

The Board of Directors' work during 2012

During the year the Board of Directors held nine meetings (five scheduled meetings, one statutory meeting and three extraordinary meetings). One board member was absent at two meetings. All board members were present at the other meetings.

The Board of Directors' duties include among other things:

- continuously evaluating the company's operational management, including the work of the CEO,
- ensuring that there are effective systems in place for monitoring and control of the company's operations,
- ensuring that the company's information provision is transparent, accurate, relevant and reliable,
- ensuring that there is satisfactory control of the company's compliance with laws and other regulations applying to the company's operations, and
- ensuring that necessary ethical guidelines for the company's conduct are established.

At the scheduled meetings, the CEO has reported on the Group's performance and financial position, including the outlook for the coming quarters. Investments, acquisitions and divestments were also considered. All acquisitions and divestments with a value (on a debt-free basis) exceeding SEK 100 million are decided by the Board of Directors. This amount presumes that the matter relates to acquisitions or divestments within the framework of the strategy agreed by the Board of Directors.

More important matters dealt with by the Board of Directors during the year included, among other things, ASSA ABLOY's investment in Seos, a commercial ecosystem for creating and managing digital keys in NFC cell phones. In addition, the Board of Directors dealt with a number of acquisitions, including Guoqiang and 4Front. During the year, the Board of Directors conducted in-depth reviews of the Group's operations in Entrance Systems and EMEA and visited Americas' operations Curries and Graham in the USA.

Remuneration Committee

During 2012 the Remuneration Committee comprised Lars Renström (Chairman) Jan Svensson, and Sven-Christer Nilsson.

The Remuneration Committee's task is to draw up remuneration guidelines for senior management, which the Board of Directors proposes to the Annual General Meeting for resolution. The Remuneration Committee also prepares, negotiates and evaluates matters regarding salaries, bonus, pension, severance pay and incentive programs for the CEO and other senior executives.

The Committee held one meeting in 2012, at which all members were present.

The Remuneration Committee's work included, among other things, preparing a proposal for the remuneration of the Executive Team, evaluating existing incentive programs and preparing a proposal for a long term incentive program for 2013. The meetings of the Remuneration Committee are minuted; the minutes are sent out with material for the Board of Directors and a verbal report is given at board meetings.

Audit Committee

During 2012 the Audit Committee comprised Ulrik Svensson (Chairman), Birgitta Klasén and Jan Svensson.

The duties of the Audit Committee include the continuous quality assurance of ASSA ABLOY's financial reporting. Regular communication is maintained with the company's auditor on matters including the focus and scope of the audit. The Audit Committee is also responsible for evaluating the audit assignment and informing the Board of Directors and the Nomination Committee of the results, as well as continuously monitoring the current risk status of legal risks in the operations.

The Audit Committee held four meetings in 2012 which all members, the company's auditor and representatives of the Executive Team were present.

More important matters dealt with by the Audit Committee during the year included internal control, financial statements and valuation matters, tax matters and legal risk areas. The meetings of the Audit Committee are minuted; the minutes are sent out with material for the Board of Directors and a verbal report is given at board meetings.

Stockholm in March 2013
The Board of Directors
ASSA ABLOY AB (publ)