

# Notice to attend Annual General Meeting at Semcon AB (PUBL)

*Shareholders of Semcon AB (publ), corporate identity number 556539-9549, are hereby invited to attend the Annual General Meeting at 3 p.m. on Friday 26 April 2013 at the company's office on Theres Svenssons gata 15, Göteborg, Sweden.*

## **Participation in the AGM and registration**

Shareholders wishing to participate in the AGM shall be registered in the Shareholders' Register held by Euroclear Sweden AB as of Saturday 20 April 2013 and have notified the company of their intention to attend by 4 p.m. on Monday 22 April 2013. Shareholders may be accompanied by at most two assistants, provided that the company is notified of this by the above date. Notification of participation at the Meeting shall be made in writing to Annika Tedenhag, 417 80 Göteborg, Sweden, by telefax to +46 31-721 03 33, by email to [annika.tedenhag@semcon.se](mailto:annika.tedenhag@semcon.se) or by telephone to +46 736-840799. Notification should include name, social security number or organization number, shareholdings, address, telephone number (business hours) and name(s) of assistant(s).

## **Shares registered to trustees**

Shareholders whose shares are registered in the name of a trustee and who would like to participate in the Shareholders' Meeting must temporarily re-register their shares in their own name. Re-registration must be requested from the trustee. As the record date is a Saturday, voting registration must be executed via Euroclear Sweden AB by Friday 19 April 2013 at the latest. Shareholders who desire such re-registration must notify their trustees well in advance of this date.

## **Representatives**

If a shareholder sends a representative the representative shall bring a written, signed and dated power of attorney (original) to the Shareholders' meeting. The power of attorney may not be more than one year old, unless a longer period of validation (no more than five years) is stated in the power of attorney. If the power of attorney is issued by a legal entity, a certified copy of the registration certificate, or other document demonstrating the signatory's authority to sign for the legal entity, must be included. To make entry to the meeting easier, copies of the power of attorney and other necessary documents must have reached the company by 22 April 2013 at the latest via the above email or postal addresses. Forms granting power of attorney are available in Swedish and English on the company's website, [www.semcon.se](http://www.semcon.se) and may also be ordered from the addresses and telephone number used for notification of attendance at the meeting.

### **Number of shares and votes**

There are 18,112,534 shares and votes in the company. All shares are ordinary shares. The company owns 142,718 of the total shares.

### **Proposed Agenda**

1. Opening of the Shareholders' Meeting
2. Election of chairman of the Shareholders' Meeting
3. Drafting and approval of the voting list
4. Approval of the agenda
5. Election of two people to approve the minutes together with the chairman
6. Review as to whether the Shareholders' Meeting has been duly convened
7. Presentation of the annual report, auditors' report and consolidated accounts and consolidated auditors' report, along with a presentation of the work of the Board during the year by the President; questions from the meeting to the Board and management team
8. Decision regarding adoption of the income statement and balance sheet and the consolidated income statement and the consolidated balance sheet
9. Decision regarding appropriation of the company's profits according to the adopted balance sheet
10. Decision regarding indemnification of the board members and the CEO
11. Presentation of the work and proposals of the nominations committee
12. Decision regarding the number of Board members and deputies
13. Decision regarding number of auditors, deputy auditors or registered public accounting firms
14. Determination of remuneration to the Board of Directors
15. Determination of remuneration to the auditors
16. Election of Board chairman, Board members and deputies
17. Election of auditors, deputy auditors or registered public accounting firms
18. Decision regarding the nominations committee
19. Decision regarding guidelines for determining salaries and other remuneration to senior executives
20. Decision to authorize the Board to decide on new issues of ordinary shares
21. Decision to authorize the Board to decide on (a) acquisitions of ordinary shares and (b) transfer of ordinary shares
22. Other matters
23. Closing of the shareholders' meeting

### **Matters to be decided**

#### **Point 2. Election of chairman of the Shareholders' Meeting**

The nominations committee, appointed in accordance with the procedure decided by the 2012 AGM, comprises Gabriel Berg (JCE Group) chairman of the nominations committee, Evert Carlsson (Skandia Liv), Sven Zetterberg (Swedbank Robur fonder), and Semcon's chairman Kjell Nilsson, who together represent around 46% of the votes associated with all the shares in the company. The nominations committee proposes Kjell Nilsson as chairman of the Meeting.

Point 9. Decision regarding appropriation of the company's profits according to the adopted balance sheet and record date for dividend

The Board proposes that a dividend of SEK 2 per share be paid out and that all remaining profits at the meeting's disposal be carried forward. It is proposed that the record date for the dividend be 2 May 2013. If the meeting votes in accordance with the proposal, payment is expected to be made via Euroclear Sweden AB on 7 May 2013.

Point 12. Decision regarding the number of Board members and deputies

The nominations committee proposes that there be five ordinary Board members and no deputies.

Point 13. Decision regarding number of auditors, deputy auditors or registered public accounting firms

The nominations committee proposes that a registered public accounting firm be appointed as auditor.

Point 14. Determination of remuneration to the Board of Directors

The nominations committee proposes that the total fee to the Board be increased from last year by a total of SEK 300,000, of which SEK 100,000 to the chairman and SEK 50,000 to each of the Board members elected by the meeting. A total fee of SEK 1,500,000 shall be paid to Board members elected by the meeting, of which SEK 500,000 to the chairman and SEK 250,000 to each of the other members elected by the meeting. The nominations committee further proposes that no special fees be paid for work on Board committees.

Point 15. Determination of remuneration to the auditors

The nominations committee proposes that the fee paid to auditors be made via approved invoice.

Point 16. Election of Board chairman, Board members and deputies

The nominations committee proposes re-election of Kjell Nilsson, Marianne Brismar, Gunvor Engström, Håkan Larsson and Joakim Olsson as Board members. The committee proposes that Kjell Nilsson be re-elected as chairman. Kjell Nilsson has been President and CEO for the past five years and cannot be considered independent in relation to the company and the senior management team, but he can be considered independent in relation to the major shareholders. The other proposed Board members can be considered independent in relation to the company, the senior management team and the major shareholders. The nominations committee's justifications for these proposals and information about the proposed Board members are available on the company's website, [www.semcon.se](http://www.semcon.se).

Point 17. Election of auditors, deputy auditors or registered public accounting firms

The 2012 AGM elected Deloitte AB as auditors of the company up to the time of the end of the 2013 AGM. The nominations committee proposes that the registered public accounting firm Deloitte AB be re-elected as the company's auditor for a period of one year.

Point 18. Decision regarding the nominations committee

The nominations committee proposes, as last year, that the company shall have a nominations committee, that no remuneration be paid to the committee although the

company shall pay the costs of the committee, and that there be a nominations process with the following content. The nominations committee shall comprise the chairman of the Board and three, or in some cases four, additional members. Based on the shareholder statistics on 31 August, the chairman shall contact the three largest shareholders (based on number of votes) and ask each of them to appoint one member of the nominations committee. If a shareholder declines this offer, the offer shall be made to the next largest shareholder. The member proposed by the shareholder holding the most votes shall act as chairman of the nominations committee. If there are changes in the shareholder structure after 31 August and earlier than two months before the AGM, and if a shareholder consequently becomes one of the three largest shareholders and wishes to be represented on the nominations committee, then this shareholder shall have the right to either appoint an additional committee member or, if the nominations committee so decides, to appoint a representative to replace the representative of the shareholder who has the least number of votes after the ownership changes. If a member of the nominations committee resigns or is unable to fulfill his or her obligations, then the chairman shall without delay ask the shareholder to appoint a new representative within a reasonable time. If the shareholder declines to replace a representative the place on the committee shall be offered to the next largest shareholder who has not already appointed a representative or who has refrained from doing so. The nominations committee shall perform the duties that from time to time arise in accordance with Swedish Code of Corporate Governance. The duties of the nominations committee include making proposals for (i) chairman of the AGM, (ii) chairman of the Board and other Board members, (iii) fees and other remuneration for Board assignments for each Board member, (iv) fees for auditors, (v) selection of auditors and (vi) fees for members of the nomination committee and proposals for the nomination process in general.

#### Point 19. Decision regarding guidelines for determining salaries and other remuneration to senior executives

The Board proposes that the meeting establish guidelines for determining salaries and other remuneration to senior executives with the following main content. The company shall have a remuneration level and other employment terms that are needed to recruit and keep key decision makers with the right skills and capabilities to achieve the company's objectives. Total remuneration – made up of various components such as fixed salary, bonus, participation in share-linked incentive scheme, pension benefits and other remuneration and benefits – shall be reasonable, competitive and market-based, and shall be decided with regard to, among other things, performance, position and importance for the Group. Fixed salary shall be paid for satisfactory work and shall normally be reviewed once a year. A bonus shall be offered, but shall be primarily based on results and bonus targets, established once a year, and be a maximum of 6 months' salary. Senior executives shall be given the right to arrange individual pension solutions. Pension solutions shall be premium-based. Notice of dismissal from the company's side shall be at most 12 months. Dismissal salary and severance compensation combined shall not exceed 12 months' salary. In addition, other remuneration and benefits may be offered to facilitate possibilities to complete work assignments. The Board has the right to deviate from these guidelines in individual cases if there is good reason. To ensure continuity, the Board's proposals are in line with previous years' remuneration principles and agreements.

Point 20. Decision to authorize the Board to decide on new issues of ordinary shares  
The reason for the proposal, the main content of which is presented below, and the reason for deviating from preferential rights for existing shareholders, is that the Board wishes to create cost-efficient and flexible opportunities for making payments for acquisitions of companies or businesses or parts thereof.

The Board proposes that the meeting authorize the Board to decide, on one or more occasions prior to the next AGM, on a new share issue with deviation from existing shareholders' rights, of at most a total of 1,811,253 ordinary shares in Semcon to be used as liquidity in the financing or acquisition of companies or businesses or parts thereof, at which time the subscription price shall correspond to the share's assessed market value. Payment for the shares shall be in capital contributed in kind. On full utilization of the authorization to issue new shares, the total number of shares and votes in the company can increase by 1,811,253, representing dilution of around 10% of current shares and votes.

Point 21. Decision to authorize the Board to decide on (a) acquisitions of ordinary shares and (b) transfer of ordinary shares

The reason for the proposal, the main content of which is presented below and the reason for deviating from preferential rights for existing shareholders, is that the Board wishes to create cost-efficient and flexible opportunities to improve the company's capital structure and thus improve the share value and to make payments for or financing acquisitions of companies or businesses or parts thereof.

(a) – Authorization for Board to decide on acquisitions of ordinary shares

The Board proposes that the meeting authorize the Board to decide, prior to the next AGM, on the purchase of ordinary shares on the OMX Nordic Exchange Stockholm or through purchase offers directed to all owners of ordinary shares. Purchases of shares on each occasion shall be a maximum, after the purchase, of 10% of all shares in the company, purchases on the stock exchange shall be at a price within the current share price range, purchases linked with an acquisition offer shall have as their maximum price the market price at the time of the offer plus at most 20%, and payment shall be in cash.

(b) – Authorization for Board to decide on transfer of ordinary shares

The Board proposes that the meeting authorize the Board to decide, prior to the next AGM, on the transfer of ordinary shares to be as liquidity for the acquisitions of companies or businesses or parts thereof. Transfers on each occasion may be of the total number of ordinary shares owned by the company (except for ordinary shares generated through conversion of C shares), transfer may be made with deviation from preferential rights of existing shareholders, at a price corresponding to the share's assessed market value, and payment for the shares shall be with capital contributed in kind or through settlement of a receivable.

### **Special majority requirement**

For a decision relating to points 20 and 21 to be valid requires the respective decision must be supported by shareholders with a minimum of two-thirds of the voting rights and shares represented at the meeting.

**Disclosures at the meeting**

The Board and CEO may, at the request of any shareholder at the AGM, and if the Board doesn't consider it to have a negative impact on the company, provide information about conditions that can affect the assessment of matters on the agenda, conditions that can affect the assessment of the company's or subsidiaries' financial situation, or the company's relationship to other Group companies.

**Accounts and full presentations of proposals etc.**

The annual report containing the auditors' report for 2012, the auditors' statement in accordance with chapter 8, § 54 of the Swedish Companies Act, the nominations committee's complete proposals in accordance with points 19-21, and the Board's statement in accordance with chapter 18, § 4 and chapter 19, § 22 of the Swedish Companies Act, are all available on the company's website, [www.semcon.se](http://www.semcon.se). They will also be available from the company at the above address and will be sent free of charge to shareholders who request them and indicate their postal address.

Göteborg, March 2013

The Board of Directors, Semcon AB (publ)