

Nobia AB (publ)

2 April 2020

## **Notice of Annual General Meeting 2020**

**The shareholders of Nobia AB (publ) ("Nobia") are hereby invited to the Annual General Meeting on Tuesday, 5 May 2020 at 5:00 p.m. CET at World Trade Center, Auditorium New York, Klarabergsviadukten 70/Kungsbron 1, Stockholm, Sweden.**

### **Information on measures due to the corona virus**

Due to the spread of the corona virus, Nobia has decided to make some changes regarding the Annual General Meeting, which will take place on 5 May 2020 at 17:00 CET at World Trade Center, Auditorium New York, Klarabergsviadukten 70/Kungsbron 1, in Stockholm. The scope of the AGM is shortened and the following precautions are implemented:

- Registration is open from 16:30 CET.
- No food or beverages will be served.
- There will be no exhibition of products or product offerings.
- The number of officials and company representatives will be minimized and no external guests are invited.
- The Chairman's and CEO's speeches are shortened.
- The participation of members of the Board and Group Management is limited.
- Shareholders who are ill, have had contact with the sick, have been in risk areas or belong to a risk group should not participate, but are invited to vote through a representative.
- Participants, who still want to participate in the venue, are encouraged to avoid close contact with other participants and to spread out in the room.
- Shareholders are encouraged to take advantage of the opportunity to vote by proxy. A proxy form for representatives is available on Nobia's website, [www.nobia.com](http://www.nobia.com).

### **Right to participate in the Annual General Meeting**

Shareholders who wish to participate in the Annual General Meeting must *firstly* be included in the shareholders' register maintained by Euroclear Sweden AB as of Tuesday, 28 April 2020, and, *secondly* notify Nobia of their participation not later than Tuesday, 28 April 2020.

### **Notification of attendance**

Notification of attendance at the Annual General Meeting may be made:

- By e-mail: [bolagsstamma@nobia.com](mailto:bolagsstamma@nobia.com)
- By telephone: +46 8 440 16 00
- By post: Nobia AB, Blekholmstorget 30, SE-111 64 Stockholm, Sweden

The notification shall state the shareholder's:

- Name
- Personal identity number/Corporate Registration Number

- Address and daytime telephone number
- Shareholding
- When applicable, information about any assistants, not more than two assistants, and information on any proxies who may accompany the shareholder to the Meeting

When applicable, complete authorisation documents, such as registration certificates or the equivalent, shall be appended to the notification.

### **Proxy**

Shareholders represented by proxy shall issue a dated power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate or corresponding document (“certificate”) for the legal entity shall be appended to the notification of attendance. The power of attorney and certificate may not be more than one year old. However, the validity of the power of attorney may be a maximum of five years from the date of issue, if specifically stated. The power of attorney in original and, where applicable, the certificate, should be sent by post to the company at the address stated above well in advance of the Annual General Meeting. Proxy forms are available from [www.nobia.com](http://www.nobia.com), and will be sent to shareholders who so request and inform the company of their address.

### **Nominee shares**

Shareholders whose shares have been registered with a nominee must, through the bank or securities broker administering the shares, temporarily re-register their shares in their own names in order to be entitled to participate in the Annual General Meeting. Such re-registration must be completed with Euroclear Sweden AB not later than Tuesday, 28 April 2020, entailing that the request for re-registration must be made to the nominee well in advance of this date.

### **Number of shares and votes**

Nobia has a total of 170,293,458 shares and votes. Nobia currently holds 1,440,637 treasury shares, corresponding to 1,440,637 votes, which cannot be represented at the Meeting.

### **Shareholders’ right to request information**

Shareholders are reminded of their right to, at the Annual General Meeting, request information from the Board of Directors and the President pursuant to Chapter 7, Section 32 of the Swedish Companies Act.

### **Proposed agenda**

1. Opening of the Meeting;
2. Election of Chairman of the Meeting;
3. Preparation and approval of the voting list;
4. Approval of the agenda;
5. Election of one or two persons to verify the minutes;
6. Determination as to whether the Meeting has been duly convened;
7. Presentation of the annual accounts and the audit report, and the consolidated accounts and the audit report on the consolidated accounts;
8. Speech by the President and statement by the Chairman of the Board of Directors;
9. Resolution regarding the adoption of the income statement and the balance sheet, and of the consolidated income statement and the consolidated balance sheet;

10. Resolution regarding appropriation of the company's profit according to the adopted balance sheet;
11. Resolution regarding the discharge from liability for the members of the Board of Directors and the President;
12. Determination of the number of members and deputy members of the Board of Directors, and auditors and deputy auditors;
13. Determination of fees to the Board of Directors and the auditors;
14. a-f) Election of the members of the Board of Directors;
15. Election of the Chairman of the Board of Directors;
16. Election of the Auditors;
17. Election of members of the Nomination Committee and election of the Chairman of the Nomination Committee;
18. Adoption of instruction for the Nomination Committee of Nobia;
19. Proposal regarding remuneration guidelines and other employment conditions for senior executives;
20. Proposal regarding authorisation for the Board of Directors to acquire and sell treasury shares;
21. Closing of the Meeting.

**Resolution regarding the appropriation of the company's profit according to the adopted balance sheet (item 10)**

The Board of Directors proposes that no dividend is to be distributed for the financial year 2019, and that the funds available to the company for distribution of in total approximately SEK 1,277 million, including this year's profit of approximately SEK 484 million is carried forward.

**The Nomination Committee's proposals (items 2, 12, 13, 14, 15, 16, 17 and 18)**

The Nomination Committee is tasked with submitting proposals on the election of the Board Chairman and other members of the Board of Directors, fees for the Board and any remuneration for committee work, election and remuneration of the auditor and election of the Chairman of the Annual General Meeting. The shareholders represented in the Nomination Committee hold approximately 48 per cent of the shares and votes in Nobia.

The Nomination Committee has submitted the following proposals concerning items 2, 12, 13, 14, 15, 16, 17 and 18:

- Chairman of the Board Hans Eckerström be elected Chairman of the Annual General Meeting (item 2);
- The number of members of the Board of Directors shall be six, with no deputy members (item 12);
- The fee to each member of the Board of Directors shall be SEK 410,000 (unchanged compared to last year). The Fee payable to the chairman of the Board of Directors shall be SEK 1,200,000 (unchanged compared to last year). It is proposed that the fee for the Chairman of the Audit Committee be SEK 150,000 and the fee for members of the Committee be SEK 125,000 (unchanged compared to last year). It is proposed that no fees be paid for work in the Remuneration Committee (item 13);
- Re-election of the following current members of the Board of Directors:

- a) Nora Førisdal Larssen;
- b) Marlene Forsell; and
- c) George Adams.

And election of:

- d) Jan Svensson;
- e) Arja Taaveniku; and
- f) Carsten Rasmussen.

Hans Eckerström, Stefan Jacobsson and Jill Little have declined re-election. The Nomination Committee proposes that Nora Førisdal Larssen be elected Chairman of the Board of Directors (item 14 and 15);

- The number of auditors shall be one (1) without deputies. The Committee proposes the re-election of registered auditing firm Deloitte AB with Authorised Public Accountant Daniel de Paula as Auditor-in-Charge until further notice. It is proposed that fees to auditors be paid in accordance with approved invoices (item 12, 13 and 16);
- The Nomination Committee proposes that the Annual General Meeting elects Peter Hofvenstam (representing Nordstjernan), Ricard Wennerklint (representing IF Skadeförsäkring), Mats Gustafsson (representing Lannebo Fonder) and Arne Lööw (representing the Fourth Swedish National Pension Fund) as members of the Nomination Committee and to elect Peter Hofvenstam as Chairman of the Nomination Committee (item 17);
- The Nomination Committee proposes that the instruction for the Nomination Committee resolved upon by the 2015 Annual General Meeting in Nobia is changed and that the Annual General Meeting adopts the following instruction for the Nomination Committee (item 18):

## **INSTRUCTIONS FOR THE NOMINATION COMMITTEE OF NOBIA AB (PUBL)**

### **1. Members of the Nomination Committee**

The Nomination Committee shall comprise at least three (3) and not more than four (4) members nominated by major shareholders in the company. The members are to be elected at the Annual General Meeting for the period until the conclusion of the following Annual General Meeting. The Chairman of the Nomination Committee shall also be elected at the Annual General Meeting.

The majority of the members of the Nomination Committee shall be independent in relation to the company and its management. The CEO or any other member of management shall not be a member of the Nomination Committee. At least one of the members of the Nomination Committee shall be independent in relation to the largest shareholder in terms of voting rights in the company, or any group of shareholders that cooperates in respect of governance of the company.

Members of the Board of Directors may be a part of the Nomination Committee, but must not constitute a majority of the Nomination Committee's members. The Chairman of the Board of Directors or any other member of the Board of Directors may not be Chairman of the Nomination Committee. If more than one member of the Board of Directors is a member of the Nomination Committee, not more than one of them may be dependent in relation to the company's major shareholders.

## **2. Changes in the Nomination Committee**

Changes in the composition of the Nomination Committee may be permissible if any of the follow happens.

- (i) A member wishes to step down prematurely or a shareholder wishes to replace their representative, in which case such a request shall be sent to the Chairman of the Nomination Committee (or if the request relates to the Chairman him/herself, to another member of the Nomination Committee) and the receipt of this request shall entail that the request has been executed.
- (ii) A shareholder whose representative is a member of the Nomination Committee sells the entire holdings in the company, in which case the member representing such a shareholder is deemed to have automatically left the Nomination Committee, or if there is otherwise a significant change in the ownership of the company, whereas the Nomination Committee has the right to autonomously decide to discharge and/or appoint additional members for the purpose of a composition of the Nomination Committee reflecting the ownership of the company.
- (iii) The Nomination Committee may offer vacant position on the Nomination Committee to shareholders or representatives of shareholders to reflect the ownership of the company.

When there are changes in the composition of the Nomination Committee, section one (1) above, shall be considered by the Nomination Committee. Changes in the Nomination Committee shall be announced by the company as soon as possible.

## **3. Duties of the Nomination Committee**

The Chairman of the Nomination Committee shall convene the first meeting of the Nomination Committee.

The Nomination Committee shall prepare and present proposals to the Chairman of the Board well in advance of the Board of Director's notice convening the Annual General meeting regarding:

- (i) election of the Chairman and other members of the company's Board of Directors,
- (ii) Board of Directors fees, divided between the Chairman and the other members, and any remuneration for Committee work,
- (iii) the election of and fees to auditors and deputy auditors (where applicable),
- (iv) election of the Chairman of the Annual General Meeting,
- (v) election of members of the company's Nomination Committee for a term starting from the close of the Annual General Meeting until the end of the following Annual General Meeting, and
- (vi) resolutions to amend these instructions.

The Nomination Committee's proposals shall be presented in the notice convening the Annual General Meeting. In connection with the publication of the notice of the Annual General Meeting, the Nomination Committee shall ensure that the Nomination Committee's proposals, reasoned opinion and information on how the Nomination Committee has conducted its work are published on the Company's website. When conducting its mission, the Nomination Committee shall otherwise fulfil the duties

that the Nomination Committees is obliged to fulfil pursuant to the Swedish Corporate Governance Code.

#### **4. Quorum**

The Nomination Committee forms a quorum when at least three (3) members are present. The Nomination Committee's decision is the decision for which more than half of the members present vote in favour. If the number of votes is equal, the decision supported by the Chairman shall apply.

#### **5. Attendance at Annual General Meeting**

At least one member of the Nomination Committee should always attend the Annual General Meeting and present the reasons for the Nomination Committee's proposals.

#### **6. Fees**

No remuneration is payable to members of the Nomination Committee. The Nomination Committee is entitled to charge the company with costs associated with, for example, recruitment consultants or other expenses necessary for the Nomination Committee to complete its assignments.

#### **7. Changes to these instructions**

These instructions for the Nomination Committee shall apply until the Annual General Meeting resolves on any changes thereof.

### **Proposal regarding remuneration guidelines and other employment terms for senior executives (item 19)**

The remuneration guidelines cover total remuneration for the group management, including the President and other senior executives. After the Annual General Meeting 2020 has resolved on the guidelines, the guidelines are to be applied on remuneration agreed and changes to already agreed remuneration. The guidelines do not cover remuneration decided by Annual General Meeting.

### **The guidelines' promotion of the company's business strategy, long-term interests and sustainability**

The purpose of the guidelines is to provide a structure that adapts the remuneration to the company's strategy, long-term objectives and sustainability. In the future, Nobia intends to connect the remuneration for senior executives to fulfilment of established sustainability targets. Nobia's value creating strategy consist of three central components:

- Focus on profitable growth
- Increasing efficiency
- Long-term value creation through continuous sustainability efforts

The company's strategy prerequisites that Nobia can continue to attract, motivate and retain key employees within the group. The guidelines must therefore enable appropriate and competitive remuneration to Nobia's senior executives.

Form of remuneration	Connection to the company's business strategy	Execution	Possibility/evaluation
Fixed cash salary	The fixed cash salary reflects the individual's role, experience and contribution	Evaluated yearly. Adjustments during	Adjusted to the market levels for the role and

	to the company. The levels for fixed cash salary aim to contribute to recruitment and enable long-term retention of senior executives.	the year can be made if the role changes.	country of business. Levels are adapted after evaluation of the individual's performance.
Variable cash salary	To promote goal achievement or over achievement of the company's pre-determined financial and non-financial criteria such as profitability- and cash flow revenue and important operative, strategic or other sustainability related measures.	At the end of the vesting period (at least 12 months), the Remuneration Committee evaluates to what extent the criteria for payment of variable cash salary has been met.	Fulfilment of criteria for defined goals.
Pension and other benefits	Benefits for senior executives is part of the ability to offer a competitive total remuneration, in order to facilitate recruitment and retention of the company's senior executives.	Is offered during the time of employment and is subject to review dependent on factors such as age, level of fixed cash salary and role.	Based on market practice and market levels for the role in question and the country of business.
Sustainability measures connected to the company's business strategy			
Nobia's sustainability efforts are evaluated and rated continuously by amongst others investors, analysts and civil society participants. Hence, the company's methods and results are reviewed and compared. As a result, the company's sustainability efforts can be continuously developed in line with the demands of its stakeholders demands. The sustainability efforts are an integrated part of Nobia's business that can strengthen Nobia's brand and contribute to an increase of value of Nobia's shares.			

### **Decision-making process for determination, review and execution of the guidelines**

The Board of Directors has established a Remuneration Committee consisting of two members from the Board of Directors, appointed by the Annual General Meeting. The Committee's task is, inter alia, to prepare proposals to the Board of Directors relating to the remuneration for senior executives. The Board of Directors shall prepare proposals for new remuneration guidelines if material changes are needed or at least every fourth year and present the guidelines for the General Meeting to resolve upon. These guidelines are to be applicable from the time of the General Meeting's approval of them, until new guidelines have been resolved (and four years at most). The Remuneration Committee may seek approval of new guidelines at an earlier point in time if circumstances affecting the purpose of the guidelines arise.

The Remuneration Committee shall also follow-up and evaluate programs for variable remuneration to senior executives, the application of the remuneration guidelines and current remuneration structures and levels in Nobia. The Remuneration Committee's members are independent in relation to the company and the group management.

### **Taking into account salary and employment terms for employees**

In the Remuneration Committee's preparation of the Board of Directors proposal for remuneration guidelines data on the employees total remuneration, the components of the remuneration and the increase of remuneration as well as growth rate over time has been considered as part of the Remuneration Committee and the Board of Directors basis for decision when preparing and evaluating the appropriateness of the guidelines and the limitations they impose. Trends on the gap between the remuneration for senior executives and the remuneration for other employees is to be disclosed in the yearly remuneration report.

### **Forms of remuneration**

The remuneration shall be at market level and consist of the following components:

- Fixed cash salary
- Variable cash salary
- Pension benefits
- Other benefits

The General Meeting can in addition to that – and independent of the remuneration guidelines – decide on, for example, share- and share price related remuneration.

### **Variable cash salary**

Fulfilment of criteria for payment of variable cash salary shall be measurable during a vesting period of at least 12 months. The variable cash salary for the President and other senior executives may amount to a maximum of 65 per cent of the fixed annual cash salary.

The variable cash salary shall be connected to pre-determined and measurable criteria that can be financial or non-financial. The criteria can vary from year to year to reflect business priorities and usually includes a balance between the Group's financial performance (for example profitability- and cash flow revenue) and non-financial performance criteria (for example important strategic, or other sustainability related measures). By this way of applying pre-determined financial and non-financial performance measures that reflect Nobia's business priorities, Nobia considers the possibility of attracting, motivating and retaining key employees to be improved, which contributes to Nobia's business strategy, long-term interests and sustainability.

When the vesting period for fulfilment of the criteria for payment of variable cash salary is closed an assessment is to be made as to what degree the criteria have been met. The Remuneration Committee is responsible for such an assessment with regards to variable cash salary to the attributable to the President and other senior executives.

Before variable cash salary is disbursed, the Board of Directors shall assess the reasonableness of the turnout. This assessment is made in relation to Nobia's profit/loss and financial position. The company shall have the right to reclaim variable components of remuneration that were awarded on the basis of data which subsequently proved to be manifestly misstated.

### **Pension benefits**

The President and other senior executives employed in Sweden are entitled to pensions under the ITP system or equivalent. In addition to the ITP system, senior executives in Sweden may be entitled to, after resolution by the Board, an expanded premium based pension right on

salary portions exceeding 30 base amounts. Furthermore, the current President has a pension premium including health insurance of 30 percent of a fixed yearly salary.

### **Other benefits**

Other benefits can include, inter alia, life insurance, health insurance and company car. For the President and other senior executives, pension- and other benefits cannot exceed 40 per cent of the fixed cash salary, whereas other benefits shall be a minor part. The President and other senior executives are further entitled to benefits that can be offered to other employees at any given moment.

Additional benefits and additions can be offered under certain circumstances, e.g. in case of re-allocation or in connection with international assignments, in which case benefits and remuneration is determined according to local conditions.

With regard to employment conditions governed by other rules than Swedish, as far as pension benefits and other benefits are concerned, appropriate adjustments may be carried out to comply with compulsory rules or local practice, whereupon the guidelines overall purposes are to be satisfied to the extent possible.

### **Termination of employment**

In case of termination by the company, the termination notice period shall not exceed 12 months. Fixed cash salary during the termination notice period and termination consideration combined shall not exceed an amount equivalent to the yearly fixed cash salary for the President and other senior executives. In case of termination by the employee, the notice termination period may amount to a maximum of six months, without right to termination consideration. The President and other senior executives may have a right to accrued variable cash salary, however not for a period exceeding the period of the employment.

### **Deviation from the guidelines**

The Board of Directors may decide to temporary, wholly or partially, deviate from the guidelines if there are special circumstances in an individual case and deviation is necessary in order to ensure the company's financial capacity. As stated above, the Remuneration Committee is responsible for preparation of the Board of Directors decisions on remuneration matters, which includes decisions on deviation from the remuneration guidelines.

### **Proposal regarding authorisation for the Board of Directors to acquire and sell treasury shares (item 20)**

#### **Acquisitions of treasury shares**

The Board of Directors of Nobia AB (publ) ("Nobia") proposes that the Annual General Meeting authorises the Board of Directors to resolve to acquire treasury shares in accordance with the following.

1. Acquisitions may be made on Nasdaq Stockholm or in accordance with a tender offer to all Nobia shareholders.
2. Acquisitions of shares may not result in the total holding of treasury shares, at any time, exceeding ten (10) per cent of all shares in Nobia.
3. Acquisitions of shares on Nasdaq Stockholm may only be affected at a price within the currently effective registered price interval on Nasdaq Stockholm, meaning the price interval between the highest bid price and the lowest ask price.

4. Acquisitions in accordance with a tender offer according to 1 above shall be affected at a price corresponding to the lowest share price at the time of the offer with a maximum upward divergence of twenty (20) per cent.
5. The authorisation may be used on one or several occasions, but only until the 2021 Annual General Meeting.

The Board of Director's report pursuant to Chapter 19 Section 22 of the Swedish Companies Act will be available at Nobia and on Nobia's webpage, [www.nobia.com](http://www.nobia.com), at the latest three weeks prior to the Annual General Meeting and will be sent, free of charge, to shareholders who so request and inform the company of their address.

### **Sales of treasury shares**

The Board also proposes that the Annual General Meeting authorises the Board of Directors to resolve to sell treasury shares in accordance with the following.

1. Sales of shares may only take place outside Nasdaq Stockholm, with or without deviation from the shareholders' preferential rights and with or without payment in kind or payment by way of set-off. Such sales may be made at a price in cash or value for obtained property corresponding to the price for the sold Nobia shares at the time of the sale, with a divergence found reasonable by the Board of Directors.
2. The number of shares that may be sold should not amount to more than ten (10) per cent of the total number of shares in Nobia.
3. Sales in connection with company acquisitions may be made at a market value as decided by the Board of Directors.
4. The authorisation may be used on one or more occasions, but only until the 2021 Annual General Meeting.

The purpose of the abovementioned authorisations to acquire and sell treasury shares is to finance the acquisition of operations through payment with treasury shares and to continuously be able to adapt Nobia's capital structure and thereby contribute to an increase in value for shareholders and enable the assurance of costs and delivery in connection with the Nobia Group's long-term performance share plans.

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The Board of Directors' complete proposal regarding remuneration guidelines and other employment conditions for senior executives according to item 19, the proposal regarding authorisation for the Board of Directors to acquire and sell treasury shares and the Board of Directors' statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act according to item 20, the annual accounts according to item 7 and the auditor's statement on the application of remuneration guidelines and other employment conditions for Group management will be available at the company's office at Blekholmstorget 30, SE-111 64, Stockholm, Sweden and on the company's website [www.nobia.com](http://www.nobia.com) at the latest three weeks before the Annual General Meeting. These documents will also be sent to shareholders who so request and inform the company of their address.

The Report by the Board of Directors on the Remuneration Committee's evaluation of remuneration to senior executives, information about all of the members proposed to comprise Nobia's Board of Directors and the Nomination Committee's complete proposals, explanatory statement regarding the proposal to the Board and report on work prior to the Annual General Meeting are available on the company's website [www.nobia.com](http://www.nobia.com).

For information about the processing of personal data, please refer to the integrity policy on the Euroclear Sweden AB website, <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

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Stockholm, April 2020

**Nobia AB (publ)**

*Board of Directors*

**For further information**

Tobias Norrby, Head of Investor Relations

+46 (0)8 440 16 07

[tobias.norrby@nobia.com](mailto:tobias.norrby@nobia.com)

*The information was submitted for publication, through the agency of the contact person above, at 17:30 CET on 2 April 2020.*

Nobia develops and sells kitchen solutions through a number of strong brands in Europe, including Magnet in the UK; HTH, Norema, Sigdal, Invita and Marbodal in Scandinavia; Petra and A la Carte in Finland; ewe, Intuo and FM in Austria as well as Bribus in the Netherlands. Nobia generates profitability by combining economies of scale with attractive kitchen offerings. The Group has approximately 6,000 employees and net sales of about SEK 14 billion. The share is listed on Nasdaq Stockholm under the ticker NOBI. Website: [www.nobia.com](http://www.nobia.com).