

## ANNUAL GENERAL MEETING OF INVESTOR AB

*Investor AB (publ) summons to the Annual General Meeting (the “Meeting”) to be held on Tuesday, May 6, 2014, at 3:00 p.m. at City Conference Centre, Barnhusgatan 12-14, Stockholm, Sweden. Registration for the Meeting will commence at 1:30 p.m. The “Investor Dialog” begins at 2:00 p.m., where Investor’s Chairman of the Board of Directors, Jacob Wallenberg, and President and CEO, Börje Ekholm, will be available for dialog and questions.*

### **Participation**

Entitled to participate in the business of the Meeting, is any person who

- has* been recorded in the register of shareholders maintained by Euroclear Sweden AB on Tuesday, April 29, 2014; and
- has* notified Investor of their intention to attend the Meeting no later than on Tuesday, April 29, 2014, on the website of Investor AB, [www.investorab.com](http://www.investorab.com), or by calling +46 8 611 29 10, or by writing to Investor AB, Annual General Meeting, SE-103 32 Stockholm, Sweden, whereby notification should also be given of the attendance of any assistants.

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

### **Nominee-registered shares**

Shareholders whose shares are registered in the name of a nominee through the trust department of a bank or similar institution must, in order to be entitled to participate in the Meeting, request that their shares are re-registered in their own names in the register of shareholders maintained by Euroclear Sweden AB. Such registration must be effected on Tuesday, April 29, 2014. Shareholders should inform their nominees well in advance of this date.

### **Proxies, etc.**

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

### **Shareholders’ right to receive information**

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

### **Agenda**

1. Election of the Chairman of the Meeting.
2. Drawing up and approval of the voting list.

3. Approval of the agenda.
4. Election of one or two persons to attest to the accuracy of the minutes.
5. Determination of whether the Meeting has been duly convened.
6. Presentation of the parent company's annual report and the auditors' report, as well as of the consolidated financial statements and the auditors' report for the Investor Group.
7. The President's address.
8. Report on the work of the Board of Directors, the Remuneration Committee, the Audit Committee and the Finance and Risk Committee.
9. Resolutions regarding adoption of the income statement and the balance sheet for the parent company, as well as of the consolidated income statement and the consolidated balance sheet for the Investor Group.
10. Resolution regarding discharge from liability of the Members of the Board of Directors and the President.
11. Resolution regarding disposition of Investor's earnings in accordance with the approved balance sheet and determination of a record date for dividends.
12. Decisions on:
  - A. The number of Members and Deputy Members of the Board of Directors who shall be appointed by the Meeting.
  - B. The number of Auditors and Deputy Auditors who shall be appointed by the Meeting.
13. Decisions on:
  - A. The compensation that shall be paid to the Board of Directors.
  - B. The compensation that shall be paid to the Auditors.
14. Election of Chairman of the Board of Directors, other Members and Deputy Members of the Board of Directors.
15. Election of Auditors and Deputy Auditors.
16. Proposals for resolution on:
  - A. Guidelines for salary and on other remuneration for the President and other Members of the Management Group.
  - B. A long-term variable remuneration program for the Members of the Management Group and other employees.
17. Proposals for resolution on:
  - A. Purchase and transfer of own shares in order to give the Board of Directors wider freedom of action in the work with the Company's capital structure, in order to enable transfer of own shares according to 17B below, and in order to secure the costs connected to the long-term variable remuneration program and the allocation of synthetic shares as part of the remuneration to the Board of Directors.

- B. Transfer of own shares in order to enable the Company to transfer own shares to employees who participate in the long-term variable remuneration program 2014.
- 18. Proposal for resolution from the shareholder Aktiebolagstjänst Leif Malmberg AB.
- 19. Conclusion of the Meeting.

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

#### ***Item 11 - Dividend and Record Date***

The Board of Directors and the President propose a dividend to the shareholders of SEK 8.00 per share and that Friday, May 9, 2014, shall be the record date for receipt of the dividend. Should the Meeting decide in favor of the proposal, payment of the dividend is expected to be made by Euroclear Sweden AB on Wednesday, May 14, 2014.

#### ***Item 16 - Guidelines for Salary and other Remuneration for the President and other Members of the Management Group and on a Long-term Variable Remuneration Program***

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

For continuity, the Board of Directors' proposal is in all material respects in line with previous years' remuneration principles and is based on agreements already entered into between Investor and each executive.

#### ***Item 16A - Guidelines for Salary and other Remuneration for the President and other Members of the Management Group***

Investor shall offer a total remuneration in line with market conditions which will enable Investor to recruit and retain the most suitable senior executives. The remuneration to the Management Group shall consist of fixed cash salary, variable cash salary, long-term variable remuneration, pension and other remuneration. Together, those elements constitute the total remuneration of the individual. Fixed cash salary, variable cash salary and long-term variable remuneration programs together constitute the total salary of the employee.

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

The variable cash salary constitutes of short-term variable cash salary dependent upon the individual's capacity to meet yearly set goals and, concerning one member in the Management Group, profit-sharing program entitled to variable remuneration based on the trading function's net result.

The long-term variable remuneration program is dealt with under item 16B.

Pension benefits shall, for Members of the Management Group, consist of a premium based pension plan on parts of salary above 20 basic income amounts as a consequence of which the ratio of pension provisions to fixed cash salary depends on the age of the executive. Pension benefits shall, for all employees, consist of a

defined benefit pension plan, BTP-plan, or a premium based pension plan, on parts of salary up to 30 basic income amounts. The age of retirement for the President and other Members of the Management Group shall be 60 years.

Other remunerations and benefits shall be on market terms and shall contribute to facilitating the executive's discharge of his or her duties.

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

#### **16B - Long-term Variable Remuneration Program 2014**

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

The Board of Directors has decided to propose to the Annual General Meeting 2014 a long-term variable remuneration program which is substantially identical to the program from 2013 and which is built on a Stock Matching Plan and a Performance-Based Share Program. Both programs are connected to Investor shares of class B.

According to the Stock Matching Plan, all employees, who choose to participate in the program, for each share that qualifies for participation in the Stock Matching Plan ("Participation Share") will receive two options ("Matching Options") and a right to purchase one Investor share ("Matching Share"). The Participation Share may either be a share that the employee already owns or a share which is acquired during a period following the disclosure of Investors first interim report for 2014 as resolved upon by the Board of Directors ("Measurement Period"). The average volume weighted payment price for the Investor share during the Measurement Period is referred to as the "Participation Price". The Matching Share can, after a three-year vesting period, be acquired for SEK 10 during a four-year period. During the same period, each Matching Option entitles the holder to purchase one share at an exercise price corresponding to 120 per cent of the Participation Price.

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

entitled to acquire the maximum number of Performance Shares, which preliminary has been allotted to the respective senior manager.

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

Assuming a Participation Price of SEK 200, the highest number of shares which can be acquired by the employees as a result of the Matching Options will be 160,000. The highest number of Matching Shares that the employees can have the right to acquire, including estimated remuneration for dividends, amounts to 105,000. The highest number of Performance Shares that Senior Management can have the right to acquire, including estimated remuneration for dividends, amounts to 555,000. The highest number of shares that can be acquired under the long-term variable remuneration program is dependent upon the Participation Price and can thus increase or decrease.

The costs for the 2014 long-term variable remuneration program as shown on the income statement is based on the accounting principles in accordance with IFRS-2 and amounts, with a Participation Price of SEK 200 and full participation, to approximately SEK 22 million for the Stock Matching Plan and approximately SEK 22 million for the Performance-Based Share Program. Estimated costs for social security charges are included in these amounts.

In order to reduce the costs of the long-term variable remuneration program, the Board of Directors intends to hedge the program through total return swaps with third parties and/or, subject to the shareholders' approval under item 17B on the agenda, repurchases of Investor's shares which can then be transferred to the employees under the Stock Matching Plan and the Performance-Based Share Program.

### ***Item 17 - Purchase and transfer of own shares***

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

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

The purpose of the proposal is to give the Board of Directors wider freedom of action in the work with the Company's capital structure, possibility to resolve on transfer of own shares according to 17B below, and possibility to secure the costs, including the social security payments, in connection with the long-term variable remuneration

program and with the allocation of synthetic shares as part of the remuneration to the Board of Directors (as regards synthetic shares, see the Nomination Committee's proposal for decision below).

***17B - Transfer of own shares in order to enable the Company to transfer own shares to employees who participate in the long-term variable remuneration program 2014***

The Board of Directors proposes that the Meeting resolves that transfer of Investor's shares, in a maximum number of 1,100,000 (or the higher number that may follow from a recalculation because of a split, bonus issue or similar action), to the employees in accordance with the long-term variable remuneration program described in item 16B shall be possible. The number of shares has been calculated with a certain margin as share price fluctuations during the period up and until the measurement period following the 2014 Annual General Meeting may have an effect on the value of the program and, thus, on the number of shares to be included in the program.

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

Investor's Nomination Committee, consisting of Jacob Wallenberg (Chairman of the Board of Directors), Hans Wibom (Wallenberg foundations, Chairman of the Nomination Committee), Peder Hasslev (AMF), Lars Isacsson (SEB Foundation), and Ramsay Brufer (Alecta), jointly representing approximately 60 per cent of the voting rights for all the shares in Investor, proposes the following:

***Item 1 - The Chairman of the Meeting***

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

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

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

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

One registered auditing company.

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

A total compensation to the Board of Directors of SEK 9,773,000 in accordance with the following:

- SEK 8,555,000,
  - whereof SEK 2,175,000 (2,060,000) to the Chairman and SEK 580,000 (550,000) to each of the other eleven Members of the Board which are not employed by the Company in cash and in so-called synthetic shares (see below) and,
- SEK 1,218,000 in cash as remuneration for work in the committees of the Board of Directors,
  - to be allocated as follows:
    - The Chairman of the Audit Committee SEK 215,000 (204,000) and the three other Members SEK 143,000 (136,000).
    - The Chairman of the Remuneration Committee SEK 143,000 (136,000) and the two other Members SEK 72,000 (68,000) each.
    - The Chairman of the Finance and Risk Committee SEK 143,000 (136,000) and the two other Members SEK 72,000 (68,000).

The proposed increase for 2014 is, in accordance with the recommendation of the Nomination Committee of 2013, proposed in order to reach the same level in real terms as was decided by the Annual General Meeting in 2006.

The Nomination Committee recommends the Board of Directors of Investor to, as in 2011, 2012, and 2013, establish a shareholding policy pursuant to which the Members of the Board, that do not already have such holding, are expected to, over a five year period, acquire an ownership in Investor shares (or a corresponding exposure to the Investor share, for example in synthetic shares) with a market value which is expected to correspond to at least one year board remuneration, before taxes, excluding remuneration for committee work.

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

The synthetic shares will be valued in connection with allocation after the Annual General Meeting 2014 and shall be based on an average market price of shares of class B during a measurement period in conjunction with the allocation.

A synthetic share carries the same economic rights as an Investor share of class B, which means that the value of the Board of Director's remuneration in synthetic shares, in the same way as shares of class B, fluctuate with the share price and dividend amount during the five year period until 2019, when each synthetic share entitles the Member of the Board of Directors to receive an amount based on the then prevailing share price of an Investor share of class B.

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

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

The proposal thus entails that the Annual General Meeting approves remuneration to the Board of Directors in an amount of, in aggregate, SEK 9,773,000 whereof not less than SEK 0 and not more than SEK 4,277,500 shall consist of synthetic shares.

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

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

**Item 14 - The Chairman of the Board of Directors and other Members of the Board of Directors**

The following persons are proposed for re-election as Members of the Board of Directors: Dr. Josef Ackermann, Gunnar Brock, Sune Carlsson, Börje Ekholm, Tom Johnstone, Grace Reksten Skaugen, O. Griffith Sexton, Hans Stråberg, Lena Treschow Torell, Jacob Wallenberg, Marcus Wallenberg and Peter Wallenberg Jr.

The Member of the Board of Directors, Carola Lemne, has declined re-election.

Magdalena Gerger is proposed to be elected as new Member of the Board of Directors.

Magdalena Gerger is a Swedish citizen and was born in 1964. Magdalena Gerger is President and Chief Executive Officer of Systembolaget AB, Chairman of the Board of Directors of IQ-initiativet AB, Member of the Board of Directors of Husqvarna AB, and Member of the Research Institute of Industrial Economics (IFN), and of The Royal Swedish Academy of Engineering Sciences (IVA).

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

**Item 15 - The Auditors**

The registered auditing company Deloitte AB is proposed to be re-elected as Auditor for the period until the end of the Annual General Meeting 2015. Deloitte AB has informed that, subject to the approval of the proposal from the Nomination Committee regarding Auditor, the Authorized Public Accountant Thomas Strömberg will continue as the auditor in charge for the audit.

**Proposal for resolution from individual shareholder**

**Item 18 - Proposal for resolution from the shareholder Aktiebolagstjänst Leif Malmberg AB**

The shareholder Aktiebolagstjänst Leif Malmberg AB proposes that the Annual General Meeting shall consider whether Investor shall go into liquidation. The shares held by Investor shall not be sold and cash distributed. Instead, all shares held by Investor shall be distributed to the shareholders. The resolution on liquidation shall enter into force from the date when the Swedish Companies Registration Office appoints a liquidator. Leif Malmberg is proposed as liquidator.

**Shares and Votes**

Investor's share capital amounts to SEK 4,794,843,937.50, represented by 767,175,030 shares divided into 311,690,844 A-shares and 455,484,186 B-shares. A-shares carry one vote while B-shares carry 1/10<sup>th</sup> vote. Investor holds, as per March 25, 2014, 6,109,173 own B-shares, corresponding to 610,917.3 votes, which cannot be represented at the Meeting.



**Majority rules**

The implementation of the Board of Directors' proposal under item 17A on the agenda is subject to the approval at the Annual General Meeting with at least 2/3 of both the votes cast and of the shares represented at the Meeting. The implementation of the Board of Directors' proposal under item 17B on the agenda is subject to the approval at the Annual General Meeting with at least 9/10 of both the votes cast and of the shares represented at the Meeting.

**Further information**

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

The Board of Directors' complete proposal and related documents regarding item 16 and 17 on the agenda, the guidelines for salary and other remuneration and the long-term variable remuneration program and the purchase and transfer of own shares are available at Investor and on Investor's website, [www.investorab.com](http://www.investorab.com), and will, free of charge, be sent to the shareholders who request the Company to do so. The proposal regarding item 16, the guidelines for salary and other remuneration and the long-term variable remuneration program, will in addition free of charge be sent to the shareholders who have given notice of their intention to attend the Meeting.

Accounting documents, the Audit Report, the statement of the Auditors regarding the application of guidelines for salary and other remuneration, and the Board of Director's statement pursuant to Chapter 19 Section 22 of the Companies Act, as well as proposal from the shareholder Aktiebolagstjänst Leif Malmberg AB regarding item 18 on the agenda, will be made available at Investor and on Investor's website, [www.investorab.com](http://www.investorab.com), no later than from April 15, 2014, and will be sent free of charge to the shareholders who request the Company to do so.

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

The President's address will be available on Investor's website, [www.investorab.com](http://www.investorab.com), as of May 7, 2014.

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Stockholm, March 2014

Investor AB (publ)  
The Board of Directors