



## **NOTICE TO ANNUAL GENERAL MEETING IN NOBINA AB (PUBL)**

The shareholders of Nobina AB (publ) (“**Nobina**” or the “**Company**”) are hereby summoned to the annual general meeting (the “**Meeting**”) on 31 May 2017 at 2.00 p.m. CET at World Trade Center, Kungsbron 1, Stockholm.

Registration of participation at the Meeting will be terminated at the opening of the Meeting. The premises will open at 1.00 pm CET.

### **Right to attend the Meeting**

Shareholders who wish to attend the Meeting must be registered in the share register maintained by Euroclear Sweden AB on 24 May 2017.

Shareholders must also notify the Company of their intention to participate by mail to Nobina AB (publ), Armégatan 38, SE - 171 71 Solna, Sweden, or by e-mail to [nobinaagm@nobina.com](mailto:nobinaagm@nobina.com), no later than on 26 May 2017. The notification should include the shareholder’s name, personal identification number/corporate registration number (or similar), address and daytime telephone number, as well as, if applicable, details of representatives, proxies and advisors.

In the event of any queries regarding the above, please contact Emma Forsberg at +46 8 410 650 00.

### **Nominee-registered shares**

Shareholders whose shares are registered in the name of a nominee must temporarily re-register their shares in their own name in the share register maintained by Euroclear Sweden AB in order to be entitled to attend the Meeting. Such registration must be effected no later than on 24 May 2017. Shareholders must, therefore, instruct their nominees well in advance thereof.

### **Proxy**

Shareholders represented by proxy must issue a written, dated power of attorney. If the power of attorney is issued by an entity, a certified copy of a certificate of registration for that entity or equivalent certificate of authority must be enclosed to it. The power of attorney is valid for one year, or, if explicitly stated, up to five years from its issuance. The original power of attorney and certificate of registration or equivalent certificate of authority should be submitted to the Company by mail to the above address in due time prior to the Meeting. A form of power of attorney is available on the Company’s website: [www.nobina.com](http://www.nobina.com).

### **Proposed agenda**

1. Opening of the Meeting
2. Appointment 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 approve the minutes
6. Determination that the Meeting has been duly convened
7. Presentation of the annual accounts and the auditor's report and the consolidated accounts and the auditor's report on consolidated accounts
8. Resolution on
  - a. adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet
  - b. appropriation of the Company's results in accordance with the adopted balance sheet
  - c. discharge from liability for the members of the board of directors and the managing director
9. Determination of the number of members of the board of directors as well as auditors
10. Determination of fees for members of the board of directors and auditors
11. Election of members of board of directors and auditor
12. The nomination committee's proposal on principles for the nomination committee
13. The board of directors' proposal on guidelines for remuneration to the senior management
14. The board of directors' proposal on
  - a. implementation of a performance based Share Savings Scheme
  - b. authorisation for the board of directors to purchase and sell treasury shares within the scope of the Share Savings Scheme
  - c. transfer of treasury shares to Participants in the Share Savings Scheme
  - d. equity swap agreement with third party
15. The board of directors' proposal on authorisation for the board of directors to resolve on new issues of shares or convertibles
16. Other
17. Closing of the Meeting

**Proposal on appointment of chairman of the Meeting (item 2 of the agenda)**

The nomination committee proposes that the Company's chairman of the board of directors, Mr Jan Sjöqvist, is appointed as the chairman of the Meeting.

**Proposal on appropriation of the Company's results (item 8.b of the agenda)**

The board of directors proposes that the dividend for the financial year 2016/2017 shall be SEK 3.10 per share. The board of directors proposes the record date for the dividend to be 2 June 2017. If the Meeting approves the proposal, dividend payments will be distributed by Euroclear Sweden AB on 8 June 2017.

**Proposal on the number of members of the board of directors and auditors, fees for the members of the board of directors and the auditor as well as election of chairman and other members of the board of directors (items 9–11 of the agenda)**

The nomination committee proposes the following:

- The board of directors shall be comprised by six (6) members, with no deputy members. The Company shall have one auditor, with no deputy auditor.

- For the period until the end of the next annual general meeting, the fees for the board of directors shall remain unchanged from last year and amount to SEK 900,000 for the chairman and SEK 450,000 for each of the other board members elected by the Meeting, provided, however, that no fees shall be paid to a board member who is also an employee of the Company or any of its subsidiaries. Ragnar Norbäck as the CEO of the Company shall not receive additional remuneration for being a member of the board of directors until his employment ends on 2 October 2017. A board member may invoice the fees, if fiscal conditions so permit and provided that such arrangement is cost neutral for the Company.
- No fees shall be paid for work in the audit committee and the remuneration committee.
- The auditor's fee shall be paid in accordance with invoices approved by the board of directors.
- Jan Sjöqvist, Ragnar Norbäck, John Allkins and Graham Oldroyd shall be re-elected as members of the board of directors and Monica Lingegård and Liselott Kilaas shall be elected as new members of the board of directors for the period until the end of the next annual general meeting. The current members of the board of directors, Birgitta Kantola and Axel Hjärne, have declined re-election. Jan Sjöqvist shall be re-elected as the chairman of the board of directors.
- PricewaterhouseCoopers AB shall be re-elected as the Company's auditor for the period until the end of the next annual general meeting.

#### **Proposal on principles for the nomination committee (item 12 of the agenda)**

The nomination committee proposes that the Meeting resolves that the Company shall have a nomination committee consisting of one representative of each of the three largest shareholders on the basis of the number of votes held as well as the chairman of the board of directors. The so largest shareholders shall be determined on the basis of the shareholding statistics provided by Euroclear Sweden AB on the last banking day in September 2017 and they will be contacted as soon as reasonably practicable thereafter by the Company. In the event that any of the three largest shareholders decides to abstain from the right to appoint a representative to the nomination committee, this right shall transfer to the shareholder that has the next largest shareholding on the aforementioned date. The names of the members of the nomination committee and of the shareholders they represent shall be made public no later than six months prior to the annual general meeting. The mandate period of the nomination committee shall extend until the next nomination committee is appointed. If the members of the nomination committee do not agree otherwise, the member representing the largest shareholder on the basis of the number of votes held shall be appointed as chairman of the nomination committee. The chairman of the board of directors shall convene the first meeting of the nomination committee. In the event that a shareholder who has appointed a member ceases to be one of the three largest shareholders during the mandate period of the nomination committee, the appointed member shall resign and be replaced by a new member in accordance with the above procedures. However, unless there is specific reason, no changes shall occur in the composition of the nomination committee if only minor changes in ownership have occurred or if changes occur later

than two months prior to the annual general meeting. A shareholder, which has appointed a member of the nomination committee, has the right to dismiss the member so appointed and appoint a new member. Changes in the composition of the nomination committee shall be made public on the Company's website.

The nomination committee shall prepare and submit proposals to the general meeting on: the chairman of the meeting, members of the board of directors, chairman of the board of directors, fees to the board of directors as well as remuneration for committee work (if any), auditor and auditor fees. Furthermore, the nomination committee shall prepare and submit proposals to the general meeting on principles for the composition of the nomination committee.

The nomination committee shall perform its duties in accordance with the Swedish Corporate Governance Code. At the request of the nomination committee, the Company shall provide personnel resources, such as a secretarial function in the nomination committee, to facilitate its work. If and as required, the Company shall also reimburse the nomination committee for reasonable costs for external consultants that the nomination committee considers necessary for it to be able to fulfil its duties.

**Proposal on guidelines for remuneration to senior management (item 13 of the agenda)**

The board of directors proposes that the Meeting resolves on the following guidelines for remuneration to Nobina's senior management for the period until the end of the next annual general meeting. The guidelines shall apply to agreements concluded after the Meeting.

Nobina's senior management comprises the CEO, CFO, HR director, head of business development, managing directors of the subsidiaries, head of key operational resources, head of communications and general counsel.

In order for the Company to be able to attract, develop and retain senior management with relevant experience and competence, it is important to have a competitive remuneration package in line with market terms for senior management in similar sectors.

The remuneration for the senior management shall consist of fixed salary, variable remuneration, pension and other customary benefits as well as any severance pay. The total remuneration shall be marketable and competitive and reflect the performance and accountability of the employee. The variable remuneration shall be based on the individual's performance and the company's performance against predetermined targets. Evaluation of targets shall take place annually. The variable remuneration shall consist of a cash bonus as the board determines.

In addition, senior management may, on market terms, be offered to participate in various incentive schemes. The overall purpose of each such incentive scheme shall be to align the interest of senior management with the interest of Nobina's shareholders. Accordingly, an incentive scheme of Nobina should promote a shareholding in the company. A resolution to implement an incentive schemes that is share based shall be made at an annual general meeting or at an extraordinary general meeting of Nobina.

Pension costs consist of defined contribution, where the premium is 35% of the pensionable salary. The pensionable salary is the basic salary as long as the CEO remains an employee of the company. Termination salary is pensionable.

In the event of termination of employment, senior managers are entitled to a maximum of 12 months' compensation. As a basic principle, a six-month mutual termination period shall apply between Nobina and the CEO. For the other senior managers, a notice period that is shorter than six months may apply. In addition, a maximum of six months of remuneration is payable should employment be terminated by Nobina.

The board of directors shall have the right to deviate from the above guidelines if, in an individual case, special circumstances exist.

**The board of directors' proposal on (item 14 of the agenda)**

- a. **implementation of a performance based Share Savings Scheme**
- b. **authorisation for the board of directors to purchase and sell treasury shares within the scope of the Share Savings Scheme**
- c. **transfer of treasury shares to Participants in the Share Savings Scheme**
- d. **equity swap agreement with third party**

***Background and rationale***

Nobina carries out business in a competitive industry and its continued growth and profitability is (among other things) dependent on Nobina's ability to retain and recruit key employees. The board of directors of Nobina has, therefore, explored the possibilities to implement a long-term incentive scheme to further incentivise Nobina's key employees, which in turn is deemed to enhance Nobina's ability to retain and recruit key personnel. To that end, the board of director considers it of importance that such long-term incentive scheme aligns the interests of the key employees with the interests of Nobina's shareholder. Accordingly, the board of directors has concluded that a long-term incentive scheme of Nobina should promote a shareholding in the company as well as an increase thereof. In light of the foregoing, the board of directors proposes that Nobina shall implement the following performance based share saving scheme (the "**Share Saving Scheme**").

The board of directors also proposes that the board of directors shall be authorised to purchase no more 427,096 treasury shares for the purposes of facilitating the implementation of the Share Saving Scheme as well as to sell such treasury shares on Nasdaq Stockholm to cover costs for social security charges that may arise in connection therewith.

The board of directors finally proposes that Nobina shall transfer no more than 342,087 treasury shares to the participants in the Share Saving Scheme (the "**Participants**").

It is the intention of the current board of directors that similar share saving schemes shall be proposed to the annual general meetings 2018 and 2019, respectively.

***a. Implementation of a performance based Share Savings Scheme***

The board of directors proposes that the annual general meeting in Nobina resolves on the implementation of the Share Saving Scheme on the following main terms and conditions:

1. The Share Saving Scheme shall comprise no more than 342,087 shares in Nobina.
2. Up to 22 senior executives and other key employees of the Nobina group will be offered to become a Participant. The Participants will be divided into three categories as out below.
3. Participation in the Share Saving Scheme requires that a Participant purchases shares in Nobina (and/or uses shares already held by him/her) up to an amount corresponding to approximately 17% of such Participants annual fixed salary for 2017/2018 (the “**Saving Shares**”). The purchase of Saving Shares shall be made on Nasdaq Stockholm and must have been effectuated no later than 28 February 2018. The board of directors shall have the right to extend such date if a Participant is not permitted to purchase shares during this period.
4. Subject to the Participant retaining its Saving Shares during a 3-year period as from 1 March 2018 (the “**Retention Period**”) as well as the Participant’s continued employment in a position within the Nobina group that corresponds to or is higher than his/her current position during the Retention Period (the board of directors shall be authorised to waive this condition under extraordinary circumstances, for example, if the Participant’s employment is terminated as a result of long-term illness), (a) each Saving Share will entitle the Participant to receive one share in Nobina (a “**Matching Share**”) and (b) subject to the performance criteria set out in section 5 below, an additional one to four shares in Nobina (“**Performance Shares**”), in each case free of charge.
5. The Performance Shares are subject to the following performance criteria during the Retention Period:
  - (a) if the total shareholder return (that is, the sum of the price change and reinvested dividends for the share during the performance period) for Nobina is below the Nasdaq Stockholm OMX Nordic Mid Cap Index (the “**Index**”), the Participants will not be entitled to any Performance Shares;
  - (b) if the total shareholder return for Nobina is in line with the Index, 25% of the maximum number of Performance Shares will be allocated to the Participants;
  - (c) if the total shareholder return for Nobina is higher than the Index plus 17%, 100% of the maximum number of Performance Shares will be allocated to the Participants; and
  - (d) if the total shareholder return for Nobina is higher than the Index but below the Index plus 17%, the allocation of Performance Shares to the Participants will be linear in relation to the allocations set out in (b) and (c) above.
6. Before the number of Performance Shares to be allocated is finally determined, the board of directors shall evaluate if such allocation is reasonable, taking into consideration the results and financial position of Nobina, the conditions of the stock market and other circumstances. If the board of directors concludes that such allocation is not reasonable, the board of directors shall decrease the number of Performance Shares to be allocated as it deems reasonable.

7. The number of Performance Shares that a Participant will be entitled to depends on which category such Participant belongs to:

Category	# of individuals	# of Performance Shares
CEO, CFO and MD Nobina Sverige	3	4
MDs Nobina Danmark, Finland and Norge and marketing director Nobina Sverige	4	2
Other key employees of Nobina	15	1
<b>TOTAL</b>	<b>22</b>	

8. Subject to the above conditions, the Matching Shares and the Performance Shares will be transferred to the Participants no later than 45 days after the publication of Nobina's year-end report for 2020/2021.
9. The number of Matching Shares and Performance Shares (if any) may be recalculated in the event of a share split, reversed share split or similar events having an impact on the number of shares in Nobina.
10. A Participant's participation in the Share Savings Scheme requires that it is legally possible and appropriate in the jurisdiction in which such Participant is resident and that such participation, at Nobina's sole discretion, is deemed possible with reasonable administrative and financial costs.
11. The board of directors shall be responsible for the details and management of the Share Savings Scheme within the framework of this proposal.
12. The board of directors is authorised to make such minor adjustments to this proposal, or to deviate therefrom, as may be required under applicable law, regulation, market practice or otherwise.

#### *Costs for Share Savings Scheme*

The costs for the Share Savings Scheme are based on the IFRS 2 reporting standards and will be amortised over the Retention Period.

The board of directors has made a preliminary cost calculation for the Share Savings Scheme, which is based on a SEK 54.75 price per share at final allocation, that the maximum number of Performance Shares is allocated following the Retention Period, an estimated annual staff turnover of 2% and that each Participant invests in Savings Shares up to the maximum amount. The value of the Matching Share has been calculated on the basis of a share price of SEK 54.8 and a dividend yield of 5% (in line with current dividend yield). On the basis of the above assumptions, the value of each Performance Share has been set at SEK 45.82 (84% of SEK 54.75) The value of the Performance Shares has been calculated on the basis of a share price of SEK 54.75 at the implementation of the Share Savings Scheme, an estimate of the future volatility of the Nobina share as well as volatility and correlation between the Nobina share and the Index as well as a dividend yield of 5%. On the basis of the above assumptions, the value of each Performance Share has been set at SEK 17.40 (32% of SEK 54.75).

In total, the above results in a maximum cost for the Share Savings Scheme of approximately SEK 9.1 million, excluding costs for social security charges. The costs for social security charges on the basis of an annual appreciation of the Nobina share of 10% until the time for allocation is approximately SEK 6.1 million. Such costs should be

viewed in relation to Nobina's total costs for salaries and other remuneration, which during 2016/2017 amounted to SEK 4,656 million, including social security charges.

*Effects on key ratios*

The Company currently has 88,355,682 outstanding shares (one vote per share). The company holds no treasury shares.

To implement the Share Savings Scheme, up to 342,087 treasury shares need be acquired (excluding shares to cover costs for social security charges), corresponding to the approximately 0.39% of the total number of outstanding shares and votes in Nobina. The transfer of such shares to the Participants in the Share Savings Scheme (free of charge) is estimated to have a dilutive effect on the yield per share of up to 0.39%. The transfer of up to 85,009 treasury shares on Nasdaq Stockholm to cover costs for social security charges does not have any dilutive effect on the yield per share as they are transferred at market price.

***b. Authorisation for the board of directors to purchase and sell treasury shares within the scope of the Share Savings Scheme***

For the purposes of facilitating the transfer of Matching Shares and Performance Shares under the Share Savings Scheme as well as to cover costs for social security charges that may arise in connection therewith, the board of directors proposes that the annual general meeting resolves to authorise the board of directors to purchase and sell treasury shares as follows:

1. The board of directors is authorised to, at one or several occasions before the next annual general meeting, (a) purchase no more than 342,087 shares in Nobina for the purposes of securing the number of Matching Shares and Performance Shares that shall be delivered to the Participants under the Share Savings Scheme and (b) purchase and sell no more than 85,009 shares in Nobina for the purposes of covering the costs for social security charges that may arise in connection therewith.
2. The purchase and sale of shares shall be made on Nasdaq Stockholm at a price within the price range applicable at that time.

***c. Transfer of treasury shares to Participants in the Share Savings Scheme***

For the purposes of facilitating the transfer of Matching Shares and Performance Shares under the Share Savings Scheme, the board of directors proposes that the annual general meeting resolves that Nobina shall transfer treasury shares as follows:

1. Nobina may transfer no more than 342,087 shares in Nobina to the Participants.
2. The Participants in the Share Savings Scheme shall have the right to receive shares, whereby each Participant shall be entitled to receive such number of shares, which he/she is entitled to under the Share Savings Scheme. Such right can be exercised by the Participant during the period in which such Participant is entitled to receive Matching Shares and Performance Shares under the Share Saving Scheme, that is, within 45 days after the publication of Nobina's year-end report for 2020/2021.
3. The shares shall be transferred free of charge.

4. The number of shares to be transferred may be recalculated in the event of a share split, reversed share split or similar events having an impact on the number of shares in Nobina.

The reason for deviating from the shareholders' preferential rights in connection with the transfer of shares is to facilitate the transfer of Matching Shares and Performance Shares under the Share Savings Scheme.

***d. Equity swap agreement with third party***

In the event that the majority requirements applicable to the board of directors' proposals under items b. and c. above are not satisfied (see "Voting majority" below), the board of directors proposes that the annual general meeting resolves that Nobina shall hedge its financial exposure under the Share Savings Scheme by entering into an equity swap agreement with a third party, under which such third party shall, in its own name, purchase and transfer shares in Nobina to the Participants.

The board of directors notes that the main alternative for securing Nobina's financial exposure under the Share Savings Scheme is the purchase and transfer of treasury shares as set out in the board of directors' proposals under items b. and c. above. The reason for this is that the costs for an equity swap agreement is typically significantly higher than the costs for purchasing and transferring treasury shares.

***Preparation of the proposal***

The Share Savings Scheme has been prepared by the remuneration committee, in consultation with the board of directors. The board of directors has adopted the proposal. Neither the CEO nor any other employees who may be offered to become a Participant has participated in the preparation or the adoption of the proposal.

***Voting Majority***

The board of directors' proposal under item a. above requires that more than half of the votes cast at the annual general meeting approve the proposal.

The board of directors' proposal under item b. above requires that at least two thirds (2/3) of both the votes cast as well as the shares represented at the annual general meeting approve the proposal.

The board of directors' proposal under item c. above requires that at least nine tenths (9/10) of both the votes cast as well as the shares represented at the annual general meeting approve the proposal.

The board of directors' proposal under item d. above requires that more than half of the votes cast at the annual general meeting approve the proposal.

**Proposal on authorisation for the board of directors to resolve on new issues of shares or convertibles (item 15 of the agenda)**

The board of directors proposes that the Meeting authorises the board of directors to, at one or several occasions until the annual general meeting 2018, decide upon an issue of shares or convertibles in the Company against payment in cash, in kind or through set-off and with the right to deviate from the shareholders' preferential rights. The purpose

of the authorisation and the reason for the deviation from the shareholders' preferential rights is to facilitate the raising of capital for acquisitions. The authorisation shall be limited whereby the board of directors may not resolve to issue shares and/or convertibles that involve the issue of or conversion into shares corresponding to more than 10.0% of the total number of shares in the Company at the time of the issue resolution, corresponding to an issuance of approximately 8,835,568 shares calculated on the basis of the current number of shares issued by the Company. To the extent new issues of shares are made with deviation from the shareholders' preferential rights, such issues shall be made on market conditions.

In order for the resolution to be valid, it must be supported by shareholders holding no less than two-thirds of both the votes cast and of the shares represented at the Meeting.

#### **Available documents**

The annual report, the auditor's report and complete proposals will be made available at the Company's offices, Armégatan 38, SE-171 71 Solna, Sweden, in accordance with the requirements of the Swedish Companies Act and will be sent to shareholders who so request and who inform the Company of their mailing address. The documents will also be made available on the Company's website: [www.nobina.com](http://www.nobina.com). All documents above will be presented at the Meeting.

The nomination committee's statement on its proposal regarding the board of directors is available on the Company's website as from today.

#### **Shareholders' right to request information**

At the Meeting, shareholders have the right to information – should the board of directors consider that this can occur without significant damage to the Company – on circumstances that could impact on the evaluation of an item on the agenda and relationships that could impact on the evaluation of the Company's or a subsidiary's financial situation.

#### **Other information**

The Company currently has 88,355,682 outstanding shares (one vote per share). The company holds no treasury shares.

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Solna in April 2017  
Nobina AB (publ)  
The board of directors