



CAREL INDUSTRIES S.p.A.
via dell'Industria, 11 - 35020 Brugine - Padova - Italy
Phone (+39) 049 97 16 611 - Fax (+39) 049 97 16 600
carel.com - carel@carel.com

Cap. Soc. € 10.000.000 i.v.
C.C.I.A.A. Padova Reg. Imp n. 04359090281
Part. IVA e Cod. Fisc. 04359090281

N. Reg. Prod. Pile: IT09060P00000903
N. Reg. Prod. AEE: IT16030000009265



CAREL INDUSTRIES S.P.A.

Registered office in Brugine (PD), – Via dell'Industria, 11
Fully paid-up Share Capital Euro 10,000,000
Company Registration number on the Padua Register of Companies: 04359090281
Corporate website www.carel.com

Carel Industries S.p.A. announces that the date and/or the location of the Shareholders' Meeting indicated in this call notice may change if the provisions issued by the competent Authorities for the COVID-19 emergency – in force on 20 April, 2020 – prohibit or advise against the staging of events of the kind in Brugine (PD). Any changes will be promptly disclosed in the same way as for the publication of the call notice.

NOTICE OF CALL OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS

The Shareholders are called to the Ordinary General Meeting at the registered office of Carel Industries S.p.A. (the “**Company**”) in Brugine (PD), Via dell'Industria, 11, on 20 April 2020, at 11:00 a.m., in single call, to discuss and pass resolutions on the following

Agenda

1. Approval of the Financial Statements as at 31 December 2019, and presentation of the Consolidated Financial Statements as at 31 December 2019. Allocation of the year-end profit. Related and consequent resolutions.
2. Resolutions related to the report on the remuneration policy and on compensation paid pursuant to article 123-ter of Legislative Decree 58/1998 and pursuant to art. 84-quater of the Consob Regulation no. 11971/1999
 - 2.1. Binding vote on the remuneration policy for the year 2020 illustrated in the first section of the Report. Related and consequent resolutions;
 - 2.2. Consultation on the second section of the Report, relating to the compensation paid in or related to 2019; Related and consequent resolutions.
3. Proposal of the authorisation to purchase and disposal of the Company's treasury shares, upon revocation of the previous authorisation resolved by the Ordinary Shareholders' Meeting on 15 April 2019. Related and consequent resolutions.

* * *

Information on the share capital on the date of the meeting call notice

The Company's subscribed and paid-up share capital is Euro 10,000,000, consisting of 100,000,000 ordinary shares without par value, each one of which confers the right to one vote at the Shareholders' Meeting, except for shares numbers 36,167,433 and 23,582,567, for which the shareholders Luigi Rossi Luciani S.a.p.a. and Luigi Nalini S.a.p.a., respectively, obtained incremented voting rights in accordance with article 13 of the Articles of Association.

The total number of voting rights that can be exercised in the Shareholders' Meeting is therefore equal to 159,750,000.



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As of the date of this call notice, the Company holds 83,335 treasury shares amounting to 0.0833% of the share capital.

Additional information relating to the health emergency COVID-19 (CoronaVirus)

The terms and methods of participating to the Shareholders' Meeting described in this call notice may be subject to changes and/or additions in relation to the COVID-19 (CoronaVirus) health emergency. Any changes and/or additions to the information contained in this call notice will be made available on the Company website (www.carel.com), in the Investor Relations – Shareholders' Meetings section and with the other ways set forth by law. In any case, it is recommended that shareholders' participation in the Meeting should follow as much as possible the modalities described in the following paragraph "Exercise of the vote by proxy".

Right to attend and vote at the Shareholders' Meeting

The subjects having voting right are entitled to attend the Shareholders' Meeting. In accordance with article 83-*sexies* of Legislative Decree no. 58/1998 (the Italian Consolidated Law on Finance, "TUF") and article 10 of the Articles of Association, the right to attend the Shareholders' Meeting and vote must be certified through a communication to the Company made by the authorised intermediary, in compliance with the intermediary's accounting records, on behalf of the subject with the voting right on the basis of the evidence provided by the intermediary's accounting records as of the end of the accounting day of the seventh market trading day prior to the date set for the Shareholders' Meeting in a single call (i.e., 7 April 2020, the "record date").

The subjects recorded as holders of shares only after this date shall not be entitled to attend the Shareholders' Meeting and vote.

The communication of the intermediary must reach the Company by the end of the third market trading day prior to the date set for the Shareholders' Meeting (i.e., 15 April 2020). Nevertheless, this is without prejudice to the right to attend and vote should the communication be received by the Company after the above deadline, provided before the start of the Shareholders' Meeting proceedings.

Votes may not be cast by mail or by electronic means.

The subjects entitled to attend the Shareholders' Meeting are asked to turn up before the time the Meeting is called, to facilitate the registration process, which will start at 10.00 a.m.

The attendance at the Shareholders' Meeting is governed by the legal and regulatory provisions on the subject, as well as by the provisions of the Articles of Association and in the Shareholders' Meeting Regulations, available on the Company's website at www.carel.com "Corporate Governance" section.

Exercise of the voting right by proxy

Pursuant to with article 135-*novies* of the TUF and article 10 of the Articles of Association, the subjects having the right to attend the Shareholders' Meeting can be represented by proxy conferred in writing or in digital format, in accordance with the law and the Articles of Association. The proxy form issued by the authorised intermediaries upon request by the subjects entitled to attend (also available at the registered office and on the Company's website www.carel.com) can be used for this purpose.

The proxy can be delivered via an electronic notification to the certified e-mail address carel.industries@legalmail.it or by registered mail to the Company's registered office at Via dell'Industria, 11, 35020, Brugine (PD), to the attention of the Investors Relations Department.

If the proxy holder hands in or sends to the Company, also on digital format, a copy of the proxy rather than the original, he/she must certify, under his/her responsibility, that the proxy is a true copy of the original, as well as the identity of the subject granting the proxy.

In accordance with article 135-*undecies* of the TUF and article 10 of the Articles of Association, the Company has designated Spafid S.p.A. as the entity to whom shareholders may confer, free of charge (excluding any shipping fees), a written proxy with voting instructions on all or some of the proposals on the agenda (the “**Designated Representative**”). In this case, the proxy must be conferred by completing and signing the specific proxy form available on the Company’s website www.carel.com or at the registered office. The original of the form must be sent to the Designated Representative by the end of the second market trading day preceding the date of the Shareholders’ Meeting in single call (i.e., by 16 April 2020), to the following address: Spafid S.p.A., Foro Buonaparte, 10 - 20121 Milan, Ref. “Delega Assemblea Carel Industries 2020”, delivered by hand during office hours (from 9:00 a.m. to 5:00 p.m.) or by registered letter with return receipt or by courier. Without prejudice to the requirement of sending the original proxy including the voting instructions, the same may also be sent electronically to the certified e-mail address assemblee@pec.spafid.it. The submission of the proxy, signed with a digital signature pursuant to current legislation, to the aforementioned certified e-mail address satisfies the requirement of written form. The proxy and related voting instructions can be revoked within the same deadline above (i.e., by 16 April 2020). The proxy is effective only for proposals for which voting instructions have been provided. The shares for which the proxy has been conferred, even partially, are considered for the purposes of the regular establishment of the Shareholders’ Meeting. In relation to those proposals for which voting instructions have not been given, the shares are not considered for the purposes of calculating the majority and the percentage of share capital required to pass resolutions. The communication to the Company made by the intermediary, certifying the entitlement to attend the Shareholders’ Meeting and exercise the right to vote, is also required when a proxy is granted to the Designated Representative. Therefore, if such communication is not delivered, the proxy shall be considered null and void.

Right to submit questions before the Shareholders’ Meeting

In accordance with article 127-*ter* of the TUF, the subjects having the right to vote in the Shareholders’ Meeting can ask questions about the agenda items, even before the Shareholders’ Meeting, by forwarding them to the Company together with their identification data and the reference to the above-mentioned communication, via a specific registered letter to the registered office of the Company or by sending a message to the certified mail address carel.industries@legalmail.it.

All questions on the agenda items must be received by the Company by the fifth market trading day prior to the date of the Shareholders’ Meeting in a single call (i.e., by 9 April 2020). Questions submitted before the Shareholders’ Meeting will be answered, at the latest, during the Meeting itself.

Please note that: (i): no answer is necessary (not even at the Shareholders’ Meeting) for questions asked in advance when the information requested is already available on “Questions and Answers” page on the Company’s website; (ii) any answers provided on paper and made available at the start of the Shareholders’ Meeting to all the subjects having the right to vote shall be considered to have been provided during the Shareholders’ Meeting; and (iii) the Company may in any case provide single answers to questions of the same content.

Addition to the agenda of the Shareholders’ Meeting and submission of new proposed resolutions on items already on the agenda

In accordance with article 126-*bis* of the TUF, the shareholders who, individually or jointly, represent at least one fortieth of the share capital may ask, within ten days after publication of this notice (i.e., by 28 March 2020), that new



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items be added to the agenda, indicating in that request the additional matters proposed; they may also present proposals for resolution on items already on the agenda.

The request, together with the certification attesting to ownership of the shares, must be submitted in writing to the registered office or sent by registered mail to it, or notified electronically to the certified e-mail address carel.industries@legalmail.it, provided that it is received by the Company within the above-mentioned deadline

The items on the agenda cannot be supplemented in respect of items on which the Shareholders' Meeting rules, in accordance with the law, upon proposals by the directors or on the basis of a draft or report prepared by the directors, other than those mentioned in article 125-*ter*, paragraph 1, of the TUF. The Company shall communicate any additions to the item list on the agenda or any additional proposed resolutions on items already on the agenda, with the same method required for the publication of this call notice, at least 15 days prior to the date set for the Shareholders' Meeting.

Any subjects entitled to vote who request additions to the agenda shall prepare a report giving the reasons for the proposed resolutions on the new items they are proposing be discussed, or the reasons for the any other proposed resolutions on items already on the agenda. The report is sent to the administrative body by the deadline for requesting additions. Reports on additions to the agenda items that the Shareholders' Meeting is called to discuss, as a result of the above-mentioned requests, are made available to the public at the same time as news of the addition is published.

In any case, each shareholder having the right to vote may submit proposed resolutions individually at the Shareholders' Meeting.

Documentation

The documentation concerning the items on the agenda shall be filed at the Company's registered office, on its website (www.carel.com), as well as at the authorised data storage mechanism "eMarket STORAGE" at www.emarketstorage.com, with the methods and terms prescribed by the law.

The subjects entitled to vote shall have the right to obtain a copy of the submitted documentation.

A summary of this call notice is published in accordance with article 125-*bis* of the TUF on the "Il Sole 24 Ore newspaper" dated 18 March 2020.

Brugine (PD), 18 March 2020

For the Board of Directors
The Chairman
Luigi Rossi Luciani