

IN-HOUSE TRANSLATION: In the event that the contents of the Swedish and English version of this notice should be found to diverge, the Swedish version shall prevail.

The shareholders of NIBE Industrier AB (publ) are hereby invited to attend the Annual General Meeting on Wednesday 16 May 2018, at 5.00 p.m. at the company's premises, Järnvägsgatan 34, in Markaryd. Please note – new premises!

Between 2.30 and 4.00 p.m. the shareholders are welcome to visit NIBE Stove's product exhibition at Skulptörvägen 10 and NIBE Energy Systems' product exhibition at Marknadscenter, Järnvägsgatan 17, in Markaryd, where the company's product news are presented.

### **Right of attendance**

A shareholder has the right to attend the Annual General Meeting if the shareholder is both recorded in its own name in the share register kept on behalf of the company by Euroclear Sweden AB ("Euroclear") on Wednesday 9 May 2018, and has registered for attendance of the meeting to the company no later than on Wednesday 9 May 2018.

A shareholder, which has its shares registered in the name of a nominee, must – in addition to registration for attendance – temporarily re-register the shares in its own name at Euroclear. Such a registration shall be made no later than on Wednesday 9 May 2018. Request for such a registration must be submitted to the nominee in good time before Wednesday 9 May 2018 in order for the registration to be accomplished.

The Annual General Meeting will be held in Swedish.

### **Notification**

Notification of attendance at the Annual General Meeting can be made in writing to the following address: NIBE Industrier AB, Årsstämma, c/o Euroclear Sweden, Box 191, 101 23 Stockholm, by phone +46 8/402 90 20 or by [www.nibe.com](http://www.nibe.com).

When submitting notification of attendance please state name, personal identity number/corporate identity number, address and telephone number, number of shares and class of shares as well as number of advisors.

A shareholder which is represented by a representative, should forward a written and dated proxy together with the notification. The proxy may at the time of the meeting not be older than one year if a longer period of validity is not stated in the proxy, however not longer than five years from the date of issue of the proxy. For this purpose Euroclear provides the shareholders with a proxy form on [www.nibe.com](http://www.nibe.com). The proxy form can also be ordered by phone as described above. If requested, the proxy shall be presented in original. A person representing a legal entity shall present a certificate of registration or a corresponding document of qualification showing person(s) authorized to sign for the legal entity. As a confirmation of the notification of attendance NIBE Industrier AB will send an admission card which shall be brought to the meeting and shown at the recording.

### **Proposed agenda**

1. Opening of the meeting.
2. Election of chairman at the meeting.
3. Preparation and approval of a voting list.
4. Approval of the board of directors' proposed agenda.
5. Election of one or two persons to verify the minutes.
6. Examination if the meeting has been properly convened.
7. The managing director's statement.
8. Presentation of the annual report and the auditor's report, the group financial statement and the group auditor's report as well as the auditor's statement concerning the application of the guiding principles for remuneration to executive employees decided at the Annual General Meeting 2017.
9. Resolution in respect of
  - a) adoption of the income statement and the balance sheet as well as the consolidated income statement and the consolidated balance sheet,
  - b) allocation of the company's profit according to the adopted balance sheet and adoption of record day for dividend,
  - c) discharge from liability of the board members and the managing director.
10. Determination of the number of board members and deputy board members to be elected by the meeting.
11. Determination of the number of auditors and deputy auditors or registered public accounting firms.
12. Determination of fees to the board members and the auditors.
13. Election of board members, chairman of the board and deputy board members, if any.
14. Election of auditors and deputy auditors, if any, or registered public accounting firms.
15. Resolution in respect of the board of directors' proposal to authorize the board of directors to decide on issue of new shares in connection with acquisitions of companies/business.
16. Resolution in respect of guiding principles for remuneration and other terms of employment for executive employees.
17. Other matters to be dealt with at the meeting pursuant to the Swedish Companies Act (2005:551) or the articles of association.
18. Closing of the meeting.

## **Proposed decisions**

Shareholders, which together represent more than 50% of the votes for all shares in the company, have notified the company that they support the proposals under items 2, 9, 10, 11, 12, 13, 14, 15 and 16.

### **2 Proposal for election of chairman at the Annual General Meeting**

It is proposed that Hans Linnarson shall be chairman at the Annual General Meeting.

### **9 Dividend**

The board of directors and the managing director propose to the Annual General Meeting to distribute to the shareholders 1.05 SEK per share for the financial year 2017. Friday 18 May 2018 is proposed as record day for the dividend. If the Annual General Meeting decides in accordance with the proposal, it is estimated that the dividend will be distributed by Euroclear on Wednesday 23 May 2018.

### **10 Proposal for number of board members and deputy board members**

It is proposed that six ordinary board members, without deputies, shall be elected.

### **11 Proposal for number of auditors and deputy auditors or registered public accounting firms**

It is proposed that a registered public accounting firm is appointed.

### **12 Proposal for fees to the board members and the auditors**

It is proposed that fees to the board of directors shall be paid with a total amount of 2,160,000 SEK, of which 720,000 SEK to the chairman of the board and 360,000 SEK to each one of the other board members elected by the general meeting, who are not employed in the group. It is proposed that fees to the auditors shall be paid in accordance with approved invoices.

### **13 Proposal for election of board members and chairman of the board**

It is proposed that the board members Georg Brunstam, Gerteric Lindquist, Hans Linnarson, Anders Pålsson and Helene Richmond are re-elected as board members and that Jenny Sjö Dahl is newly elected. It is proposed that Hans Linnarson is re-elected as chairman of the board.

Eva-Lotta Kraft, who has been a board member since 2010, has declined re-election at the Annual General Meeting.

Jenny Sjö Dahl is born in 1973 and is an engineer from the University of Linköping with a Master of Industrial Economy. Jenny Sjö Dahl has great experience of international business and solid industrial experience from a number of different positions within ABB. Since 2016, Jenny Sjö Dahl is CEO of Westermo Teleindustri AB. Jenny Sjö Dahl is also a board member of Nolato AB.

### **14 Proposal for election of auditors and deputy auditors, if any, or registered public accounting firms**

For the period up to the end of the Annual General Meeting 2019 it is proposed that KPMG AB is elected as registered public accounting firm. KPMG AB has announced that if the Annual General Meeting is voting in accordance with the proposal, KPMG will appoint authorized public accountant Dan Kjellqvist as auditor in charge.

### **15 The board of directors' proposal to authorize the board of directors to decide on an issue of new shares in connection with acquisitions of companies/business**

The board of directors of NIBE Industrier AB (publ) proposes that the Annual General Meeting decides to authorize the board of directors to decide, on one or several occasions during the time up to the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, on issue of new shares of class B in the company. The authorization shall also include right to decide on issue of shares with provision stating payment with non-cash consideration, that shares may be subscribed for with right of set-off or otherwise with conditions referred to in Chapter 13 § 5 first paragraph 6 of the Swedish Companies Act. Share issue may only be decided if it concerns financing of acquisition of companies, part of a company or businesses. The authorization does not include a right for the board of directors to decide on cash issues with deviation from the shareholders' preferential right. The authorization shall be limited to a total issue of shares corresponding to a maximum of 10% of the total number of outstanding shares at the time of the Annual General Meeting.

Further, the board of directors proposes that the Annual General Meeting decides that the managing director, or anyone authorized by the managing direc-

tor, shall have the right to make such minor adjustments of the meeting's decision that may be necessary in connection with the registration with the Swedish Companies Registration Office and Euroclear respectively or due to other formal demands.

For a valid decision of the meeting in accordance with the board of directors' proposal as above it is required that the decision is seconded by shareholders representing at least two thirds of the casted votes as well as of the shares represented at the meeting.

### **16 The board of directors' proposal for guiding principles for remuneration and other terms of employment to executive employees**

The board of directors proposes that the company shall offer remuneration on market terms and be competitive in order to attract and keep personnel.

It shall be possible to pay the remuneration as fixed salary, variable salary, pension and other benefits such as company car.

Fees to the board of directors shall not be paid to board members, who are employed in the group.

The term of notice on the part of the company for the managing director shall be six months. The managing director shall be entitled to severance payment corresponding to twelve monthly salaries. Other executive employees shall be paid salary during the term of notice, which varies between 6-12 months.

There shall be no special agreement stating that executive employees may terminate their employment before they have reached retirement age and until then receive a certain part of their salary.

All executive employees shall have retirement benefits corresponding to the defined benefit ITP-plan (supplementary pensions for salaried employees) (SW: ITP-planen), section 2, for salary parts up to 30 income base amounts (SW: inkomstbasbelopp). For salary parts exceeding 30 income base amounts a premium with a fixed percentage of 30% shall be paid, in accordance with the same principles as in the ITP-plan with fixed premium, section 1.

Executive employees shall as incentive be able to have a variable salary part which is paid if the goals that have been set up are met. The variable salary shall be limited to four monthly salaries. In addition thereto, an extra monthly salary may be paid as remuneration provided that the executive employee uses this extra remuneration and an additional monthly salary of his/hers variable remuneration for acquisition of NIBE-shares. A condition for the extra remuneration is that the executive employee keeps the annually acquired NIBE-shares for at least three years. Normally, the executive employee's acquisition of NIBE-shares will be made once a year in February/March and then with application of the rules against market abuse in force. The managing director shall not be included in any incentive program.

The board of directors may deviate from the guidelines if there are particular grounds therefor in an individual case.

## **Miscellaneous**

The annual report and the auditor's report, the board of directors' statement according to Chapter 18 § 4 of the Swedish Companies Act regarding proposal for dividend, the board of directors' complete proposal for decision concerning items 15 and 16, the auditor's statement according to Chapter 8 § 54 of the Swedish Companies Act and other documents will be kept available for the shareholders at the company's premises in Markaryd and on the company's home page, [www.nibe.com](http://www.nibe.com), as from 25 April 2018 and will be sent to shareholders requesting it and stating their address. The board of directors' statement according to Chapter 18 § 4 of the Swedish Companies Act regarding proposal for dividend can also be seen from the administration report in the annual report.

The shareholders are informed of their right to request information at the Annual General Meeting concerning conditions that may have an effect on the judgement of a matter on the agenda and conditions that may have an effect on the judgement of the company's financial position.

At the time of execution of this notice the total number of shares in the company amounts to 504,016,622, of which 58,532,590 shares of class A and 445,484,032 shares of class B. The total number of votes in the company amounts to 1,030,809,932.

Markaryd in April 2018  
NIBE Industrier AB (publ)

The Board