

## **The Saab AB Board of Directors' report according to 9.1 and 10.3 in the Swedish Corporate Governance Code**

The Remuneration Committee has evaluated the remuneration to senior executives of Saab, including variable remuneration, the application of the guidelines for remuneration and other terms of employment to senior executives that were resolved at the Annual General Meeting in 2012 as well as the current remuneration structures and remuneration levels in the company.

The Remuneration Committee is of the opinion that the guidelines that were resolved in 2012 achieve their purposes to facilitate the recruitment and retention of senior executives.

The Remuneration Committee has studied an external market analysis that indicates that the total remuneration to Saab's senior executives generally is in line with the applicable levels in comparable industries and markets.

The Remuneration Committee has also undertaken an evaluation of the long-term variable remuneration in the form of Saab's long-term share based incentive programs consisting of a Share Matching Plan and a Performance Share Plan and concludes that the programs are effective and fulfill their purposes. The Remuneration Committee believes that the long-term incentive programs are appropriate and the Committee has therefore recommended the Board of Directors to propose to the Annual General Meeting 2013 to adopt a Share Matching Plan 2013 and a Performance Share Plan 2013.

On the whole, the Remuneration Committee considers that the current remuneration structures and remuneration levels in the company are in line with market competitive levels. The Remuneration Committee has therefore recommended the Board of Directors to propose to the Annual General Meeting 2013 to adopt principles of remuneration with equivalent content to those that were resolved at the Annual General Meeting in 2012.

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**Linköping in March 2013**

**The Board of Directors in Saab AB (publ)**