

MINUTES

kept at the Annual General Meeting of Shareholders of Swedish Match AB (publ), Swedish company reg. no. 556015-0756, on 27th April 2010 in Stockholm

§ 1

Sven Unger was elected as Chairman of the Meeting.

It was noted that Fredrik Peyron was requested to keep the minutes at the Meeting.

§ 2

The list of shareholders present was approved as the list of those entitled to vote, Appendix 1.

§ 3

Magnus Henjeby and Caroline Häggqvist were appointed to check the minutes together with the Chairman of the Meeting.

§ 4

The Meeting was declared to have been duly convened.

The Notice to attend the Meeting was appended to the minutes, Appendix 2.

§ 5

The Agenda was approved as set out in Appendix 3.

§ 6

The Annual Report and the Audit Report as well as the Consolidated Accounts and the Consolidated Audit Report for the period 1st January – 31st December 2009 were submitted. In addition, the Board of Directors' proposal regarding the allocation of profit and explanatory statement were submitted, Appendix 4 and 5, as well as the Auditor's report regarding compliance with the principles for the compensation of senior executives adopted by the Annual General Meeting 2009, Appendix 6.

The President gave a presentation of the Company's operations.

The Chairman of the Board reported on the work of the Board of Directors and the Chairman of the Audit Committee, Meg Tivéus, reported on the work and function of the Audit Committee and presented the consulting costs and other costs paid to Swedish Match's auditors in 2009.

The auditor, Thomas Thiel, reported on the auditing work.

Questions from the shareholders were answered by the president, the Chairman of the Board and by the auditor.

§ 7

It was resolved to adopt the income statement and balance sheet, along with the consolidated income statement and consolidated balance sheet, presented in the Annual Report, Appendix 7.

§ 8

It was resolved

that the funds at the disposal of the Annual General Meeting, i.e. MSEK 22,840 shall be appropriated as follows: a dividend of SEK 4.75 per share to be paid to the shareholders for each share in Swedish Match AB, that -59 MSEK be carried forwards as a hedge reserve, that the remaining earnings be carried forward,

and that the record date for determining who is entitled to receive a cash dividend shall be 30 April 2010.

§ 9

It was resolved to discharge the members of the Board of Directors and the Presidents in office during the relevant period from liability for the period 1st January – 31st December 2009.

It was noted that the members of the Board of Directors and the President did not take part in the resolution.

§ 10

a) The Board of Directors' proposal according to Appendix 8 was submitted.

Sveriges Aktiesparares Riksförbund, Aktiespararna Topp Sverige, Hjördis Eklund, Günther Mårder, Påldata AB and Bertil Pålsson (below jointly referred to as "Aktiespararna") represented by Per Lundin, submitted as an alternative motion to reject the proposal submitted by the Board of Directors.

Pursuant to the Board of Directors' proposal according to Appendix 8, it was resolved

that the Company's share capital shall be reduced by SEK 31,037,085.04 by means of the withdrawal of 20,000,000 shares in the Company; and

that the reduced amount shall be allocated to a fund for use in repurchasing the Company's own shares.

It was noted that the resolution was supported with at least two thirds of the votes cast and the votes represented at the Meeting, and that the resolution had been passed with the requisite majority had been passed unanimously.

b) Pursuant to the Board of Directors' proposal, Appendix 8, it was resolved that the Company's share capital shall be increased by SEK 31,037,085.04 through a transfer from non-restricted shareholders' equity to the share capital (bonus issue), whereby the share capital shall be increased without issuing new shares.

§ 11

The Board of Directors' proposal according to Appendix 9 was submitted.

Aktiespararna, represented by Per Lundin, submitted an alternative motion to authorise the Board of Directors to decide to acquire shares in the Company in accordance with the proposal according to the Board of Directors' proposal (Appendix 9), with the alteration that the only purpose of the repurchase shall be to cover the allocation of options as part of the Company's option programme.

Pursuant to the Board of Directors' proposal according to Appendix 9, it was resolved to authorise the Board of Directors to decide to acquire, on one or more occasion prior to the next Annual General Meeting, a maximum of as many shares as may be acquired without the Company's holding at any time exceeding 10 per cent of all shares in the Company; and

that the shares shall be acquired on the NASDAQ OMX Stockholm at a price within the price interval registered at any given time (i.e. the interval between the highest bid price and the lowest offer price);

The purpose of the repurchase is primarily to enable the Company's capital structure to be adjusted and to cover the allocation of options as part of the Company's option programme.

The Board of Directors shall be able to resolve that purchase of own shares shall be made within a repurchase programme in accordance with the Commissions Regulation (EC) no 2273/2003, if the purpose of the authorisation and the purchase only is to decrease the Company's equity and/or to meet obligations arising from the Company's option programme.

It was noted

that the resolution was supported with at least two thirds of the votes cast and the votes represented at the Meeting, and that the resolution had been passed with the requisite majority.

§ 12

The Board of Directors' proposal according to Appendix 10 was submitted.

The Chairman of the Board reported on the work and function of the Compensation Committee.

Aktiespararna, represented by Per Lundin, submitted as an alternative motion regarding the principles for determination of salary and other remuneration payable to the President and other members of the Company management according to which the President shall not be entitled to variable salary, but otherwise in agreement with the Board of Directors' proposal.

Pursuant to the Board of Directors' proposal according to Appendix 10, it was resolved to adopt the principles for determination of salary and other remuneration payable to the President and other members of the Company management.

§ 13

Pursuant to the Board of Directors' proposal according to Appendix 11, it was resolved

that the Company shall issue 713,670 call options to cover the Company's stock option programme for 2009;

and that the Company, in a deviation from the preferential rights of shareholders, shall be permitted to transfer a maximum of 713,670 shares in the Company at a selling price of SEK 197.45 per share in conjunction with a request for the redemption of the call options, whereby the number of shares and the selling price of the shares covered by the transfer resolution in accordance with this item may be recalculated as a consequence of a bonus issue of shares, a consolidation or split of shares, a new share issue, a reduction in the share capital, or other similar measure, in accordance with the "Terms and conditions for call options 2010/2015", Appendix 12.

It was noted that the resolution had been passed unanimously.

§ 14

The Chairman of the Nominating Committee, Mads Eg Gensmann, reported on how the work of the Nominating Committee had been performed.

Pursuant to the Nominating Committee's proposal, it was resolved that the Board of Directors shall, for the period lasting until the end of the next Annual General Meeting, consist of seven ordinary Board members.

§ 15

It was resolved that the Board of Directors in total, for the period up to and including the date when the next Annual General Meeting is held, shall receive the following fees:

- the Chairman shall receive a fee of SEK 1,575,000, the Deputy Chairman shall receive SEK 745,000 and other Members of the Board elected by the General Meeting of Shareholders shall each receive a fee of SEK 630,000;
- compensation for committee work shall amount to a maximum of SEK 920,000 in total, of which the Chairmen of the Nominating Committee and the Audit Committee shall receive SEK 230,000 respectively and the other members of these committees shall each receive SEK 115,000; and that
- Members of the Board employed by the Swedish Match Group shall not receive any Directors' fees.

§ 16

Pursuant to the Nominating Committee's proposal according to Appendix 13, it was resolved

that, for the period lasting until the end of the next Annual General Meeting, the following persons were elected as ordinary Board members: Andrew Cripps, Charles A.Blixt, Karen Guerra, Arne Jurbrant, Conny Karlsson, Kersti Strandqvist and Meg Tivéus;

that Conny Karlsson was elected Chairman of the Board of Directors, and

that Andrew Cripps was elected Deputy Chairman of the Board of Directors.

It was noted that the employees' organisations had, in special elections, appointed Kenneth Ek (the Swedish Federation of Salaried Employees in Industry and Services, PTK), Eva Larsson (the Swedish Trade Union Confederation, LO) and Joakim Lindström (the Swedish Trade Union Confederation, LO) as ordinary Board members, as well as Eva Norlén Moritz (the Swedish Federation of Salaried Employees in Industry and Services, PTK), Håkan Johansson (the Swedish Trade Union Confederation, LO) and Gert-Inge Rang (the Swedish Federation of Salaried Employees in Industry and Services, PTK) as deputy Board members.

§ 17

The Board of Directors' proposal according to Appendix 14 was submitted.

Pursuant to the Nominating Committee's proposal according to Appendix 14, it was resolved

that the Chairman of the Board shall be given a mandate to contact the Company's four largest shareholders and ask them each to appoint one representative to make up the Nominating Committee, together with the Chairman of the Board, for the period until a new Nominating Committee has been appointed in accordance with a mandate from the next Annual General Meeting. If any of these shareholders waives his or her right to appoint a representative, the next largest shareholder in terms of the number of votes shall be asked to appoint a representative. The names of the members of the Nominating Committee shall be published no later than six months prior to the 2011 Annual General Meeting. The determination of the identity of the four largest shareholders shall be ascertained in due time before the date falling six months before the Annual General Meeting; and

that no remuneration shall be payable to the members of the Nominating Committee and that any expenses incurred in the course of the Nominating Committee's work shall be borne by the Company.

§ 18

The Board of Directors' proposal according to Appendix 15 was submitted.

Torvald Arvidsson submitted as an alternative motion that section 1 in the Instructions for Swedish Match AB's Nominating Committee should include the following paragraph: The Nominating Committee shall, when fulfilling its duties consider the need of increased equality of opportunity between women and men as well as the need of increased equality of opportunity between ethnical Swedes and immigrants.

Pursuant to the Nominating Committee's proposal according to Appendix 15, it was resolved to adopt the Instructions for Swedish Match AB's Nominating Committee.

It was noted that Torvald Arvidsson registered a reservation against the decision.

Minutes checked by:

Minutes kept by:

Sven Unger
Chairman

Fredrik Peyron

Magnus Henjeby

Caroline Häggqvist

Annual General Meeting of Swedish Match AB (publ)

The shareholders of Swedish Match AB are hereby notified of the Annual General Meeting of Shareholders to be held on Tuesday April 27, 2010 at 16:30 (CET) at Hotel Rival, Mariatorget 3, Stockholm, Sweden.

Agenda

- 1.** Opening of the Meeting and election of the Chairman of the Meeting.
- 2.** Preparation and approval of the voting list.
- 3.** Election of one or two persons, to verify the Minutes.
- 4.** Determination of whether the Meeting has been duly convened.
- 5.** Approval of the Agenda.
- 6.** Presentation of the Annual Report and the Auditors' Report, the Consolidated Financial Statements and the Auditors' Report on the Consolidated Financial Statements for 2009, the Auditors' Statement regarding compliance with the principles for determination of remuneration to senior executives as well as the Board of Directors' motion regarding the allocation of profit and explanatory statements.
In connection therewith, the President's address and the report regarding the work of the Board of Directors and the work and function of the Audit Committee.
- 7.** Adoption of the Income Statement and Balance Sheet and of the Consolidated Income Statement and Consolidated Balance Sheet.
- 8.** Resolution in respect of allocation of the Company's profit in accordance with the adopted Balance Sheet and resolution on record day for dividend.
- 9.** Resolution regarding discharge from liability for the Board members and the President.
- 10. a)** Resolution regarding the reduction of the share capital by way of a recall of repurchased shares, and the transfer of the reduced amount to a fund for use in repurchasing the Company's own shares; and
b) Resolution regarding a bonus issue.
- 11.** Resolution regarding the authorization of the Board of Directors to decide on the acquisition of shares in the Company.
- 12.** Adoption of principles for determination of remuneration payable to senior executives. In connection therewith the report regarding the work and function of the Compensation Committee.
- 13.** Resolution regarding the issue by the Company of call options on treasury shares in the Company for the 2009 option program, as well as the right of the Company to transfer shares in the Company in conjunction with any exercise of the call options.
- 14.** Determination of the number of Board members to be elected by the Meeting.
- 15.** Determination of the remuneration to be paid to the Board of Directors.
- 16.** Election of members of the Board, the Chairman of the Board and the Deputy Chairman of the Board.
- 17.** Resolution regarding the procedure for appointing members to the Nominating Committee and the matter of remuneration for the Nominating Committee, if any.
- 18.** Adoption of Instructions for Swedish Match AB's Nominating Committee.

The proposals of the Nominating Committee appointed after the Annual General Meeting of Shareholders in 2009

Item 1: Sven Unger, attorney at law, is proposed as the Chairman of the Meeting.

Item 14: The Board of Directors shall comprise seven members elected by the Annual General Meeting and no Deputies.

Item 15: It is proposed that the fees to the Board of Directors be paid as follows for the period until the close of the next Annual General Meeting: the Chairman shall receive 1,575,000 SEK, the Deputy Chairman shall receive 745,000 SEK and the other Board members elected by the Meeting shall each receive 630,000 SEK. It is furthermore proposed that the Board, as remuneration for committee work carried out, be allotted 230,000 SEK to the Chairmen of the Compensation Committee and the Audit Committee respectively and 115,000 SEK respectively to the other members of these committees, although totaling no more than 920,000 SEK. It is proposed that members of the Board employed by the Swedish Match Group not receive any remuneration.

Item 16: The following Board members are proposed for re-election: Charles A. Blixt, Andrew Cripps, Karen Guerra, Arne Jurbrant, Conny Karlsson, Kersti Strandqvist and Meg Tivéus. Conny Karlsson is proposed to be reelected as Chairman of the Board and Andrew Cripps is proposed be reelected as Deputy Chairman of the Board.

Item 17: The Nominating Committee proposes that the Chairman of the Board shall be given a mandate to contact the Company's four largest shareholders and ask them each to appoint one representative to form the Nominating Committee, together with the Chairman of the Board, for the period until a new Nominating Committee has been appointed in accordance with a mandate from the next Annual General Meeting. If any of these shareholders waives its right to appoint a representative, the next largest shareholder in terms of the number of votes shall be asked to appoint a representative. The names of the members of the Nominating Committee shall be published no later than six months prior to the 2011 Annual General Meeting. The four largest shareholders are identified on the basis of the known numbers of votes in due time before the date falling six month before the Annual General Meeting. No remuneration shall be payable to the members of the Nominating Committee. Any expenses incurred in the course of the Nominating Committee's work shall be borne by the Company.

Item 18: The Nominating Committee proposes that the Meeting should adopt the Instructions for Swedish Match AB's Nominating Committee, which are identical to those adopted by the 2009 Annual General Meeting.

The motions of the Board of Directors

Item 8: The Board of Directors proposes that a dividend be paid to the shareholders in the amount of 4.75 SEK per share. The Board of Directors proposes that the remaining profits be carried forward, minus the funds that may be utilized for a bonus issue,

provided that the 2010 Annual General Meeting passes a resolution in accordance with the Board of Directors' motion concerning a reduction of the share capital pursuant to item 10 a) below, as well as a resolution concerning a bonus issue in accordance with the Board of Directors' motion pursuant to item 10 b) below. The proposed record date for entitlement to receive a cash dividend is April 30, 2010. The dividend is expected to be paid through Euroclear Sweden AB, on May 5, 2010.

Item 10 a): The Board of Directors proposes a reduction in the Company's share capital of 31,037,085.04 SEK by means of the withdrawal of 20,000,000 shares in the Company. The shares in the Company proposed for withdrawal have been repurchased by the Company in accordance with the authorization granted by the General Meeting of the Company. The Board of Directors further proposes that the reduced amount be allocated to a fund for use in repurchasing the Company's own shares.

Item 10 b): Provided that the Meeting passes a resolution in accordance with the Board's motion under item 10 a) above, the Board of Directors proposes an increase in the Company's share capital of 31,037,085.04 SEK through a transfer from non-restricted shareholders' equity to the share capital (bonus issue). The share capital shall be increased without issuing new shares. The reason for the bonus issue is that if the Company transfers an amount corresponding to the amount by which the share capital is reduced in accordance with the Board's motion under item 10 a) above, the resolution to reduce the share capital can be passed without obtaining the permission of the Swedish Companies Registration Office (Bolagsverket), or, in disputed cases, court permission.

The effect of the Board of Directors' motion under item 10 a) entails a reduction in the Company's share capital of 31,037,085.04 SEK. The effect of the Board of Directors' motion under item 10 b) is a corresponding increase in the Company's share capital through a bonus issue, thereby restoring it to its balance prior to the reduction.

The resolution of the General Meeting in accordance with the Board's motion under item 10 a) is contingent upon it being supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

Item 11: The Board of Directors proposes that it be authorized to decide on the acquisition, on one or more occasions prior to the next Annual General Meeting, of a maximum of as many shares as may be acquired without the Company's holding at any time exceeding 10 percent of all shares in the Company. The shares shall be acquired on NASDAQ OMX Stockholm at a price within the price interval registered at any given time, i.e. the interval between the highest bid price and the lowest selling price. The purpose of the repurchase is primarily to enable the Company's capital structure to be adjusted and to cover the allocation of options as part of the Company's option program.

The resolution of the General Meeting with regard to the Board motions under item 11 is contingent upon it being supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

Item 12: The Board of Director proposes principles for remuneration and other terms of employment for the President and other members of the Group management whereby remuneration and other terms of employment for the Group management shall correspond to market practise. In addition to the fixed salary, the members of the Group management may be entitled to variable salary. The variable salary may include both an annual short term program to be paid out in the beginning of the subsequent year depending on the outcome of the program, and a long term program with a performance period which shall not be shorter than three years. The variable salary, which shall be capped in relation to the fixed salary, shall primarily be based on specific, clear, predetermined and measurable financial or operational criteria and may include an obligation to purchase and hold shares in the Company. Full details on the proposed principles and their application on 2010 variable salary are available on the Company's website www.swedishmatch.com.

Item 13: According to the call option program for 2009, which was adopted by the Annual General Meeting of April 2009, certain senior executives shall be allotted a minimum of 2,701 options and a maximum of 69,134 options per person. The options may be exercised for the purchase of shares during the period from 1 March 2013 to 27 February 2015 inclusive, at an exercise price of 197.45 SEK. The terms and conditions applying to the options were established on the basis of the average price of the Swedish Match share on the NASDAQ OMX Stockholm during the period from February 25 to March 10, 2010 inclusive, which was 164.55 SEK. The market value of the options, calculated on the basis of conditions prevailing at the time when the terms and conditions applying to the options were established, has been established by an independent valuation institute to be 26.04 SEK per option, corresponding to a total maximum value of 18,584,759 SEK. The Board of Directors proposes that the Meeting resolve that the Company issue 713,670 call options to execute the option program for 2009. The Board of Directors further proposes that the Company, in a deviation from the preferential rights of shareholders, be permitted to transfer of 713,670 shares in the Company at a selling price of 197.45 SEK per share in conjunction with a potential exercise of the call options. The number of shares and the selling price of the shares covered by the transfer resolution in accordance with this item may be recalculated as a consequence of a bonus issue of shares, a consolidation or split of shares, a new share issue, a reduction in the share capital, or another similar measure.

The resolution of the General Meeting in accordance with the Board's motions under item 13 is contingent upon it being supported by shareholders representing at least nine-tenths of both the votes cast and the shares represented at the Meeting.

Documents

The Annual Report, the Auditors' Report, full details of the resolutions proposed under items 8, 10 a), 10 b), 11, 12, and 13 as well as statements by the Board of Directors, pursuant to Chapter 18 Section 4 and Chapter 19 Section 22 of the Swedish Companies Act, and the statement by the auditors pursuant to Chapter 8 Section 54 and Chapter 20 Section 14 of the Swedish Companies Act, will be made available at Swedish Match

AB's headquarters (Legal Department) at Rosenlundsgatan 36 in Stockholm, Sweden, no later than April 13, 2010. They will also be available on the Company's website, www.swedishmatch.com, on the same date. They can also be ordered from the Company. The documents will also be available at the Meeting.

Number of shares and votes in the Company

The total number of shares and votes in Swedish Match AB on the issue date of this notice amounted to 251 000 000. As per March 17, 2010 Swedish Match owns 21,715,000 repurchased shares and these shares can consequently not be represented at the Meeting.

Right to participate in the Meeting

In order to participate in the Meeting you need to be registered as a shareholder in the register of shareholders maintained by Euroclear AB on April 21, 2010. In addition, you need to notify Swedish Match of your intention to participate no later than April 21, 2010, at which time notifications to participate must have been received by Swedish Match. Shareholders who wish to be accompanied by one or two assistants at the Meeting shall also advise Swedish Match thereof within the appointed period of time.

Proxy form

Proxy forms are available upon request and on the Company's website www.swedishmatch.com.

Notice of participation

Notice of participation may be submitted in writing to Swedish Match AB, Legal Department, SE-118 85 Stockholm, Sweden, by telephone at +46 (0)8 658 02 50 (13:00 – 16:00 CET), by fax at +46 (0)8 720 76 56, or via the Internet at www.swedishmatch.com/stamman. When giving notice of participation, the shareholder shall state his or her name, address, telephone number (daytime), civic ID/corporate registration number and name of assistants, if any. Receipt of notification will be confirmed by Swedish Match, which will issue an attendance card prior to the Meeting to be presented at the entrance to the venue at which the Meeting is held.

Proxy

Shareholders who are represented by proxy shall issue a power of attorney for the proxy. If the power of attorney is issued by a legal entity, a copy of the corporate registration certificate for the legal entity shall be enclosed (or if no such document is available, an equivalent authorization document). These documents may not be older than one year. To facilitate entry at the Meeting, the power of attorney in the original as well as the corporate registration certificate and other authorization documents should be received by the Company at the address provided above no later than Thursday, April 22, 2010.

Share registration

Shareholders whose shares are nominee registered and who wish to participate in the Meeting must re-register the shares in their own name. Such re-registration may be

temporarily, known as voting right registration. Requests for re-registration should be submitted to the bank or broker who administers the shares in sufficient time to allow re-registration to be effective on Wednesday, April 21, 2010.

The entrance to the venue for the Meeting will be opened at 15:30 (CET). Coffee will be served before the Meeting.

Stockholm, March 2010
The Board of Directors

AGENDA
OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF
SWEDISH MATCH AB
TUESDAY, 27 APRIL 2010, AT 4:30 PM

1. Election of Chairman of the Meeting.
2. Preparation and approval of the list of shareholders entitled to vote at the Meeting.
3. Election of one or two persons who, in addition to the Chariman, shall verify the minutes.
4. Determination of whether the Meeting has been duly convened and issues relating to attendance of the Meeting.

Notice to attend the Meeting has been published in Post- och Inrikes Tidningar and Svenska Dagbladet on 23 March 2010 and on the Company's web site.

5. Approval of the Agenda.
6. Presentation of the Annual Report and the Auditors' Report and of the Consolidated Financial Statements and the Auditors' Report on the Consolidated Financial Statements for 2009, the Auditors' Statement regarding compliance with the principles for the compensation of senior executives as well as the Board of Directors' motion regarding the allocation of profit and explanatory statements.

In connection therewith, the President's speech and the Board of Director's report regarding its work and the work and function of the Audit Committee.
7. Adoption of the Income Statement and Balance Sheet and of the Consolidated Income Statement and Consolidated Balance Sheet.
8. Allocation of the Company's profit as shown in the Balance Sheet adopted by the Meeting.
9. The question of discharging the Members of the Board and of the President from liability.
10. a) The Board of Directors' proposal that the Company's share capital shall be reduced by way of a recall of repurchased shares, and that the reduced amount shall be transferred to a fund for use in repurchasing the Company's own shares; and

b) the Board of Directors' proposed decision on a bonus issue.
11. The Board of Directors' proposal to authorise the Board of Directors to decide on the acquisition of shares in the Company.
12. Adoption of principles for determination of remuneration payable to senior executives.

In connection therewith the Board of Director's report regarding the work and function of the Compensation Committee.

13. The Board of Director's proposal regarding the issue by the Company of call options on treasury shares in the Company for the 2009 stock option programme, and the right of the Company to transfer shares in the Company in conjunction with any exercise of the call options.
14. Determination of the number of Board Members to be elected by the Meeting.
15. Determination of the remuneration to be paid to the Board of Directors, specifying the distribution between the Chairman and other Board Members and compensation for committee work.
16. Election of Members of the Board, the Chairman of the Board and the deputy Chairman of the Board.
17. The question of how members of the Nominating Committee shall be appointed and the question of remuneration to the Nominating Committee, if any.
18. Adoption of Instructions for Swedish Match AB's Nominating Committee.

The Board of Directors' proposal under item 8 on the Agenda of the Annual General Meeting of Shareholders of Swedish Match AB on 27 April 2010

The Board of Directors proposes that a dividend be paid to the shareholders in the amount of 4:75 SEK per share. The Board of Directors proposes that the remaining profits be carried forward, minus the funds that may be utilised for a bonus issue, provided that the 2010 Annual General Meeting passes a resolution in accordance with the Board of Directors' proposal concerning a reduction of the share capital pursuant to item 10 a) below, as well as a resolution concerning a bonus issue in accordance with the Board of Directors' proposal pursuant to item 10 b) below.

The proposed record date for entitlement to receive a cash dividend is 30 April 2010. The dividend is expected to be paid through Euroclear Sweden AB on 5 May 2010.

The Board of Directors' statement concerning the justification of the proposed allocation of the Company's profit in accordance with Chapter 18, § 4 of the Swedish Company Act is enclosed in Appendix 5.

Statement by the Board of Directors pursuant to chapt. 18, §4 and chapt. 19, §22 of the Swedish Companies Act with regard to the dividend proposal submitted to the 2010 Annual General Meeting in respect of the 2009 financial year, and the Board's proposal regarding a mandate to buy back the Company's own shares.

Background

The Board of Directors has analyzed and evaluated the proposed dividend payment in respect of the 2009 financial year, and the proposed mandate in respect of the buy-back of the Company's own shares. The analysis has been based, among other things, on a review of the Group's financial strategy and a financial and strategic long-term plan, including a risk analysis. The proposed dividend and exercise of share repurchases under the proposed mandate to buy back the Company's own shares have been assessed in view of the financial policy, including dividend policy, adopted for the Group by the Board of Directors. Please see the Directors' Report for a description of the financial policy and the dividend policy.

The nature, scope and inherent risks of the operations

The nature of the operations is specified in the Articles of Association and published Annual Reports. The operations conducted by the Company do not entail any risks over and above those that arise, or may be assumed to arise, within the industry, or those generally associated with the conduct of commercial operations. The tobacco industry is relatively insensitive to fluctuations in the economic climate. Please see the Directors' Report for details of significant events and risk factors. No other material events have occurred that affect the Company's ability to make a dividend payment or buy back its own shares.

The financial position of the Company and the Group

The financial position of the Company and the Group on 31st December 2009 are shown in the most recently published Annual Report. The consolidated shareholders' equity has been calculated in accordance with International Financial Reporting Standards (IFRS) adopted by the EU, and by applying RFR 1.2 Supplementary Accounting Rules for Groups issued by the Swedish Financial Reporting Board. On 31st December 2009, the consolidated shareholders' equity amounted to SEK 899 million, SEK -59 million of which is attributable to a hedge reserve. The Parent Company's shareholders' equity has been calculated in accordance with the same principles as for the Group, with exemptions and supplements by applying the Swedish Financial Reporting Board's recommendation, RFR 2.2, Accounting for Legal Entities. On 31st December 2009, it amounted to SEK 23,229 million. The amount includes market valuation of certain subsidiaries of SEK 18,100 million.

The Group's actual financial position differs from the financial position reported in the most recently published Annual Report in that the companies that make up the corporate Group own a number of assets with market values which exceed the reported values. Based on the closing price of the Swedish Match share on 31st

December 2009, the market value of the Group's shareholders' equity was SEK 36,291 million.

As can be seen from the proposed allocation of profits, the Board proposes a dividend of SEK 4.75 per share. Given the number of outstanding shares on 31st December 2009, the total dividend payment is therefore SEK 1,099 million, corresponding to 4.7 per cent of the Parent Company's shareholders' equity and exceeds the Group's reported shareholders' equity by SEK 200 million. The ratio of the dividend to the market value of shareholders' equity of the Group on 31st December 2009 is 3 per cent.

The Board also proposes that the Annual General Meeting gives the Board a mandate to buy back shares in the Company to the extent that the Company at any time holds a maximum of 10 per cent of its registered shares. Assuming 21.1 million shares bought back at a price of SEK 160 total buy backs would amount to 3,376 MSEK. This amount corresponds to 15.3 per cent of the Parent Company's reported shareholders' equity after dividend payments and exceeds the Group's reported shareholders' equity after dividend payments by SEK 3.6 billion. If exercised in full, the buy-back program would correspond to just above 9 per cent of the market value of the Group's shareholders' equity on 31st December 2009.

The Board considers the proposed mandate to buy back shares to be flexible. The Board will at future board meetings decide and evaluate actual utilization of the mandate.

The Group's interest coverage ratio, based on EBITA (earnings before financial items, adjusted for large non-recurring items, tax and amortization of intangible assets/net interest items) was 8.4 on 31st December 2009, and the net debt in relation to EBITA was 2.0.

The Board is of the opinion that the proposed dividend and the buy-back do not jeopardize fulfillment of the investments deemed necessary.

The proposed asset transfers do not affect the Company's ability to fulfill existing and predicted payment liabilities at the correct time. The Company's liquidity forecast includes a readiness to handle variations in ongoing payment obligations. For a more detailed description of the Group's liquidity, please see the Group's accounts on Financial Instruments in the most recently published Annual Report.

The Company's financial position does not give rise to any assessment other than that the Company is able to continue its operations and can be expected to fulfill its obligations in both the short and the long term.

Justification of the asset transfers

With reference to the above, the Board believes that the assessment of the Parent Company's and the Group's financial positions justify the asset transfers with reference to the requirements imposed on the size of the Parent Company's and the Group's shareholders' equity by the nature, scope, and inherent risk of the operations, as well as to the consolidation requirements, liquidity and position in general of the Parent Company and the Group's operations.

Stockholm 24th February, 2010

Conny Karlsson
Chairman of the Board

Andrew Cripps
Deputy Chairman

Charles A. Blixt
Board member

Kenneth Ek
Board member

Karen Guerra
Board member

Arne Jurbrant
Board member

Eva Larsson
Board member

Joakim Lindström
Board member

Kersti Strandqvist
Board member

Meg Tiveus
Board member

Unauthorized translation of Swedish original

Auditors' report in accordance with Chapter 8 paragraph 54 of the Swedish Companies Act (2005:551)

To the annual general meeting of the shareholders in Swedish Match AB (publ)

Corporate identity number 556015-0756

Introduction

We have audited whether the Board of Directors and the President of Swedish Match AB (publ) have complied with the guidelines for remuneration to Group Management during 2009, which were approved by the annual general meeting of shareholders held on April 22, 2008 and April 28, 2009. The Board of Directors and the President are responsible for compliance with these guidelines. Based on our audit, our responsibility is to express an opinion to the annual general meeting of shareholders as to whether the guidelines adopted by the annual general meeting have been complied with.

The focus and scope of our audit

We conducted our audit in accordance with proposed standard RevR 8 Audit of Remuneration to Officers in Listed Companies issued by FAR SRS, (the institute for the accountancy profession in Sweden). In following this standard, we have planned and performed the audit to obtain reasonable assurance whether the guidelines have been complied with. Our audit has included a review of the company's organization for and the documentation supporting the remuneration to Group Management as well as the decisions related to compliance with the guidelines. Our procedures have also included testing a sample of payments during the year to Group Management. We believe that our audit procedures provide a reasonable basis for our opinion as set out below.

Opinion

In our opinion, the Board of Directors and the President of Swedish Match AB (publ) have, during 2009 complied with the guidelines for remuneration to Group Management which were approved by the annual meetings of shareholders held on April 22, 2008 and April 28, 2009.

Stockholm, March 16, 2010

KPMG Bohlins AB

Signature on Swedish original

Thomas Thiel

Authorized Public Accountant

The Board of Directors' proposal under items 10 a) and 10 b) on the Agenda of the Annual General Meeting of Shareholders of Swedish Match AB on 27 April 2010

Item 10 a)

The Board of Directors proposes a reduction in the Company's share capital of 31,037,085.04 SEK means of the withdrawal of 20,000,000 shares in the Company. The shares in the Company proposed for withdrawal have been repurchased by the Company in accordance with the authorisation granted by the General Meeting of the Company. The Board of Directors further proposes that the reduced amount be allocated to a fund for use in repurchasing the Company's own shares.

Item 10 b)

Provided that the Meeting passes a resolution in accordance with the Board's proposals under item 10 a) above, the Board of Directors proposes an increase in the Company's share capital of 31,037,085.04 SEK through a transfer from non-restricted shareholders' equity to the share capital (bonus issue). The share capital shall be increased without issuing new shares. The reason for the bonus issue is that if the Company transfers an amount corresponding to the amount by which the share capital is reduced in accordance with the Board's proposals under item 10 a) above, the decision to reduce the share capital can be taken without obtaining the permission of the Swedish Companies' Registration Office (Bolagsverket), or, in disputed cases, the permission of the court.

The effect of the Board of Directors' proposal under item 10 a) entails a reduction in the Company's share capital of 31,037,085.04 SEK. The effect of the Board of Directors' proposal under item 10 b) is a corresponding increase in the Company's share capital through a bonus issue, thereby restoring it to its balance prior to the reduction.

The resolution of the General Meeting in accordance with the Board's proposal under item 10 a) is contingent upon it being supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

The Board of Directors' proposal under item 11 on the agenda of the Annual General Meeting of Shareholders of Swedish Match AB on 27 April 2010

The Board of Directors proposes that it be authorised to decide on the acquisition, on one or more occasions prior to the next Annual General Meeting, of a maximum of as many shares as may be acquired without the Company's holding at any time exceeding 10 per cent of all shares in the Company. The shares shall be acquired on the NASDAQ OMX Stockholm, on one or more occasions, at a price within the price interval registered at any given time, i.e. the interval between the highest bid price and the lowest selling price. The purpose of the repurchase is primarily to enable the Company's capital structure to be adjusted and to cover the allocation of options as part of the Company's option programme.

The Board of Directors shall be able to resolve that purchase of own shares shall be made within a repurchase programme in accordance with the Commissions Regulation (EC) no 2273/2003, if the purpose of the authorisation and the purchase only is to decrease the Company's equity and/or to meet obligations arising from the Company's option programme.

The resolution of the General Meeting with regard to the Board proposals under item 11 is contingent upon it being supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

Previous buy-backs*

Year	2005	2006	2007	2008	2009
Number of repurchased shares	15 615 612	31 533 300	18 493 181	6 714 800	17 860 000
Holding at year-end	18 694 900	5 632 019	11 125 200	5 840 000	19 700 000
Holding at year-end as a percentage of total share capital	5.8 %	2.0 %	4,2%	2,3%	7,8 %

* net after shares sold in conjunction with stock option programmes

The Board of Directors' proposal under item 12 on the Agenda of the Annual General Meeting of Shareholders of Swedish Match AB on 27 April 2010

The Board of Directors proposes that the following principles for remuneration and other terms of employment for the President and other members of the Group management be adopted by the Annual General Meeting 2010. The members of the Group management are referred to below as the "Group Management Team" or "GMT".

The objective of these principles is to ensure that the Company is able to recruit and retain employees with appropriate skills and qualifications for their respective duties. The remuneration structures shall encourage employees to do their utmost to safeguard shareholders' interests. Swedish Match takes into account both global remuneration practice and the practice of the country of residence of each member of the GMT. The principles apply in relation to members of the GMT appointed after the adoption of the principles, and, in other cases, to the extent permitted under existing agreements. The Annual Report for 2009 sets out details of the remuneration and benefits of the GMT during 2009.

The total remuneration paid to GMT consists of fixed salary, variable components in the form of annual short-term variable remuneration and long-term variable remuneration, pension, other benefits and terms related to termination of employment.

1. Fixed salary

The fixed salary for the GMT shall correspond to market rates and shall be based on each member's competence, country of residence, responsibility and performance.

2. Variable salary

The members of the GMT may be entitled to a variable salary in addition to the fixed salary. The variable salary may include both an annual short term program to be paid out in the beginning of the subsequent year depending on the outcome of the program, and a long term program with a performance period which shall not be shorter than three years. The variable salary shall primarily be based on specific, clear, predetermined and measurable financial or operational criteria set by the Board of Directors in relation to the President and by the Compensation Committee in relation to the GMT. A maximum of 25 per cent of the short term variable salary may be based on individual objectives established by the Board of Directors in relation to the President and by the Compensation Committee in relation to the GMT. The variable salary shall be capped in relation to the fixed salary and reflect the market practice in the country of residence.

The Company shall have the right to reclaim variable components of remuneration that were awarded on the basis of data which subsequently proved to be manifestly misstated.

3. Profit Sharing System

All employees in Sweden are participating in Swedish Match's profit sharing system ("PSS"). For 2010 the maximum total accruals for GMT members is estimated to MSEK 0,4.

4. Insurable benefits

Old age pension, disability and sickness benefits, medical benefits and life insurance benefits shall be designed to reflect the practices in the country where a member of the GMT is resident. Members of the GMT residing in Sweden shall be covered by the ITP plan (supplementary pensions for salaried employees) for portions of their salary up to 30 times the income base amount and by defined contribution pensions for portions of their salary in excess thereof. Pensions for members of the GMT residing outside Sweden shall preferably be through defined contribution pensions based on the fixed salary.

5. Severance pay, etc

A mutual period of notice of six months shall apply. Fixed salary during notice of termination and severance payment (if any) shall not exceed an amount corresponding to 24 months fixed salary. Members of the GMT residing outside Sweden may however be offered notice periods for termination and severance payment that are competitive in the country where the members are resident.

6. Other benefits

Other benefits shall be payable in accordance with local custom. The combined value of these benefits shall constitute a limited value in relation to the total remuneration package and shall correspond to the market norm.

7. The Board's right to deviate from the principles

The Board of Directors shall be entitled to deviate from the principles approved by the Annual General Meeting if specific reasons for doing so exist in any individual case.

8. Committee work and decisions

Swedish Match's Board of Directors shall have a Compensation Committee. The Committee has the authority to approve salary and other remuneration and employment terms for members of the GMT, except those regarding the President. The Committee shall prepare and present proposals for the Board's decisions on issues relating to salary and other remuneration and employment terms for the President. The Committee is authorized to decide and in relation to the President to propose to the Board of Directors the further details regarding the criteria and targets on which the variable salary is based for the GMT. In addition hereto the Committee is authorized to decide to what extent such criteria and targets have been met both for the GMT and the President.

9. Previous undertakings not yet due

The Company has no previous undertakings not yet due besides what is evident from the Annual Report 2009.

The Board of Directors' proposal under item 13 on the Agenda of the Annual General Meeting of Shareholders of Swedish Match AB on 27 April 2010

During the period from 1999 to 2009, Swedish Match implemented a rolling stock option programme whereby it has been possible to allocate call options on shares in the Company on an annual basis to a number of key Company employees if certain terms and conditions are met. The Board of Directors has resolved on allocation of the stock options and the Company's shareholders have, at each respective general meeting, resolved to issue call options relating to the Company's own shares to secure the Company's obligations.

The resolution under item 13 on the agenda concerns the question of whether the Company shall, in order to be in a position to honour the existing stock option programme for 2009, be entitled to issue the relevant call options itself and to transfer shares in connection with requests for the exercise of these call options. The alternative to such a procedure is to purchase options on the open market.

For the sake of order, it must be emphasised here that the shareholders' meeting shall not, under this item, adopt a position with regard to the stock option programme per se as the Company is bound by the general meeting's decision on the stock options programme for the year 2009.

According to the call option program for 2009, which was adopted by the General Meeting of April 2009, certain senior executives shall be allotted a minimum of 2,701 options and a maximum of 69,134 options per person. The options may be exercised for the purchase of shares during the period from March 1, 2013 to February 27, 2015 inclusive, at an exercise price of 197.45 SEK. The terms and conditions applying to the options were established on the basis of the average price of the Swedish Match share on the NASDAQ OMX Stockholm during the period from February 25 to March 10, 2010 inclusive, which was 164.55 SEK. The market value of the options, calculated on the basis of conditions prevailing at the time when the terms and conditions applying to the options were established, has been established by an independent valuation institute to be 26.04 SEK per option, corresponding to a total maximum value of 18,584,759 SEK.

The stock option programme for 2009 covers 63 senior executives. The allocation of options was approved by the Compensation Committee in February 2010.

The Board of Directors proposes

The Board of Directors proposes that the Meeting resolve that the Company issue 713,670 call options to execute the option program for 2009. The Board of Directors further proposes that the Company, in a deviation from the preferential rights of shareholders, be permitted to transfer 713,670 shares in the Company at a selling price of 197.45 SEK per share in conjunction with a potential exercise of the call options. The number of shares and the selling price of the shares covered by the transfer resolution in accordance with this item may be recalculated as a consequence of a bonus issue of shares, a consolidation or split of shares, a new share issue, a reduction in the

share capital, or another similar measure, in accordance with “Terms and conditions for call options, 2010/2015”, Appendix 12.

The resolution of the Meeting in accordance with the Board’s proposals in item 13 is contingent upon it being supported by shareholders representing at least nine-tenths of both the votes cast and the shares represented at the Meeting.

Dilution etc.

Swedish Match’s share capital breaks down into 251,000,000 shares with a quotient value of 1.5519 SEK per share. All shares carry one vote each. Via buy-backs, the Company has a holding on 17th March 2010 of a total of 21,715,000 of its own shares and the net number of outstanding shares therefore totals 229,285,000 shares. The intention is that the options issued will, when exercised, lead to the acquisition of these repurchased shares. Over the period starting in 2000 and lasting until now, the Company has, in accordance with decisions by the Company’s shareholders’ meetings, bought back shares in the Company with a view, among other things, to covering the allocation of options in the Company’s rolling stock option programme. The Board of Directors proposes in item 11 that the 2010 Annual General Meeting should, with a corresponding purpose in mind, authorise the Board to decide on the acquisition of the Company’s own shares.

If the stock options proposed for issue in connection with this item 13, following a resolution passed at the 2010 Annual General Meeting, are exercised, the net number of shares after repurchases will increase by 713,670, or 0.3 per cent calculated on the basis of the net number of outstanding shares.

The stock options issued have a potentially dilutive effect. Calculated in accordance with the accounting standard issued by the International Accounting Standards Board concerning earnings per share, the options issued by the Company and still not redeemed on 31 December 2009 had a combined dilutive effect on earnings per share of 0.01 SEK per share (from 9.67 SEK to 9.66 SEK), which is equivalent to 0.1 per cent.

This is an unauthorized translation of the Swedish original. In case of any discrepancies between this translation and the Swedish original the latter shall prevail.

**TERMS AND CONDITIONS FOR CALL OPTIONS 2009/2014
PERTAINING TO PURCHASE OF SHARES
IN SWEDISH MATCH AB**

§1

DEFINITIONS

All references to the following designations in these terms and conditions shall have the meaning presented below:

"Banking day"	a day that is not a Sunday or other public holiday, or which, with respect to payment of debt instruments, is not the equivalent of a public holiday;
"Bank"	Svenska Handelsbanken AB (publ);
"Company" (also the issuer)	Swedish Match AB (publ), org. no. 556015-0756
"Holder"	Holder of the Call options;
"Call option"	Right to purchase one share of the Company upon payment in cash in accordance with these terms and conditions;
"Euroclear"	Euroclear Sweden AB.

§ 2

ACCOUNT-OPERATING INSTITUTE AND REGISTRATION

The maximum number of Call options is 1 720 000.

The Call options shall be registered by Euroclear as prescribed in the Share Accounts Act governing financial instruments, in consequence whereof no securities certificates will be issued.

The Call options are registered for the account of the Holder in a VP-account. Registration of Call options, resulting from measures pursuant to § 4, § 5, § 6 and § 7 below, shall be undertaken by the Bank. Other registration measures concerning VP-accounts may be taken by the Bank or other account-operating institute.

§ 3

RIGHT TO PURCHASE SHARES

The Holder shall have the right, but not the obligation, to purchase from the Company one share of the Company for each Call option at an exercise price of SEK 141.24 per share. The exercise price and the number of shares that may be purchased with each Call option may be adjusted in the cases described in § 7 below. Only the full number of shares to which the full number of Call options, which are registered via a given account-operating institute and which one and the same Holder wishes to exercise at the same time, carry rights, may be purchased. Such purchase shall exclude the excess portion of a Call option that cannot be exercised.

The Company shall be obligated, if the Holder so demands within the time period specified in § 4 below, to sell the number of shares designated in the application to purchase.

§ 4

PURCHASE OF SHARES

If the Holder wishes to exercise the Call option, the application to purchase shares must be made during the period from March 1, 2012 through February 28, 2014, or at a later final date or prior to an earlier final date for application to purchase that may be established in the cases described in § 7, Subsections C, D, E, L and M below. When such application is made, an application form duly filled out as prescribed shall, for purposes of registrations, be presented to the Bank. As soon as possible following receipt of such application, the Bank will prepare a settlement note between the Company and the Holder pertaining to the purchase of the shares specified in the application. An application to purchase is not possible to make and the Company is not obliged to transfer shares during such period when trading with shares in the Company is

prohibited according to § 15 of the Act concerning reporting obligations for certain holdings of financial instruments (or other at each time prevailing legislation).

The application to purchase is binding and may not be withdrawn.

If the application to purchase is not made within the time period stated in the first paragraph above, all rights accruing to the Call options shall cease to be valid.

§ 5

PAYMENT IN CONNECTION WITH PURCHASE OF SHARES

Payment for shares that are purchased shall be made not later than the payment date set forth in the settlement note, but not later than five (5) Banking days after filing of application to purchase shares. The payment shall be remitted in cash to an account designated by the Bank. After full payment has been made and the Bank is in receipt of shares from the Company, the Bank shall ensure that the Holder is duly registered in the specified VP-account as the owner of the shares acquired through exercise of the Call options. The Holder shall pay any tax or fee that may be due in accordance with Swedish or foreign legislation, or the decisions of Swedish or foreign authorities as a consequence of the sale, holding or exercise of Call options.

§ 6

POSITION OF CALL OPTION HOLDERS

These terms and conditions do not give the Holders any rights that accrue to shareholders of the Company, such as voting rights or rights to dividends.

Holders are entitled to receive dividends on the shares they acquire in accordance with these terms and conditions, if the record date for payment of a dividend occurs not earlier than 10 Banking days after payment for the shares has been made.

§ 7

ADJUSTMENTS, ETC.

The following shall apply with respect to the rights that shall accrue to Holders in the situations described in this paragraph.

- A. If the Company effects a bonus issue, effective on the date when the Company's shares are quoted without rights of participation in the bonus issue, an adjusted number of shares that may be purchased with a Call option and an adjusted exercise price shall be applied.

The adjustments will be made by the Bank in accordance with the following formulas:

$$\begin{array}{l} \text{adjusted number of} \\ \text{shares that each} \\ \text{Call option carries} \\ \text{entitle to purchase} \end{array} = \frac{\begin{array}{l} \text{preceding number of shares that each} \\ \text{Call option carries entitlement} \\ \text{to x number of shares} \\ \text{after bonus issue} \end{array}}{\text{number of shares before bonus}}$$

$$\begin{array}{l} \text{adjusted exercise price} \end{array} = \frac{\begin{array}{l} \text{preceding exercise price x number of} \\ \text{shares prior to the bonus issue} \end{array}}{\text{number of shares following the bonus issue}}$$

If the bonus issue consists of shares of a class other than the class to which the Call options applied when issued, the new shares and the original class of shares shall constitute valid and indivisible delivery in connection with exercise of the Call option.

- B. If the Company effects a consolidation or a share split, a corresponding adjustment of the number of shares covered by the Call options, and of the exercise price, shall be made by the Bank in accordance with the same principles applied in adjustments for a bonus issue, as described in Subsection A.
- C. If the Company issues new shares, with the shareholders having preferential rights to subscribe for the new shares to be paid for in cash, an

adjusted number of shares that may be purchased with a Call option and an adjusted exercise price shall be applied.

The adjustment will be made by the Bank in accordance with the following formula:

$$\text{Adjusted number of shares that each Call option carries entitlement to purchase} = \frac{\text{Preceding number of shares that each Call option carries entitlement to purchase} \times (\text{average price of the share increased by the theoretical value of the subscription right calculated on the basis of this})}{\text{Average price of the share}}$$

$$\text{Adjusted exercise price} = \frac{\text{Preceding exercise price} \times \text{average market price of the share during the subscription period specified in the resolution authorizing the issue (average share price)}}{\text{Average share price increased by the calculated theoretical value of the subscription right}}$$

The average price shall be the average of the highest and lowest paid prices according to the official list of NASDAQ OMX Stockholm AB ("Stockholmsbörsen") each trading day during the subscription period. In the absence of a quoted paid price, the final bid price shall be included in the calculation. Days during which neither paid prices nor bid prices are quoted shall not be included in the calculation.

The theoretical value of the subscription rights shall be calculated as follows:

$$\text{Maximum number of new shares that may be issued as specified in the resolution authorizing the issue} \times \frac{\text{(average price of the share - the issue price of the new shares)}}{\text{theoretical value of the subscription right}}$$

value of subscription right = Number of shares prior to the resolution authorizing new shares

When calculating, using the formula above, shares held by the Company shall be disregarded. If the formula above results in a negative value, the calculated value of subscription rights shall be fixed at zero (0).

The adjusted number of shares and exercise price as calculated above is determined by the Bank two Banking days after expiration of the subscription period and shall be applied in purchases effected after such determination is made.

During the period from and including the day the shares are quoted ex-rights to participate in the new issue to and including the day the adjustment is determined, shares may not be purchased. If the final day for application to purchase falls during the subscription period, the final day is extended to the second trading day after expiration of the subscription period.

- D. If the Company effects an issue in accordance with Chapter 14 or 15 of the Swedish Companies Act, with the shareholders having preferential rights to subscribe for in cash, an adjusted number of shares that may be purchased with a Call option and an adjusted exercise price shall be applied.

The adjustment will be made by the Bank in accordance with the following formula:

Adjusted number of shares that each Call option carries entitlement to purchase = $\frac{\text{Preceding number of shares that each Call option carries entitlement to purchase} \times (\text{the average price of the share increased by the theoretical value of the subscription right})}{\text{average price of the share}}$

Preceding exercise price x average market price of the share during the subscription period specified in the resolution authorizing the issue

Adjusted exercise price =
$$\frac{\text{(average share price)}}{\text{Average share price increased by the calculated theoretical value of the subscription right}}$$

The average price is calculated in accordance with that stated in Subsection C.

The value of the subscription right shall be the average of the highest and lowest paid prices according to the official list of the Stockholmsbörsen each trading day during the subscription period. In the absence of a quoted paid price, the final bid price shall be included in the calculation. Days during which neither paid prices nor bid prices are quoted shall not be included in the calculation.

The adjusted number of shares and exercise price as calculated above is determined by the Bank two Banking days after the expiration of the subscription period and shall be applied in purchases effected after such determination is made.

If application of purchase is made until the adjustment is made the last paragraph of Subsection C shall apply.

- E. Should the Company, in cases other than those specified in Subsections A-C, make an offering to the shareholders giving the shareholders preferential rights, in accordance with Chapter 13, § 1 of the Swedish Companies Act, to acquire securities or rights of another type from the Company, or should the Company decide, in accordance with the above principles, to distribute such securities or rights without charge, an adjusted number of shares that may be purchased with a Call option and an adjusted exercise price shall be applied.

The adjustment will be made by the Bank in accordance with the following formula:

Adjusted exercise price =
$$\frac{\text{Preceding exercise price x average market price of the share during the subscription period specified in the resolution authorizing the issue}}{\text{(average share price)}} \div \text{Average share price increased by the}$$

calculated theoretical value of the
subscription right

$$\begin{array}{l} \text{Adjusted number of shares that} \\ \text{each Call option carries} \\ \text{entitlement to purchase} \end{array} = \frac{\begin{array}{l} \text{Preceding number of shares that each} \\ \text{Call option carries entitlement to} \\ \text{purchase} \times (\text{the average price of the} \\ \text{share increased by the theoretical} \\ \text{value of the subscription right} \\ \text{average price of the share} \end{array}}$$

The average price of the share is calculated in accordance with that stated in Subsection C.

In the event that shareholders received purchase rights and trading with these has occurred, the value of the right to participate in the offering shall be considered to correspond to the value of the purchase right. In this respect, the value of the purchase right shall be the average of the highest and lowest paid prices according to the official list of the Stockholmsbörsen each trading day during the application period. In the absence of a quoted paid price, the final bid price shall be included in the calculation. Days during which neither paid prices nor bid prices are quoted shall not be included in the calculation.

In the case that shareholders have not received purchase rights and/or such trading in purchase rights as referred to in the preceding paragraph has not occurred, adjustment of the exercise price shall be made by applying to the extent possible the principles stated above in Subsection E, whereby the following shall apply. If there is a listing of the securities or rights offered to shareholders, the value of the right to participate in the offering shall be considered to correspond to the average of the highest and lowest paid prices in transactions involving these securities or rights according to the official list of the Stockholmsbörsen each trading day during 25 days from and including the first day of the listing, in appropriate cases reduced by the consideration paid for these in conjunction with the offering. In the absence of a quoted paid price, the final bid price shall be included in the calculation. Days during which neither paid prices nor bid prices are quoted shall not be included in the calculation. In adjustment of the exercise price in accordance with this paragraph, the application period specified in

the offering shall be considered to correspond to the 25 trading days stated in this paragraph. If such a listing does not occur, the value of rights to participate in the offering to the greatest extent possible shall be determined based on the change in market value regarding the Company's share which can be assessed to have arisen as a result of the offering.

The adjusted number of shares and exercise price calculated in accordance with the above by the Bank shall be determined as soon as possible after expiration of the offering and applied in all purchases effected after such determination is made.

During the application period specified in the offering, no shares may be purchased. Should the final day for application to purchase fall during the subscription period, the final day is extended to the first Banking Day after expiration of the subscription period.

- F. Should the Company decide on a cash dividend to shareholders whereby they would receive dividends that, combined with other dividends paid during the same fiscal year, exceed four and a half (4,5) percent of the average price of the share during a period of 25 trading days immediately preceding the day the Board of the Company announces its intention to submit a proposal to the General Meeting for such a dividend, an adjusted exercise price and an adjusted number of shares that may be purchased with a Call option shall be applied. The adjustment shall be based on that portion of total dividends that exceed four and a half (4,5) percent of the average price of the share during the aforementioned period (Extraordinary dividend).

The adjustment will be made by the Bank in accordance with the following formula:

$$\text{Adjusted exercise price} = \frac{\text{Preceding exercise price} \times \text{average market price of the share over a period of 25 trading days, calculated from and including the day the share is listed ex-rights to the extraordinary dividend (average share price)}}{\text{Average share price increased by the extraordinary dividend payment per share.}}$$

$$\text{Adjusted number of shares that each Call option carries entitlement to purchase} = \frac{\text{Preceding number of shares that each Call option carries entitlement to purchase} \times (\text{average price of the share increased by the extraordinary dividend per share})}{\text{Average price of the share}}$$

The average price shall be considered to correspond to the average of the highest and lowest paid prices according to the official list of the Stockholmsbörsen each trading day during the aforementioned period of 25 trading days. In the absence of a quoted paid price, the final bid price shall be included in the calculation. Days during which neither paid prices nor bid prices are quoted shall not be included in the calculation.

The adjusted exercise price and adjusted number of shares as calculated above is determined by the Bank two Banking days after the expiration of the aforementioned 25 trading days and shall be applied in purchases effected after such determination is made.

- G. Should the Company decide upon a partial demerger according to Chapter 24 of the Swedish Companies Act through which part of the assets and debts of the Company is taken over by one or more other companies without the dissolution of the Company, an adjusted exercise price and an adjusted number of shares that may be purchased with a Call option is applied. The adjustments shall be made by the Bank according to the following formulas:

$$\text{Adjusted exercise price} = \frac{\text{Preceding exercise price} \times \text{average market price of the share over a period of 25 trading days, calculated from and including the day the share is listed ex-rights to the demerger payment (average share price)}}{\text{Average share price increased by the demerger payment per share}}$$

Preceding number of shares that each

Adjusted number of shares each Call option carries entitlement to purchase	=	Call option carries entitlement to purchase x (average price of the share increased by the value of the demerger payment per share) <hr style="width: 100%; border: 0.5px solid black;"/> Average price of the share
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The average price shall be considered to correspond to the average of the highest and lowest paid prices according to the official list of the Stockholmsbörsen each trading day during the aforementioned period of 25 trading days. In the absence of a quoted paid price, the final bid price shall be included in the calculation.

In the event that shareholders received demerger payment is paid in the form of shares or other securities and trading with these has occurred, the value of the demerger payment shall be considered to correspond to the value of the demerger payment right. In this respect, the value of the demerger payment shall be the average of the highest and lowest paid prices according to the official list of the Stockholmsbörsen each trading day during the aforementioned period of 25 trading days. In the absence of a quoted paid price, the final bid price shall be included in the calculation.

In the event that shareholders received demerger payment is paid in the form of shares or other securities and trading in such rights as referred to in the preceding paragraph has not occurred, adjustment of the exercise price shall be made by applying to the extent possible the value of the demerger payment shall be established guided by the change in marker price for the share which can be judged as a consequence according to the demerger payment.

The adjusted exercise price and adjusted number of shares as calculated above is determined by the Bank two Banking days after the expiration of the aforementioned 25 trading days and shall be applied in purchases effected after such determination is made.

If application of purchase is made until the adjustment is made the last paragraph of Subsection C shall apply.

The Holders shall not be able to waive any right according to these terms to that or those companies taking over the assets and debts from the Company following a partial demerger.

- H. Should the share capital of the Company be reduced through obligatory repayments to shareholders, an adjusted exercise price shall be applied, as well as adjustments of the number of shares to which each Call option is entitled to subscribe.

The adjustments will be made by the Bank in accordance with the following formula:

$$\text{Adjusted exercise price} = \frac{\text{Preceding exercise price} \times \text{average market price of the share over a period of 25 trading days, effective from the date of the reduction decision without entitlement to reduced value (average share price)}}{\text{Average share price increased by the repaid amount per share}}$$

$$\text{Adjusted number of shares each Call option carries entitlement to purchase} = \frac{\text{Preceding number of shares that each Call option carries entitlement to purchase} \times (\text{average price of the share increased by the repaid amount per share})}{\text{Average price of the share}}$$

The average price is calculated in accordance with that stated in Subsection C.

Adjustments as described above, and in which share value is reduced through redemption of shares, an estimated repayment amount, rather than the actual amount to be repaid per share, will be applied based on the following calculation:

$$\text{Actual amount to be repaid per purchased share, less average trading price for shares over a period of 25}$$

Estimated repayment amount per share =

trading days, effective from the date of the issue decision without entitlement to reduced value (average share price) total number of shares in the Company used as basis for purchase of one share, less the value of 1

The average price is calculated in accordance with that stated in Subsection C.

In accordance with the above, the adjusted exercise price and the adjusted number of shares will be established by the Bank two Banking days after the expiration of the aforementioned period of 25 trading days and shall be applied to purchases effected thereafter.

If the Company's share capital is reduced by a redemption of shares with repayment to shareholders, which is not obligatory and whereby, in the judgment of the Bank, as a result of the technical formulation and financial effects, is equivalent to an obligatory reduction of share capital, the Company shall adjust the exercise price and the number of shares to which every Call option is entitled to purchase so that, such adjustments shall correspond to the maximum extent possible with the principles in Subsection H above.

- I. Should the Company repurchase shares through an offer to all shareholders in the Company and whereby, in the opinion of the Bank, such measure, taking into account its technical framework and economic effects, is comparable to a mandatory reduction of the share capital, the exercise price and the number of shares to which each Call option carries entitlement shall be adjusted corresponding to the maximum extent possible with the principles in Subsection H above.
- J. Should the above stated adjustment rules for the exercise price and number of shares not give reasonable economic effects for the Holder in relation to the shareholder - as a result of the technical formulation of the measures adopted by the Company, according to Subsections A-I above, or for other reasons, the Bank shall - provided that the Board of Directors of the Company agrees - revise the adjustment rules so that a reasonable economic effect arises.
- K. Adjustment shall not be such that it results in an increase of the exercise price or a reduction of the number of shares which the Call options entitle

to purchase of in cases other than those described in Subsection B. In effecting the adjustment as described above, the exercise price shall be rounded off to the nearest ten öre, with five öre being rounded upward, and the number of shares being rounded off to two decimals.

- L. Should the shares covered by the Call options become the object of compulsory redemption proceedings in accordance with Chapter 22 of the Swedish Companies Act, the Bank, in cases where the final day for application to purchase would occur later than 30 days following public announcement of the compulsory redemption, shall set a new final day for application to purchase that occurs prior to expiration of said period.
- M. The provisions pertaining to compulsory redemption proceedings in Subsection L shall apply correspondingly if the Company approves an agreement for a merger, whereby the Company would become part of another company, or a demerger whereby all of the assets and debts of the Company is taken over by one or more other companies and the Company is then dissolved without a liquidation, or if a decision is made to liquidate the Company or declare the Company in bankruptcy. In such cases, the time period is calculated from the date of announcement of the decision to merge, demerge, liquidate or enter into bankruptcy.

§8

SPECIAL OBLIGATIONS OF THE COMPANY

Within a reasonable period of time, the Company is obliged to consult with the Bank before implementing such measures as specified in §7 above.

§9

REPURCHASE

The Company is obliged to repurchase the Call options if a formal offer to acquire all shares in the Company is to be completed.

The repurchase price for every Call option will correspond to the higher of

- (i) the number of underlying shares per Call option, multiplied by the value of the payment offered in the formal acquisition offer per share, less the exercise price; and

(ii) average market value of the Call options, based on calculations performed by independent financial institutions appointed by the Company (and based on generally accepted calculation models) during a period of five trading days immediately prior to the announcement of the acquisition offer, using the same percentage of the offer premium in the formal acquisition offer regarding shares and calculation of their market value during the aforementioned period. The repurchase price shall be rounded off to the nearest 10 öre, with 5 öre rounded upward.

Repurchase is requested by sending a written request with a signed application on preprinted forms, which will be provided to all Holders following formal announcement of the offer to acquire all shares in the Company. The forms shall be submitted to the Company before the acceptance period for offer expires (including any extensions). Repurchase is effected on the date when it is announced that the acquisition offer will be completed, but not earlier than the first Banking day after the acceptance period expires (including any extensions). The Company shall prepare a settlement note as soon as possible after the effective date and remit cash payment for repurchase of the Call options.

§ 10

TRUSTEES

For Call options registered with trustees in accordance with legislation governing accounts for financial instruments, the trustee shall be considered the Holder in all applications of these terms and conditions.

§ 11

LIMITS OF LIABILITY OF THE BANK AND EUROCLEAR

With respect to the actions incumbent on the Bank and Euroclear – and in the case of Euroclear, taking into account the provisions of the Share Accounts Act – the Bank and Euroclear cannot be held liable for loss due to Swedish or foreign legal decrees, actions by Swedish or foreign authorities, acts of war, strikes, blockades, boycotts, lockouts or other similar circumstances. The reservations with respect to strikes, blockades, boycotts or lockouts also apply if the Bank or Euroclear undertake, or are the objects of, such hostile measures.

Neither the Bank nor Euroclear is under obligation to provide compensation for loss arising in other situations, if the Bank and Euroclear has exercised normal prudence. In no case is the Bank liable for indirect damages.

If the Bank or Euroclear is hindered from taking action by circumstances such as those described in the first paragraph, the action may be deferred until the hindrance has ceased to exist.

§ 12

NOTICES

Notices pertaining to the Call options shall be provided to every registered Holder and other entitled holders registered in a VP-account.

§ 13

CONFIDENTIALITY

The Bank or Euroclear may not, without prior authorization, provide information on the Holder to a third party. The Company reserves the right to receive the following information from Euroclear about the Holder's account in the Company's register:

1. Holder's name, personal or organization number and postal address,
2. Number of Call options held.

§ 14

CHANGES IN TERMS AND CONDITIONS

The Company reserves the right to change these terms and conditions to clarify, revise or supplement regulations governing these terms and conditions in whatever manner is deemed necessary by the Company provided that such changes do not cause significant financial harm to the Holders. Furthermore, the Company reserves the right, without regard for eventual financial harm to the Holder, to change the terms and conditions if such changes are required by legislation, court decision or the decision of a public authority.

§ 15

APPLICABLE LAW

Swedish law is applicable to these terms and conditions and to related legal matters. Claims pertaining to the terms and conditions shall be filed with the Stockholm district court or such other forum whose authority is accepted by the Company.

The Nominating Committee's proposal under item 16 on the Agenda of the Annual General Meeting of Shareholders of Swedish Match AB on 27 April 2010

The Nominating Committee proposes election of the Board of Directors according to the following:

Re-election of: Charles A. Blixt
 Andrew Cripps
 Karen Guerra
 Arne Jurbrant
 Conny Karlsson
 Kersti Strandqvist
 Meg Tivéus

The Nominating Committee further proposes that Conny Karlsson is elected as Chariman of the Board of Directors and Andrew Cripps is elected as deputy Chairman of the Board of Directors.

All proposed Board Members to be elected by the Annual General Meeting are considered to be independent in relation to the Company, the senior management and major shareholders of the Company.

Presentation of proposed Board Members

Conny Karlsson

Born 1955, MBA. Chairman since 2007. Board member since 2006. Chairman of the Compensation Committee.

Other Board Assignments: Board member of TeliaSonera AB and CapMan OYJ.

Previous positions: President, Duni AB; Marketing Director, Procter & Gamble UK; Marketing Director and Regional Director, Procter & Gamble Scandinavia; Marketing Director, Procter & Gamble E&SO.

Own and related parties' shares: 21.000

Charles A. Blixt

Born 1951. J.D. and B.A. Board member since 2007. Member of the Compensation Committee.

Other Board Assignments: Corporate Board memberships Targacept Inc. (NASDAQ: TRGT) and Krispy Kreme Doughnuts, Inc. (NYSE: KKD). Also Board member of Salem Academy and College Board of Trustees.

Previous positions: Interim General Counsel at Krispy Kreme Doughnuts; Executive Vice President and General Counsel, RJ Reynolds Tobacco Holdings; Executive Vice President and General Counsel, Reynolds American Inc.

Own and related parties' shares: 7,090

Andrew Cripps

Born 1957, B.A., University of Cambridge. Board member since 2006. Deputy Chairman and member of the Audit Committee.

Other Board Assignments: Non-executive Director and Chairman of Audit Committee, Booker Group plc. Non-executive director and Chairman of the Remuneration Committee of Molins Plc. Non-executive Director and Chairman of the Audit Committee of Helphire Group plc.

Previous positions: Non-executive Director, Trifast Plc; Director, Carreras Group Ltd; Head of Acquisitions and Head of Strategy Development, British American Tobacco; Director of Corporate Finance, Rothmans International; Managing Director, Rothmans Holdings BV; President, Ed. Laurens International SA. Chartered Accountant.

Own and related parties' shares: 12,200

Karen Guerra

Born 1956. BSc. Board member since 2008.

Other Board Assignments: Non-executive Director with Samlerhuset Group BV, a private European direct marketing company.

Previous positions: Non-executive Director and member of the Remuneration Committee, Inchcape PLC; Non-executive Director, More Group PLC; President, Colgate Palmolive France SAS; Chairman and Managing Director, Colgate Palmolive UK Ltd.; Marketing Manager, Pepsi-Cola Holland and Ireland, Pepsi Cola International.

Own and related parties' shares: 3,100

Arne Jurbrant

Born 1942, MBA. Board member since 2002. Member of the Compensation Committee.

Other Board Assignments: Member of the IF L/MTC Foundation.

Previous positions: CEO, Kraft Foods Nordic Region; President Kraft Freia Marabou Nordic Region; President, General Foods Sweden/Denmark; President, General Foods Denmark; Sales Manager, General Foods; Marketing Manager, General Foods Sweden; Product Manager, Pripps Bryggerier; President's assistant, Pripps Bryggerier.

Own and related parties' shares: 15,233 (including endowment assurance)

Kersti Strandqvist

Born 1963, M. Sci., Techn. Lic., Master of Strategic Marketing. Board member since 2005. Member of the Audit Committee. Vice President Feminine Care within SCA Personal Care.

Previous positions: Business Area Manager, Baby Care, SCA Personal Care; Director of R&D, Incontinence Care, SCA Hygiene Products; Technical Manager Sourcing, SCA Hygiene products; Marketing Manager, Elf Atochem (France); various positions in R&D and sales, Neste Chemicals (Sweden, Finland, Belgium).

Own and related parties' shares: 8,100

Meg Tivéus

Born 1943, MBA. Board member since 1999. Chairman of the Audit Committee.

Other Board Assignments: Chairman of Folktandvården in Stockholm, Frösunda LSS AB and Sprit och Vinleverantörerna. Board member of Cloetta AB, Billerud AB, Apoteket Farmacci AB och Nordea Fonder AB.

Previous positions: President and CEO, Svenska Spel AB; Vice President of Posten AB; Division Manager, Holmen AB; Division Manager at Åhléns AB; Director of AB Nordiska Kompaniet; Product Manager at Modo AB; Project Manager at McCann Gunther & Bäck.

Own and related parties' shares: 12,000

Additionally, the shareholders are informed that the employees' associations have, through special elections, appointed:

As members of the Board:

Kenneth Ek, PTK
Eva Larsson, LO
Joakim Lindström, LO

As deputy members of the Board:

Eva Norlen-Moritz, PTK
Håkan Johansson, LO
Gert-Inge Rang, PTK

The Nominating Committee's proposal under item 17 on the Agenda of the Annual General Meeting of Shareholders of Swedish Match AB on 27 April 2010

The Nominating Committee proposes that the Chairman of the Board shall be given a mandate to contact the Company's four largest shareholders and ask them each to appoint one representative to make up the Nominating Committee, together with the Chairman of the Board, for the period until a new Nominating Committee has been appointed in accordance with a mandate from the next Annual General Meeting. If any of these shareholders waives his or her right to appoint a representative, the next largest shareholder in terms of the number of votes shall be asked to appoint a representative. The names of the members of the Nominating Committee shall be published no later than six months prior to the 2011 Annual General Meeting. The determination of the identity of the four largest shareholders shall be ascertained in due time before the date falling six months before the Annual General Meeting.

No remuneration shall be payable to the members of the Nominating Committee. Any expenses incurred in the course of the Nominating Committee's work shall be borne by the Company.

INSTRUCTIONS FOR SWEDISH MATCH AB'S NOMINATING COMMITTEE ADOPTED AT THE ANNUAL GENERAL MEETING HELD ON 27 APRIL 2010

1. DUTIES

The Nominating Committee shall prepare and submit to the General Meeting proposals regarding:

- (i) the election of the Chairman and other Members of the Board, and determination of the Directors' fees to be divided between the Chairman and other Members, and any remuneration for committee work,
- (ii) the election of and payment of fees to auditors, when applicable,
- (iii) the election of a Chairman of the Annual General Meeting; and
- (iv) the election of a new Nominating Committee or proposal for criteria on how the Chairman and members of the Nominating Committee are to be appointed.

The Nominating Committee shall prepare their proposals and present and explain them to the General Meeting, and shall give an account of the way in which this work has been carried out in accordance with the provisions of the Swedish Corporate Governance Code. In addition, when the notice of the Annual Meeting is issued the Nominating Committee is to issue a statement explaining its proposals regarding the Board of Directors with regard to the requirements concerning the composition of the Board.

The Nominating Committee shall supply the company with information on the Nominating Committee, its work and proposals. The information shall be submitted in sufficient time and in such a way that the company is able to comply with its duty to provide information in accordance with the provisions of the Articles of Association, legislation, stock market regulations, the Swedish Corporate Governance Code, and other recommendations that may be deemed to constitute good practice in the Swedish stock market.

The Nominating Committee shall obtain information on the way in which the work of the Board of Directors and, when applicable, the auditors have been evaluated and the results of such evaluations.

2. MEMBERS AND CHAIRMAN

The Nominating Committee shall comprise five members. The appointment of the Nominating Committee shall entail the Chairman of the Board of Directors, in line with the mandate from the Annual General Meeting, contacting the four largest shareholders in the company and asking them each to appoint a representative, to constitute, together with the Chairman of the Board, the Nominating Committee for the period until a new Nominating Committee is appointed in accordance with a mandate from the next Annual General Meeting. If any shareholder waives their right to ap-

point a representative, the shareholder who is the next largest owner, in terms of number of votes held, shall be offered the opportunity to appoint a representative. The names of the members of the Nominating Committee shall be published no later than six months before the subsequent Annual General Meeting. The determination of the identity of the four largest shareholders shall be ascertained in due time before the date falling six months before the Annual General Meeting.

If one or more of the shareholders who have appointed members to the Nominating Committee ceases to be one of the four largest shareholders during the mandate period, the Nominating Committee shall decide whether it is necessary to replace the representative appointed by this shareholder. If this is to be done, the Chairman of the Board shall contact the shareholder or shareholders who are now among the four biggest shareholders and offer him/her/them the chance to appoint a representative to the Nominating Committee.

Members who cease to be employed by the shareholder by whom he/she has been appointed shall resign from the Nominating Committee if the shareholder deems it necessary and a replacement shall be appointed by the shareholder.

The Nominating Committee shall be entitled to co-opt members if deemed appropriate.

The Nominating Committee shall appoint a Chairman from their ranks. The Chairman shall not be a Member of the Board of Directors of the company.

3. MEETINGS

The Nominating Committee shall meet as often as is necessary to enable the Nominating Committee to carry out its duties, but shall meet a minimum of once a year. The first notice of a meeting, once the Nominating Committee has been appointed, shall be issued by the Chairman of the Board, and thereafter, by the Chairman of the Nominating Committee. If a member requests that the Nominating Committee be convened, the request shall be met.

The Nominating Committee is quorate if not less than three members are present. The decision of the Nominating Committee shall be the opinion that is supported by more than half of the members of the Nominating Committee.

Minutes shall be kept at the Nominating Committee's meetings, the Minutes are to be signed or checked by the Chairman and the member designated by the Nominating Committee. The Minutes shall be kept and stored in the same way as the Minutes of the company's Board Meetings.

4. AMENDMENTS TO THESE INSTRUCTIONS

The Nominating Committee shall evaluate these instructions, and the work of the Nominating Committee, on an ongoing basis, and shall submit to the General Meeting proposals regarding any changes to these instructions that the Nominating Committee has deemed appropriate.