

PRESS RELEASE

Notice of Annual General Meeting 2022

Notice is given to the shareholders of AB Industrivärden (publ), reg. no. 556043-4200, of the Annual General Meeting of shareholders to be held on Thursday, 21 April 2022.

Due to covid-19, the Board of Directors has decided that the Annual General Meeting is to be held only through postal voting in accordance with temporary legislation being in effect in 2022. This means that the Annual General Meeting will be conducted without the physical presence of shareholders, representatives or external parties. Shareholders will only be able to exercise their voting rights by postal voting in advance of the Annual General Meeting in the manner described below.

Information on the resolutions passed at the Annual General Meeting will be disclosed on Thursday, 21 April 2022, when the outcome of the postal voting has been confirmed.

Right to attend and notification

A person who wishes to participate in the Annual General Meeting must

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on Monday, 11 April 2022; and
- also give notice of participation by casting its postal vote in accordance with the instructions under the heading “*Postal voting*” below so that the postal voting form is received by Euroclear Sweden AB no later than on Wednesday, 20 April 2022.

In order to be entitled to participate in the Annual General Meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of participation in the Annual General Meeting by submitting its postal vote, register its shares in its own name so that the shareholder is listed in the presentation of the share register as of Monday, 11 April 2022. Such registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee in accordance with the nominee’s routines at such a time in advance as decided by the nominee. Voting rights registrations that have been made by the nominee no later than Wednesday, 13 April 2022 will be taken into account in the presentation of the share register.

Postal voting

Shareholders may exercise their voting rights at the Annual General Meeting only by postal voting in accordance with section 22 of the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. A special form must be used for the postal vote. The form is available on the company’s website www.industrivarden.net under the menu Corporate Governance/Annual General Meeting. The postal vote form is considered as notice to participate in the Annual General Meeting.

In order to be considered, the completed and signed form must be received by Euroclear Sweden AB no later than Wednesday, 20 April 2022. The completed and signed form must be sent by mail to AB Industrivärden, "Annual General Meeting 2022", c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden or by email to GeneralMeetingService@euroclear.com. Shareholders may also cast their votes electronically through verification with BankID via Euroclear Sweden AB's website <https://anmalan.vpc.se/EuroclearProxy/>. Such electronic votes must be submitted no later than Wednesday, 20 April 2022.

If the shareholder submits its postal vote by proxy, a power of attorney must be attached to the postal voting form. Proxy forms in Swedish and in English are available on the company's website www.industrivarden.net under the menu Corporate Governance/Annual General Meeting and also upon request. A power of attorney is valid one year from its issue date or such longer time period as set out in the power of attorney, however not more than five years. If the shareholder is a legal person, a registration certificate or other authorization document, not older than one year, must be attached to the form, listing the authorized signatories.

The shareholders may not provide special instructions or conditions to the postal vote. If so, the vote (i.e. the postal voting in its entirety) is invalid. Further instructions and conditions can be found in the postal voting form and at <https://anmalan.vpc.se/EuroclearProxy/>.

Shareholders' right to receive information

The Board of Directors and CEO shall, if any shareholder so requests and the Board of Directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, circumstances that may affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to another company within the group. A request for such information shall be made in writing to the company no later than ten days prior to the Annual General Meeting, i.e. no later than Monday, 11 April 2022, at AB Industrivärden c/o Board of Directors, Box 5403, SE-114 84 Stockholm, Sweden, or by email to legal@industrivarden.se. The information will be made available on the company's website www.industrivarden.net, under the menu Corporate Governance/Annual General Meeting, and at the company's head office, Storgatan 10, SE-114 84 Stockholm, Sweden, no later than Saturday, 16 April 2022. The information will also be sent to any shareholder who so requests and who states its address.

Processing of personal data

For information on Industrivärden's processing of personal data in relation to the Annual General Meeting 2022, see the privacy notice on the company's website www.industrivarden.net.

The Board's proposed agenda

1. Election of a Chairman to preside over the Annual General Meeting
2. Election of persons to check the minutes
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Decision as to whether the Annual General Meeting has been duly convened
6. Presentation of:
 - a. the annual report and audit report, and of the consolidated accounts and audit report for the Group
 - b. the auditor's statement on whether the guidelines for executive compensation, which have applied since the previous Annual General Meeting, have been followed
 - c. the Board's proposed distribution of earnings and statement in support of such proposal
7. Decisions on:
 - a. adoption of the Income Statement and Balance Sheet, and the Consolidated Income Statement and Consolidated Balance Sheet
 - b. distribution of the company's earnings as shown in the adopted Balance Sheet and record date for dividend
 - c. discharge from liability to the company of the members of the Board of Directors and the CEO
8. Decision on the number of directors
9. Decision regarding directors' fees for each of the company directors
10. Election of Board of Directors and the Chairman of the Board
The Nominating Committee's proposal:
 - a. Pär Boman (re-election)
 - b. Christian Caspar (re-election)
 - c. Marika Fredriksson (re-election)
 - d. Bengt Kjell (re-election)
 - e. Fredrik Lundberg (re-election)
 - f. Katarina Martinson (new election)
 - g. Lars Pettersson (re-election)
 - h. Helena Stjernholm (re-election)
 - i. Fredrik Lundberg as Chairman of the Board (re-election)
11. Decision on the number of auditors
12. Decision on the auditor's fees
13. Election of auditor
14. Decision regarding approval of the remuneration report
15. Decision on a long-term share savings program

The Board's other proposals

Preparation and approval of the voting list

The voting list proposed to be approved is the voting list prepared by Euroclear Sweden AB, based on the general meeting share register and received postal votes, verified and confirmed by the persons elected to check the minutes.

Dividend and record date

The Board of Directors proposes an ordinary dividend of SEK 6.75 per share.

Monday, 25 April 2022 has been proposed as the record date for payment of the dividend. Provided that the Annual General Meeting votes in favor of this proposal, the dividend are expected to be sent out via Euroclear Sweden AB on Thursday, 28 April 2022.

Approval of remuneration report

The Board of Directors proposes that the Annual General Meeting resolves to approve the Board of Directors' report regarding compensation pursuant to Chapter 8, Section 53 a of the Swedish Companies Act.

Long-term share savings program

Background

Since 2012 the Annual General Meetings have resolved on the implementation of long-term share saving programs for employees of the company. The terms of the share savings program (the "Program") now proposed by the Board of Directors to the 2022 Annual General Meeting corresponds to the program adopted by the 2021 Annual General Meeting.

The Program entails that the employee after three years receives so-called performance shares, provided that certain conditions are fulfilled and that the employee has invested a portion of his or her base salary in Industrivärden shares and that the employee has not given notice or has not been served notice of termination at the time the shares were granted.

The purpose of the Program is to encourage Industrivärden's employees to increase their shareholdings and thereby further emphasize long-term shareholder value. The share savings program is deemed to increase Industrivärden's prospects for retaining and recruiting competent employees as well as the employees' interest and involvement in Industrivärden's business and development. The performance conditions, which are based on the total return for Industrivärden shares during the term of the Program, are deemed to further enhance the participants' long-term commitment and the mutual interests between Industrivärden's shareholders and employees. The Program is intended to be annually recurring and constitute the form of long-term variable salary.

The Board of Directors thus proposes that the 2022 Annual General Meeting resolve to implement a long-term share savings program for in total no more than 20 employees of Industrivärden.

The Board of Directors' proposal for resolution

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

- a. The Program is open to the CEO and a maximum of 4 other members of Industrivärden's management ("CEO" and "Management" respectively), to a maximum of 6 key persons employed by Industrivärden ("Key Persons"), and to other permanent employees of Industrivärden ("Employees"), however in total a maximum of 20 permanent employees of Industrivärden.
- b. Provided that the CEO, Management, Key Persons and Employees (as applicable) have made an own investment in Class C shares in Industrivärden ("Savings Shares") during the Acquisition Period (defined in item c below), from a designated third party at the end of the Lock-in Period (defined in point d below), such participant is under the terms of the Program offered the opportunity to be granted shares free of charge, as follows:
 - (i) Provided that the total return for the Industrivärden Class C shares during the Lock-in Period is equal to or exceeds 10 percent, all program participants may be granted 0.5 Class C shares in Industrivärden ("Performance Share") per Savings Share,
 - (ii) Provided that the average annual total return for Industrivärden Class C shares during the Lock-in Period is equal to or exceeds SIXRX during the same period of time, the CEO and Management may be granted 1 additional Performance Share, Key Persons may be granted 0.5 additional Performance Share, and Employees may be granted 0.5 additional Performance Share, per Savings Share,

- (iii) Provided that the average annual total return for Industrivärden Class C shares during the Lock-in Period exceeds SIXRX by 2 percentage points during the same period of time, the CEO and Management may be granted 1.5 additional Performance Shares and Key Persons may be granted an additional 1 Performance Share per Savings Share, and
- (iv) Provided that the average annual total return for Industrivärden Class C shares during the Lock-in Period exceeds SIXRX by 3 percentage points during the same period of time, the CEO may be granted 1 additional Performance Share per Savings share.

In total, the Program thus entails that the CEO may be granted 4 Performance Shares per Savings Share, that Management may be granted 3 Performance Shares per Savings Share, that Key Persons may be granted 2 Performance Shares per Savings Share, and that Employees may be granted 1 Performance Share per Savings Share.

- c. The maximum number of Savings Shares that each program participant may acquire is limited in such way that Savings Shares may be acquired for an amount corresponding to a maximum of 10 percent of the participant's gross annual base salary for 2022. Acquisition of Savings Shares shall take place during the period from 20 July 2022 until and including 31 October 2022, however with a right for the Board of Directors to extend the period in certain circumstances (the "Acquisition Period").
- d. Grants of Performance Shares are expected to take place shortly after publication of Industrivärden's third quarter interim report for 2025. The time from the last day of the Acquisition Period to the date of publication of Industrivärden's third quarter interim report for 2025 is defined as the "Lock-in Period."
- e. In order for a program participant to be granted Performance Shares it is required that, with certain specific exemptions, the participant has not been given notice or has not been served notice of termination of employment in Industrivärden during the Lock-in Period and that the participant, throughout the Lock-in Period, has retained the Savings Shares. Savings Shares disposed of prior to the expiration of the Lock-in Period will therefore not entitle to any grants of Performance Shares. Should a program participant retire during the Lock-in Period, the entitlement to receive allotment of Performance Shares shall be reduced in proportion to the time remaining in the Lock-in Period.
- f. The Program shall comprise a maximum of 50,000 Class C shares in Industrivärden. Should Savings Shares be acquired at a share price such that the total number of Performance Shares exceeds 50,000, the number of Performance Shares that may be transferred to the program participants will be proportionally reduced.
- g. The Board of Directors shall be authorized to establish the detailed terms and conditions for the Program.
- h. In the event significant changes occur in Industrivärden or the market, or in the event the costs for the Program significantly exceed the estimated costs, and this, in the opinion of the Board of Directors, results in a situation where the conditions for grants of Performance Shares under the Program become unreasonable, the Board of Directors shall be entitled to make adjustments to the Program, including, among other things, a decision to reduce the grant of Performance Shares or to not grant any Performance Shares at all.
- i. The number of Performance Shares shall be subject to recalculation as a result of intervening bonus issues, splits, rights issues and/or other similar company events.

Drafting of the proposal

The proposal regarding the Program to the 2022 Annual General Meeting has been decided on by the Board of Directors following preparation by the Compensation Committee.

Hedging, etc.

To hedge the financial exposure that the Program is expected to have, the Board of Directors intends to enter into a share swap agreement with a third party on behalf of Industrivärden, at market terms, whereby the third party in its own name shall be entitled to acquire and transfer Class C shares in Industrivärden to the program participants.

As proposed the Program may comprise a maximum of 50,000 Class C shares in Industrivärden, representing approximately 0.01 percent of all outstanding shares in Industrivärden and approximately 0.03 percent of all outstanding Class C shares in Industrivärden.

In accordance with the scope of the Program as described above, the cost upon full grant is estimated to approximately SEK 13 million, under the assumption all employees participate in the Program and that all program participants acquire the maximum number of Savings Shares.

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

Majority requirements

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

Nominating Committee's proposals

The Nominating Committee has consisted of Bo Damberg (Jan Wallanders and Tom Hedelius Foundation and others), Mats Guldbrand (L E Lundbergföretagen), Fredrik Lundberg (Chairman of the Board of Aktiebolaget Industrivärden), Stefan Nilsson (Handelsbanken Pension Fund and others) and Mikael Schmidt (SCA and Essity Pension Foundations and others). Mats Guldbrand has served as the Chairman of the Nominating Committee.

The Nominating Committee proposes the following:

AGM Chairman

The attorney Sven Unger or, to the extent he is prevented, the person that the Nominating Committee appoints instead.

Number of directors

Eight directors and no deputy directors.

Directors' fees

Chairman of the Board: SEK 2,180,000 (SEK 2,120,000).

Vice Chairman (in the event such is appointed): SEK 1,320,000 (SEK 1,280,000).

Each of the other non-executive directors: SEK 660,000 (SEK 640,000).

No separate fee is to be paid for committee work.

Board of Directors

Re-election of Pär Boman, Christian Caspar, Marika Fredriksson, Bengt Kjell, Fredrik Lundberg, Lars Petterson and Helena Stjernholm, and new election of Katarina Martinson, as directors. Annika Lundius has declined re-election.

Re-election of Fredrik Lundberg as Chairman of the Board.

Information about the proposed directors can be found on Industrivärden's website www.industrivarden.net.

Number of auditors

One chartered accounting firm.

Auditor

The Nominating Committee proposes, in accordance with the Audit Committee's recommendation, re-election of the accounting firm Deloitte AB for the period until the end of the 2023 Annual General Meeting. Deloitte AB has notified that if the firm is elected, it will appoint Authorized Public Accountant Hans Warén as chief auditor.

Auditor's fee

Fee in accordance with approved invoice.

Nominating Committee

The Nominating Committee is of the opinion that there is no reason to amend the resolution regarding the Nominating Committee that was made at the 2011 Annual General Meeting, and which applies until further notice.

Other proposals

Election of persons to check the minutes

L E Lundbergföretagen proposes Bo Damberg (Jan Wallanders and Tom Hedelius Foundation and others) and Stefan Nilsson (Handelsbanken Pension Fund and others) or, to the extent both or any of them are prevented from participating, the person(s) appointed by the Board of Directors, as the persons to check the minutes. The assignment to check the minutes also includes checking the voting list and that the received postal votes are correctly reflected in the minutes of the meeting.

Other information relating to the Annual General Meeting

Documents

The financial statements, the auditor's report, the Board of Directors' report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act on paid and outstanding remuneration that is covered by the guidelines for remuneration to senior executives, the auditor's statement pursuant to Chapter 8, section 54 of the Companies Act regarding these guidelines, and the Board of Directors' proposed distribution of earnings and statement in support of such proposal will be available at the company three weeks before the Annual General Meeting. These documents will also then be published on the company's website www.industrivarden.net, and will be sent to shareholders at their postal address upon request. The documents are presented at the meeting by being kept available on the company's website www.industrivarden.net. The same applies to information about the assignments of the proposed board members in other companies.

Number of shares and votes in the company

The total number of shares in AB Industrivärden is 431,899,108, of which 260,794,174 are Class A shares and 171,104,934 are Class C shares. Each Class A share carries one vote and each Class C share carries one-tenth of a vote. The total number of votes is 277,904,667. This data pertains to the conditions at the time this notice was issued.

Stockholm in March 2022

AB Industrivärden (publ)
The Board of Directors