



Proposal by the Board of Directors of Scandi Standard AB (publ) regarding Guidelines for Remunerations for the Managing Director and Senior Management

The board of directors of Scandi Standard AB (publ) ("Scandi Standard") proposes that the annual general meeting resolves to approve the board's proposal regarding guidelines for remuneration for the senior management as set forth below which shall apply until the annual general meeting 2017. In this context, the senior management means the CEO of Scandi Standard and the executives in Scandi Standard and other group companies who, from time to time, are reporting to the CEO or the CFO and who are also members of the senior management, as well as members of the board of directors of Scandi Standard to the extent employment or consulting agreements are entered into.

Salaries and other terms and conditions of employment shall be sufficient for Scandi Standard to recruit and retain skilled senior managers at a reasonable cost to Scandi Standard. Remuneration in Scandi Standard shall be based on principles of performance, competitiveness and fairness. The remuneration to the senior managers consist of a fixed salary, variable salary, pension and other benefits. Every senior manager shall be offered a fixed salary in line with market conditions and based on the senior manager's responsibility, expertise and performance. All senior managers may, from time to time, be offered variable salary (cash bonuses). The variable salary shall be based on a set of financial and personal objectives determined in advance by the remuneration committee. The variable salary may not amount to more than 75% of the fixed annual salary (in this context, fixed annual salary means cash salary earned during the year, excluding pension, supplements, benefits and similar). To the extent a board of director performs work for Scandi Standard, in addition to board work, a market-based consulting fee may be paid.

In addition, the Annual General Meeting may resolve on long-term incentive programs such as share and share price-related incentive programs. These incentive programs shall be intended to contribute to long-term value growth and provide a shared interest in value growth for shareholders and employees. Agreements regarding pensions shall, where applicable, be premium based and shall be designed in accordance with the level and practice applicable in the country in which the member of senior management is employed. Fixed salary during notice periods and severance payment, including payments for any restrictions on competition, shall in aggregate not exceed an amount equivalent to the fixed salary for two years. The total severance payment shall for all members of the management be limited to the existing monthly salary for the remaining months up to the age of 65. Individual remunerations and other terms of employment for all employees earning more than SEK 2,000,000 per annum are approved by the board of directors.

The board of directors may resolve to deviate from the guidelines if the board of directors, in an individual case, is of the opinion that there are special circumstances justifying that.
