

Point 19 according to the proposal for the agenda at the Annual General Meeting of May 10, 2006

Establishment of principles governing remuneration and other terms and conditions of employment for senior executives – plus proposals for an incentive program (bonus) and principles for a call option program.

The Board proposes that the basic principles below governing remuneration and other terms and conditions of employment for the CEO and other senior executives in the company be approved. The principles are to be applied in the agreements subsequently concluded.

The Board also proposes that certain key personnel be covered by the Board's proposal for incentive programs for senior executives and that they be permitted to acquire call options in the company. Refer also to Point 20 in the proposal for the agenda.

Current terms and conditions of employment

The key points of the current employment agreements with senior executives are **presented on page 71 of the Company's 2005 annual report.**

The Board's proposals for fundamental principles

The company's forms of remuneration for senior executives shall be market based, long-term and measurable and also promote the unity of the group. Improvement, especially in terms of earnings per share, shall be given priority and there is to be a "cap" for variable remuneration. The total remuneration shall consist of the following components: fixed salary, pension benefits, terms and conditions governing dismissal and severance pay, bonus, options and other benefits.

Fixed salary: The fixed salary shall be on market terms and be based on competence, responsibility and performance.

Pension: For the President and other senior executives a defined-contribution pension plan shall be applied that means a maximum of 35% of pensionable salary can be pension premiums, which can be paid as long as the person is employed in the company.

The proposal entails a change compared with current agreements for certain senior executives, which provide entitlement to pension at the age of 62, with a defined-benefit pension during the period up to the usual retirement age of 65.

Severance pay, etc.: A mutual notice of termination of six months shall be applied for senior executives. Severance pay shall be paid with up to 18 months of fixed cash salary if the company terminates employment. The severance pay shall be deductible against salary received from other employment during the notice period. In the event of the notice of termination by the executive, if the company decides in certain cases to impose a contractual competition restriction, the company shall pay a maximum of 60% of the fixed salary during the time the competition restriction is applicable. Severance pay and remunerations during the period for competition restriction shall not be pensionable.

The proposal entails a change compared with the current agreement for certain senior executives, which in certain cases are entitled to a deduction-free severance pay.

Incentive program (Bonus): The President, other members of the management group and certain key personnel shall be included in an annual recurring, performance-based long-term incentive program that shall reward improvements in the company's earnings, expressed as earnings per share, and which when applied shall create or increase the employee's share exposure (shares and options). The value of the bonus is maximized to correspond to nine (9) month's salary per person and years for the President and to six (6) month's salary for the management group and to three (3) month's salary for others who are entitled. The bonus shall not be pensionable. The bonus for 2006 falls due if the company's earnings per share increases by 15% and for maximum payout the company's earnings per share must increase by 22%. Fifty percent (50%) of the bonus shall be paid in cash and 50% shall be paid in the form of call options within the framework of the company's options program (see below). In addition, certain employees in special cases may be included in an entitlement to a performance-based bonus limited to a certain portion of the fixed annual salary, corresponding to a maximum of two (2) month's salary.

The reasons underlying the Board's proposal for a bonus are as follows: It is important for the company to have a competitive remuneration package in order to be able to recruit, provide long-term motivation and retain key personnel. It should focus on the Group and be linked to value creation and changes in shareholder value.

For 2006, and given the current employees, the proposal would entail the potential for a bonus for the President, an additional three executives in the management group and two investment managers. With 58% marginal tax, the options acquired under the bonus program would represent about 21% of the bonus. In addition, bonus-entitled employees would be permitted to buy

additional options at market price according to the option program proposal, refer below and to Point 20 in the agenda proposal.

The cost of the bonus program is estimated to amount to a maximum of about 3% of profit above the minimum level that triggers the bonus, which emerges in conjunction with an increase in earnings per share of 15%. For 2006, and given the current employees, this would entail a cost, including social security expenses, of about SEK 5.5 million. For the President, who has a gross salary limit, the estimated fixed monthly salary during 2006 is a SEK 215,000 krona.

Options: The President, other members of the management group and certain key personnel shall be included in an annual recurring options program that will provide the possibility to acquire call options in the company at market price. The number of options per employees shall be maximized at between 20,000 to 60,000, depending on position. The President has the right to acquire 60,000 options. The options have a lifetime of three (3) years.

Refer also to Point 20 in the agenda proposal.

Other benefits: Other benefits shall have a limited value in relation to total remuneration and correspond to what is normal on the market.

Incentive program for senior executives in subsidiaries: Subject to approval in subsidiaries, the president and other members of the management groups in subsidiaries – special cases – may also be covered by a performance-based long-term incentive program that will give priority to the subsidiary's earnings or operations and when triggered will create or increase employees' exposure to shares (shares or options). In line with a more detailed decision, the value of the bonus shall in certain subsidiaries be maximized and reasonable, taking into consideration the subsidiary's operations and earnings.

Preparation and decision: Within the company's Board there shall be a Remuneration Committee that shall prepare and present decision proposals for the Board in matters within the framework for the principles for remuneration and other terms of employment adopted by the Meeting for the President, other members of the management group, certain key employees and president in the subsidiaries. The Remuneration Committee shall also prepare any proposals for incentive programs for employees in the subsidiaries.

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