

This is the non official translation of the Swedish original wording. In case of differences between the translation and the Swedish original, the Swedish text shall prevail.

2011-04-11

## **INVITATION TO THE ANNUAL GENERAL MEETING OF AARHUSKARLSHAMN AB (publ)**

**The shareholders of AarhusKarlshamn AB (publ) are hereby invited to attend the Annual General Meeting to be held on Tuesday 17 May 2011 at 2.00 p.m. at the premises of Europaporten Kongresscenter, Stadiongatan 25 in Malmö. The registration for the Annual General Meeting starts at 1.00 p.m.**

### **A.CONDITIONS FOR ATTENDANCE**

Shareholders who wish to attend the Annual General Meeting must be recorded in the Shareholders' Register maintained by Euroclear Sweden AB on Wednesday 11 May 2011, and must also notify the company of their intention to attend the Annual General Meeting not later than Wednesday 11 May 2011 at 4.00 p.m. The notification of attendance, which may be made in accordance with any of the alternatives specified below, shall state name, address, day-time telephone number, personal or corporate identity number, and the number of shares held. Shareholders who intend to bring assistance shall notify this within the same time limits as for the notification of their own attendance. Shareholders represented by an authorised representative should enclose a proxy in original to their notification. A proxy form is available on the company website [www.aak.com](http://www.aak.com) and will be sent by post to shareholders notifying the company and informing the company of their address. Representative of a legal entity shall submit a copy of the registration certificate or corresponding papers of authorisation showing the persons authorised to act on behalf of the legal entity.

Address: AarhusKarlshamn AB, Kerstin Wemby, SE-374 82 Karlshamn, Sweden, (please mark the envelope "Annual General Meeting 2011")  
Telephone: +46 454 823 12  
Website: [www.aak.com](http://www.aak.com)  
E-mail: [kerstin.wemby@aa.com](mailto:kerstin.wemby@aa.com)

In order to participate at the Annual General Meeting, shareholders with nominee-registered shares must request their bank or broker to have the shares temporarily owner-registered with Euroclear Sweden AB. Such re-registration must have been executed no later than Wednesday 11 May 2011. The shareholders must therefore notify the nominee of their request to have the shares re-registered **in due time** before Wednesday 11 May 2011.

A company in the AAK Group

## B. AGENDA

1. Opening of the Meeting.
2. Election of Chairman of the Meeting.
3. Preparation and approval of the voting list.
4. Approval of agenda.
5. Nomination of persons to verify the Minutes of the Meeting.
6. Determination of whether the Annual General Meeting has been properly convened.
7. Report by the Managing Director.
8. Presentation of the Annual Report, the Auditor's Report and the Consolidated Financial Statements and the Group Auditor's Report for the financial year 2010.
9. Resolutions as to:
  - a) adoption of the Income Statement and the Balance Sheet and the Consolidated Income Statement and the Consolidated Balance Sheet, as per 31 December 2010;
  - b) appropriation of the company's profit according to the adopted Balance Sheet and record day for dividend;
  - c) discharge from liability of the Board of Directors and the Managing Director.
10. Determination of the number of Directors of the Board.
11. Determination of fees to the Board of Directors and auditors.
12. Election of members of the Board of Directors.
13. Proposal regarding the Nomination Committee.
14. Proposal regarding guidelines for remuneration of senior executives.
15. Proposal regarding transfer of subscription warrants
16. Closing of the Annual General Meeting.

### **Election of Chairman of the Meeting (item 2)**

The Nomination Committee has proposed that Melker Schörling shall be elected Chairman of the Annual General Meeting 2011.

### **Proposal regarding the appropriation of the company's profit (item 9 b)**

The Board of Directors has proposed that a dividend of SEK 4.50 per share be declared for the financial year 2010. As record day for the dividend, the Board of Directors proposes Friday 20 May 2011. If the Annual General Meeting resolves in accordance with the proposal, the dividend is expected to be distributed by Euroclear Sweden AB on Wednesday 25 May 2011.

### **Proposal regarding the election of the Board of Directors and determination of fees (items 10-12)**

In respect of the Annual General Meeting 2011, the Nomination Committee consists of Chairman Mikael Ekdahl (BNS Holding), Carl Bek-Nielsen (BNS Holding), Henrik Didner (Didner & Gerge fonder), KG Lindvall (Swedbank Robur fonder) and Claus Wiinblad (ATP).

The Nomination Committee has proposed the following:

- The number of directors shall be nine without any deputy directors.

- The total fee payable to the Board of Directors shall be SEK 3,025,000 (including remuneration for committee work) to be distributed among the directors as follows: SEK 500,000 to the Chairman, SEK 375,000 to the Deputy Chairman and SEK 250,000 to each of the other directors elected at a general meeting and not employed by the company. Remuneration for committee work shall be payable as follows: SEK 200,000 to the Chairman of the Audit Committee and SEK 100,000 to each of the other members of the Audit Committee, SEK 100,000 to the Chairman of the Remuneration Committee and SEK 50,000 to each of the other members of the Remuneration Committee. The auditor shall be remunerated in accordance with agreement.
- Re-election of the board members Melker Schörling, Carl Bek-Nielsen, Martin Bek-Nielsen, John Goodwin, Mikael Ekdahl, Märta Beckman, Ulrik Svensson, Arne Frank and Harald Sauthoff.
- The board member Anders Davidsson has declined re-election.
- Re-election of Melker Schörling as Chairman of the Board and Carl Bek-Nielsen as Deputy Chairman of the Board.

### **Proposal regarding the Nomination Committee (item 13)**

Shareholders, jointly representing approximately 57.5 per cent of the shares and votes in the company as per 28 February 2011, have notified the company of their proposal regarding Nomination Committee.

#### *Proposal regarding Nomination Committee in respect of the Annual General Meeting 2012*

- The Nomination Committee shall have five members.
- Re-election of Mikael Ekdahl (BNS Holding), Carl Bek-Nielsen (BNS Holding), Henrik Didner (Didner & Gerge fonder) and Claus Wiinblad (ATP) and new election of Åsa Nisell (Swedbank Robur fonder) as members of the Nomination Committee in respect of the Annual General Meeting 2012.
- Mikael Ekdahl shall be re-elected Chairman of the Nomination Committee.
- In case a shareholder, represented by a member of the Nomination Committee, is no longer one of the major shareholders of AarhusKarlshamn AB, or if a member of the Nomination Committee is no longer employed by such shareholder or for any other reason leaves the Nomination Committee before the Annual General Meeting 2012, the Committee shall be entitled to appoint another representative among the major shareholders to replace such member.

#### *Tasks of the Nomination Committee*

Prior to the Annual General Meeting 2012, the Nomination Committee shall prepare and submit proposals for the election of Chairman and other members of the Board of Directors, the election of Chairman of the Annual General Meeting, fees to the Board of Directors and auditor and matters related thereto.

### **Proposal regarding guidelines for remuneration to senior executives (item 14)**

The Board of Directors proposes that the Annual General Meeting resolves on guidelines for remuneration of senior executives, principally entailing that salaries and other terms of remuneration of the management shall be competitive and in accordance with market conditions. In addition to fixed salary, the management may also receive variable remuneration with a pre-determined cap based on the outcome of targeted results on group level and in the individual area of responsibility, as well as other benefits. In addition to said variable remuneration, incentive programmes related to the share or share price can be resolved upon from time to time.

A company in the AAK Group

Pension benefits shall be either income or fee based or a combination of both, with an individual pension age, however, not less than 60 years. On notice of termination by a senior executive, a notice period of six months shall apply without any right to severance pay. At dismissal by the company, the notice period shall be twelve months with a possible right to severance pay with a predetermined cap of maximum twelve months. The Board of Directors shall be entitled to deviate from the guidelines if, in an individual case, there are particular grounds for such deviation.

### **The Board of Director's proposal regarding transfer of subscription warrants to employees (item 15)**

The Extraordinary General Meeting in AarhusKarlshamn AB on the 8 November 2010 resolved to implement a subscription warrant program ("Subscription Warrant Program 2010/2015") directed at senior executives and key employees within the group, whereas 1 500 000 subscription warrants were issued to the wholly-owned subsidiary AarhusKarlshamn Invest AB for further transfer to the participants in Subscription Warrant Program 2010/2015 according to the guidelines from the general meeting.

Since the Subscription Warrant Program 2010/2015 was implemented approximately 1 100 000 subscription warrants have been transferred to senior executives and key employees in the group under the program. Other employees within the group (not comprised by the General Meeting's earlier resolution) have now shown an interest to participate in Subscription Warrant Program 2010/2015. The Board of Directors is positive about the interest shown and wants to offer participation in the program to a wider circle of employees. The Board of Directors is of the view that participation in the Subscription Warrant Program 2010/2015 can give the employees an opportunity to take part of an increase in value of the company and will lead to an enhanced interest in the company's development – as well as the company's share price development – and stimulate a continued loyalty towards the company over the forthcoming years. The company has assessed that there is an interest from other employees within the group to acquire approximately 100 000 subscription warrants. Even after the transfer of subscription warrants to the wider group of employees, the company is of the view that there is a sufficient amount of issued warrants for disposal to transfer warrants to future senior executives and key employees in the group. Against this background, the Board of Directors therefore proposes that transfer of the issued subscription warrants shall be permitted from AarhusKarlshamn Invest AB to other employees within the group, not comprised by the earlier resolution by the General Meeting, in accordance with the following guidelines.

Transfer to employees within the AarhusKarlshamn group shall be made of a maximum of 700 subscription warrants and on the terms and conditions resolved by the General Meeting under the Subscription Warrant Program 2010/2015. Subsequently, the transfers shall be made at a price corresponding to the market value of the subscription warrant at the time of transfer, as has been determined by an independent valuation institute with an established valuation method (Black & Scholes).

The proposal of the Board of Directors must be supported by shareholders representing at least nine tenths of both the number of votes cast and the shares represented at the General Meeting in order to be valid.

## C. AVAILABLE DOCUMENTS AND INFORMATION REGARDING NUMBER OF SHARES AND VOTES IN THE COMPANY

The accounts and the auditor's report (the annual report) and the complete proposals of the Board of Directors with respect to item 9 b, 14 and 15 and all related documents will be available to the shareholders at the company as from Tuesday 26 April 2011. Copies of the documents will be sent on request to shareholders who state their postal address and will also be available on the company website [www.aak.com](http://www.aak.com) and at the Annual General Meeting.

The total number of shares and votes in the company amount to 40,898,189. All shares are of the same class.

## D. INFORMATION AT THE ANNUAL GENERAL MEETING

The Board and the President shall at the Annual General Meeting, if a shareholder so requests and the Board of Directors believes that it can be done without significant harm to the company, provide information regarding circumstances that (i) may affect the assessment of an item on the agenda, (ii) circumstances that may affect the assessment of the company's or its subsidiaries' financial position or information concerning (iii) the company's relation with other companies within the group.

Malmö in April 2011

AarhusKarlshamn AB (publ)

The Board of Directors

### **Facts about AAK**

*AarhusKarlshamn is the world's leading producer of high value-added speciality vegetable oils and fats. These fats are characterized by a high technological content and are used as substitute for butter-fat and cocoa butter, transfree solutions for fillings in chocolate and confectionery products, and in the cosmetics industry. AarhusKarlshamn has production facilities in Denmark, Mexico, the Netherlands, Sweden, Great Britain, Uruguay and the US. The company is organised in three Business Areas; Chocolate and Confectionery Fats, Food Ingredients and Technical Products & Feed. Further information about AarhusKarlshamn can be found on the company's website [www.aak.com](http://www.aak.com).*