

## **Nomination Committee prior to 2009 Annual General Meeting**

### **Decision regarding appointments**

The 2008 Annual General Meeting decided that the Nomination Committee prior to the 2009 Annual General Meeting would consist of representatives for at least the four and at most the six largest (in terms of voting rights) registered shareholders listed in VPC's printout of the share register at August 29, 2008, together with the Chairman of the Board, who will also convene the first meeting of the Nomination Committee. The representative for the largest shareholder, in terms of voting rights, shall be appointed Chairman of the Nomination Committee. If on the basis of subsequently occurring changes in ownership it should become expedient, the Nomination Committee is entitled, should the number of committee members fall below seven, to call in an additional one or two members from among the shareholders based on voting rights, so that the number of committee members totals at most seven. In the event that a member resigned from the Nomination Committee before its work is complete and the Nomination Committee finds it desirable to appoint a replacement, said replacement shall be provided by the same shareholder or, if said shareholder no longer qualifies as one of the largest shareholders, in terms of voting rights, from the next-largest shareholder in line. Any change in the composition of the Nomination Committee shall be published immediately. The composition of the Nomination Committee prior to the 2009 Annual General Meeting shall be published not later than six months before the Meeting. No remuneration shall be paid to members of the Nomination Committee. Any expenses in connection with the work of the Nomination Committee shall be borne by the company. The mandate period of the Nomination Committee shall be until the publication of the composition of the next Nomination Committee. The Nomination Committee shall submit proposals for the Chairman of the Annual General Meeting, Members of the Board of Directors, Board fees and distribution among the Chairman and other members as well as remuneration for work in committees, fees for the company's auditors and proposal for the Nomination Committee prior to the 2010 Annual General Meeting.

### **Composition**

The composition of the Nomination Committee prior to the 2009 Annual General Meeting was announced on October 1, 2008. The Nomination Committee comprises:

- Carl-Olof By, AB Industrivärden, Chairman of the Nomination Committee
- Håkan Sandberg, Handelsbanken's pension foundations, among others
- Anders Oscarsson, SEB Funds
- Hans Sterte, Skandia Liv (life insurance)
- Helen Olausson, AB Skrandan, among others
- Sverker Martin-Löf, Chairman of the Board of SCA

In March 2009 Helen Olausson announced that she due to changes in the ownership of AB Skrandan left her position as member of the Nomination Committee.

The Nomination Committee shall submit proposals concerning the matters listed below for presentation to the 2009 Annual General Meeting for decision:

- proposed Chairman of the Annual General Meeting
- proposed members of the Board of Directors
- proposed Chairman of the Board
- proposed Board fees and distribution among the Chairman and the other Board

- members, as well as remuneration for work in committees
- proposed fees for company's auditors
- proposed members of the Nomination Committee prior to the 2010 Annual General Meeting

Shareholders who desired to present proposals to the Nomination Committee have had the opportunity to do so.

### **Nomination Committee's proposals**

The Nomination Committee has presented the following proposals prior to the Annual General Meeting 2009.

### **Meeting Chairman**

The Nomination Committee proposes Attorney Sven Unger be appointed Chairman to lead the Meeting.

### **Number of Board members**

The Nomination Committee proposes that the number of Board members shall be eight, with no deputies appointed.

### **Board of Directors and auditor fees**

The Nomination Committee proposes that the total Board fee shall amount to SEK 4,600,000 (unchanged), under the assumption that the Board's committees will have the same number of members as in the preceding year.

The fee shall be distributed with SEK 450,000 to each of the members elected by the Meeting who are not employed by the company and SEK 1,350,000 to the Board Chairman. Members of the Remuneration Committee shall receive an additional fee of SEK 75,000 and members of the Audit Committee shall receive an additional fee of SEK 100,000, while the Chairman of the Audit Committee shall receive an additional fee of SEK 125,000. Fees to the auditor shall be paid according to approved invoice.

### **Proposal for Board of Directors and Board Chairman**

The Nomination Committee proposes the reelection of Board members Rolf Börjesson, Sören Gyll, Tom Hedelius, Leif Johansson, Anders Nyrén, Sverker Martin-Löf, Barbara M. Thoralfsson and Jan Johansson. Moreover, it is proposed that Sverker Martin-Löf be reelected Board Chairman.

A majority of the proposed Board members – Sverker Martin-Löf, Rolf Börjesson, Sören Gyll, Tom Hedelius, Leif Johansson, Anders Nyrén and Barbara M. Thoralfsson - are to be considered independent in relation to the company and company management. Of these proposed Board members, four - Rolf Börjesson, Sören Gyll, Leif Johansson and Barbara M. Thoralfsson - are in addition considered to be independent of the company's major shareholders. Only one member, Jan Johansson, is active in the company's management. All proposed Board members have experience of the demands placed on an exchange-listed company.

Information regarding the proposed Board members is available on the company web site, [www.sca.com](http://www.sca.com).

## **Statement**

The Nomination Committee considers that the proposed Board of Directors has the appropriate composition with regard to the company's operations, phase of development and other relevant circumstances. It exhibits diversity and breadth of qualifications, experience and background.

## **Proposals for Nomination Committee prior to the Annual General Meeting in 2010**

The Nomination Committee proposes that the Annual General Meeting resolve that the Nomination Committee prior to the Annual General Meeting in 2010 shall consist of representatives for at least the four and at most the six largest registered shareholders, in terms of votes, in the shareholders' register maintained by Euroclear Sweden AB (formerly VPC AB) as of August 2009 and the Chairman of the Board, who shall also convene the Nomination Committee to its first meeting. The representative of the largest shareholder based on votes shall be appointed Chairman of the Nomination Committee. If, due to subsequent ownership changes, the number of Board members falls below seven, the Nomination Committee is entitled to call in one or two additional members from among the shareholders who are next in line, in terms of votes, so that the total number of members shall amount to at most seven. In instances in which a member must leave the Nomination Committee prior to completion of its work, and the Nomination Committee finds it desirable to name a replacement, such a replacement shall be taken from the same shareholder or, if this shareholder is no longer among the largest shareholders in terms of votes, from the shareholder that is next in line in terms of size. Changes in the composition of the Nomination Committee shall be immediately made public. The composition of the Nomination Committee in advance of the 2010 Annual General Meeting shall be announced publicly not later than six months prior to the Meeting. Remuneration is not paid to members in the Nomination Committee. The company shall cover any expenses related to the work of the Nomination Committee. The mandate period for the Nomination Committee extends until the composition of the next Nomination Committee is announced publicly. The Nomination Committee shall provide proposals regarding the Annual General Meeting Chairman, the Board of Directors, Board Chairman, Board fees with distribution among the Chairman and the other members of the Board and remuneration for committee work, fees to the company's auditor and a proposal for the Nomination Committee prior to the Annual General Meeting in 2011.

## **Report on the work of the Nomination Committee**

The Nomination Committee will account of how it has conducted its work at the Annual General Meeting.