



## NOTICE OF ANNUAL GENERAL MEETING OF AXFOOD AKTIEBOLAG (publ.)

**The shareholders of Axfood Aktiebolag (publ.), reg. no. 556542-0824, are hereby invited to attend the Annual General Meeting to be held at 5 p.m. on Wednesday, 5 March 2008. Location: Grand Hotel, Vinterträdgården room, Royal entrance (located at the back of the hotel at the intersection of Stallgatan and Blasieholmsgatan), Stockholm. Registration opens at 4 p.m.**

### Right to participate

Shareholders who wish to participate in the proceedings of the Annual General Meeting must:

- be registered as shareholders in the register of shareholders maintained by VPC AB not later than Thursday, 28 February 2008, and
- notify the Company of their intention to attend the Meeting not later than 4 p.m. on Thursday, 28 February 2008.

Shareholders whose shares are registered in the name of a nominee must temporarily re-register their shares in their own names to be able to vote at the Meeting. Such re-registration must be executed with VPC AB not later than 28 February 2008. This means that shareholders must inform their respective nominees of such request well in advance of this date.

### Notification of attendance

Notification to attend the Meeting can be made in writing to Axfood AB, "AGM", Box 47021, SE-100 74 Stockholm, Sweden; by phone at +46-8-775 03 23; by fax at +46-8-775 81 65 (in which case the fax should indicate application to attend the AGM); or by using the application form on Axfood's website: [www.axfood.se](http://www.axfood.se).

Upon notification, shareholders must include their name, social security number or company registration number, their registered shareholding, and phone number (daytime). In addition, shareholders must report the number of assistants accompanying them to the Meeting (maximum of two). If voting by proxy, such proxy should be sent to the Company prior to the Annual General Meeting (along with any authorization documents, such as a certificate of incorporation).

Personal data obtained from notifications, proxies and the register of shareholders maintained by VPC AB will be used for the necessary registration and for preparation of the voting list for the Annual General Meeting.

### Proposed agenda

1. Opening of the Meeting
2. Election of a chairman to preside over the Meeting
3. Drawing-up and approval of the voting list
4. Approval of the agenda
5. Election of one or two persons to check the minutes

6. Decision as to whether the Annual General Meeting has been duly convened
7. Presentation of the parent company annual report and auditors' report, and of the consolidated accounts and auditors' report for the Group
8. CEO's address
9. Questions
10. Decisions concerning:
  - adoption of the income statement and balance sheet, and the consolidated income statement and consolidated balance sheet;
  - allocation of the Company's profit in accordance with the adopted balance sheet; and
  - discharge from liability of the directors and president
11. Determination of the number of directors and the number of alternate directors, and of the number of auditors and alternate auditors
12. Determination of directors' and auditors' fees
13. Election of directors and alternate directors
14. Election of the Chairman of the Board
15. Election of auditors
16. Appointment of a nominating committee
17. Determination of the principles for compensation of Company management
18. Other items of business
19. Conclusion of the Meeting

### Decisions proposed by the Board and Nominating Committee

*Item 2 – Recommendation of a chairman to preside over the Meeting*  
The Nominating Committee recommends that Göran Ennerfelt be elected to serve as AGM chairman

### *Item 10 – Dividend and record date*

The Board of Directors proposes that the ordinary dividend be set at SEK 12 per share (the dividend for the preceding year was SEK 20 per share, of which SEK 12 constituted an ordinary dividend and SEK 8 an extra dividend), and that the record date be set at 10 March 2008. If the Annual General Meeting votes in favour of the proposal, dividends are expected to be sent out via VPC AB on 13 March 2008. The last day of trading in the Company's stock including the right to the dividend is 5 March 2008.

*Items 11 - 15 – Proposals concerning the Board's composition, fees, etc.*

Pursuant to the decision made by the 2007 Annual General Meeting, shareholders who together own shares in the Company corresponding to at least 40% of all of the votes, in consultation with the three subsequently largest shareholders, have appointed a nominating committee. The Nominating Committee ahead of the 2008 Annual General Meeting consists of the following persons: Hans Dalborg (committee chair), Antonia Ax:son Johnson (representing Axel Johnson AB), Åsa Nisell (representing Swedbank Robur mutual funds), Anders Oscarsson (representing SEB mutual funds), and Jonas Hillhammar (representing Axfood's Shareholder Association). Göran Ennerfelt is a co-opted member of the Nominating Committee.

Shareholders who together represent more than 45% of the votes for the total number of shares in the Company have declared that they intend to vote in favour of all of the Nominating Committee's recommendations.

Under items 11-15 of the agenda, the Nominating Committee will propose the following:

that the number of directors shall be eight (8) (previous year: 7), and that no alternate director be appointed (previous year: 0);

that a registered public accounting firm be appointed with one (1) chief auditor (previous year: 2);

that the combined directors' fee shall be set at SEK 2,500,000 (previous year: SEK 1,875,000), whereby SEK 500,000 shall be payable to the Chairman of the Board (previous year: SEK 450,000), SEK 350,000 to the Vice Chairman of the Board (previous year: SEK 300,000), and SEK 275,000 to each of the other non-executive directors (previous year: SEK 225,000);

that the auditors' fee shall be payable as invoiced;

that the following Company directors shall be re-elected:

Antonia Ax:son Johnson

Peggy Bruzelius

Maria Curman

Göran Ennerfelt

Marcus Storch

Gunnar Söderling

Annika Åhnberg;

that the following person shall be elected to a first term as Company director:

Fredrik Persson

Fredrik Persson, born 1968, is CEO of Axel Johnson AB, Chairman of Axel Johnson International AB, Åhléns AB, Servera R&S AB, Novax AB, Mekonomen AB and Svensk Bevakningstjänst AB, and a director of Axfast AB and Lancelot AB;

that Göran Ennerfelt shall be elected as Chairman of the Board;

that the auditing firm KPMG Bohlins AB, with Chief Auditor Thomas Thiel, shall be elected to a first term. The auditing firm is elected for a term extending through the end of the 2012 Annual General Meeting.

*16 – Appointment of a nominating committee*

The Board proposes a resolution by the Annual General Meeting to adopt the following guidelines on appointment of a nominating committee:

Shareholders who own shares corresponding to at least 40% of all votes shall, after consultation with the three subsequently largest shareholders, appoint a nominating committee consisting of five members with the purpose of, ahead of the Annual General Meeting, making recommendations on the number of directors, the composition of the Board and directors' fees, and on whether any special fee shall be paid for committee work. Further, the committee shall make recommendations on the Chairman of the Board and on a chairman to preside over the Annual General Meeting and, where applicable, on auditors and their fees. The members of the Nominating Committee shall be announced not later than in connection with the release of the third-quarter interim report. The Nominating Committee's recommendations shall be publicly announced in connection with the publication of the notice of the Annual General Meeting.

In connection with its assignment in general, the Nominating Committee shall fulfil the duties which, according to the Swedish Code of Corporate Governance, are incumbent upon the Company's nomination process, and at the request of the committee, the Company shall provide personnel, such as a secretarial function for the committee, to facilitate the committee's work. Where needed, the Company shall also be able to bear reasonable costs for external consultants which are deemed by the committee to be necessary for the committee to fulfil its assignment

*Item 17 – Determination of the principles for compensation of Company management*

The Board's proposed principles for compensation and other terms of employment for Company management entails in essence that the Company shall strive to offer its senior executives going-rate compensation in the market, that their remuneration shall be set by a special compensation committee established within the Board, that the criteria for such shall be based on the importance of their work duties, required level of competence, experience and performance, and that their compensation shall consist of the following components:

- Fixed base salary
- Short-term variable compensation
- Long-term variable compensation

- Pension benefits, and
- Other benefits and severance terms

The variable compensation (the sum of the short-term and long-term compensation) shall be maximized at an amount corresponding to a certain, set percentage of the executives' base salary paid out during the year. The basic pension benefit consists of the so-called ITP plan. As a supplement to this, executives are entitled to a defined contribution pension in certain proportion to their salary levels ranging from 20-50 times the Base Amount. In other respects, the members of Axfood's Company management receive customary employment benefits. The term of notice is a maximum of 12 months. In addition, severance pay corresponding to a maximum of 18 months' salary can be payable. Company management consists of the CEO and the other ten (10) members of the Executive Committee. The proposal in its entirety will also be appended to the AGM notice that will be sent to all shareholders at their addresses registered in the shareholder register. The proposal is essentially in agreement with the principles that were adopted by the 2007 Annual General Meeting.

The Annual Report and Audit Report, as well as the Board's complete recommendations and accompanying documents concerning item 17 with respect to the principles for compensation of Company management, will be available at the Company's head offices and on the Company's website, [www.axfood.se](http://www.axfood.se), starting on 19 February 2008, and will be sent, upon request, to shareholders who provide their postal address.

This notice and the Board's complete recommendations concerning item 17 with respect to the principles for compensation of Company management, will be sent to all shareholders at the addresses listed in the shareholder register, in connection with its publication. Printed copies of the Annual Report will be sent to shareholders upon specific request, approximately one week before the Annual General Meeting.

All of the aforementioned documents will also be available at the Annual General Meeting.

Stockholm, February 2008

The Board of Directors

AXFOOD AKTIEBOLAG (publ.)