

## Press release

Stockholm, March 28, 2018

### Notice of Investor AB's Annual General Meeting on May 8, 2018

Investor AB (publ) summons to the Annual General Meeting (the "Meeting") to be held on Tuesday, May 8, 2018, at 3:00 p.m. at City Conference Centre, Barnhusgatan 12-14, Stockholm, Sweden. Registration for the Meeting will commence at 1:30 p.m. The "Investor Dialog" begins at 2:00 p.m., where Investor's Chair of the Board of Directors, Jacob Wallenberg, and President and CEO, Johan Forssell, will be available for dialog and questions.

#### Participation

Entitled to participate in the Meeting, is any person who

- has* been recorded in the register of shareholders maintained by Euroclear Sweden AB on Wednesday, May 2, 2018; and
- has* notified Investor of their intention to attend the Meeting no later than on Wednesday, May 2, 2018, on the website of Investor AB, [www.investorab.com](http://www.investorab.com), or by calling +46 8 611 29 10 on workdays between 9:00 a.m. and 5:00 p.m. or by writing to Investor AB, Annual General Meeting, SE-103 32 Stockholm, Sweden, whereby notification should also be given of the attendance of any assistants.

Personal data collected from the register of shareholders maintained by Euroclear Sweden AB will be used for registration and the drawing up of the voting list for the Meeting.

#### Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee through the trust department of a bank or similar institution, in order to be entitled to participate in the Meeting, must request that their shares are re-registered in their own names. Such registration, which may be temporary, must be effected in the register of shareholders maintained by Euroclear Sweden AB on Wednesday, May 2, 2018. Shareholders concerned should advise their nominees well in advance of this date.

#### Proxies, etc.

Shareholders who are represented by proxy must authorize such proxy by issuing a power of attorney. If such power of attorney is issued by a legal entity, a certified copy of the certificate of registration evidencing the authority to issue the power of attorney must be attached. The original power of attorney and the certificate of registration for a legal entity are to be sent to Investor AB, Annual General Meeting, SE-103 32 Stockholm, Sweden, well in advance of the Meeting. A form of a power of attorney can be found on Investor AB's website, [www.investorab.com](http://www.investorab.com).

#### Shareholders' right to receive information

The shareholders are reminded of their right to receive information from the Board of Directors and the President at the Annual General Meeting in accordance with Chapter 7 Section 32 of the Swedish Companies Act (Sw. *aktiebolagslagen*). Shareholders who want to submit questions in advance may do so by mail to Investor AB, Annual General Meeting, SE-103 32 Stockholm or by e-mail to [InvestorAGM@investorab.com](mailto:InvestorAGM@investorab.com).

## Agenda

1. Election of the Chair of the Meeting.
2. Drawing up and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two persons to attest to the accuracy of the minutes.
5. Determination of whether the Meeting has been duly convened.
6. Presentation of the parent company's annual report and the auditors' report, as well as of the consolidated financial statements and the auditors' report for the Investor Group.
7. The President's address.
8. Report on the work of the Board of Directors and of the Board Committees.
9. Resolutions regarding adoption of the income statement and the balance sheet for the parent company, as well as of the consolidated income statement and the consolidated balance sheet for the Investor Group.
10. Resolution regarding discharge from liability of the Members of the Board of Directors and the President.
11. Resolution regarding disposition of Investor's earnings in accordance with the approved balance sheet and determination of record date for dividends.
12. Decisions on:
  - A. The number of Members and Deputy Members of the Board of Directors who shall be appointed by the Meeting.
  - B. The number of Auditors and Deputy Auditors who shall be appointed by the Meeting.
13. Decisions on:
  - A. The compensation that shall be paid to the Board of Directors.
  - B. The compensation that shall be paid to the Auditors.
14. Election of Members and Deputy Members of the Board of Directors.  
*Proposal from the Nomination Committee:*
  - A. Josef Ackermann, re-election
  - B. Gunnar Brock, re-election
  - C. Johan Forssell, re-election
  - D. Magdalena Gerger, re-election
  - E. Tom Johnstone, CBE, re-election
  - F. Grace Reksten Skaugen, re-election
  - G. Hans Stråberg, re-election
  - H. Lena Treschow Torell, re-election
  - I. Jacob Wallenberg, re-election
  - J. Marcus Wallenberg, re-election
  - K. Sara Öhrvall, re-election
15. Election of Chair of the Board of Directors.  
*Proposal from the Nomination Committee:*  
 Jacob Wallenberg is proposed to be re-elected as Chair of the Board of Directors.
16. Election of Auditors and Deputy Auditors.

17. Proposals for resolutions on:
  - A. Guidelines for salary and on other remuneration for the President and other Members of the Extended Management Group.
  - B. A long-term variable remuneration program for employees within Investor, excluding Patricia Industries.
  - C. A long-term variable remuneration program for employees within Patricia Industries.
18. Proposals for resolutions on:
  - A. Purchase and transfer of own shares in order to give the Board of Directors wider freedom of action in the work with the Company's capital structure, in order to enable transfer of own shares according to 18B, and in order to secure the costs connected to the long-term variable remuneration program according to 17B and the allocation of synthetic shares as part of the remuneration to the Board of Directors.
  - B. Transfer of own shares in order to enable the Company to transfer own shares to employees who participate in the long-term variable remuneration program 2018 according to 17B.
19. Conclusion of the Meeting.

### **The Board of Directors' proposals for decision**

#### ***Item 11 - Dividend and record date***

The Board of Directors proposes a dividend to the shareholders of SEK 12.00 per share to be paid in two installments. At the first installment SEK 8.00 per share is paid with the record date Friday, May 11, 2018. At the second installment SEK 4.00 per share is paid with the record date Monday, November 12, 2018. Should the Meeting decide in favor of the proposal, payment of the dividend is expected to be made by Euroclear Sweden AB on Wednesday, May 16, 2018 and on Thursday, November 15, 2018.

#### ***Item 17 - Guidelines for salary and other remuneration for the President and other Members of the Extended Management Group and on long-term variable remuneration programs***

The Board of Directors of Investor seeks to attain a remuneration system for the President, other Members of the Extended Management Group and other employees which is in line with market conditions and competitive and thus interesting for the qualified circle of employees that Investor wants to attract and retain.

The Board of Directors' proposal regarding guidelines for salary and other remuneration for the President and other Members of the Extended Management Group to the Annual General Meeting 2018 corresponds in substance with the guidelines for remuneration decided by the Annual General Meeting 2017.

The Management Group consists of the President Johan Forssell, Petra Hedengran, Daniel Nodhäll, Helena Saxon and Stefan Stern. The Extended Management Group consists of the Management Group together with Christian Cederholm, Jessica Häggström and Noah Walley. On January 8, 2018, Investor announced that Stefan Stern will leave Investor as of June 30, 2018. On March 27, 2018, Investor announced that Viveka Hirdman-Ryrberg after the summer 2018 will be a member of Investor's Management Group.

#### ***Item 17A - Guidelines for salary and other remuneration for the President and other Members of the Extended Management Group***

Investor shall strive to offer a total remuneration in line with market conditions which will enable Investor to recruit and retain the most suitable senior executives. Comparative studies of relevant industries and markets are carried out annually in order to determine what constitutes a total level of remuneration in line with market conditions and in order to evaluate current remuneration levels. The total remuneration shall be based on factors such as position, performance and individual qualification. The total remuneration to the Extended

Management Group may consist of fixed cash salary, variable cash salary, long-term variable remuneration, pension and non-monetary benefits and other remuneration. Fixed cash salary, variable cash salary and long-term variable remuneration together comprise the total salary of the employee.

The fixed cash salary shall be reviewed annually and constitutes the basis for calculating the variable salary.

The short-term variable cash salary shall be dependent upon the individual's achievement to meet annually set goals. The outcome of the short-term variable cash salary is reviewed annually. For the Extended Management Group, the highest possible short-term variable cash salary shall vary due to the position held and employment agreements and shall, for the Members of the Extended Management Group, generally amount to 10-75 percent of the fixed cash salary. For the President, the short-term variable cash salary amounted to maximum 30 percent in 2017. The total short-term variable cash salary before tax for all current Members of the Extended Management Group, can vary between SEK 0 and SEK 16.0 million during 2018, depending on whether the goals have been met. The short-term variable cash salary might exceed this amount in the event that the Extended Management Group is expanded. The outcome should only be related to the fulfillment of the individual's goals and thus the remuneration is clearly related to the work contributions and performance of the individual. The goals shall be both qualitative and quantitative and be based on factors which support the Company's long-term strategy.

The long-term variable remuneration is described under items 17B and 17C below.

Pension benefits shall consist of a premium based pension plan of which the ratio of pension provisions to fixed cash salary depends on the age of the executive. In respect of employees working abroad, pension benefits shall be adjustable in line with local pensions practice. The age of retirement for the President and other Members of the Extended Management Group shall be 60 years.

Non-monetary benefits and other remuneration shall be on market terms and shall contribute to facilitating the executive's discharge of his or her duties.

Investor and Members of the Extended Management Group may mutually terminate employment contracts subject to a six months' notice. Fixed cash salary during the notice period and severance pay shall, for Members of the Extended Management Group with employment contracts entered into after the Annual General Meeting 2010, in aggregate not exceed the fixed cash salary for two years. For Members of the Extended Management Group employed before the Annual General Meeting of 2010 the contracts already entered into shall apply. For these Members a mutual termination period of six month applies and severance payment is maximized to 24 months of fixed cash salary.

The Board of Directors may deviate from the guidelines where special cause exists therefor in an individual case.

***Item 17B - A Long-term variable remuneration program for employees within Investor, excluding Patricia Industries***

As regards the long-term variable remuneration program, it is the Board of Directors' ambition to create a structure which provides a balance between the employees' risk – by the requirement on holding of Investor shares in order to participate in the program – and the employees' possible reward – through performance-related allocation of Investor shares. The holding of Investor shares makes the employees committed to Investor. In addition, part of the remuneration to the employees is related to the long-term development of Investor and the Investor share entailing that the employee is exposed to share price increases and decreases and will have goals equivalent to those of Investor's shareholders.

The Board of Directors has decided to propose to the Annual General Meeting 2018 a long-term variable remuneration program which is substantially the same as the program from 2017 and which is built on a Stock Matching Plan and a Performance-Based Share Program. Both programs are connected to Investor shares of class B. Employees within Patricia Industries are not included in the program.

According to the Stock Matching Plan employees who choose to participate in the program for each share that qualifies for participation in the Stock Matching Plan ("Participation Share") will receive two options ("Matching Options") and a right to purchase one Investor share ("Matching Share"). The Participation Share may either be a share that the employee already owns or a share which is acquired during a period following the disclosure of Investors first interim report for 2018 as resolved upon by the Board of Directors ("Measurement Period"). The average volume weighted payment price for the Investor share during the Measurement Period is referred to as the "Participation Price". The Matching Share can, after a three-year vesting period, be acquired for SEK 10 during a four-year period. During the same period, each Matching Option entitles the holder to purchase one share at an exercise price corresponding to 120 percent of the Participation Price.

According to the Performance-Based Share Program, senior management, after a three-year vesting period, has the right during four years to acquire shares ("Performance Shares") at a price corresponding to 50 percent of the Participation Price conditional upon that the total return on the Investor shares exceeds a certain level. The annual total return (including reinvested dividends) is measured quarterly during the vesting period and must exceed the interest on 10-year government bonds with more than 10 percentage points in order for senior management to be entitled to acquire the maximum number of Performance Shares, which preliminary has been allotted to the respective senior manager.

The allotment of Matching Shares, Matching Options and Performance Shares to an employee is also related to the employee's position and is based on the employee's fixed cash salary.

Assuming a Participation Price of SEK 370, the highest number of shares which can be acquired by the employees as a result of the Matching Options will be 90,000. The highest number of Matching Shares that the employees can have the right to acquire, including estimated remuneration for dividends, amounts to 55,000. The highest number of Performance Shares that Senior Management can have the right to acquire, including estimated remuneration for dividends, amounts to 270,000. The highest number of shares that can be acquired under the long-term variable remuneration program is dependent upon the Participation Price and can thus increase or decrease.

The costs for the 2018 long-term variable remuneration program as shown on the income statement is based on the accounting principles in accordance with IFRS-2 and amounts, with a Participation Price of SEK 370 and full participation, to approximately SEK 21 million for the Stock Matching Plan and approximately SEK 21 million for the Performance-Based Share Program. Estimated costs for social security charges are included in these amounts.

In order to reduce the costs of the long-term variable remuneration program, the Board of Directors intends to hedge the program through total return swaps with third parties and/or, subject to the shareholders' approval under item 18B on the agenda, repurchases of Investor's shares which can then be transferred to the employees under the Stock Matching Plan and the Performance-Based Share Program.

#### ***Item 17C - A Long-term variable remuneration program for employees within Patricia Industries***

It is the Board of Directors' ambition to create an alignment for the variable remuneration of employees of Patricia Industries ("PI") to the value creation in PI's portfolio. The program is structured to provide that employees of PI are directly aligned with the value creation of PI.



As concerns the long-term variable remuneration program for designated employees of PI, it is the purpose to encourage the employees to build up significant economic holdings in Investor shares as well as, either directly or indirectly, in existing and future investments made by PI. The program is structured to provide a balance between a) the employee's own personal investment in Investor shares, and b) performance-related allotments of instruments tied to existing and future investments made by PI. The employees' own holdings should enhance the employees' commitment to PI and Investor. In addition, since a substantial part of the participating employees' overall remuneration is related to the long-term development of PI (including new investments made by PI), the employees will be exposed to value increases and value decreases and the employees will thereby have goals aligned with those of Investor's shareholders.

***Earlier decided long-term variable remuneration programs***

Prior to the Annual General Meeting of 2017 the Board of Directors developed a new long-term variable remuneration program for employees within PI. In summary, the 2017 program is built on the same structure as Investor's long-term variable remuneration program decided by the AGM 2017 but which is related to the value growth of PI. The instruments in the PI long-term variable remuneration program are granted under two different Plans as further described below: the PI Balance Sheet Plan (the "PI-BS Plan"); and the PI North America Subsidiaries Plan (the "PI-NA Plan"). The instruments have a duration of up to seven years and participants are granted, conditional upon making a personal investment in Investor shares, instruments that may vest after a three-year vesting period and may be exercised and/or settled during the four-year period thereafter (subject to applicable US tax laws). For employees of PI who have previously taken part in Investor's long-term variable remuneration program this program replaced such participation. For description of Investor's long-term variable remuneration program, see item 17B.

***The program in short, decision procedure, majority requirements, etc.***

The Board of Directors has decided to propose to the Annual General Meeting 2018 a program for long-term variable remuneration for employees within PI which substantially is the same as the program from 2017. The cost for the long-term variable remuneration program is in line with the program from last year. The Board of Directors' decision has been preceded by the Remuneration Committee's and PI's Board of Directors' preparation of the matter. The implementation of the program is conditional upon the approval of the scope and main principles of the program pursuant to a resolution adopted by simple majority at the Annual General Meeting in accordance with the proposal set out below.

***General terms for the PI long-term variable remuneration program***

***Personal investment***

Similar to the proposed long-term variable remuneration program 2018 for employees within Investor (item 17B), the program entails that all employees within PI who participate in the program must make a personal investment in Investor shares (such shares, the "Participation Shares"). In order to qualify for participation, the Participation Shares must be held by the employee with full title, must not be subject to any restrictions under any outstanding long-term variable remuneration program and must be placed with a custodian bank as designated by Investor. Thereafter, the employee may not dispose of the Participation Shares during the vesting period in any way other than as provided for in the program. The Participation Shares may either be shares that the employee already owns or shares which are acquired during a period following the publication of Investor's first interim financial report for the year of grant as resolved upon by the Board of Directors (the "Measurement Period").

***Participants and Participation Value***

A maximum of 25 employees within PI are offered to participate in the program with Participation Shares corresponding to a "Participation Value" determined in line with the principles set out in the complete proposal regarding item 17B. The maximum Participation Value for each of the participants will depend on the participant's place of work and

performance and will amount to a maximum of approximately between 17 percent and 58 percent of the participant's annual fixed cash salary before taxes.

Two categories of employees are offered to participate in the program: (i) *PI Senior Management* and (ii) *Other PI Employees*. Participants employed within the PI Nordic organization are only offered to participate in the PI-BS Plan whereas participants employed within the PI North America organization are offered to participate with 60 percent of their grant value (determined as described below) in the PI-BS Plan and 40 percent of their grant value in the PI-NA Plan.

#### *Grant Value*

Each participant are allocated a so called "Grant Value" depending on the participant's position within PI and regional differences as to remuneration. The Grant Value per participant is set at a maximum of each participant's annual fixed cash salary before taxes ranging between 15 percent and approximately 160 percent of the annual fixed cash salary before taxes. In order to be entitled to the maximum Grant Value, each participant must participate with the maximum number of Participation Shares. The Grant Value for each participant will be translated into a number of cash-settled instruments. This number of instruments determined in conjunction with the grant can never be exceeded (limit), only reduced, depending on the outcome of the performance conditions (if applicable) described below.

#### *The PI-BS Plan*

Based on the Grant Value allocated to the PI-BS Plan, participants are granted instruments, the value of which depends on the value creation in PI during the term of the instruments. The PI-BS Plan is structured to provide a balance between, on the one hand, the employees' assumption of risk through the requirement that they personally invest in Investor shares and, on the other, the possibility for the employees to receive remuneration based on the value created within business area PI.

#### *The PI-NA Plan*

Based on the Grant Value allocated to the PI-NA Plan, participants are granted instruments, the value of which depends on the value creation of the North American operating subsidiaries of PI during the term of the instruments. The PI-NA Plan is structured to provide a balance between, on the one hand, the employees' assumption of risk through the requirement that they personally invest in Investor shares and, on the other, the possibility for the employees to be appropriately rewarded in light of the value created in the North American subsidiaries of PI.

#### *General terms of instruments*

The instruments granted under the PI-BS Plan and the PI-NA Plan shall be governed by the following terms and conditions:

- Granted free of charge.
- Instruments granted to *Other PI Employees* under the two Plans replicate the structure of the Stock Matching Plan described in item 17B.
- Instruments granted to *PI Senior Management* under the two Plans consist both of instruments replicating the Stock Matching Plan in item 17B and instruments subject to specific performance conditions replicating the structure of the Performance-Based Share Program described in item 17B.
- Vest three years after grant (the "Vesting Period").
- May not be transferred or pledged.
- Subject to vesting, the instruments may be exercised and/or settled during the four-year period following the end of the Vesting Period, subject to applicable US tax laws and provided that the participant, with certain exceptions, maintains the employment with PI and keeps the Participation Shares during the Vesting Period.
- Cash-settled.

- Participants receive remuneration for dividends paid from time of grant up to the date of exercise and/or settlement. This in order for the program to be dividend neutral.

*Specific performance conditions for PI Senior Management*

The following performance conditions apply to the instruments under the program allocated to PI Senior Management (replicating the structure of the Performance-Based Share Program described in item 17B).

*Instruments granted under the PI-BS Plan:* In order for participants to be awarded the maximum number of instruments the compounded annual growth of the fair market value of PI's balance sheet must exceed the interest on 10-year Swedish government bonds by more than 10 percentage points. If the applicable compounded annual growth is between the 10-year interest on Swedish government bonds plus 2 percentage points and the 10-year interest on Swedish government bonds plus 10 percentage points, then a proportional (linear) calculation of the award shall be made.

*Instruments granted under the PI-NA Plan:* In order for participants to be awarded the maximum number of instruments the compounded annual growth of the North American operating subsidiaries of PI must exceed the interest on 10-year US government bonds by more than 12 percentage points. If the applicable compounded annual growth is between the 10-year interest on US government bonds plus 4 percentage points and the 10-year interest on US government bonds plus 12 percentage points, then a proportional (linear) calculation of the award shall be made.

**Costs**

The program is accounted for in accordance with IFRS-2 which stipulates that the instruments are recorded as a personnel expense in the income statement and the Grant Value is recognized during the relevant Vesting Period. The relevant instruments issued under the program result in an obligation that is valued at fair value and recognized as an expense with a corresponding increase in liabilities. The liability is revalued at fair value every closing and at final settlement. At exercise or settlement, the liability is paid. All changes in the fair value as a result of changes in the initial fair value of the instruments are recognized in the financial net with a corresponding change in liabilities.

In addition to what is set forth below, the estimated costs for the program following the full three-year Vesting Period have been based on the following assumptions: that the program comprises up to a maximum of 25 participants, that each participant makes a maximum personal investment, that PI employees employed in Sweden have 100 percent of their Grant Value in the PI-BS Plan and that PI employees employed in the US have 60 percent of their Grant Value in the PI-BS Plan and 40 percent in the PI-NA Plan, and that the aggregated Grant Value amounts to SEK 33 million.

Assuming an annual return of the fair market value of PI's balance sheet that exceeds the interest on 10-year Swedish government bonds (here assumed to be 0 percent) by 2 percentage points, the maximum cost for the PI-BS Plan as defined in IFRS-2 is estimated at approximately SEK 10 million and the maximum social security cost is estimated at approximately SEK 0.8 million. Assuming an annual return on the fair market value of PI's balance sheet that exceeds the interest on 10-year Swedish government bonds (here assumed to be 0 percent) by 6 percentage points, the maximum cost for the PI-BS Plan as defined in IFRS-2 is estimated at approximately SEK 31 million and the maximum social security cost is estimated at approximately SEK 2 million. Assuming an annual return on the fair market value of PI's balance sheet that exceeds the interest on 10-year Swedish government bonds (here assumed to be 0 percent) by 10 percentage points, the maximum cost for the PI-BS Plan as defined in IFRS-2 is estimated at approximately SEK 64 million and the maximum social security cost is estimated at approximately SEK 5 million.



Assuming an annual return of the fair market value of the North American operating subsidiaries that exceeds the interest on 10-year US government bonds (here assumed to be 2 percent) by 4 percentage points, the maximum cost for the PI-NA Plan as defined in IFRS-2 is estimated at approximately SEK 6 million and the maximum social security cost is estimated at approximately SEK 0.1 million. Assuming an annual return of the fair market value of the North American operating subsidiaries that exceeds the interest on 10-year US government bonds (here assumed to be 2 percent) by 8 percentage points, the maximum cost for the PI-NA Plan as defined in IFRS-2 is estimated at approximately SEK 20 million and the maximum social security cost is estimated at approximately SEK 0.3 million. Assuming an annual return of the fair market value of the North American operating subsidiaries that exceeds the interest on 10-year US government bonds (here assumed to be 2 percent) by 12 percentage points, the maximum cost for the PI-NA Plan as defined in IFRS-2 is estimated at approximately SEK 39 million and the maximum social security cost is estimated at approximately SEK 0.7 million.

#### **Miscellaneous**

The program does not result in any share dilution. Further information regarding variable remuneration programs in Investor and Patricia Industries for previous years is provided in Investor's Annual Report and on the Company's website.

#### **Item 18 - Purchase and transfer of own shares**

##### **Item 18A - Purchase and transfer of own shares in order to give the Board of Directors wider freedom of action in the work with the Company's capital structure, in order to enable transfer of own shares according to 18B, and in order to secure the costs connected to the long-term variable remuneration program according to 17B and the allocation of synthetic shares as part of the remuneration to the Board of Directors**

The Board of Directors proposes that the Board is authorized, during the period until the next Annual General Meeting, to decide on (i) purchases of Investor's shares on Nasdaq Stockholm and purchases in accordance with purchase offerings to shareholders, respectively, and on (ii) transfer of Investor's shares on Nasdaq Stockholm, or in a manner other than on Nasdaq Stockholm including the right to decide on waiver of the shareholders' preferential rights and that payment may be effected other than in cash. The Company may purchase maximum so many shares that the Company's holding of own shares after the purchase amounts to a maximum of one-tenth of all the shares in the Company. The Company may transfer maximum all own shares held at the time of the Board of Directors' resolution to transfer shares.

The purpose of the proposal is to give the Board of Directors wider freedom of action in the work with the Company's capital structure, possibility to resolve on transfer of own shares according to item 18B below, and possibility to secure the costs, including the social security payments, in connection with the long-term variable remuneration program according to 17B and with the allocation of synthetic shares as part of the remuneration to the Board of Directors (as regards synthetic shares, see the Nomination Committee's proposal for decision below).

##### **Item 18B - Transfer of own shares in order to enable the Company to transfer own shares to employees who participate in the long-term variable remuneration program 2018 according to 17B**

The Board of Directors proposes that the Meeting resolves that transfer of Investor's shares, in a maximum number of 600,000 (or the higher number that may follow from a recalculation because of a split, bonus issue or similar action), to the employees in accordance with the long-term variable remuneration program described in item 17B shall be possible. The number of shares has been calculated with a certain margin as share price fluctuations during the period up and until the measurement period following the 2018 Annual General Meeting may have an effect on the value of the program and, thus, on the number of shares to be included in the program.

### **The Nomination Committee's proposals for decision**

Investor's Nomination Committee, consisting of Michael Treschow (Wallenberg Foundations, Chair of the Nomination Committee), Anders Oscarsson (AMF and AMF Funds), Lars Isacson (SEB Foundation), Ramsay Brufer (Alecta), jointly representing approximately 60 percent of the voting rights for all the shares in Investor, and Jacob Wallenberg (Chair of the Board of Directors), proposes the following:

#### ***Item 1 - The Chair of the Meeting***

Axel Calissendorff, member of the Swedish Bar Association, as Chair of the Meeting.

#### ***Item 12A - The number of Members of the Board of Directors***

Eleven Members of the Board of Directors and no Deputy Members of the Board of Directors.

#### ***Item 12B - The number of Auditors***

One registered auditing company.

#### ***Item 13A - The compensation to the Board of Directors***

A total compensation to the Board of Directors of SEK 10,835,000 in accordance with the following:

- SEK 9,665,000,
  - whereof SEK 2,600,000 (2,450,000) to the Chair, SEK 1,505,000 (1,420,000) to the Vice Chair and SEK 695,000 (655,000) to each of the other eight Members of the Board which are not employed by the Company in cash and in so-called synthetic shares (see below) and,
- SEK 1,170,000 in cash as compensation for work in the committees of the Board of Directors,
  - to be allocated as follows:
    - The Chair of the Audit and Risk Committee SEK 280,000 (260,000) and the three other Members SEK 185,000 (175,000).
    - The Chair of the Remuneration Committee SEK 165,000 (165,000) and the two other Members SEK 85,000 (85,000) each.

The Nomination Committee proposes a market adjustment entailing an average increase of the total Board compensation of approximately 6 percent. Compensation to the Chair and other Members of the Remuneration Committee is proposed to be unchanged.

The Nomination Committee recommends the Board of Directors of Investor to, as in 2011-2017, establish a shareholding policy pursuant to which the Members of the Board, that do not already have such holding, are expected to, over a five year period, acquire an ownership in Investor shares (or a corresponding exposure to the Investor share, for example in synthetic shares) with a market value which is expected to correspond to at least one year board remuneration, before taxes, excluding remuneration for committee work.

In order to facilitate the establishment of such holding or exposure the Nomination Committee proposes that the nominated Member of the Board shall be entitled to elect to receive 50 percent of the proposed remuneration before taxes, excluding remuneration for committee work, in the form of synthetic shares and 50 percent in cash, instead of receiving 100 percent of the remuneration in cash.

The synthetic shares will be valued in connection with allocation after the Annual General Meeting 2018 and shall be based on an average market price of shares of class B during a measurement period in conjunction with the allocation.

A synthetic share carries the same economic rights as an Investor share of class B, which means that the value of the Board of Director's remuneration in synthetic shares, in the same way as shares of class B, fluctuate with the share price and dividend amount during the five

year period until 2023, when each synthetic share entitles the Member of the Board of Directors to receive an amount based on the then prevailing share price of an Investor share of class B.

The synthetic shares have the right, during the fifth calendar year after the beginning of term of office, on four occasions to receive payment, in respect of 25 percent of allocated shares on each occasion, in an amount in cash per synthetic share corresponding to the market price, at each respective occasion for payment, of an Investor share of class B. The synthetic shares shall be regarded as continuously vested during the term of office, with 25 percent per quarter. Dividends on Investor shares of class B, during the period up and until payment shall be credited the Member of the Board of Directors in form of allocation of additional synthetic shares.

The Company's undertaking to effect future payments regarding the synthetic shares as described above, should be hedged by the Company, either by re-purchasing of its own shares, which then shall be sold on the market in connection with the payment to the Members of the Board or by hedging agreements with banks. The financial effect for the Company, if the Members of the Board receive part of their remuneration in synthetic shares compared to receiving the full remuneration in cash, is due to the hedging arrangements, assessed to be very limited.

The proposal thus entails that the Annual General Meeting approves remuneration to the Board of Directors in an amount of, in aggregate, SEK 10,835,000 whereof not less than SEK 0 and not more than SEK 4,832,500 shall consist of synthetic shares.

***Item 13B - The compensation to the Auditors***

Auditors' fees to be paid upon approval of their invoice.

***Item 14 - The Members of the Board of Directors***

The following persons are proposed for re-election as Members of the Board of Directors: Josef Ackermann, Gunnar Brock, Johan Forssell, Magdalena Gerger, Tom Johnstone, Grace Reksten Skaugen, Hans Stråberg, Lena Treschow Torell, Jacob Wallenberg, Marcus Wallenberg and Sara Öhrvall.

***Item 15 - The Chair of the Board of Directors***

Jacob Wallenberg is proposed to be re-elected as Chair of the Board of Directors.

***Item 16 - The Auditors***

The registered auditing company Deloitte AB is proposed to be re-elected as Auditor for the period until the end of the Annual General Meeting 2019. Deloitte AB has informed that, subject to the approval of the proposal from the Nomination Committee regarding Auditor, the Authorized Public Accountant Thomas Strömberg will continue as the auditor in charge for the audit. The Nomination Committee's proposal is consistent with the Audit and Risk Committee's recommendation.

**Shares and Votes**

Investor's share capital amounts to SEK 4,794,843,937.50, represented by 767,175,030 shares divided into 311,690,844 A-shares and 455,484,186 B-shares. A-shares carry one vote while B-shares carry 1/10<sup>th</sup> vote. Investor holds, as per March 27, 2018, 2,377,923 own B-shares, corresponding to 237,792.3 votes, which cannot be represented at the Meeting.

**Majority rules**

The implementation of the Board of Directors' proposal under item 18A on the agenda is subject to the approval at the Annual General Meeting with at least 2/3 of both the votes cast and of the shares represented at the Meeting. The implementation of the Board of Directors' proposal under item 18B on the agenda is subject to the approval at the Annual General Meeting with at least 9/10 of both the votes cast and of the shares represented at the Meeting.

**Further information**

Information about all persons proposed as Members of the Board of Directors of Investor AB, information about proposed Auditor, the Nomination Committee's statement regarding the proposal for the Board of Directors, as well as the Nomination Committee's complete proposal, can be found on Investor's website, [www.investorab.com](http://www.investorab.com), and will, free of charge, be sent to the shareholders who request the Company to do so.

The Board of Directors' complete proposals and related documents regarding items 17 and 18 on the agenda, the guidelines for salary and other remuneration and the long-term variable remuneration programs and the purchase and transfer of own shares are available at Investor and on Investor's website, [www.investorab.com](http://www.investorab.com), and will, free of charge, be sent to the shareholders who request the Company to do so. The proposals regarding item 17, the guidelines for salary and other remuneration and the long-term variable remuneration programs, will in addition free of charge be sent to the shareholders who have given notice of their intention to attend the Meeting.

Accounting documents, the Audit Report, the statement of the Auditors regarding the application of guidelines for salary and other remuneration, and the Board of Director's statement pursuant to Chapter 19 Section 22 of the Swedish Companies Act, will be made available at Investor and on Investor's website, [www.investorab.com](http://www.investorab.com), as of April 17, 2018, at the latest, and will be sent free of charge to the shareholders who request the Company to do so.

For the convenience of non-Swedish speaking shareholders that are attending the Meeting, the proceedings of the Annual General Meeting will be simultaneously interpreted into English.

The President's address will be available on Investor's website, [www.investorab.com](http://www.investorab.com), as of May 9, 2018.

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Stockholm, March 2018

Investor AB (publ)  
The Board of Directors

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*Investor, founded by the Wallenberg family a hundred years ago, is the leading owner of high quality Nordic-based international companies. Through board participation, our industrial experience, network and financial strength, we strive to make our companies best-in-class. Our holdings include among others ABB, Atlas Copco, Ericsson, Mölnlycke and SEB.*