

The boards work during 2009

During the year the Board held eight meetings, including two by telephone. All board members were present at these meetings.

The Board's other duties include:

- 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,
- ensuring that necessary ethical guidelines for the company's conduct are established.

At the scheduled board meetings, the President and CEO 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 M are decided by the Board. This amount presumes that the matter relates to acquisitions or divestments within the framework of the strategy agreed by the Board.

More important matters dealt with by the Board during the year included the acquisition of Ditec and Pan Pan. Further, revised policies on insider issues, external information provision and pension financing were adopted. During the year the Board also conducted an in-depth review of EMEA's operations and visited the American operations in New Haven.

Remuneration Committee

During 2009 the Remuneration Committee comprised Gustaf Douglas (Chairman) and Sven-Christer Nilsson.

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

The committee held three meetings during the year at which all members were present. The remuneration committee has during the year 2009, among other things, prepared the proposal for a long term incentive programme. The meetings of the Remuneration Committee are minuted; the minutes are sent out with material for the Board and a verbal report is given at board meetings.

Audit Committee

During 2009 the Audit Committee comprised Ulrik Svensson (Chairman), Birgitta Klasén and Lars Renström.

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 during the year, including one by telephone, at which all members, the company's auditor and representatives of senior management were present. The meetings of the Audit Committee are minuted; the minutes are sent out with material for the Board and a verbal report is given at board meetings.

More important matters dealt with by the Audit Committee during the year included drawing up a new policy and new guidelines for management of the funds allocated to meet the Group's pension liability. The Audit Committee also carried out a review of Management Assurance procedures, and prepared a decision on the appointment of auditor prior to the 2010 Annual General Meeting.

Stockholm in March 2010
The Board of Directors
ASSA ABLOY AB