

## Corporate governance report

*Rottneros is a Swedish public limited company based in Sunne, Sweden and is listed on NASDAQ OMX Stockholm (the "Stock Exchange"). Rottneros' corporate governance is based on the Swedish Companies Act, the Annual Accounts Act and the rules of the Stock Exchange, including the "Swedish Code of Corporate Governance" ("the Code").*

### SHAREHOLDERS

Rottneros' ordinary share has been listed on NASDAQ OMX Stockholm ("the Stock Exchange") since 1987. According to the share register kept by Euroclear Sweden (formerly VPC), Rottneros had 20,393 shareholders on 31 December 2009. The share capital amounted to SEK 153,393,886.90, distributed between 1,533,938,869 ordinary shares, each with the same voting rights and share in the Company's profit and capital. Rottneros holds 8,219,641 treasury shares. Pages 34–36 of the Company's 2009 Annual Report provide more information about the share, shareholders, etc. Information is also available on the Company's website.

### CONTROL INSTRUMENTS

The external control instruments that form the frameworks for corporate governance at Rottneros include the Swedish Companies Act, the Annual Accounts Act, the rules of the Stock Exchange and the Code, together with other relevant legislation.

The internal control instruments include the Articles of Association as adopted by the AGM, the Rules of Procedure for the Board and the Terms of Reference for the President, the Board's committees and the Company's financial reporting. Rottneros also works with financial and quantitative goals, budgets, reports, policies, valuations and codes of conduct.

The Board of Directors makes decisions regarding the financial policy, ethics policy, communication policy, environmental and energy policy and the dividend policy. There are also 13 other policies that the President makes decisions on and which the Board of Directors are kept informed about; for example the credit policy, work environment policy, quality policy, raw material policy and equality policy.

### ANNUAL GENERAL MEETING

Rottneros' highest decision-making body is the AGM or, where applicable, an extraordinary general meeting. The AGM makes decisions concerning the Articles of Association, appoints the Board and the Chair of the Board, elects the auditors, adopts the income statement and balance sheet and takes decisions regarding the appropriation of profits and discharge from liability, and decides on nomination procedures and

principles for remuneration of the President and other senior executives, etc.

Each shareholder has the right to participate in the AGM either in person or through a representative holding a power of attorney. Each shareholder has the right to raise issues to be addressed at the AGM.

Rottneros' 2009 AGM was held on 23 April 2009 in Sunne, Sweden. Twenty-eight of the Company's shareholders attended the meeting, representing 29 per cent<sup>1</sup> of the Company's votes and capital.

An extraordinary general meeting of the Company was held on 11 November 2009 in Stockholm, Sweden. Twelve of the Company's shareholders attended the meeting, representing 30.2 per cent<sup>1</sup> of the votes and capital.

### RESOLUTIONS

The resolutions passed at the AGM on 23 April 2009 included the following:

- In accordance with the Board's proposal, no dividend was distributed to shareholders.
- The board shall comprise six (6) ordinary members. Board members Roger Asserståhl, Per Eiritz, Johan Holmgren, Rune Ingvarsson, Kjell Ormegard and Ingrid Westin Wallinder were re-elected.
- Rune Ingvarsson was elected as Chair of the Board.
- Total fees of SEK 1,750,000 will be paid to the Board, of which SEK 500,000 relates to fees for the Chair of the Board and SEK 250,000 relates to fees to each of the other Board members who are not employed by the Company. Members of committees will receive a daily fee amounting to SEK 10,000 and employee representatives on the Board will receive a fee of SEK 25,000 per person for the time needed to read materials prior to Board meetings. Auditors' fees are paid based on invoices approved by the President.
- Article 8 of the Articles of Association was amended to stipulate that notices convening meetings shall be announced in the Official Swedish Gazette and on the Company's website. At the time of such notice, information about

<sup>1</sup> Excluding buy-back of treasury shares.

notice having been made shall be published in Dagens Nyheter and in a daily newspaper issued in Sunne. This decision is conditional on an amendment having entered into force in the Swedish Companies Act regarding the way in which a general meeting is to be convened.

- The Board was authorised to take decisions during the period up until the next AGM on the transfer of shares in the Company that had previously been acquired under the buy-back programme. Such transfer may deviate from the shareholders' preferential rights to finance corporate acquisitions or other strategic investments in a cost-effective way.

Resolutions passed at the extraordinary general meeting of the Company on 11 November 2009 included:

- Amending the Articles of Association in that the share capital shall amount to at least SEK 100,000,000 and at most SEK 400,000,000 and that the number of shares shall be at least 1,000,000,000 and at most 4,000,000,000, and also that a share may be issued in two series: ordinary shares and Series C.
- Reducing the share capital by SEK 75,372,842 for appropriation to a fund to be used as resolved by the general meeting.
- Increasing the Company's share capital by at most SEK 90,106,232 through a new share issue of no more than 901,062,320 ordinary shares. The price of each share subscribed for shall be SEK 0.25 and an existing share shall entitle the holder to five new shares. Shares shall be subscribed for with preferential rights for the existing shareholders of the Company.
- Increasing the Company's share capital by at most SEK 44,444,444.40 through a new share issue of no more than 444,444,444 ordinary shares. The price of each share shall be SEK 0.45. Only the Bank Syndicate may subscribe for these shares, deviating from the shareholders' preferential rights.
- Issuing no more than 15 million subscription warrants of Series 2009/2011, where senior executives of the Company are entitled to subscribe for these subscription warrants.
- Issuing no more than 15 million subscription warrants of Series 2009/2012, where senior executives of the Company are entitled to subscribe for these subscription warrants.
- The Company's board shall comprise four ordinary members without deputies. The meeting resolved to relieve Per Eiritz and Johan Holmgren from office as Board members.
- Article 8 of the Articles of Association was amended to stipulate that notices convening meetings shall be made in the Official Swedish Gazette and on the Company's website. At the

time of such notice, information about notice having been announced shall be published in Dagens Nyheter and in a daily newspaper issued in Sunne. This decision is conditional on an amendment having entered into force in the Swedish Companies Act regarding the way in which a general meeting is to be convened.

## NOMINATING COMMITTEE

Rottneros' AGM takes decisions on the principles for the appointment of the Nominating Committee. The 2009 AGM decided, as in previous years, that the Nominating Committee will comprise the Chair of the Board and two additional members, who must not be members of the Board. One of these two members must be a representative of the Company's main shareholder and the other a representative of one of the Company's other four main shareholders. The Nominating Committee appoints a chairperson from within its ranks. The Chair of the Board may not be the Chair of the Nominating Committee. The Chair of the Board convenes Committee meetings. The principles also include procedures for compensating committee members who leave the Nominating Committee before the end of their mandate.

The names of members of the Nominating Committee shall be presented no later than six months prior to the AGM. The composition of the Nominating Committee will be published on the Company's website from time to time. A press release with information about the composition of the Nominating Committee was published on 22 October 2009 and has been made available on Rottneros' website. Olle Grundberg from Nemus Holding AB has been appointed as Chair of the Nominating Committee. Torgny Prior (Prior & Nilsson Fond och Kapitalförvaltning AB) and Rune Ingvarsson (Chair of the Board of Rottneros AB) were appointed as Board members. The members of the Nominating Committee changed at the turn of the year as a consequence of Rune Ingvarsson, the previous Chair, resigning from the Board of Rottneros and because the change of ownership in conjunction with the new share issues implemented meant that Prior & Nilsson Fond och Kapitalförvaltning AB was no longer one of the five main shareholders. This meant that Torgny Prior has resigned and Henrik Strömbom from Case Asset Management was appointed as a new member. Kjell Ormegard, the new Chair of the Board of Rottneros, has replaced Rune Ingvarsson on the Nominating Committee. Altogether, the new Nominating Committee represents over 25 per cent of the number of votes for all of the shares in Rottneros.

## BOARD OF DIRECTORS COMPOSITION OF THE BOARD AND FEES

According to the Articles of Association, the Board of Rottneros shall comprise a minimum of three and a maximum of ten members with no more than six deputies elected by the AGM. In addition, the employees shall elect two representatives with two deputies. Up until the extraordinary general meeting held on 11 November 2009, the Board of Rottneros comprised six members without deputies elected at the AGM and two members and two deputies elected by the employees. At the extraordinary general meeting, it was resolved that the Board should comprise four members and that

two of the members elected at the AGM should be relieved from office. The President is not a member of the Board but is called in to all Board meetings, except when the agenda includes an evaluation of the work of the Board and the President. Other officials of the Company are called in when necessary to present matters.

The Company's CFO serves as the Board secretary. The table below shows the composition of the Board in 2009 in addition to remuneration paid to Board members and the President for the full years 2009 and 2008. Rune Ingvarsson, the Chair of the Board, resigned from the Board of Rottneros on 22 January 2010. Kjell Ormegard was appointed as Chair as of this date.

### REMUNERATION TO THE BOARD AND PRESIDENT, AND ATTENDANCE AT MEETINGS

		Attendance 2009			
Amounts in SEK thousand		Total fees, 2009	Total fees, 2008	Board meetings	Committee meetings
Rune Ingvarsson (Chair) <sup>1</sup>		580	453	94%	91%
Roger Asserståhl		250	167	89%	–
Per Eiritz <sup>2</sup>		249	217	100%	100%
Johan Holmgren <sup>2</sup>		259	227	92%	100%
Kjell Ormegard <sup>4</sup>		510	297	94%	100%
Ingrid Westin Wallinder <sup>4,5</sup>		459	267	100%	100%
Bengt-Åke Andersson	(employee representative)	17	–	91%	–
Mikael Lilja	(employee representative)	25	17	100%	–
Hans-Åke Nordstrand <sup>3</sup>	(employee representative)	8	22	100%	–
Lars-Ove Brolin <sup>3</sup>	(employee representative/deputy)	8	22	100%	–
Tord Strömberg	(employee representative/deputy)	17	–	82%	–
Thomas Wasberg	(employee representative/deputy)	17	–	73%	–
Mats Wennborn <sup>3</sup>	(employee representative/deputy)	8	22	83%	–
Ole Terland <sup>6</sup>	President	5,474	5,018	–	–

<sup>1</sup> Conducting assignments for companies associated with Rottneros' main shareholder. Resigned from the Board on 22 January 2010.

<sup>2</sup> Relieved from office as Board members at the extraordinary general meeting held on 11 November 2009.

<sup>3</sup> Lars-Ove Brolin passed away in February 2009. Hans-Åke Nordstrand and Mats Wennborn resigned at the 2009 AGM.

<sup>4</sup> The total fee for Board members Kjell Ormegard and Ingrid Westin Wallinder includes remuneration for the assignment that they performed for the Company over and above their ordinary board tasks and committee work regarding the refinancing of Rottneros in the autumn of 2008. The respective amounts are SEK 200,000 for Kjell Ormegard and SEK 158,000 for Ingrid Westin Wallinder.

<sup>5</sup> Rottneros purchased legal services on market terms in 2009 for SEK 70,000 from the law firm Advokatfirman Lindahl, which employs Board member Ingrid Westin Wallinder, and consultancy services on market terms for SEK 30,000 from JG Business Development AB, which employs Johan Holmgren.

<sup>6</sup> The table in Note 6 of the Company's 2009 Annual Report shows the total fees for 2008 and 2009, broken down by basic salary, bonuses, other benefits, pension expenses and other remuneration. The President attends the majority of Board meetings and committee meetings as a co-opted member.

## EVALUATION OF THE BOARD'S WORK

The Chair is responsible for evaluating the work of the Board and for ensuring that the Nominating Committee is provided with the outcome of these evaluations. The Board's work in 2009 was evaluated at the beginning of 2010.

## INDEPENDENCE

According to the Code, a majority of the members elected at the AGM must be independent in relation to the Company and Company management; also, at least two of these members must be independent in relation to the Company's major shareholders. Instruction no. 1-2009 includes criteria to help assess the level of independence as of 1 October 2009.

Rottneros' Board of Directors (both the Board up to the extraordinary general meeting held on 11 November 2009 and the Board subsequently elected) is considered to have met the requirements of the Code regarding independence, since the Board members elected at the AGM are considered independent of both the Company and Company management and of the Company's main shareholders, with the exception of the previous Chair of the Board, Rune Ingvansson, who is dependent on the Company's main shareholders.

## THE WORK AND RESPONSIBILITIES OF THE BOARD

The Board oversees the work of the President and is responsible for ensuring that the organisation, management and guidelines for managing the Company's funds are appropriate. The Board of Directors is also responsible for ensuring that the Company is organised in such a way that its internal control is appropriate and effective. The Board of Directors is also responsible for developing and following up the Company's strategies through planning, establishing targets and taking decisions on the acquisition and disposal of operations, major investments, appointments and compensation to the management team as well as day-to-day follow-ups during the year. The Board approves the budget and annual accounts.

### *Rules of Procedure for the Board*

The Board works according to specific Rules of Procedure prescribing the distribution of responsibilities between the Board and the President, between the Board's various committees and within the Board itself as well as instructions for financial reporting. The Board's Rules of Procedure contain special Terms of Reference for the President.

A Board meeting following election is held immediately following the AGM or immediately following extraordinary general meetings where a

new Board has been elected. The Board also convenes five scheduled meetings each year and additional meetings when the Chair sees fit or within 14 days following a request for a meeting from a member of the Board. Eighteen Board meetings were held in 2009. The work of the Board follows a schedule established in advance, which includes specific fixed items that require decisions during the financial year:

- In February, the Board works on the press release of unaudited annual earnings figures, the Board's recommendations with respect to dividends and any necessary additions to the budget and business plan. The Company's auditors report any observations made when conducting their audit.
- The official annual report is reviewed at the end of February.
- In April, the Board examines the first quarter results and reviews the Group's strategies.
- In July and October, the second and third quarter results are reviewed. The investment plans for the upcoming financial year are also dealt with in October.
- In December, the Board works on preparations for the annual accounts, and the business plan for the upcoming year is approved.

In addition to the items above, the Board's work in 2009 focused on the following:

- Action programme to improve profitability and cash flow.
- Implementation of new share issue and changes in the conditions for the Company's credit.
- Plans to establish a new mill to produce CTMP pulp in South Africa.

The Board also receives a monthly report on the Company's performance and liquidity trends. Other business is dealt with as determined by the nature of each individual matter.

## THE BOARD'S CONTROL OF FINANCIAL REPORTING

The Board monitors the quality of financial reporting by providing instructions for its execution and through the Terms of Reference for the President. The President is assigned to work with the CFO to review and ensure the quality of all external financial reporting, including financial statements, interim reports, the annual report, press releases with financial content and presentation materials produced for meetings with the media, shareholders and financial institutions. The Board's Audit Committee helps to ensure that financial reporting is accurate and that it maintains a high level of quality, is given final approval by the Board and is communicated. The Board receives monthly

financial reports, and the financial position of the Company and the Group is addressed at each scheduled Board meeting. The Board also reviews interim reports and the annual report.

In order to ensure that the Board receives the information it needs, the Company's auditors report to the Board every year, as well as to the Audit Committee, on the observations made during the audit and express an opinion on the Company's internal control. The Company's auditors report to the Board at least once a year on whether the Company has succeeded in ensuring that its bookkeeping, administration and financial control are appropriate and effective, after which the Board discusses this with the auditors without the presence of the President or other members of Company management.

### THE BOARD'S COMMITTEES

The Board has full knowledge of and responsibility for all matters on which it must take decisions. However, work was conducted by three committees appointed by the Board during the year: the Audit Committee, the Finance Committee and the Compensation Committee.

#### AUDIT COMMITTEE

This Committee comprises three representatives from the Board. Its tasks include preparatory work for decisions to be made by the Board to assure the quality of the Company's financial reporting, reviewing the scope and focus of audit assignments, addressing audit issues, evaluating audit work, establishing guidelines for purchasing other services from the Company's auditors, following up and assessing the application of current accounting principles and the adoption of new accounting principles, and other accounting requirements as stipulated in legislation, generally accepted accounting principles, applicable Stock Exchange rules, etc.

The Company's chief auditor and representatives from the accounting firm are called in to the meetings. Senior executives are also called in to meetings when appropriate. In 2009, the Committee comprised the Chair of the Board, Rune Ingvarsson, and Board members Ingrid Westin Wallinder and Kjell Ormegard. The Chair of the Committee is Ingrid Westin Wallinder.

The Audit Committee held five meetings in 2009. Minutes are forwarded to the Board on an ongoing basis. The auditors attended the meetings of the Audit Committee.

Fees for committee work were paid in the amount of SEK 10,000 per member and day.

#### FINANCE COMMITTEE

The Finance Committee comprises two members of the Board as well as the President and CFO. The Committee's task is to oversee the financial policy and the risk mandate. The Committee has invited external financial experts to attend these meetings on several occasions. The Finance Committee has been mandated by the Board to manage the application of the Group's financial policy and take decisions regarding implementation as required by this policy. The Committee also ensures that the policy and the related decisions are continually complied with. The Finance Committee comprised Kjell Ormegard, Rune Ingvarsson, Ole Terland (President) and Karl Ove Grönqvist (CFO) in 2009. The Chair of the Committee is Kjell Ormegard.

The Finance Committee held one meeting in 2009. The members of the Committee were also heavily involved in the work relating to the financial restructuring of the Company. The Board receives minutes from the Finance Committee on an ongoing basis.

Fees for committee work were paid in the amount of SEK 10,000 per member and day.

#### COMPENSATION COMMITTEE

The Compensation Committee comprised three Board members up until the extraordinary general meeting of the Company held on 11 November 2009. Since this time, the Committee has comprised the Board members elected at the AGM. The Committee mainly conducts preparatory work for decisions to be made by the Board and the AGM regarding the guidelines, types of remuneration and the employment terms applying to the President and other senior executives.

The President's remuneration package is determined by the Board of Directors. Remuneration for other senior executives is determined by the Compensation Committee within the frameworks established by the Board and AGM.

The Compensation Committee comprised Rune Ingvarsson, Johan Holmgren and Per Eiritz up until the extraordinary general meeting held on 11 November 2009. For the remainder of 2009, the Committee comprised these four Board members appointed by the AGM: Rune Ingvarsson, Roger Asserståhl, Kjell Ormegard and Ingrid Westin Wallinder. Rune Ingvarsson served as Chair of the Committee.

The Committee held five meetings in 2009. Minutes from the Compensation Committee are forwarded to the Board. Fees for committee work were paid in the amount of SEK 10,000 per member and day.

*President and Group management*

The President's responsibility as stipulated by the Swedish Companies Act and other legislation is to manage the Company's day-to-day business according to the Board's guidelines and instructions and to implement the measures necessary to ensure that the Company's bookkeeping is managed in a satisfactory manner. The President also ensures that the Board receives the information it needs on an ongoing basis to monitor the Company's and the Group's financial situation, position and development in a satisfactory way and to otherwise fulfil its reporting obligations with respect to the Company's finances.

The Company's President manages the business within the frameworks established by the Board of Directors in the specific Terms of Reference for the President. These Terms of Reference include the President's responsibility for day-to-day business and matters that always require Board decisions or that must be reported to the Board, as well as the President's responsibility for presenting financial reports to the Board.

The President works with the Chair to produce the materials required for information and decisions at Board meetings, and also presents matters for discussion and justifies recommendations.

The Board of Directors evaluates the work of the President on an ongoing basis.

*The work of Group management*

The President leads the work of Group management and makes decisions in consultation with other members of the management team. The team consists of the President and seven additional individuals: two heads of subsidiaries and five heads of Group staff. Information about the President and Group management is shown on pages 84–85 of the 2009 Annual Report. The management team is involved in business reviews led by the President around every six weeks, often in conjunction with visits to the various units belonging to the Group.

Information on salaries and other remuneration for the President and other senior executives in 2009 can be found in Note 6 in Rottneros' 2009 Annual Report.

*Share-related incentive programme*

The extraordinary general meeting on 11 November 2009 resolved to issue a total of 30 million subscription warrants in two series that were offered to senior executives in the Group. They chose not to acquire any subscription warrants, which meant that the anticipated dilution of two per cent was not realised.

*Auditors*

Rottneros' auditors are elected at the AGM for a period of four years. At the 2007 AGM, the firm Öhrlings PricewaterhouseCoopers AB was elected as the Company's auditor until the 2011 AGM, with authorised public accountant Magnus Brändström as chief auditor. Magnus Brändström has been the chief auditor since 2004.

*Audit work*

The auditors examine the Company's and the Group's annual accounts, accounting records and the administration of the Company by the Board and the President. The Company's auditor attends at least one Board meeting each year. The auditors have attended meetings of the Audit Committee and the 2009 AGM. The Company's auditor attends the AGM to present the audit report.

In addition to the audit assignment, Öhrlings PricewaterhouseCoopers has provided Rottneros with VAT and tax consulting services and assisted with various accounting-related studies. Öhrlings PricewaterhouseCoopers must examine its independent status in connection with each consulting assignment. Information on the fees paid to the accounting firm in 2009 is presented in Note 7 of the 2009 Annual Report.

Further information available from [www.rottneros.com](http://www.rottneros.com):

- Articles of Association
- Information on past AGMs as of 2004 (notices, minutes, resolutions, the President's statements)
- Information about the Nominating Committee
- Information on corporate governance from 2004 to 2007 (included in the Annual Report for the respective year)
- Corporate governance report from 2008 (included in the 2008 Annual Report)

## THE BOARD'S REPORT ON THE INTERNAL CONTROL AND RISK MANAGEMENT RELATING TO FINANCIAL REPORTING

The Board is responsible for the Company's internal control in accordance with the Swedish Companies Act and the Code. This report has been prepared in accordance with the Code and is limited to internal control relating to financial reporting. The report is not part of the formal annual report and has not been reviewed by the Company's auditors.

Rottneros' internal control structure is based mainly on the COSO model, according to which reviews and assessments are made in the following areas: control environment, risk assessment, control activities, information, communication and follow-up.

### CONTROL ENVIRONMENT

The Board has drawn up a number of documents with respect to the Company's internal control and governance, including the Rules of Procedure for the Board and Terms of Reference for the President and the Board's committees, reporting instructions and a financial policy. All of these documents are intended to ensure a clearly defined distribution of roles and responsibilities. Financial information is reported through a Group-wide reporting system.

The President and Group management, who report to the Board of Directors in accordance with established routines, are responsible for maintaining an effective control environment and the day-to-day internal control and risk management work. Managers at various levels within the Company have this same responsibility within their respective areas of responsibility and in turn report to Group management.

### RISK ASSESSMENT

Rottneros continuously updates its risk analysis with respect to assessing the risk of errors occurring in financial reporting. This is done mainly through contacts between Group management and the subsidiaries' management teams. At risk reviews, Rottneros identifies the areas where there is an elevated risk of errors occurring. The valuation of receivables was an area of focus in 2009. As a consequence of the raised level of liquidity risk that was present for most of 2009, a special follow-up of cash flows was conducted as well as financial restructuring through new share issues and changed loan terms.

### CONTROL ACTIVITIES

Monthly financial reports are prepared for all of the companies in the Group as well as consolidated financial reports. These are the basis for monthly conference calls made between the Group management and the management team of each subsidiary. Areas emphasised for analysis are order

status, cost follow-up, investments and cash flow. The CFO also visits the subsidiaries several times a year and the chief auditor accompanies the CFO at least once a year. At these meetings, particular emphasis is placed on monitoring any problems and ensuring the accuracy of financial reporting. Forecasts are updated every quarter for all Group companies and there are controllers working on financial matters both locally and centrally, comparing these forecasts with outcomes and ensuring that the financial information is true, fair and correct.

The Board's Audit Committee meets regularly to discuss identified risks.

The control environment has been created through common values, Rottneros' corporate culture, rules and policies, communication and follow-up as well as the way in which the business is organised.

The main task of Group staff is to implement, develop and maintain the Group's control routines and to introduce internal control routines aimed at business-critical issues.

Rottneros' auditors examine the financial information for the third quarter and annual accounts. Every year the auditors also examine a selection of the Company's control activities and processes and report any areas where improvement is recommended to both Group management and the management team of the respective subsidiaries. The chief auditor also attends meetings of the Audit Committee.

### INFORMATION AND COMMUNICATION

The information contained in Rottneros' important control documents, in the form of policies, guidelines and manuals, is primarily communicated through a Group-wide intranet. This information is also communicated in monthly conference calls involving Group management.

### FOLLOW-UP

Each company has its own finance department and reports through a Group-wide reporting system. The Group's accounting manager and controller also work closely with the heads of the subsidiaries in matters concerning the annual accounts and reporting.

A special review of the Group's internal control according to the 'COSO model' was conducted previously (in 2007) and been followed up (in 2008). The Board of Directors is of the opinion that the Group's current scope and complexity does not warrant an internal audit.

## Board of Directors, management team and auditors

### COMPOSITION OF THE BOARD

Prior to the extraordinary general meeting of the Company held on 11 November 2009, the Board comprised six ordinary members together with employee representatives and their deputies. An extraordinary general meeting of the Company resolved to reduce the number of members to four, in which connection Per Eiritz and Johan Holmgren were relieved from office. Rune Ingvarsson resigned from the Board of Rottneros on 22 January 2010.



#### *Kjell Ormegard*

Born 1949, M.Sc. Business and Economics  
Board member since 2007

Assignments completed over the past five years: Board member and Chairman of Getupdated Internet Marketing AB. Board member of Ormegard Corporate AB. Board member and Chairman of Handelsbanken Mezzanine Management AB.

Previous assignments/positions: Chairman of Handelsbanken Capital Markets.

Member of the Investment Committee of East Capital Financial Institutions. Senior positions at Alfred Berg and Consensus. Partner at Affärsvärlden. Board member of the Stockholm Stock Exchange.

Holdings, own and those of closely related persons, of financial instruments in Rottneros as at 22 February 2010: 948,889 shares, 13,564 call options

*Kjell Ormegard was appointed Chair of the Board of Rottneros as of 22 January 2010.*



#### *Roger Asserståhl*

Born 1943, M.Sc. Forestry  
Member of the board since 2008

Other assignments/positions: CEO of Asserståhl Partners AB. Board member of Bergvik Skog AB.

Assignments completed over the past five years: Board member of Södra Timber Aktiebolag, Nordic Paper Bäckhammar AB, Södra Wood Products Aktiebolag, Nordic Paper Åmotfors AB, Invision Media Gr. AB and Nordic Paper AB.

Previous assignments/positions: Member of the Royal Swedish Academy of Agriculture and Forestry, Chairman of the Swedish Society of Forest History. Previous positions include Deputy CEO of AssiDomän AB.

Holdings, own and those of closely related persons, of financial instruments in Rottneros as at 22 February 2010: 120,000 shares, 27,128 call options



#### *Ingrid Westin Wallinder*

Born 1957, Bachelor of Laws  
Member of the Board since 2006

Other assignments/positions: Solicitor and partner at the Advokatfirman Lindahl KB law firm. Board member of Uppsala University's trusteeship and cooperative association, and board member of Uppsala Akademiförvaltning.

Previous assignments/positions: Chief legal counsel and board secretary for Avesta Sheffield AB and Avesta AB. Company solicitor at Nordstjernan AB.

Holdings, own and those of closely related persons, of financial instruments in Rottneros: –





***Bengt-Åke Andersson***

Born 1951, System Technician, Vallviks Bruk AB  
Employee representative  
Member of the Board since 2009  
Previous assignments/positions: –  
Assignments completed over the past five years: –  
Previous assignments/positions: –  
Holdings, own and those of closely related persons, of financial instruments in Rottneros: –



***Mikael Lilja***

Born 1966, Mechanic, Rottneros Bruk AB  
Employee representative  
Member of the Board since 2008  
Other assignments/positions: Member of the executive committee of the Swedish Paper Workers' Union.  
Assignments completed over the past five years: –  
Previous assignments/positions: –  
Holdings, own and those of closely related persons, of financial instruments in Rottneros: –



***Tord Strömberg***

Born 1950, Shift Supervisor, Rottneros Bruk AB  
Employee representative  
Deputy board member since 2009  
Previous assignments/positions: Member of Ledarna (the Swedish Organization for Managers).  
Assignments completed over the past five years: Deputy General Examiner at Sunne Bostads Aktieföretag.  
Previous assignments/positions: –  
Holdings, own and those of closely related persons, of financial instruments in Rottneros: –



***Thomas Wasberg***

Born 1962, Operator, Vallviks Bruk AB  
Employee representative  
Deputy board member since 2009  
Previous assignments/positions: Member of the Swedish Paper Workers' Union.  
Assignments completed over the past five years: –  
Previous assignments/positions: –  
Holdings, own and those of closely related persons, of financial instruments in Rottneros: –

**AUDITORS**

***Öhrlings***

***PricewaterhouseCoopers AB***

Chief auditor: Magnus Brändström  
Born 1962, Authorised Public Accountant and member of FAR SRS. Elected until 2011 AGM.

## SENIOR EXECUTIVES

*Ole Terland*

Born 1958, Licentiate of Engineering  
President and CEO, employed since 2008  
Other assignments/positions: Board member and Chair of Utansjö Bruk Aktiebolag, Rottneros Bruk AB, Rockhammars Bruk AB, Rottneros Packaging AB and Vallviks Bruk Aktiebolag. Member of the board of the Swedish Forest Industries Federation. Assignments completed over the past five years: Board member and Chair of Rottneros Miranda SA  
Previous assignments/positions: Senior positions within the SCA Group in the fine paper, magazine paper, packaging and tissue paper divisions; most recently Head of the Corporate Technology Department at SCA's head office.  
Holdings, own and those of closely related persons, of financial instruments in Rottneros as at 22 February 2010: 4,402,370 shares, 92,879 call options; 4,000,000 of shares held are invested in endowment insurance.

*Olle Dahlin*

Born 1954, M.Sc. Engineering and M.Sc. Business and Economics  
MD of Rottneros Bruk AB, employed since 2005  
Other assignments/positions: Board member of Rottneros Bruk AB. Board member and MD of Utansjö Bruk Aktiebolag.  
Assignments completed over the past five years: Deputy member of the board of Biathlon Events i Sverige AB. Member of the board of Arctic Paper Munkedals Aktiebolag.  
Previous assignments/positions: Senior positions within the SCA Group, Assi-Domän, Frantschach and Arctic Paper.  
Holdings, own and those of closely related persons, of financial instruments in Rottneros as at 22 February 2010: 1,755,753 shares, 7,739 call options

*Ingemar Eliasson*

Born 1956, M.Sc. Forestry  
Wood Procurement Director, employed since 1987  
Other assignments/positions: Deputy board member of VMF Qbera economic association.  
Assignments completed over the past five years: Deputy board member of Rockhammars Bruk AB and VMF Nord economic association.  
Previous assignments/positions: Positions at Mellanskog Skogsägarna and STORA.  
Holdings, own and those of closely related persons, of financial instruments in Rottneros as at 22 February 2010: 462,222 shares

*Karl Ove Grönqvist*

Born 1954, M.Sc. Business and Economics  
Chief Financial Officer, employed since 2006  
Other assignments/positions: Board member of Utansjö Bruk Aktiebolag, Rottneros Bruk AB, Rockhammars Bruk AB and Vallviks Bruk Aktiebolag. Board member and MD of Rottneros Packaging AB.  
Assignments completed over the past five years: Deputy board member of Rottneros Miranda SA and Frango Nordic AB. Board member of Frango International Aktiebolag.  
Previous assignments/positions: Previously held positions as an auditor and authorised public accountant, various financial positions for the Johnson Line/EffJohn shipping company, CFO at AssiDomän Packaging and Frango.  
Holdings, own and those of closely related persons, of financial instruments in Rottneros as at 22 February 2010: 524,330 shares

*Robert Jensen*

Born 1956, Production engineer  
MD of Vallviks Bruk AB, employed since 1999  
Other assignments/positions: Member of the board of Vallviks Bruk Aktiebolag. Board member and MD of Rockhammars Bruk AB. Owner of the sole proprietorship Larm och Drift Service.  
Assignments completed over the past five years: Member of the Board and Deputy MD of Rottneros Bruk AB. Deputy board member of Rottneros AB.  
Previous assignments/positions: Held various positions at Rockhammar Mill.  
Holdings, own and those of closely related persons, of financial instruments in Rottneros: –

*Ragnar Lundberg*

Born 1947, M.Sc. Engineering  
Technical Director, employed since 2000  
Other assignments/positions: Board member and Chairman of JLR Pulping Systems AB. Deputy board member of Rottneros Packaging AB and Annalunda AB.  
Assignments completed over the past five years: –  
Previous assignments/positions: Previously worked with research, development, technical customer service, production and sales at STFI, the MoDo Group and SCA Packaging.  
Holdings, own and those of closely related persons, of financial instruments in Rottneros as at 22 February 2010: 893,111 shares, 2,712 call options

*Ann Olhede*

Born 1958, Financial Accountant  
Purchasing Director, employed since 2007  
Other assignments/positions: Deputy board member of Olhede & Co i Stockholm AB.  
Assignments completed over the past five years: –  
Previous assignments/positions: Senior positions at member companies of MTG (Modern Times Group) and most recently Nordic Purchasing Manager at Accenture. Holdings, own and those of closely related persons, of financial instruments in Rottneros as at 22 February 2010: 222,222 shares

*Tomas Wiklund*

Born 1966, Degree in Business Administration  
Marketing Director, employed since 2002  
Other assignments/positions: Deputy Board member of Rockhammars Bruk AB.  
Assignments completed over the past five years: Board member of Utansjö Bruk Aktiebolag.  
Previous assignments/positions: Positions within pulp sales organisations of Stora Cell and Stora Enso.  
Holdings, own and those of closely related persons, of financial instruments in Rottneros as at 22 February 2010: 228,928 shares, of which 222,222 are invested in endowment insurance