that the original power of attorney shall be brought to the general 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 confirm the minutes
5. Determination as to whether the meeting has been duly convened
6. The CEO's statement
7. Presentation of the annual report and the audit report, and the consolidated accounts and the group's audit report
8. Resolution regarding the adoption of the income statement and the balance sheet, and the consolidated income statement and consolidated balance sheet
9. Resolution regarding the allocation of the company's profit or loss according to the adopted balance sheet
10. Resolution regarding the discharge of liability for the members of the board of directors and the CEO
11. Determination of the number of board members and the number of auditors and, if applicable, deputy auditors
12. Determination of remuneration for the board members and the auditors
13. Election of board members, chairman of the board, auditors and, if applicable, deputy auditors
14. Resolution on guidelines for remuneration to the senior management
15. Resolution on principles for the appointment of, and instructions for, the nomination committee
16. Resolution to grant the board of directors an authorization to purchase and sell the company's own shares
17. Resolution to issue warrants and form a subsidiary
18. Resolution to authorize the board of directors to issue new shares
19. Closing of the meeting

## **THE NOMINATION COMMITTEE'S PROPOSAL**

The nomination committee, established in accordance with the resolution made at the annual general meeting the 8<sup>th</sup> of May 2019, consisting of Krister Hansen (appointed by Per Sjöstrand), Magnus Skåninger (appointed by Swedbank Robur Fonder), Ingeborg Åkermarck (appointed by Riikantorppa Oy) and the chairman of the board of directors, Olof Ehrlén, has presented the following proposal. 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 that Olof Ehrlén is elected as chairman of the meeting.

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### **Item 11-13. Election of, and remuneration for, the board of directors and the auditor**

The nomination committee proposes that the board of directors, until the end of the next annual general meeting, shall be composed of six (6) ordinary members without deputy directors and that the following persons shall be elected as ordinary board members: Olof Ehrlén, Johnny Alvarsson, Carina Qvarngård, Carina Edblad, Per Leopoldsson, and Camilla Öberg. Thus, the nomination committee proposes re-election of all ordinary board members. Furthermore, the committee proposes that Olof Ehrlén is re-elected as chairman of the board of directors. Information regarding the education, past work experience, assignments in the company and other important assignments, etc. of the proposed board members can be found 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 next term of office shall amount to SEK 2,000,000, of which SEK 500,000 shall be paid to the chairman of the board and SEK 250,000 to each of the other members, which corresponds to the remuneration of the previous term.

Furthermore, the nomination committee proposes that remuneration to the audit committee of the board of directors for the next term of office shall be SEK 150,000 to the chairman and SEK 50,000 to each of the other members. No extra remuneration is proposed to the remuneration committee.

The nomination committee proposes that a registered auditing firm shall be elected as the auditor of the company and that remuneration shall be paid in accordance with approved invoices. The nomination committee proposes that the registered auditing firm Grant Thornton Sweden AB shall be re-elected as the auditor of the company. The registered auditing firm has informed that current auditor-in-charge, authorized public auditor Camilla Nilsson, will remain as auditor-in-charge in case of re-election.

### **Item 15. Resolution on principles for the appointment of, and instructions for, the nomination committee**

The nomination committee proposes that the annual general meeting resolves that the nomination committee of the company to the general meeting 2021 shall consist of one representative for each of the three shareholders holding the largest number of votes and the chairman of the board. If any of the three above-mentioned shareholders waive their right to appoint a member, the right shall pass on to the next shareholder in line by the number of votes until three members have been elected.

The names of the members of the nomination committee together with the names of the shareholders who have appointed them shall be made public no later than six months ahead of the annual general meeting and shall be based on shareholders' statistics provided by Euroclear Sweden AB as of the last business day of September 2020. The chairman of the nomination committee shall, unless otherwise is agreed by the members of the nomination committee, be the member that represents the shareholder holding the largest number of votes.

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If a member no longer represents a shareholder or resigns from the nomination committee before its term of office has ended, the shareholder shall be allowed to appoint a new representative in the nomination committee. A shareholder who has appointed a member of the nomination committee has the right to request that such member resigns and appoint a new member in the nomination committee. If a shareholder, who has appointed a member, no longer constitutes one of the three shareholders holding the largest number of votes, the appointed member shall resign from its assignment and a new member shall be appointed in accordance with the above. However, unless motivated by any special circumstances in the specific case, no changes shall be made to the composition of the nomination committee if the changes are due to marginal changes of voting rights or if the changes are to be made closer than three months ahead of the annual general meeting. Any changes to the composition of the nomination committee shall be made public as soon as possible.

The nomination committee shall prepare and propose the chairman of the meeting, the board members, the chairman of the board, the remuneration to the board of directors, the remuneration to each member of the board of directors and, if applicable, the remuneration for any committee work, the remuneration to the company's auditor, and, if applicable, a proposal regarding the election of auditor to the annual general meeting. Furthermore, the nomination committee shall prepare and propose principles for the appointment of, and instructions for, the nomination committee as regard the composition of the nomination committee to the annual general meeting to be held in 2021.

The nomination committee shall have the right to instruct consultants on behalf of the company and engage the costs necessary for the nomination committee to fulfill its assignment. No remuneration shall be paid to the members of the nomination committee. The company shall pay such costs as deemed necessary for the nomination committee to fulfill its obligations. The term of office for the nomination committee will end as soon as the new nomination committee has been made public.

## **PROPOSALS BY THE BOARD OF DIRECTORS**

### **Item 9. Resolution regarding the allocation of the company's profit according to the adopted balance sheet**

The board of directors proposes a dividend amounting to SEK 2.30 per share, and that the remaining balance is to be carried forward. The proposed record date for receipt of dividends is the 11<sup>th</sup> of May 2020. Consequently, dividends are expected to be paid via Euroclear Sweden AB on the 14<sup>th</sup> of May 2020.

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

The board of directors proposes that the annual general meeting 2020 resolves on the following guidelines for salary and other remuneration to the members of the Board of directors, the CEO and other members of the company management (jointly "senior managers") in Instalco AB (the "Company"). The guidelines shall apply to the remuneration agreed upon, and changes made to already agreed remuneration after the guidelines

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have been adopted by the annual general meeting 2020. The guidelines do not cover remuneration decided by the annual general meeting.

Guidelines for promoting the Company's business strategy, long-term interests, and sustainability

Successful implementation of the Company's business strategy and the safeguarding of the Company's long-term interests, including its sustainability agenda, requires that the Company can recruit and retain qualified employees. This requires that the Company can offer competitive compensation. These guidelines enable senior managers to be offered a competitive total remuneration.

Variable cash benefits covered by these guidelines are intended to promote the Company's business strategy and long-term interests, including its sustainability agenda. This is accomplished through the financial and non-financial goals that determine the outcome of variable cash payments and have a clear link to the business strategy and the Company's sustainability agenda. The variable cash compensation is described in more detail in the section "Variable cash compensation" below.

For more information on the company's business strategy, please visit the company's website: [instalco.se/business-concept](http://instalco.se/business-concept).

The forms of compensation etc.

The total remuneration for each senior manager must be market-based and may consist of the following components: fixed cash salary, variable cash benefits, pension benefits, and other benefits. Also, the general meeting can - and regardless of these guidelines - decide on, for example, share and share price related remuneration. Fixed and variable remuneration shall be related to the responsibility and authority of the senior manager.

*Variable cash compensation*

The fulfillment of criteria for payment of variable cash compensation must be measurable over one year. The variable cash allowance shall have a maximum limit and be related to the fixed salary and may amount to a maximum of 50 per cent of the fixed annual cash salary.

The variable cash compensation must be linked to predetermined and measurable criteria that can be financial or non-financial. These can also be individualized quantitative or qualitative goals. The outcome in relation to these predetermined goals forms the basis for the total potential to receive variable cash payments. The criteria must be designed to promote the Company's business strategy and long-term interests, including its sustainability agenda, for example by having a clear link to the business strategy or promoting the long-term development of the senior manager.

When the measurement period for fulfilling the criteria for payment of variable cash compensation has been completed, the extent to which the criteria have been met shall be assessed/determined. The board is responsible for the assessment as far as variable

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cash payments are made to the CEO. As far as variable cash payments are concerned to other senior managers, the CEO is responsible for the assessment. As far as financial targets are concerned, the assessment shall be based on the latest financial information published by the Company.

Additional variable cash compensation may be payable in exceptional circumstances, provided that such extraordinary arrangements are time-limited and made only at the individual level, either to recruit or retain senior managers or as compensation for extraordinary duties in addition to the manager's ordinary duties. Such compensation may not exceed an amount equal to 100 per cent of the fixed annual cash salary and shall not be paid more than once per year and individual. A decision on such remuneration for the CEO shall be made by the board on a proposal from the remuneration committee. A decision on such remuneration for other senior managers shall be made by the remuneration committee on a proposal from the CEO.

#### *Pension and insurance*

For senior managers, pension benefits, including health insurance, must be defined as a contribution. Variable cash benefits must be pensionable. Pension premiums for defined contribution pensions shall amount to a maximum of 35 percent of the fixed and variable annual cash salary.

#### *Other benefits*

Other benefits may include life insurance, health insurance and car benefit. Such benefits may amount to a maximum of 15 percent of the fixed annual cash salary.

Regarding employment conditions that are governed by rules other than Swedish, in so far as pension benefits and other benefits are concerned, appropriate adjustments must be made to comply with applicable such rules or fixed local practice, whereby the general purpose of these guidelines should be met as far as possible.

For senior managers stationed in a country other than their home country, additional remuneration and other benefits may be paid to a reasonable extent, taking into account the particular circumstances associated with such expatriation, whereby the overall purpose of these guidelines should be met as far as possible. Such benefits may amount to a maximum of 20 percent of the fixed annual cash salary.

#### *Remuneration to board members in addition to board fees*

To the extent that non-employee members elected by the annual general meeting carry out work on behalf of the Company, in addition to the work of the board, consultancy fees and other remuneration for such work may be paid. A decision on consultancy fees and other remuneration to non-employed members elected by the annual general meeting is made by the board.

#### Termination of employment

Upon termination of employment, the period of notice may not exceed twelve months. The notice period should normally be six months for the CEO and three to six months for

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other senior managers. In the event of termination by the senior manager, the period of notice may not exceed six months, without the right to severance pay.

Fixed cash salary during the notice period and severance pay may not, in total, exceed an amount corresponding to the fixed cash salary for 18 months.

In addition, compensation for any commitment to restrict competition may be paid. Such remuneration shall compensate for any loss of income and shall only be paid to the extent that the former senior manager has no right to severance pay. Compensation shall amount to a maximum of 75 per cent of the fixed cash salary at the time of termination unless otherwise provided by mandatory collective agreement provisions and shall be payable during the period covered by the restriction of competition, which shall be no more than twelve months after termination of employment.

#### Salary and terms of employment for employees

In preparing the board's proposal for these remuneration guidelines, salaries and terms of employment for the Company's employees have been taken into account by the fact that information on employees' total remuneration, the components of the remuneration and the increase and rate of remuneration over time have been part of the board's decision basis when evaluating the reasonableness of the guidelines and the limitations that follow of these.

#### The decision-making process to establish, review and implement the guidelines

The Board has established a remuneration committee. The remuneration committee's tasks include preparing the board's decision on proposals for guidelines for remuneration to senior managers. The board of directors shall prepare proposals for new guidelines at least every four years and submit the proposal for resolution at the annual general meeting. The guidelines shall apply until new guidelines have been adopted by the annual general meeting.

The remuneration committee shall also follow and evaluate programs for variable remuneration for company management, the application of guidelines for remuneration to senior managers, and applicable remuneration structures and remuneration levels in the Company.

The members of the remuneration committee are independent in relation to the Company and company management. In the Board's treatment of and decisions on remuneration-related issues, the CEO or other members of the manager management are not present, insofar as they are affected by the issues.

#### Deviations from the guidelines

The board of directors may decide to temporarily deviate from the guidelines, in whole or in part, if there are special reasons for this in an individual case and a departure is necessary to meet the Company's long-term interests, including its sustainability agenda, or to ensure the Company's financial viability. As stated above, it is part of the

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remuneration committee's tasks to prepare the board's decision on remuneration issues, which includes decisions on deviations from the guidelines.

**Item 16. Resolution to grant the board of directors an authorization to purchase and sell the company's own shares**

The board of directors proposes that the annual general meeting resolves to grant the board of directors an authorization to purchase and sell the company's own shares under the following conditions.

Any purchase of the company's own shares shall be made on Nasdaq Stockholm and shall be made following the rules on the purchase of own shares as set out in Nasdaq Stockholm's rulebook for issuers. The authorization to purchase own shares may be used, at one or more occasions, until the time of the next annual general meeting. The number of shares purchased may never result in that the company's holding of its own shares exceeds 5 percent of the total number of shares in the company. Any purchase of own shares at Nasdaq Stockholm shall be made at a price per share within the registered price range, which is the range between the highest purchase price (best bid) and the lowest selling price (best offer). Any payment for shares shall be made in cash.

Any sale of own shares shall be made on (i) Nasdaq Stockholm or (ii) if made in connection with an acquisition of a company or a business, outside of Nasdaq Stockholm. The authorization to sell own shares may be used, on one or more occasions, until the time of the next annual general meeting.

Any sale of own shares on Nasdaq Stockholm shall be made at a price per share within the registered price range, which is the range between the highest purchase price (best bid) and the lowest selling price (best offer). Any payment for shares shall be made in cash.

Any sale of own shares outside of Nasdaq Stockholm shall be made (i) at a price or at a value of the received property which is equal to the share price at the time for the transfer, with such deviation as deemed appropriate by the board of directors, or, if in connection with an acquisition of a company or business and where the payment is made in cash or capital contributed in kind, (ii) to the market value, as determined by the board of directors. The payment for the shares shall be made in cash, capital contributed in kind or payment through set-off.

Transfers made with deviation from the shareholders' preferential rights may only be made to finance consideration to be paid in connection with acquisitions of companies or businesses.

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The purpose of the authorization to purchase and sell the company's own shares, and the reason for accepting a deviation from the shareholders' preferential rights, is to increase the board of directors' flexibility to timely enable acquisitions by payment with own shares to recapitalise the company and/or involve new owners of strategic importance for the company and/or to acquire other companies or businesses.

### **Item 17. Resolution to issue warrants and form a subsidiary**

#### **A. Formation of a Subsidiary**

The board of directors proposes that the general meeting authorizes the board of directors or the person the board of directors authorizes, to form a wholly-owned subsidiary (the "Subsidiary"). The purpose of forming the Subsidiary is to introduce an incentive program for the group's key employees through the issue of warrants giving a right to subscribe for new shares in the Company following paragraphs B - D below.

The proposal aims to create conditions for strengthening the motivation of employees whom the group has identified as significant and trusted in the short and long term. The board considers that an incentive program following the presented proposal is to the benefit of both the group and the company's shareholders.

The authorization means that the board until the incentive program has been implemented, has the right to represent the Company at all general meetings of the Subsidiary. This includes authority for the board to, *inter alia*:

1. Form and register the Subsidiary;
2. Draw up all necessary company documentation attributable to the Subsidiary;
3. Appoint board members and other executives in the Subsidiary; and
4. Handle all contact with the Swedish Companies Registration Office due to the formation of the Subsidiary.

#### **B. Issue of warrants 2020**

The board of directors proposes that the general meeting resolves on a directed issue of a maximum of 989,256 warrants, resulting in increased share capital with a maximum of SEK 14,838.84 upon full exercise of the warrants. In addition, the following conditions shall apply to the decision.

1. The right to subscribe for the warrants shall, with deviation from the pre-emption rights for shareholders, solely be given to the Subsidiary, with the right and obligation to transfer the warrants to existing and new employees following what is set out below, at a price not being lower than the market value of the warrant according to the Black & Scholes valuation model and according to the same conditions as in the issue.

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2. The reason for the deviation from the pre-emption rights for shareholders' is to introduce an incentive program whereby employees, through their own investment, can take part in and promote a positive value development of the Company's share during the period of the proposed program, and that the Company should be able to retain and recruit competent and dedicated staff.
3. The warrants shall be issued without payment.
4. Subscription of the warrants shall take place no later than 31 May 2020.
5. The board has the right to prolong the subscription period.
6. Each warrant entitles the holder to subscribe for one share in the Company. The subscription of shares under the warrants may take place during the period from May 22, 2023, to June 16, 2023. The board of directors has the right to prolong the subscription period.
7. The subscription price per share shall be 115 per cent of the volume weighted average price of the Company's share five trading days after the 2020 annual general meeting. The subscription price may not be less than the quota value of the share.
8. Shares issued following subscription shall entitle holders thereof to participate in the distribution for dividends for the first time on the record date that occurs immediately following the subscription.
9. The warrants shall otherwise be subject to the terms and conditions as set out in Appendix A. As stated in the terms and conditions, the subscription price, as well as the number of shares that each warrant entitles to subscribe to, may be recalculated in the event of, among other things, a new issue or a bonus issue.

#### C. Resolution on approval of transfer of warrants

The board of directors proposes that the general meeting approves the Subsidiary's transfer of warrants on the following terms.

1. The right to acquire warrants from the Subsidiary shall be awarded selected categories of employees within the group (the "Participants") as follows.

Category of Participants	Maximum number of warrants per Participant
Management	25,000
CEO:s subsidiary	15,000
Key people	5,000

2. Only persons belonging to the above categories shall be offered a right to acquire warrants. The board of directors shall decide which persons shall be included in each category. Allotment will be based on experience, ability, and performance

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and will never exceed the maximum number of warrants per Participant listed above.

3. A Participant may subscribe for a lower number of warrants than is offered to the Participant. Any warrants that have not been subscribed for, or which are repurchased by the Subsidiary following the pre-emption clause described in sub-section 8 below, should be reserved for future recruitment of employees in the company, whereby the guidelines for allocation stated above shall be applied. In such allotment, the price (premium) of the warrants shall correspond to the calculated market value of the warrants, calculated as below, at the time of the transfer.
4. The warrants shall be transferred on market terms at a price (premium) determined based on an estimated market value of the warrants using the Black & Scholes valuation model carried out by an independent valuation institution.
5. Any transfer of warrants to Participants shall be subject to that the acquisition of the warrants can legally take place and that, according to the board's assessment, such transfer can be made with reasonable administrative and financial efforts.
6. Payment of the subscribed warrants shall be made within three banking days following notification of subscription by the Participant.
7. Guaranteed allotment will not occur. Over-subscription is not allowed.
8. In connection with the transfer of warrants to the Participant, the Subsidiary and the Participant shall sign an agreement containing a pre-emption clause in favour of the Subsidiary. In short, the pre-emption clause entails that if the Participant wishes to transfer or otherwise sell the warrants to a third party, the Participant must first offer the Subsidiary, or a person that the Subsidiary designates, to repurchase the warrants. The warrants shall furthermore be subject to a right for the Subsidiary, or the person that the Subsidiary designates, to repurchase the warrants if a Participant's employment in or assignment for the group ceases during the term of the warrants.

#### D. Details of the warrants program

##### 1. *Dilution*

At full subscription with the support of all warrants, a maximum of 989,256 new shares may be issued, corresponding to a dilution of approximately 2 percent of both the current number of outstanding shares and the maximum number of additional shares from previous programs, however, subject to the conversion of the number of shares that each warrant eligible for the subscription.

##### 2. *Impact on key figures and costs for the Company, etc.*

The Company's earnings per share will not be affected by the issue as the exercise price of the warrants exceeds the current market value of the share at the time of the issue. The Company's future earnings per share may be affected by the potential dilution effect of the warrants if the Company reports both a positive result and the exercise price falls below market value.

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The warrants will be transferred at market value and should not entail any social security contributions for the group in Sweden or Finland. In Norway, social security contributions for the group arise in connection with the possible exercise of the warrants, according to a percentage of currently 14.1 percent. In addition to this, no benefit will arise and thus no personnel costs for the Company. The warrants program will entail certain limited costs in the form of external consulting fees and administration regarding the warrants program.

The warrants are only expected to have a marginal impact on the Company's key figures.

*3. Calculation of the market value*

The independent valuation institution/accounting firm PricewaterhouseCoopers will calculate the value of the warrants according to the Black & Scholes valuation model.

*4. Preparation of the proposal*

The principles for the warrant program have been worked out by the Company's board of directors. The proposal has been prepared with the support of external advisors and after consultations with shareholders. The board has subsequently decided to present this proposal to the general meeting. In addition to the officials who prepared the question under instructions from the board, no employee who may be covered by the program participated in the design of the conditions.

*5. Other incentive programs*

In 2017, the Company has issued warrants to senior executives and other key personnel in the Group as follows:

- 964,825 warrants of series 2017/2020: 1, each entitled to subscribe for a new share in the Company at a subscription price of 66 per share. Subscription can be made from the day following the publication of the Company's quarterly report for the first quarter of 2020 and up to and including 30 June 2020.
- 964,825 warrants of series 2017/2020: 2, each entitled to subscribe for a new share in the Company at a subscription price of 71.50 per share. Subscription can be made from the day following the publication of the Company's quarterly report for the first quarter of 2020 and up to and including 30 June 2020.

*6. Authorizations and decision rules*

The General Meeting instructs the board of directors of the Company to execute the decision following paragraph C above.

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The board of directors, or whoever the Board appoints, is authorized to make the minor adjustments required for the decision to be registered with the Swedish Companies Registration Office and Euroclear Sweden AB.

**Item 18. Resolution to authorize the board of directors to issue new shares**  
The board of directors proposes that the annual general meeting resolves to authorize the board of directors 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, capital contributed 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 10 percent of the share capital and votes in the company.

The purpose of 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 acquisition of companies or businesses that the company may pursue 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 made to finance consideration to be paid in cash in connection with acquisitions of companies or businesses. Issuance with payment through set-off with deviation from shareholders' preferential rights may only be made in connection with the 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 under the board of directors' proposals on items 16 and 18 of the agenda requires that at least two-thirds of the present shareholders, both by means of the number of votes and the capital, approves the decision.

A valid decision under the board of directors' proposals on item 17 of the agenda requires that at least nine-tenths of the present shareholders, both by means of the number of votes and the capital, approves the decision.

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

At the time of issuance of this notice, the total number of shares and votes in the company amounts to 49,497,515. The company does not hold any of its own shares.

**Office translation** – this document is an office translation of a notice originally drafted in Swedish. In the event of discrepancy between this English version and the Swedish version, the Swedish version shall prevail.

## **THE SHAREHOLDER'S RIGHT TO REQUEST INFORMATION**

According to Chapter 7 Section 32 of the Swedish Companies Act (*Sw. aktiebolagslagen*), the board of directors and the CEO are under a duty to, upon the request of any shareholder, provide information regarding any circumstances which may affect the assessment of a matter on the agenda or financial situation of the company, provided that the board of directors deems that such information can be provided without any material damage of the company. Such duty also includes information regarding the company's relation to another group company, the consolidated accounts and such circumstances as mentioned above regarding any subsidiaries.

## **DOCUMENTS**

The accounts, the auditor's report and other documents to be handled at the shareholders' meeting will be available at the company's office not later than three weeks ahead of the meeting. The documents will be sent to any shareholder requesting the same, given that such a request contains the shareholders' address. The documents will also be made available on the company's website [www.instalco.se](http://www.instalco.se), no later than the above-mentioned date. All the documents mentioned above will also be presented at the shareholders' meeting.

Stockholm, April 2020  
*The board of directors*