

*This is a non-official translation of the Swedish original wording. In case of discrepancies between the English translation and the Swedish original, the Swedish text shall prevail.*

## **PROPOSAL OF THE BOARD OF DIRECTORS ON GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES**

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The Board of AarhusKarlshamn AB (publ) proposes that the Annual General Meeting 2009 resolves on guidelines for remuneration to senior executives in accordance with the following.

The principles for remuneration to senior executives at AarhusKarlshamn are developed to ensure that AarhusKarlshamn can offer competitive remuneration in line with market standards from an international perspective to attract and keep qualified employees. The total remuneration to senior executives shall consist of a fixed basic salary, a variable remuneration, pensions, company car benefits and severance payment.

The fixed salary shall be individually differentiated, based on responsibility and performance. It shall further be reviewed annually and shall be established in accordance with market standards.

In addition to a fixed annual salary the senior executives may also receive variable remuneration with a pre-determined cap based on the outcome of annually targeted results. The results shall be based on the company's result and the individual area of responsibility. The variable remuneration shall not exceed 50 per cent of the fixed annual salary.

Apart from the said variable remuneration, incentive programmes related to the share or share price can be resolved upon from time to time. At the time there are no outstanding incentive programs related to the share or the share price.

Pension entitlements for senior executives shall apply from 60 years at the earliest. The pension benefits for the senior executives shall be either benefit or fee based, or a combination of both.

In case of notice of termination by the company, the notice period for the CEO and the senior executives shall be twelve months. Severance payment, pre-determined to a maximum of twelve months basic salary, may be paid after the end of the notice period. In case of resignation by a senior executive, the notice period shall be six months and no severance payment shall be awarded.

These guidelines shall apply to those individuals who are included in the group management during the term of application of these guidelines. The guidelines shall apply to agreements entered into after the adoption by the Annual General Meeting, and to changes made in existing agreements after this date. The Board shall be entitled to deviate from the guidelines in individual cases if there are specific reasons for such deviation.

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Malmö in May 2009  
**The Board of Directors**  
**AARHUKARLSHAMN AB (publ)**