

## **OUTSTANDING LONG-TERM INCENTIVES AND SPECIFIC AGREEMENTS WITH EXECUTIVE MANAGEMENT**

Outstanding agreements are here defined as those that have been made before the 2008 AGM and that deviate from the general guidelines stated above. Below are also reported outstanding long-term incentives decided upon before the 2009 AGM.

Existing employment contract with the previous President and CEO and current working Board member stipulates the right to a defined benefit pension plan with the right to 70% of the fixed salary from 60 years of age, 12 months notice period and a severance payment of 3 years salary. These conditions are reported under Note 24 of the Annual Report. Other employment conditions are in line with the principles stated above.

The Board decided in 2007 on a long-term cash incentive to one member of the executive management, resident outside of Sweden, for the 2007/08, 2008/09 and 2009/10 fiscal years with performance objectives related to the group objectives for operating results and growth in local currency for the three years. If targets are achieved for all three fiscal years, target payment is set at 1,200,000 USD (200,000 USD year 1, 400,000 USD year 2 and 600,000 USD year 3) to be paid after 30 April 2010. A pre-requisite for any payment is the achievement of target objectives to at least 85%, in line with the group bonus plan. The maximum payment against this long-term incentive, at over-performance up to 130%, is 1,920,000 USD (300,000 USD per year), i.e. 160% of the target incentive. Continued employment with the group is required for any payment to be made against this incentive

The Board has further decided on a long-term cash incentive for the President and CEO for the fiscal years 2008/09, 2009/10 and 2010/11 with performance objectives related to the group financial key performance indicators and corporate strategic targets. If target objectives are achieved for the three fiscal years, target payment is

set at 4,500,000 SEK (corresponding to 1,500,000 SEK per year) to be paid after 30 April 2011. A pre-requisite for any payment is the achievement of target objectives to at least 85%, in line with the group bonus plan. The maximum payment against this long term incentive, at over-performance up to 125%, is 6,750,000 SEK (2,250,000 SEK per year), i.e. 150% of the target incentive. Continued employment with the group is required for any payment to be made against this incentive.

Further, one member of the executive management, resident outside of Sweden, has received an additional fixed annual bonus of USD 350,000 for the fiscal year 2008/2009 due to specific tasks.