



## Notice convening the Annual General Meeting of SAS AB (publ)

Shareholders in SAS AB (publ) (hereinafter the “**Company**”) are hereby invited to attend the Annual General Meeting on **Thursday 19 April 2011**. The Annual General Meeting will be held at 2 p.m. at Arlanda Airport Conference, Sky City, Stockholm-Arlanda, Sweden, in the meeting room SkyCity Hall, located at street level with entrance next to Sky City main entrance. Shareholders are also entitled to participate in the General Meeting via a telecommunications link at 2 p.m. at Radisson Blu, Scandinavian Hotel, Amager Boulevard 70, Copenhagen, Denmark and 2 p.m. at Radisson Blu Plaza Hotel, Sonja Henies plass 3, Oslo, Norway. The Annual General Meeting venues will open at 1:15 p.m. for registration. Registration of participants at the Annual General Meeting ends when the meeting is called to order.

**Instructions to holders of shares registered with Euroclear Sweden AB in Sweden (other than holders of shares registered with VP Securities A/S, the Danish Central Securities Depository, or with Verdipapirsentralen, the Norwegian Central Securities Depository)**

Shareholders who wish to attend the Annual General Meeting must be registered in the share register of the Company maintained by Euroclear Sweden AB on Friday 13 April 2012, and must notify the Company no later than Friday 13 April 2012, preferably before 4:00 p.m., at the following address: SAS AB (publ), Attn: SAS Group Investor Relations, Agneta Kampenborg Ekström/STOUU, SE195 87 Stockholm. Notification may also be made by telephone to +46 70 997 12 93 on weekdays between 9:00 a.m. and 3:00 p.m., by facsimile to +46 8-797 51 10 or through the Company’s website [www.sasgroup.net](http://www.sasgroup.net) (under Investor relations, Corporate governance, Shareholders’ meeting).

Shareholders whose shares are registered in the name of a nominee must temporarily have their shares registered in the shareholder’s own name to be entitled to participate in the Annual General Meeting. This registration process with Euroclear Sweden AB must be completed by Friday 13 April 2012. This means that shareholders must notify their nominees in sufficient time prior to this date.

**Instructions to holders of shares registered with VP Securities A/S in Denmark**

Shareholders in Denmark who wish to attend the Annual General Meeting must notify VP Investor Services A/S (VP) of this in writing to the following address: Weidekampsgade 14, P.O. Box 4040, DK-2300 København S, Denmark, by telephone to +45 4358 8866, by facsimile to +45 4358 8867 or through InvestorPortalen at [www.sasgroup.net](http://www.sasgroup.net) (under Investor relations, Corporate governance, Shareholders’ meeting), by 3:00 p.m. on Thursday 12 April 2012. The following rules also apply to participation. Shareholders who wish to attend the Annual General Meeting must be registered in the share register of the Company maintained by Euroclear Sweden AB by Friday 13 April 2012. Accordingly, shareholders whose shares are registered with VP Securities A/S in Denmark must request that VP temporarily registers the shares in the shareholder’s own name with Euroclear Sweden AB to be entitled to participate in the Annual General Meeting.

A request for such registration along with a notification of attendance at the Annual General Meeting must be submitted in sufficient time and no later than 3:00 p.m. on Thursday 12 April 2012 to VP through Internet as set out above or at the address above. Forms for notification of attendance and proxy forms are available from VP and [www.sasgroup.net](http://www.sasgroup.net) (under Investor relations, Corporate governance, Shareholders’ meeting) and will also be sent out to registered shareholders who have notified their email address to the Company. The registration application should include the account operating institution in Denmark (with the custody account number) with which the shareholder’s shares are deposited.

Shareholders whose shares are already registered in the name of the owner with Euroclear Sweden AB may send in a notification of attendance to the Company at a later date, but no later than Friday 13 April 2012, preferably before 4:00 p.m., in the manner prescribed above.

Shareholders who have other questions regarding the Annual General Meeting in Copenhagen may also contact Mürvet Sahin, SAS Group Corporate Legal Affairs at +45 323 22 018.

**Instructions to holders of shares registered with Verdipapirsentralen (VPS) in Norway**

Shareholders in Norway who wish to attend the Annual General Meeting must notify Nordea Bank Norge ASA (Nordea Norway), Securities Services – Issuer Services, of this in writing to P.O. Box 1166 Sentrum, NO-0107, Oslo, Norway, Attn: Thomas Taranger, or by facsimile to +47 22 48 63 49, by 3:00 p.m. on Thursday 12 April 2012 at the latest. The following rules also apply for participation. Shareholders who wish to attend the Annual General Meeting must be registered in the share register of the Company maintained by Euroclear Sweden AB by Friday 13 April 2012. Accordingly, shareholders whose shares are registered with VPS in Norway must request that Nordea Norway temporarily register the shares in the shareholder's own name with Euroclear Sweden AB to be entitled to participate in the Annual General Meeting.

A request for such registration along with a notification of attendance at the Annual General Meeting must be submitted in sufficient time and no later than 3:00 p.m. on Thursday 12 April 2012, to Nordea Norway at the address above. Forms for notification of attendance and proxy forms are available from Nordea Norway and [www.sasgroup.net](http://www.sasgroup.net) (under Investor relations, Corporate governance, Shareholders' meeting) and will also be sent out to registered shareholders who have notified their email address to the Company.

Shareholders whose shares are already registered in the name of the owner with Euroclear Sweden AB may send in a notification of attendance to the Company at a later date, but no later than Friday 13 April 2012, preferably before 4:00 p.m, in the manner prescribed above.

**Instructions applicable to all shareholders**

Notification of attendance should state the participant's attendance venue. Shareholders with shares registered in more than one country should state this when submitting their notifications. Shareholders or their representatives may be accompanied by no more than two assistants at the Annual General Meeting. Assistants to shareholders will be admitted to the Annual General Meeting only if the shareholder notifies the number of assistants in accordance with the notification instructions provided above for shareholders' participation in each country.

Shareholders represented by proxy must issue a dated written proxy for their representative. If possible, the proxy should be based on the proxy form provided by the Company. The proxy in original should be

sent in sufficient time prior to the Annual General Meeting and no later than Thursday 12 April 2012, to one of the addresses provided in this notice. Representatives of a legal entity must also submit a certified copy of the registration certificate or equivalent authorizing documentation. At the Annual General Meeting, a list is to be prepared of the present shareholders, representatives and assistants with details of the number of shares and votes each shareholder or proxy represents at the Annual General Meeting (voting list). A list of shareholders, proxies and assistants who have submitted notification of their attendance with the stated details (list of participants) will be distributed at the registration for the Annual General Meeting.

**Admission cards for the Annual General Meeting**

Admission cards, to be presented when entering the Annual General Meeting venue, will be sent out on 13-14 April 2012 to all shareholders who have submitted a notification of attendance in accordance with the instructions above.

**Number of shares and votes in the Company**

The Company has issued 329,000,000 ordinary shares and 0 subordinate shares, equivalent to a total of 329,000,000 votes. No shares are held by the Company itself.

**Proposed agenda**

1. Meeting is called to order.
2. Election of a chairperson for the Annual General Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of two persons to verify the minutes.
6. Determination of whether the Annual General Meeting has been duly convened.
7. Presentation of the annual accounts and auditors' report as well as the consolidated accounts and consolidated auditors' report.
8. Report on the work of the Board, the Remuneration Committee and the Audit Committee, followed by the CEO's address and in conjunction with this, the opportunity for shareholders to put questions to the Board and Group Management.
9. Resolutions on:
  - a. the approval of the statement of income and balance sheet and the consolidated

- statement of income and consolidated balance sheet,
- b. the application of the Company's earnings for the year in accordance with the approved balance sheet, and
  - c. discharge from liability for the members of the Board and the CEO.
10. Resolutions on:
    - a) the number of Board members,
    - b) remuneration for Board members, and
    - c) remuneration for the auditor.
  11. Election of Board members and Chairman of the Board.
  12. Resolution on the Nomination Committee.
  13. Resolution on the Board's proposed guidelines for remuneration of senior executives.
  14. Resolution on:
    - a) amendment to the articles of association, and
    - b) approval of amendment of the consortium agreement regarding SCANDINAVIAN AIRLINES SYSTEM Denmark-Norway-Sweden.
  15. Meeting is adjourned.

## PROPOSALS FOR RESOLUTIONS

### **The Board's motion on a dividend (Item 9b)**

The Board proposes that no dividend be paid for the financial year 2011.

### **The Nomination Committee's motions regarding General Meeting Chairman, Board, Nomination Committee, etc. (Items 2, 10 a-c, 11 and 12)**

The Nomination Committee – which consisted of Marianne Förander up to 31 January 2012 and Jonas Iversen as from 1 February 2012, Ministry of Finance, for the Swedish government (Chairman); Peter Brixen, Ministry of Finance, for the Danish government; Knut Utvik, Ministry of Trade and Industry, for the Norwegian government; Peter Wallenberg Jr for the Knut and Alice Wallenberg Foundation, Karsten Biltoft for Danmarks Nationalbank; and Anders Rydin for SEB Fonder – makes the following motions:

Election of Chairman for the General Meeting  
Attorney-at-law Klaes Edhall.

### Resolution on the number of Board members

The number of Board members elected by the Annual General Meeting shall be seven, with no deputies.

### Resolution on remuneration to Board members

The fees for the period until the end of the next Annual General Meeting shall remain unchanged, which means SEK 585,000 for the Chairman of the Board and, if any, SEK 390,000 for the First Vice Chairman and SEK 345,000 for the Second Vice Chairman and SEK 295,000 for each of the other Board members elected by the annual general meeting and ordinary employee representatives. It is also proposed that each deputy for ordinary employee representatives receive a study fee of SEK 1,000 per Board meeting and an attendance fee of SEK 3,500 for each Board meeting they attend. In addition to this remuneration, it is proposed that remuneration be paid for work on the Board Remuneration Committee in the amount of SEK 70,000 for the Remuneration Committee Chairman and SEK 25,000 for the Remuneration Committee's other members, as well as for work on the Board's Audit Committee, in the amount of SEK 95,000 for the Audit Committee Chairman and SEK 45,000 for each of the Audit Committee's other members.

### Resolution on remuneration to the Company's auditor

The fees for the Company's auditor shall be paid in accordance with approved invoice.

### Election of Board members and Chairman of the Board

It is proposed to re-elect Fritz H. Schur, Monica Caneman, Jens Erik Christensen, Dag Mejdell, Gry Mølleskog, Timo Peltola and Jacob Wallenberg. Furthermore, it is proposed that Fritz H. Schur be re-elected as Chairman of the Board.

### Resolution on the Nomination Committee

It is proposed that the Annual General Meeting resolve that a Nomination Committee be elected that is tasked with making proposals to the Annual General Meeting to be convened in 2013 for resolutions regarding:

- chairman of the Annual General Meeting,
- the number of Board members and remuneration to Board members, divided between the Chairman, Vice Chairman, other members and any remuneration for work on Board committees,
- election of Board members and Chairman of the Board,
- election of auditor,
- remuneration to the Company's auditor, and

- Nomination Committee for the 2014 Annual General Meeting.

It is also recommended that such a Nomination Committee be elected as follows:

- The Nomination Committee shall comprise six members.
- The Nomination Committee shall comprise the following shareholder representatives: Jonas Iversen, Ministry of Finance, for the Swedish government; Peter Brixen, Ministry of Finance, for the Danish government; Knut Utvik, Ministry of Trade and Industry, for the Norwegian government; Peter Wallenberg Jr. for the Knut and Alice Wallenberg Foundation; Karsten Biltoft for Danmarks Nationalbank, and Anders Rydin for SEB Fonder.
- Election of the Nomination Committee Chairman, replacement of members during their terms of office, and replacement of shareholder representative owing to a substantial reduction in shareholding, and other decisions concerning the Nomination Committee's composition and work shall take place in accordance with the written instructions submitted to the Nomination Committee, which it is proposed that the Annual General Meeting adopts.

**The Board's proposed guidelines for remuneration of senior executives (Item 13)**

The Board recommends that the guidelines from the preceding year remain unchanged, except for a decrease of the maximum pension premiums from 35 percent to 30 percent. Remuneration for the Company's senior executives, that is the CEO and Group Management, shall consist of a fixed salary, other benefits and pension. Total remuneration is to be competitive and adjusted to market conditions, as well as being proportionate to responsibilities and authority. The fixed annual salary shall reflect the requirements regarding, among other things, competencies, responsibilities and the complexity of the position. The fixed annual salary shall also reflect the performance that the executive has achieved and will subsequently be individual and differentiated. Pension benefits offered are to be defined contribution, with premiums not exceeding 30 percent of the fixed annual salary. The notice period shall be six months in the event the executive resigns and 12 months if the executive is dismissed by the Company. In the event of resignation or dismissal, a maximum of one year's fixed salary may be paid as severance pay, though with full deduction for any remuneration the executive may obtain from another employer or contractor. Agreements already concluded on terms that deviate from this regarding pensions, dismissal and resignation shall

continue to be in effect until they expire or are renegotiated. Furthermore, it is proposed that the Board be authorized to waive these guidelines, if in an individual case there is particular reason for doing so.

**The Board's proposal on amendment to the articles of association (item 14a)**

The Board proposes that §8 of the articles of association be amended so that the Company's financial year shall comprise the period 1 November – 31 October, instead of the calendar year, and that the current financial year be shortened and thus will comprise the period 1 January 2012 – 31 October 2012. The purpose of the change is for the financial year to follow the traffic program (winter/summer), in order to improve external reporting and internal governance, and to decrease internal administration. The resolution is contingent upon a permit from the Swedish Tax Agency. As a consequence of the change, SAS will apply the expected changed accounting rules regarding pensions (IAS19) in the financial year starting 1 November 2013.

**The Board's proposal on approval of amendment to the consortium agreement regarding SCANDINAVIAN AIRLINES SYSTEM Denmark-Norway-Sweden (item 14b)**

The Board proposes that Annual General Meeting, in accordance with § 3 of the articles of association, approves the amendment to § 10 of the consortium agreement, as restated on 8 May 2001, between SAS Danmark A/S, SAS Norge AS and SAS Sverige AB regarding SCANDINAVIAN AIRLINES SYSTEM Denmark-Norway-Sweden so that the consortium's financial year shall comprise the period 1 November – 31 October, instead of the calendar year.

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The Board proposes that the resolution by the Annual General Meeting on agenda items 14a and 14b, which are directly interrelated, be adopted as a "package", i.e. as one single resolution. The resolution requires the support of shareholders representing not less than two thirds (2/3) of the votes cast as well as the shares represented at the Annual General Meeting.

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The Company's annual accounts, auditor's report, consolidated accounts and consolidated auditor's report, the complete proposals in accordance with above, the auditor's statement on the guidelines for remuneration of senior executives 2011 and proxy forms will be available at the Company

and on the Company's website [www.sasgroup.net](http://www.sasgroup.net) (under Investor relations, Corporate governance, Shareholders' meetings) as from 29 March 2012. The documents will be sent to shareholders who request that at the Company's address SAS AB (publ), Attn: SAS Group Investor relations, SE-195 87 Stockholm, stating their address. The documents will also be available at the Annual General Meeting venues before the Annual General Meeting is called to order.

If a shareholder so requests, and if the Board determines it can be made without significant harm to the Company, at the Annual General Meeting, the Board and the CEO shall provide information on circumstances that may affect the assessment of an agenda item and/or the Company's financial situation. The same applies to the consolidated group accounts and other group companies.

The notice of this Annual General Meeting, including a proxy form will be distributed to all registered shareholders who have notified their e-mail address to the Company. The notice will also be held available at the Company's website [www.sasgroup.net](http://www.sasgroup.net) (under Investor relations, Corporate governance, Shareholders' meetings). The notice will further be sent by regular mail free of charge to shareholders who request that at the Company's address SAS AB (publ), Attn: SAS Group Investor relations, SE-195 87 Stockholm, stating their address.

Stockholm in March 2012

SAS AB (publ)

*The Board of Directors*