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# Press release from ÅF

**For immediate  
release:**  
2011-03-31

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## Invitation to attend the Annual General Meeting of Shareholders

**Shareholders of ÅF AB (publ) are invited to the Annual General Meeting of the company that will take place at 17.00 (5.00 pm) C.E.T. on Monday 2 May 2011 at the company's headquarters (address: Frösundaleden 2, Solna, Sweden). Registration for admittance will commence at 16.00 (4.00 pm).**

### **Entitlement to attend**

Shareholders who wish to participate in the Annual General Meeting must

- have their names entered in the shareholders' register maintained by Euroclear Sweden AB on Tuesday 26 April 2011 at the latest, and
- confirm their intention to participate by 16.00 (4.00 pm) C.E.T. on Wednesday 27 April 2011 at the latest via ÅF's website [www.afconsult.com](http://www.afconsult.com), or by telephone +46 10 505 00 00, or by post to ÅF AB, Legal, SE-169 99 Stockholm, Sweden, and must register any assistant(s) or advisor(s) at the same time.

The personal information kept in the shareholders' register maintained by Euroclear Sweden AB will be used to register and draw up the list of voters for the Annual General Meeting.

### **Shares registered in the name of a nominee**

Shareholders whose shares are registered in the name of a nominee through a bank or other nominee must, if they wish to exercise their right to participate in the Annual General Meeting, temporarily re-register their shares in their own name. Shareholders who wish to exercise their right in this way must inform their nominee of their intention to do so in good time before 26 April.

### **Proxy**

Shareholders, who are represented through a proxy, must issue a signed and dated power of attorney for the proxy to act on their behalf. If the power of attorney has been issued by a legal person, a certified copy of the certificate of incorporation for the legal person evidencing the authority to issue the power of attorney, must also be provided. The original of the power of attorney and, where appropriate, the certificate of incorporation should be submitted in good time before the Annual General Meeting to ÅF AB, Legal, SE-169 99 Stockholm, Sweden. Proxy forms for making power of attorney arrangements are available on the ÅF website: [www.afconsult.com](http://www.afconsult.com).

### **Annual Report**

It is anticipated that the Annual Report and Auditors' Report will be published on [www.afconsult.com](http://www.afconsult.com) during the week beginning 11 April. Printed copies may be ordered via the ÅF website or by phoning the ÅF Group switchboard.

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### **ÅF AB (publ)**

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[www.afconsult.com](http://www.afconsult.com) Corporate identity number: 556120-6474 Registered office: Stockholm, Sweden.

**Proposed agenda for the Annual General Meeting**

- 1 Election of a chairman for the meeting.
- 2 Preparation and approval of the list of those eligible to vote.
- 3 Approval of the agenda.
- 4 Election of minute checkers.
- 5 Confirmation of the legality of the call to meet.
- 6 The President/CEO's address.
- 7 Report of the work of the Board of Directors and the Remuneration and Audit Committees.
- 8 Presentation of the Annual Report and the Auditors' Report together with the consolidated accounts and the auditors' report for the same.
- 9 Resolutions concerning:
  - the approval of the income statement and the balance sheet together with the consolidated income statement and the consolidated balance sheet;
  - appropriations and allocations of the profit or loss made by the company according to the approved balance sheet, and the record day for the right to receive a shareholders' dividend;
  - discharge from liability for the members of the Board of Directors and the President/CEO.
- 10 Confirmation of the number of board members and deputy members to be elected by the meeting.
- 11 Confirmation of the remunerations to be awarded to the Board of Directors and the Auditors.
- 12 Election of Chairman of the Board, other members of the Board of Directors and any deputies.
- 13 Election of the Auditors and any deputy auditors.
- 14 Resolution concerning the Nomination Committee.
- 15 Resolution concerning the principles for salary and other remuneration for the President and other Members of the Management Group.
- 16 Resolution concerning the Performance-Related Share Programme 2011.
- 17 Resolution authorising the Board of Directors to acquire and transfer the company's own shares.
- 18 Resolution authorising the Board of Directors to make a new issue of shares.
- 19 Any other business relevant to the Annual General Meeting of Shareholders in accordance with the Swedish Companies Act.
- 20 Close of the Annual General Meeting.

**Election of a Chairman for the meeting (item 1 on the agenda)**

The Nomination Committee proposes the Chairman of the Board, Ulf Dinkelspiel, to chair the meeting.

**Shareholders' dividend (item 9 on the agenda)**

The Board of Directors proposes a shareholders' dividend of SEK 4.00 per share. It is proposed that Thursday, 5 May 2011 be made the record day for the right to receive this dividend. It is anticipated that payment will be made via Euroclear Sweden AB on Tuesday, 10 May 2011.

**Proposals re: the election of the Board of Directors and Auditors and remunerations and emoluments to the directors and auditors (items 10, 11, 12 and 13 on the agenda)**

The Nomination Committee proposes that the Board of Directors of the company shall continue to consist of eight members elected by the Annual General Meeting with no deputies.

It is proposed that remunerations to the Board up until the time of the next Annual General Meeting shall total SEK 2,150,000, of which SEK 450,000 is allocated to the Chairman of the Board of Directors and SEK 200,000 is allocated to each of the seven other directors. This is an



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increase in these remunerations from SEK 400,000 and SEK 175,000 respectively. It is proposed that the fees paid to members of the Audit Committee shall rise to SEK 90,000 for the Chairman and SEK 45,000 for the other members. For the members of the Remuneration Committee, it is proposed that the fees paid remain unchanged at SEK 50,000 for the Chairman and SEK 35,000 for the other members. This brings the total fees paid out for committee work to SEK 300,000.

The Nomination Committee also proposes that remuneration to the auditors shall be paid in accordance with approved invoices.

It is proposed that following directors of the company be re-elected: Ulf Dinkelspiel, Patrik Enblad, Anders Snell, Eva-Lotta Kraft, Helena Skåntorp, and Lena Treschow Torell. It is proposed that Anders Narvinger be elected to serve as a director of the company. Jon Risfelt has stood down from re-election.

Anders Narvinger was born in 1948. He holds a degree in Engineering from the Faculty of Engineering at Lund University and an Economics degree from Uppsala University. Anders Narvinger has previously been President of ABB Sweden. His current appointments include the chairmanships of TeliaSonera AB, Alfa Laval AB, Trelleborg AB and Coor Service Management, the Swedish Association of Exchange-Listed Companies and the Swedish Association for Generally Accepted Principles in the Securities Market. He is a director of PernodRicard SA and JM AB. Anders Narvinger is a member of the Royal Swedish Academy of Engineering Sciences and is Vice Chairman of the Swedish National Committee of the International Chamber of Commerce, ICC.

None of the individuals proposed for election to the Board of Directors has a position of dependence with regard to the company. Björn O Nilsson and Anders Snell do, according to the Nomination Committee's interpretation of the rules in the Swedish Code of Corporate Governance, have a position of dependence with regard to the largest shareholder in the company, Ångpanneföreningen's Foundation for Research & Development. None of the other directors proposed has any position of dependence with regard to the company's major shareholders.

The Nomination Committee's motivation relating to its proposals for directors to the board of the company is available on ÅF AB's homepage.

The Nomination Committee proposes that Ulf Dinkelspiel be re-elected Chairman of the Board of Directors.

For further information about the proposed Board of Directors, you are referred to [www.afconsult.com](http://www.afconsult.com).

The Nomination Committee proposes to the Annual General Meeting that Ernst & Young be appointed auditors to the company, with Lars Träff as Senior Auditor, to serve until the end of the Annual General Meeting for 2012.

**Proposed resolution concerning the Nomination Committee (item 14 on the agenda)**

The Nomination Committee that has been appointed to submit proposals to the 2011 Annual General Meeting of ÅF AB proposes that the principles governing who is to be appointed to serve on the Nomination Committee shall remain the same as those approved by the 2010 Annual General Meeting and be as follows:

The Nomination Committee shall consist of representatives of a minimum of three and a maximum of five of the largest shareholders by voting entitlement, in addition to the Chairman of the Board. The Chairman of the Board will contact the largest shareholders by voting entitlement to invite them to participate in the Nomination Committee. The entitlement shall be based on Euroclear Sweden AB's list of shareholders (by groups of owners) on the last banking day in



August, and on other reliable information provided to the company on the last banking day in August.

The names of the members of the Nomination Committee and the names of the shareholders they represent are to be published at the latest six months before the Annual General Meeting. If any of the largest shareholders by voting entitlement waives the invitation to appoint a representative to the Nomination Committee, the next largest shareholder by number of votes shall be given the opportunity to appoint a representative. The person appointed by the largest shareholder by voting entitlement shall be appointed Chairman of the Nomination Committee, unless the Nomination Committee decides otherwise. The Nomination Committee exercises its mandate until the appointment of a new Nomination Committee.

If significant changes take place in the ownership structure after the Nomination Committee has been constituted and more than two months before the Annual General Meeting, the composition of the Nomination Committee shall be altered to accord with the principles specified above, if a major new owner expresses a wish to participate either by replacing the committee member who has been appointed by the smallest shareholder by voting entitlement, or by expanding the Nomination Committee to include one additional member. Shareholders who acquire sufficient shares to qualify as one of the three largest shareholders by voting entitlement within the two months immediately preceding the Annual General Meeting shall have the right to a co-opted representative on the Nomination Committee, if they so wish.

Shareholders who have appointed a member of the Nomination Committee have the right to relieve this member of his/her duties and to appoint a new member in the Nomination Committee in his/her place.

The Nomination Committee shall submit proposals to the Annual General Meeting on:

- the election of a Chairman for the Annual General Meeting,
- the election of a Chairman of the Board and other members of the Board of Directors of the company,
- the allocation of Directors' fees between the Chairman of the Board and other Directors, and any remuneration for committee work,
- election and remuneration of Auditors and Deputy Auditors (where appropriate), and
- resolutions on the principles for the appointment of the Nomination Committee.

The Nomination Committee shall have the right to charge the company for expenses such as those incurred in conjunction with the use of recruitment consultants, whose assistance may be required to enable the Nomination Committee to execute its duties properly. No fees are payable to members of the Nomination Committee.

**Proposals for resolutions concerning the principles for salary and other remuneration for the President and other Members of the Management Group (item 15 on the agenda)**

*The Remuneration Committee*

The Board appoints a Remuneration Committee which is tasked with making recommendations in respect of terms of employment, pension benefits and bonus systems for senior executives. The remit of the Remuneration Committee shall also cover overall terms of employment and remuneration for all employees of the company.

*Senior executives*

The term "senior executives" refers to the President/CEO, the senior management group and managers who report directly to the President/CEO.



### *Remuneration*

The ÅF Group bases rates of remuneration on the principle that remuneration shall be payable on competitive market terms that enable the Group to recruit and retain senior executives. ÅF has adopted the “grandfather principle”, under the terms of which remuneration levels must always be approved by each manager’s manager or superior.

The remuneration of key management personnel consists of the following components: basic salary, variable remuneration, pensions and long-term incentive programmes. Other remuneration may also be provided, usually in the form of a company car.

The Board of Directors shall ensure that there is a suitable balance between fixed and variable components.

### *Basic salary and variable remuneration*

These forms of remuneration are renegotiated annually. Remuneration shall be based on factors such as duties, expertise, experience, position and performance. In addition, the ratio between basic salary and variable remuneration shall be related to the individual’s position and duties. Variable remuneration for the President/CEO is a maximum of 65% of fixed annual salary; for other employees it is a maximum of 60% of fixed annual salary. Fixed annual salary is current monthly salary multiplied by 12.2. Variable remuneration is the amount after the deduction of social security contributions. The variable component of salary is based on outcomes in relation to targets. The targets and salary of the President/CEO are set by the Board of Directors. For other senior executives, these are set by the President/CEO in consultation with the Remuneration Committee.

### *Long-term incentive programmes*

Key personnel within the ÅF Group may be eligible to participate in various types of incentive programme on market terms. These programmes are long-term in their nature and require that the individual remains in the employment of ÅF AB throughout the duration of the programme. The emphasis shall be placed on share-related incentive programmes that aim to reward performance, increase and spread share ownership among senior executives, and encourage them to remain with the company. The assumption is that a personal, long-term ownership commitment among key personnel stimulates greater interest in the business and in profitability while also strengthening motivation and identification with the company and thus safeguarding the company’s needs for key competence.

Decisions relating to the design of long-term incentive programmes are made by the Board and, as far as share and share price related programmes are concerned, must be submitted to the Annual General Meeting for approval.

### *Pensions*

Senior executives shall have defined-contribution pension plans with premiums that reflect current market terms and conditions. All pension benefits shall be vested, and shall not, therefore, be dependent on future employment. The retirement age is 60 for the President/CEO and 65 for other senior executives.

### *Termination of employment and severance pay*

In the event that the President/CEO is given notice by the company, the period of notice is 24 months. If the President/CEO gives notice, the period of notice is 6 months.

As regards the period of notice between the company and other senior executives, the period of notice from the company’s side is normally 12 months and from the employee’s side, 6 months.



**Proposal re: resolution concerning the Performance-Related Share Programme 2011 (item 16 on the agenda)**

*Background and reasons for the proposal*

The Board of Directors believes that it is important and in the interests of all shareholders that key personnel in the Group have a long-term interest in the positive development of the value of the company's shares. For this reason, the Board proposes that the Annual General Meeting approve the long-term incentive programme for key personnel that are described below.

The purpose of this long-term incentive programme is to encourage continued loyalty among employees and sustained levels of good performance. It is also the Board's conviction that the incentive programme will increase the appeal of the ÅF Group as an employer. To participate in the programme, employees must invest their own money.

In order to implement the Performance-Related Share Programme 2011, the Board of Directors proposes that a maximum total of 155,000 class B shares may be acquired and transferred to employees in the ÅF Group, and that some of the shares may also be transferred on the Nasdaq OMX Stockholm in order to cover social security contributions and other costs related to the programme.

*Proposal*

**Performance-Related Share Programme 2011**

The Board of Directors proposes that the Annual General Meeting resolve on the implementation of a long-term Performance-Related Share Programme 2011, extending to 155,000 class B shares in accordance with the principal guidelines that follow:

(a) Approximately 100 key employees including the President/CEO shall – with due regard to the statements made under item c) below – be offered the opportunity to participate in the Performance-Related Share Programme 2011.

(b) Employees who participate in the Performance-Related Share Programme 2011 may, during the 12-month period from the implementation of the programme, save an amount equivalent to a maximum of 5 percent of their gross salary for the purchase of the company's class B shares on the Nasdaq OMX Stockholm. If the employee retains the shares purchased for three years from the date of the investment and if the employee has been continuously employed by the ÅF Group during the entire three-year period, the employee will be entitled to the corresponding number of class B shares, free of consideration. In addition to this direct matching as described above, the abovementioned key employees including the President/CEO will be offered performance-matching of their shares under the following conditions:

- Approximately 90 business area managers, section managers and certain specialists may be given the right to performance-matching of up to four shares for every share purchased.
- Approximately 10 employees in the senior management group may be given the right to performance-matching of up to five shares for every share purchased.
- The President/CEO may be given the right to performance-matching of up to six shares for every share purchased.

(c) Participation in the Performance-Related Share Programme 2011 is contingent upon the fact that such participation is admissible in law and that, in the opinion of the company, it can be undertaken at reasonable administrative cost and with reasonable financial investment. The Board of Directors does, however, reserve the right to implement an alternative incentive solution for employees in countries where participation in the Performance-Related Share Programme 2011 is inappropriate. Any such alternative incentive solution shall, as far as is practically possible, be designed to correspond to the terms of the Performance-Related Share Programme 2011.



(d) The terms and conditions for performance-matching for key employees are based on the following:

ÅF's mean annual increase in earnings per share for the ÅF share during the period 1 July 2011 up to and including 30 June 2014 shall be at least 5 percent. The base value for the calculation of the increase in EPS is constituted from the EPS values for the third and fourth quarter of 2010 and the first and second quarter of 2011. The maximum number of performance-matched shares (i.e. four, five or six shares respectively) will be vested if the mean annual increase in EPS is equal to or in excess of 15 percent. No vesting of performance-matched shares will be made if the mean annual increase in EPS is less than 5 percent. Matching of shares in the event of a mean annual increase in EPS between 5 and 15 percent will be made on a straight-line basis. The performance target may be adjusted in the event of extraordinary incidents or circumstances that affect the business of the ÅF Group or the number of outstanding shares in the company, or for any other reason that is considered relevant by the Board. No adjustment will be made for extraordinary costs.

(e) Before the number of performance shares for matching is finally determined, the Board of Directors shall consider whether performance-matching is reasonable with regard to the company's financial performance and position, and the situation both on the stock market and in general. Should the Board of Directors conclude that full matching is not appropriate, it may reduce the number of performance shares to a number the Board of Directors deems appropriate.

*Preparation of the Performance-related Share Programme*

The Performance-related Share Programme 2011 has been prepared by the Remuneration Committee in consultation with the Board of Directors. The proposal has been approved by the Board. The President/CEO did not participate in the Board's preparation and resolutions on the proposal.

**Proposal for a resolution authorising the Board to acquire and transfer the company's own shares (item 17 on the agenda)**

(a) The Board proposes that the Annual General Meeting grant the Board a mandate, for the period until the next Annual General Meeting, to acquire ÅF shares on the Nasdaq OMX Stockholm or make acquisition offers to shareholders, and to transfer ÅF shares on the Nasdaq OMX Stockholm. Payment may be effected by means other than cash.

(b) The Board also proposes that the Board be granted a mandate to make further purchases/sales of the company's class B shares sales on one or more occasions before the 2012 Annual General Meeting for the implementation of the Performance-Related Share Programme for 2011. Purchases may be made only on the Nasdaq OMX Stockholm and at a price within the current registered price range on the purchase date. A maximum of 204,000 class B shares may be acquired to ensure the provision of shares to participants in the Performance-Related Share Programme for 2011 and to hedge the costs associated with this action. A maximum of 155,000 class B shares may be transferred to participants in the long-term Performance-Related Share Programme for 2011 that is described under item 16. In addition, the company shall have the right to transfer on the Nasdaq OMX Stockholm before the 2012 Annual General Meeting a maximum of 49,000 shares from its holding of 204,000 shares to cover certain expenditures for the programme, primarily social security contributions.

The aim of the proposed buy-back mandate as described in (a) and (b) above is to give the Board greater freedom of action in the company's capital restructuring process and, in accordance with the conditions described above, to enable the company to transfer shares to company employees. The buy-back is to be controlled in such a way that the company's own holding does not exceed one tenth (1/10) of the total number of shares in the company.



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**Proposal for a resolution authorising the Board to make a new issue of shares (item 18 on the agenda)**

The Board proposes that the Annual General Meeting grant the Board a mandate to issue new class B shares on one or more occasions before the next Annual General Meeting. Payment for new shares may be in capital contributed in kind or, with preferential rights for shareholders, against cash. The purpose of such an issue is to increase share capital by issuing shares on market terms. However, the maximum number of new shares issued must not exceed 3,000,000, which corresponds to an increase of a maximum of SEK 15,000,000 in the company's share capital.

The purpose of this mandate is to give the Board the opportunity to use a new issue to pay all of or part of the purchase price of new corporate acquisitions in the form of shares in the company. To be valid, a decision on this proposal must be supported by shareholders representing at least two thirds of the votes cast and of the shares represented at the general meeting.

**Shares and votes**

ÅF's share capital totals SEK 170,295,010 and comprises a total of 34,059,002 shares, of which 1,608,876 are class A shares and 32,450,126 are class B shares, corresponding to a total of 48,538,886 votes. Class A shares entitle the holder to 10 votes per share. Class B shares entitle the holder to one vote per share. At the time when this invitation to the Annual General Meeting was issued, ÅF AB held 284,000 of the company's own class B shares, corresponding to 284,000 votes for which there can be no representation at the Annual General Meeting.

**Information to the Annual General Meeting**

The Board of Directors of the company and the President/CEO shall, if requested to do so by a shareholder and on condition that the Board considers that such a request can be met without any significant adverse effects on the company, provide information about circumstances that may affect the assessment of an item on the agenda, or of the financial situation of the company or one of the company's subsidiaries, and/or of the company's relationship to another Group company. Shareholders who wish to do so may submit their questions in advance to ÅF AB, Legal, SE-169 99 Stockholm, Sweden.

**Other information**

The full texts of the proposals of the Board of Directors with regard to the resolutions above, together with a statement from the Board of Directors with regard to the proposals concerning the shareholders' dividend and the buy-backs of the company's own shares will be available at the company's headquarters (address: Frösundaleden 2, Solna, Sweden) from 15 April 2011 and will also be posted on the company's website [www.afconsult.com](http://www.afconsult.com). Shareholders who wish to avail themselves of these documents may apply to the company to have the material sent to them by post or e-mail.

Stockholm, March 2011  
ÅF AB (publ)  
Board of Directors

*ÅF is a leader in technical consulting, with expertise founded on more than a century of experience. We offer highly qualified services and solutions for industrial processes, infrastructure projects and the development of products and IT systems. Today ÅF has approximately 4,500 employees. Our base is in Europe, but our business and our clients are found all over the world.*