

## **Annual General Meeting of Seco Tools AB**

The shareholders in Seco Tools Aktiebolag are hereby invited to attend the Annual General Meeting at 11:30 a.m. on Tuesday, 28 April 2009, at Folkets Hus in Fagersta, Sweden.

### **RIGHT OF PARTICIPATION**

To participate in the Meeting, shareholders must be recorded in the share register maintained by Euroclear Sweden AB (formerly VPC AB) no later than Wednesday, 22 April 2009. In order to be entitled to participate in the Meeting, shareholders whose shares are registered in the name of a trustee must temporarily re-register the shares in their own name with Euroclear Sweden AB in good time prior to Wednesday, 22 April 2009, when such registration must be completed. Please note that this procedure also applies to shareholders who use bank custody accounts and/or who trade via the Internet.

### **NOTICE OF PARTICIPATION**

Shareholders who wish to participate in the Meeting must notify the Board by writing to Seco Tools AB, Ekonomi, SE-737 82 Fagersta, Sweden, by telephone +46 (0)223-401 01 weekdays 9:00 a.m. -12:00 p.m. and 1:00-4:00 p.m., by fax +46 (0)223-402 00 or by Internet via Seco Tools' website ([www.secotools.com/notification](http://www.secotools.com/notification)). Notification must be received by Seco Tools AB no later Wednesday, 22 April 2009.

When registering, shareholders must provide their name, personal identity or corporate registration number, address, telephone number and the names of any assistants. If the shareholder intends to participate through a proxy, a written form of proxy must be submitted in good time prior to the Meeting. Proxy forms can be downloaded from the company's website ([www.secotools.com/proxy](http://www.secotools.com/proxy)).

### **AGENDA**

1. Opening of the Meeting.
2. Election of the Chairman of the Meeting.
3. Drawing up and approval of the voting list.
4. Election of one or two persons to verify the minutes.
5. Approval of the agenda.
6. Determination of whether the Meeting has been duly convened.
7. Address by the President.
8. Presentation of the annual report, the audit report, the consolidated financial statements and consolidated audit report.

9. Resolution regarding adoption of the income statements and balance sheets of the Parent Company and the Group.
10. Resolution regarding discharge from liability for the members of the Board of Directors and the President for the period covered by the accounts.
11. Resolution regarding appropriation of the Company's profits according to the adopted balance sheet and decision on the record date for dividends.
12. Resolution regarding the number of Board members and deputies. In connection with this, a report on the work of the nominating committee.
13. Resolution regarding fees to be paid to the Board of Directors and auditors.
14. Election of Board members and the Board Chairman.
15. Resolution regarding the nominating committee, etc., ahead of the 2010 AGM.
16. Resolution regarding the Board's proposed principles for remuneration to senior executives.
17. Adjournment of the Meeting.

## **PROPOSALS FOR DECISION**

### **Item 11 – Dividend and record date**

The Board proposes a regular dividend of SEK 3.20 per share. The proposed record date is Monday, 4 May 2009. If the Meeting approves the proposal, dividends are expected to be disbursed by Euroclear Sweden AB on Thursday, 7 May 2009.

### **Proposals of the nominating committee**

The nominating committee consists of committee chairman Lars Pettersson (Sandvik AB), Jan Andersson (Swedbank Robur Fonder), Ramsay J. Brufer (Alecta Pensionsförsäkring), Anders Algotsson (AFA Försäkring) and Seco Tools' Board Chairman Anders Ilstam.

The nominating committee proposes the following:

**Item 2:** Election of Board Chairman Anders Ilstam as Chairman of the Meeting.

**Item 12:** Eight regular Board members and no deputies.

**Item 13:** It is proposed that Board fees be unchanged from the previous year, and that these be paid in a total amount of SEK 1,800,000, of which SEK 450,000 to the Chairman and SEK 225,000 to each Board member not employed by the Company. It is also proposed that total fees of SEK 220,000 be paid for work on the audit committee, of which SEK 100,000 to the chairman of the audit committee and SEK 60,000 to each of the other members. It is further proposed that fees to the auditors be paid according to current account.

**Item 14:** Re-election of Board members Annika Bärems, Stefan Ernehalm, Jan-Erik Forsgren, Anders Ilstam, Staffan Jufors, Peter Larson, Carl-Erik Ridderstråle and Kai Wårn.

Re-election of Anders Ilstam as Board Chairman.

**Item 15:** The Company shall have a nominating committee consisting of one representative for each of the four largest shareholders in terms of voting power together with the Board Chairman (convener). When appointing the nominating committee, the largest shareholders shall be determined on the basis of information from Euroclear Sweden AB on the last banking day in August 2009. The composition of the nominating committee shall be announced immediately after it has been appointed. The chairman of the nominating committee shall be the member representing the largest shareholder in terms of voting power. The mandate period of the nominating shall extend until the next nominating committee has been appointed.

The tasks of the nominating committee are to make recommendations regarding election of the chairman of the AGM, the number of Board members, fees to be paid to Board members and auditors, election of Board members and the Board Chairman and recommendations for the appointment and responsibilities of the nominating committee ahead of the 2011 AGM.

In the event that a member leaves the nominating committee before completing his/her assignment, a replacement may be appointed by the same shareholder if deemed necessary by the nominating committee.

In the event that a shareholder who has appointed a member to the nominating committee has significantly reduced its holding in the Company, such member may resign and a representative for the shareholder next in order of size be given the opportunity to replace this member if deemed necessary by the nominating committee. If ownership conditions should otherwise change significantly before the nominating committee has fulfilled its duties, it shall be possible to change the composition of the committee, if the committee so decides and in a manner deemed appropriate by the committee.

The Company shall provide reasonable compensation for cost incurred in connection with the performance of the nominating committee duties. No fees shall be paid to the members of the nominating committee.

**Item 16 – Decision regarding the Board’s proposed principles for remuneration to senior executives**

The Board proposes that the Meeting resolve to adopt the following principles for remuneration to senior executives. The proposal is identical to the resolution passed by the 2008 AGM.

The proposal is designed to ensure that Seco Tools can offer a globally market-based level of compensation that enables the Company to attract and retain qualified staff for its executive management.

The total remuneration package consists of fixed salary and variable salary made up of one annual and one long-term component, as well as pension benefits and other benefits. Fixed salary, which is individual and differentiated on the basis of responsibilities and performance, is set according to market-based principles and is subject to yearly review. The variable component is based on the attainment of predetermined performance targets that are related to the Company's earnings trend and attainment of other key objectives. For the Group Executive Management, the yearly variable portion may not exceed 30-60% of fixed salary and the long-term variable portion may not exceed 20-40% of fixed salary.

Pension benefits for members of the executive management normally consist of a basic component comprising the ITP plan with a contractual retirement age of 65 years. In addition, senior executives may be entitled to i) a defined benefit-based pension between the ages of 60 and 65 years for the President and between the ages of 62 and 65 years for other members of the Group Executive Management ii) a supplementary premium-based pension. Termination benefits are payable in the event of termination of employment on the part of Seco Tools, provided that dismissal is not due to gross negligence. Any income from employment is deducted from the termination benefits, which correspond to between 12 and 18 monthly salaries for individuals under the age of 55 years and between 18 and 24 monthly salaries for individuals over the age of 55 years.

The Board shall have the right to deviate from the guidelines adopted by the AGM in individual cases where there is special reason to do so. The senior executives covered by the proposal include the President and the other members of the Group Executive Management.

## **SHARES AND VOTES**

The Company has a total of 145,467,690 shares and a total of 536,967,690 votes.

## **DOCUMENTS**

The annual report, audit report and the complete proposals for decision regarding items 11-16 will be available by 2 April 2009, at the latest, at Seco Tools AB and on the Company's website ([www.secotools.com](http://www.secotools.com)). The documents will be sent free of charge to those shareholders who so request.

## **PROGRAM FOR SHAREHOLDERS**

Registration for the Meeting will begin at 11:00 a.m. Coffee will be served starting at 10:00 a.m.

Fagersta, March 2009

SECO TOOLS AB (publ)

The Board of Directors