

Corporate Governance - Our Approach

Securitas is committed to meeting high standards of corporate governance. The ultimate aim of the corporate governance is to protect the interests of shareholders' and other stakeholders. In order to achieve this Securitas has created a clear and effective structure for responsibility and governance.

Compliance to Swedish Code of Corporate Governance

Securitas AB is a Swedish public company listed since 1991 on the NASDAQ OMX Stockholm. Securitas applies the Swedish Code of Corporate Governance (the Code) and has published principles for corporate governance in previous Annual Reports and has a separate section on the Group website.

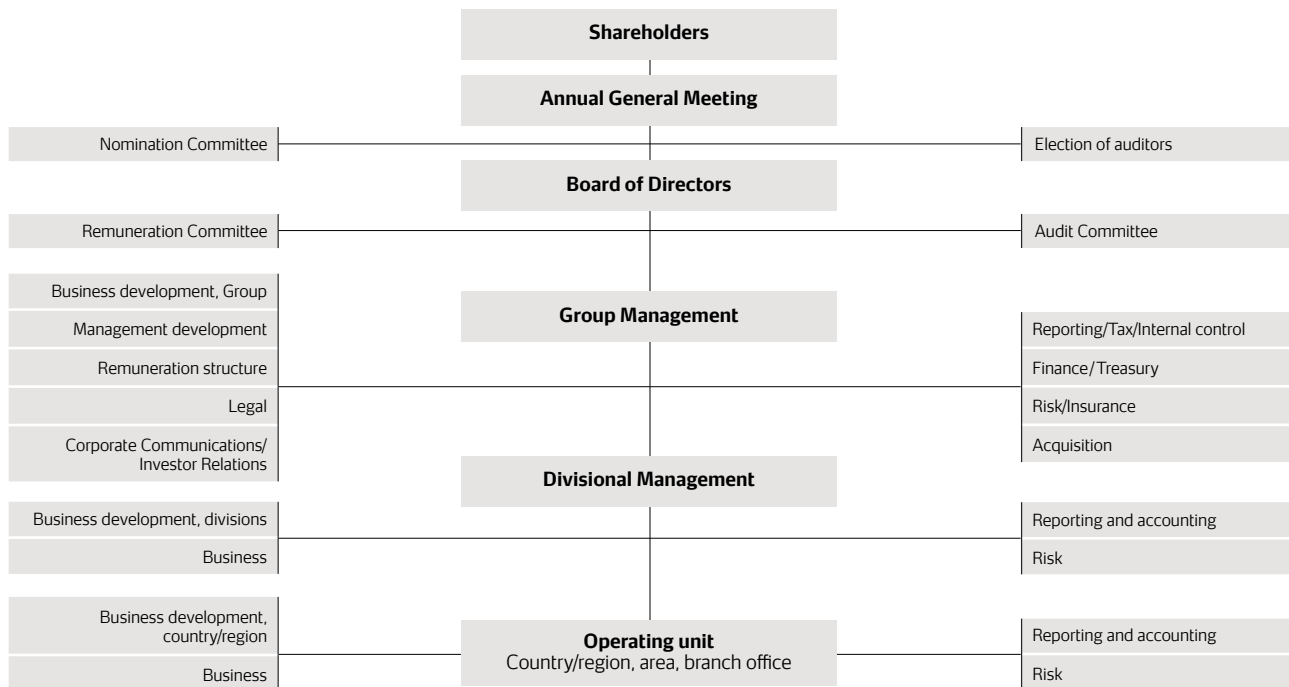
Securitas complies with the Swedish Code of Corporate Governance principle of "comply or explain" and follow up during 2009 has resulted in Securitas not having any deviations to report. This report does not form a part of the Annual Report and has not been audited.

Corporate Governance information on website

- Swedish Code of Corporate Governance: framework and compliance
- Corporate governance organization: internal control organization and Nomination Committee
- General Meetings: information from Securitas' General Meetings since 2007 including such information as minutes, presentations, guidelines for remuneration, etc.
- Board of Directors: responsibilities and work procedures, independence, committees, remuneration, etc.
- Group Management
- Auditors
- Corporate governance report and internal controls report
- Articles of Association

This information is available at www.securitas.com

Organization of corporate governance



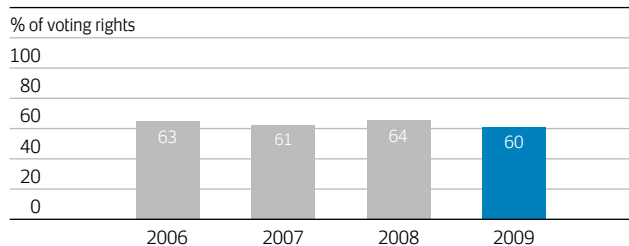
Significant shareholders

The principal shareholders in Securitas on December 31, 2009 were Gustaf Douglas, who through family and the companies Investment AB Latour, Säkl AB, Förvaltnings AB Wasatornet and Karpalunds Ångbryggeri AB holds 11.6 percent (11.6) of the capital and 30.1 percent (30.0) of the votes, and Melker Schörling who through family and Melker Schörling AB holds 5.6 percent (5.6) of the capital and 11.8 percent (11.8) of the votes. These shareholders are represented on the Board of Directors by Carl Douglas, Fredrik Palmstierna, Melker Schörling and Sofia Schörling Högberg. For more detailed information on shareholders please see the table on page 43. The company's share capital consisted of 17,142,600 Series A shares and 347,916,297 Series B shares as of December 31, 2009. Each Series A share carries ten votes and each Series B share one vote. In the event that the company issues new Series A and B shares, current shareholders have the preferential right to subscribe for new shares of the same series in proportion to their existing holdings.

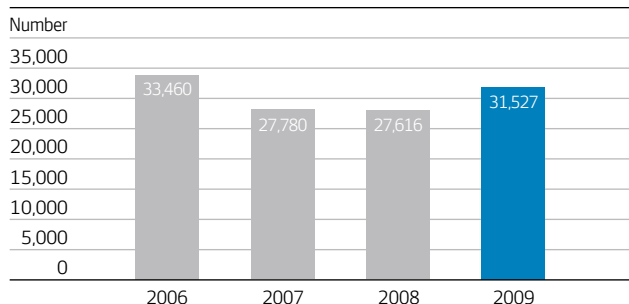
Annual General Meeting

All shareholders are able to exercise their influence at the Annual General Meeting, which is the company's highest decision-making body. The Annual General Meeting of Securitas AB (publ.) was held on May 7, 2009 and the minutes are available on Securitas' webpage where all resolutions passed can be found. For election and remuneration of Board members see page 120. At the meeting, shareholders representing 60.4 percent of the votes attended either personally or by proxy.

ANNUAL GENERAL MEETING ATTENDANCE 2006-2009



NUMBER OF SHAREHOLDERS 2006-2009



Nomination Committee

The Nomination Committee is a body established by the Annual General Meeting with the task of preparing the election of Board members, the Chairman of the Board, and remunerations to Board members and Board committees. Before such Annual General Meeting where election of auditors takes place the Nomination Committee also prepares the election of auditors and decision about fees to auditors and other related matters, after consultation with the Board of Directors and the Audit Committee.

At the Annual General Meeting held on May 7, 2009 the following five people were elected members of the Nomination Committee to work before the Annual General Meeting 2010:

| Name | Representing | Re-election | Share of Votes ¹ |
|-------------------------|---|-------------|-----------------------------|
| Gustaf Douglas | Major shareholders | YES | 30.1 % |
| Mikael Ekdahl | Melker Schörling AB (major shareholder) | YES | 11.8 % |
| Magnus Landare | Alecta | NEW | 3.2 % |
| Marianne Nilsson | Swedbank Robur | YES | 1.7 % |
| Mats Tunér ² | SEB Funds | YES | 2.3 % |

¹ As of May 7, 2009.

² As of November 2009 Per-Erik Mohlin has replaced Mats Tunér as representative of SEB Funds.

Gustaf Douglas was re-elected Chairman of the Nomination Committee. The Nomination Committee shall be entitled to appoint one additional member of the Nomination Committee. The Annual General Meeting resolved that in case a shareholder, whom a member of the Nomination Committee represents, is no longer one of the major shareholders of Securitas (based on votes), or if a member of the Nomination Committee is no longer employed by such shareholder or any other reason leaves the committee before the Annual General Meeting 2010, the committee shall have the right to appoint another representative of the major shareholders to replace such member.

The committee's work is established in the Procedure and instructions for the Nomination Committee of Securitas AB. The committee shall hold meetings as often as necessary in order for the committee to fulfill its duties. However, the committee shall hold at least one meeting annually. During 2009 the committee has met twice.

The members of the Board of Directors

Securitas has ten members elected by the Annual General Meeting, three employee representatives and one deputy employee representatives.

The Annual General Meeting 2009 re-elected Fredrik Cappelen, Carl Douglas, Marie Ehrling, Annika Falkengren, Stuart E. Graham, Alf Göransson, Berthold Lindqvist, Fredrik Palmstierna, Melker Schörling and Sofia Schörling Högberg. The Annual General Meeting re-elected Melker Schörling as Chairman of the Board. Mikael Ekdahl, Attorney at law, is the secretary of the Board. For further information on the members of the Board of Directors and President and CEO, please see pages 128–129. It was resolved that the fees to the Board should amount to SEK 4,875,000 in total (excluding fees of SEK 550,000 for committee work) to be distributed among the Board members as follows; Chairman of the Board: SEK 1,000,000, deputy Chairman of the Board: SEK 725,000 and each of the other Board members (except the President and CEO and employee representatives) SEK 450,000.

The responsibilities of the Board of Directors

The Board of Directors is responsible for the Group's organization and administration in accordance with the Swedish Companies Act and appoints the President and CEO, the Audit Committee and the Remuneration Committee. In addition, the Board of Directors decides on the President and CEO's salary and other remuneration. The Board meets a minimum of six times annually. The Group's auditors participate in the meeting of the Board of Directors in conjunction with the yearly closing of the books.

| Board Member | Independence in relation to the company | Independence in relation to shareholders |
|-----------------------------------|---|--|
| Melker Schörling | Yes | No |
| Carl Douglas | Yes | No |
| Fredrik Cappelen | Yes | Yes |
| Marie Ehrling | Yes | Yes |
| Annika Falkengren | Yes | Yes |
| Stuart E. Graham | Yes | Yes |
| Alf Göransson (President and CEO) | No | Yes |
| Berthold Lindqvist ¹ | Yes | Yes |
| Fredrik Palmstierna | Yes | No |
| Sofia Schörling Högberg | Yes | No |
| Total | 9 | 6 |

¹ Berthold Lindqvist passed away in December 2009 and is not included in the Board of Directors as of December 31, 2009.

The procedure of the Board of Directors

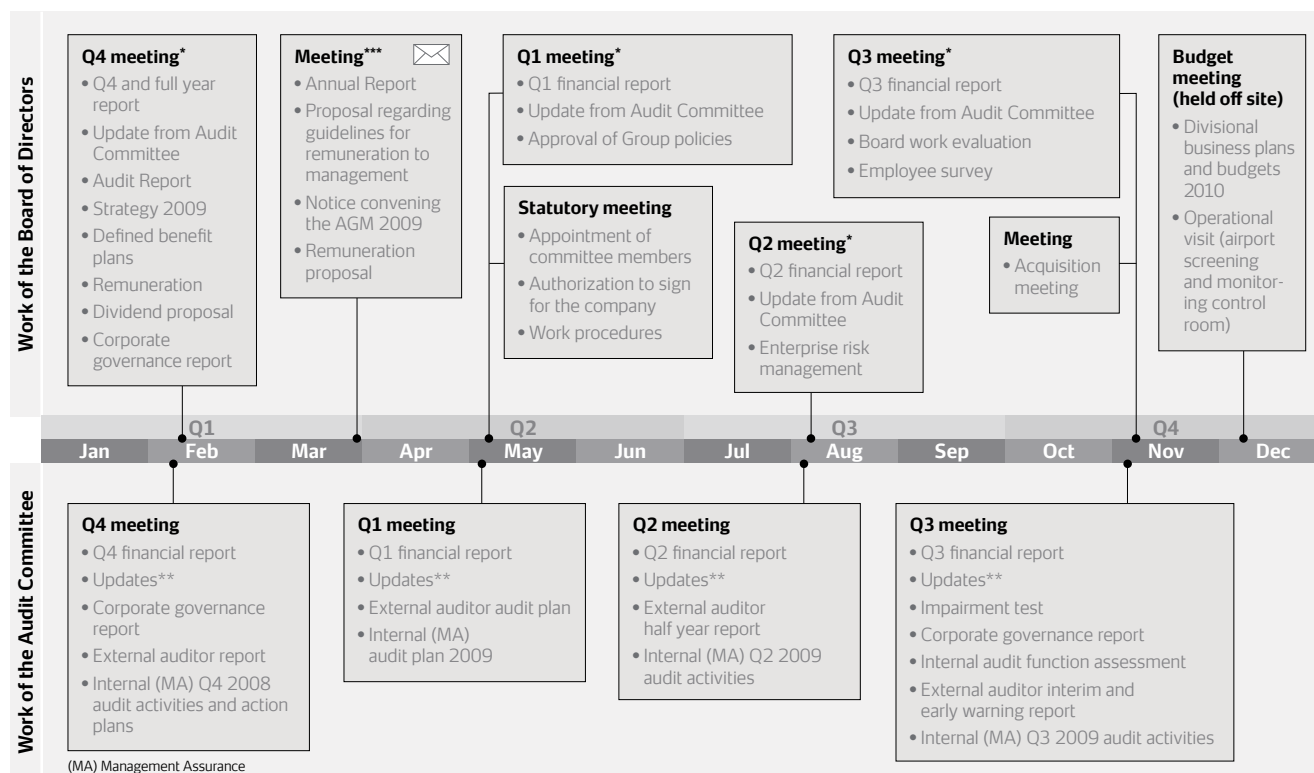
The activities of the Board of Directors and the division of responsibility between the Board and Group Management are governed by formal procedures documented in a written instruction, which are adopted by the Board each year after the Annual General Meeting. According to these rules, the Board shall decide on, among other things, the Group's overall strategy, corporate acquisitions and property investments, in addition to establishing a framework for the Group's operations by approving the Group's budget. The procedures include a work instruction for the President and CEO as well as instruction for the financial reporting. The procedures also prescribe that an annual evaluation of the work of the Board of Directors shall be carried out.

| Board Member | Elected | Position | Audit Committee | Remuneration Committee | Attendance | | | Total Fee, SEK ³ |
|---|---------|---------------|-----------------|------------------------|--------------------------|------------------------------------|---|-----------------------------|
| | | | | | Board meetings (8 total) | Audit Committee meetings (4 total) | Remuneration Committee meetings (4 total) | |
| Melker Schörling | 1987 | Chairman | - | Chairman | 8 | | 4 | 1,100,000 |
| Carl Douglas | 1992 | Vice Chairman | - | - | 8 | | | 725,000 |
| Fredrik Cappelen | 2008 | Member | Member | - | 8 | 4 | | 550,000 |
| Marie Ehrling | 2006 | Member | Chairman | - | 8 | 4 | | 650,000 |
| Annika Falkengren | 2003 | Member | - | - | 8 | | | 450,000 |
| Stuart E. Graham | 2005 | Member | - | - | 8 | | | 450,000 |
| Alf Göransson (President and CEO) | 2007 | Member | - | - | 8 | | | 0 |
| Berthold Lindqvist ¹ | 1994 | Member | Member | Member | 6 | 3 | 4 | 600,000 |
| Fredrik Palmstierna | 1985 | Member | - | - | 8 | | | 450,000 |
| Sofia Schörling Högberg | 2005 | Member | - | - | 8 | | | 450,000 |
| Susanne Bergman Israelsson ² | 2004 | Member | | | 8 | | | 0 |
| Åse Hjelm ² | 2008 | Member | | | 8 | | | 0 |
| Jan Prang ² | 2008 | Member | | | 8 | | | 0 |

¹ Berthold Lindqvist passed away in December 2009 and is not included in the Board of Directors as of December 31, 2009.

² Employee representatives, appointed member of Board of Directors at Annual General Meeting. Deputy Employee representative is Thomas Fanberg.

³ Total fee includes fees for committee work. In total SEK 550,000 was paid out for committee work, whereof SEK 150,000 for Remuneration Committee and SEK 400,000 for Audit Committee work. For more details refer to the minutes of AGM 2009 on Securitas website www.securitas.com



* Apart from topics specifically listed there are other areas that continuously are discussed such as; operational performance, strategy, market and competition, acquisitions, insurance, credit risk, tax matters, legal matters, funding and refinancing, etc.

** Includes a standing agenda with updates on; accounting, treasury, acquisitions, risk/insurance, legal, tax, internal control, audit/consultancy cost and auditor independence. Another recurring theme this year has been ERM project updates.

*** Held per capsulam.

The work of the Board of Directors

In 2009, the Board held eight meetings, of which one was held per capsulam. The auditors participated and presented the audit at the Board meeting in February 2009. Topics that have been discussed are listed above.

Audit Committee

The Board of Directors has established an Audit Committee, operating under the "Instructions for the Audit Committee appointed by the Board of Directors", that meets with Securitas' auditors at least four times per year. The committee supports the work of the Board in terms of quality control of financial reports and internal control over financial reporting.

Specifically the committee monitor the financial reporting, the effectiveness of internal control, internal audit activities and risk management system. The committee also keeps informed about the annual statutory audits. It assesses the external auditor's independence and approves non-audit services to be performed. The committee presents its findings and proposals to the Board, before the Board's decision-making. For members, independence and attendance refer to previous tables. The committee met four times in 2009. Major topics that have been discussed are listed above.

Remuneration Committee

The Board has also formed a Remuneration Committee to deal with all issues regarding salaries, bonuses, options and other forms of compensation for Group Management, as well as other management levels if the Board of Directors so decides. The committee presents its proposals to the Board, before the Board's decision-making. The committee held four meetings during 2009. For members and attendance refer to previous tables.

Guidelines for remuneration to Management

The Annual General Meeting 2009 resolved on guidelines for remuneration to management principally entailing that remuneration and other terms of employment for management shall be competitive and in accordance with market conditions, in order to ensure that Securitas will be able attract and keep competent management employees.

The total remuneration to management shall consist of a fixed basic salary, variable remuneration, pensions and other benefits. In addition to a fixed annual salary the Group Management may also receive variable remuneration, based on the outcome in relation to financial goals and growth targets within the individual area of responsibility (Group or division) and agree with the inter-

est of the shareholders. The variable remuneration shall amount to a maximum of 50 percent of the fixed annual salary for the President and CEO and a maximum of 35 to 200 percent of the fixed annual salary for other individuals of the Group Management.

The undertakings of the company as regards variable remuneration may, at maximal outcome within all divisions during 2009, amount to a maximum of MSEK 53.

The pension rights of senior management employees shall be applicable as from the age of 65 at the earliest and the entire Group Management shall be subject to defined contribution pension plans for which insurance premiums are transferred from the individual's total remuneration and paid by the company during the term of employment. Variable compensation shall in principle not qualify for pension purposes.

Other benefits, such as company car, special health insurance or occupational health service shall be provided to the extent this is considered customary for management employees holding equivalent positions on the employment market where the management employee is active.

At dismissal, the notice period for all management employees shall amount to a maximum of 12 months with a right to redundancy payment after the end of the notice period, equivalent to a maximum of 100 per cent of the fixed salary for a period not exceeding 12 months. At resignation by a management employee, the notice period shall amount to a maximum of 6 months.

These guidelines shall apply to individuals who are included in the Group Management during the term of application of these guidelines. The guidelines shall apply to agreements entered into after the adoption by the Annual General Meeting, and to changes made in existing agreements after this date. The Board shall be entitled to deviate from the guidelines in individual cases if there are particular grounds for such deviation.

Additional information on remuneration to the Board of Directors and senior management is disclosed in the Notes and Comments to the Consolidated Financial Statements 2009. See note 8 pages 78-81.

Group Management

Group Management is charged with overall responsibility for conducting the business of the Securitas Group in line with the strategy and long-term goals adopted by the Board of Directors of Securitas AB. The primary tool used by Group Management to measure accomplishment of strategies and to guide the employees and organization toward achieving its objectives is the financial framework and model further described on pages 34-35. Group Management 2009 comprised the President and CEO and 11 executives. For further information on the members of the Group Management, please see pages 130-131.

Financial reporting

The Board ensures the quality of financial reporting through a series of Group policies, procedures and frameworks, clear structures with defined responsibilities and through documented delegation of authority which is further described in the Internal control report. The Board has also set up an Audit Committee that is instructed to review and recommend all financial reports delivered by the Group to the Board. Financial reporting, including valuation issues, judgments and potential changes in estimates and accounting policies where necessary, is continually considered by the Audit Committee and presented to the Board. The Audit Committee also covers the quarterly internal report regarding legal matters and litigations. All interim and full year reports are approved by the Board.

The company's auditors submit a report to the Board of Directors annually stating that they have audited the company and the results thereof. This report shall be presented orally by the auditors at the Board meeting that deals with the year-end report. During this meeting, the members of the Board shall be given the opportunity to ask questions of the auditors. It is expected that the statement of the auditors shall, inter alia, indicate whether the company is organized in a way that makes it possible to supervise, in a safe manner, accounting, management of assets and the financial relations of the company. The auditors also issue a review report on the half year interim report. In addition the auditors take part in the Audit Committee meetings where the contents are reported back to the Board.

Immediately before signing the Annual Report and half year interim report The Board of Directors and the President and CEO certify that the reports give a true and fair overview of the Parent Company's and the Group's operations, financial position and results of operations, and describes significant risks and uncertainties facing the Parent Company and other companies in the Group.

Auditors

The Annual General Meeting 2008 elected PricewaterhouseCoopers AB (PwC) as audit firm, with authorized public accountant Peter Nyllinge as auditor in charge, for a period of four years.

The auditors' work is performed based on an audit plan, which is determined in agreement with the Audit Committee and Board of Directors. The auditors participate in all meetings with the Audit Committee and present their findings from the audit at the Board meeting in February. In addition, the auditors shall annually inform the Audit Committee of services rendered other than audit, auditing fees received for such services and other circumstances that might effect the evaluation of the auditors' independence. The auditors shall also participate in the Annual General

Meeting, presenting their performed audit work and conclusions.

The audit is performed in compliance with the Swedish Companies Act and generally accepted auditing standards in Sweden, which is based on International Standards on Auditing (ISA). The auditors have, upon instruction from the Board of Directors, conducted a general examination of the interim report for the period January 1 until June 30, 2009.

Peter Nyllinge has been auditor in-charge of Securitas AB since 2008. In addition to the Securitas assignment, in 2009 he acted as auditor of ASSA ABLOY AB, Bonnier AB, SEB and Säkl AB, among other companies.

Audit fees and reimbursement

The following fees and reimbursements to auditors have been paid for audit and other review in accordance with existing laws, as well as for advice and assistance in connection with reviews undertaken. Fees have also been paid for independent advice. The advice is mainly audit-related consultations in accounting and tax matters in relation to restructuring work.

AUDIT FEES AND REIMBURSEMENT (PwC)¹

| MSEK | Group | | | Parent Company | | |
|-------------------|-------|------|------|----------------|------|------|
| | 2009 | 2008 | 2007 | 2009 | 2008 | 2007 |
| Audit assignment | 28.4 | 29.0 | 30.9 | 5.5 | 5.3 | 7.7 |
| Other assignments | 25.4 | 33.1 | 23.7 | 8.3 | 10.5 | 3.1 |

¹ Audit fees and reimbursement to PwC relates to continuing operations (excluding Loomis). Comparatives have been restated.

Communication policy

Securitas has adopted a communication policy, approved by the Board of Directors, in accordance with the stock market's requirements for information with the aim of ensuring that the company fulfills these requirements. The policy covers both written information and verbal statements and applies to the Board of Directors, Group and divisional management as well as country and regional management.

The policy states that communication shall be used in a comprehensive manner in order to create an understanding and knowledge of Securitas' strategy, business operations and financial position. Securitas' financial and other communication shall at all times comply with the Stock Exchange Rules and other relevant rules and legal obligations that might apply to Securitas, as well as with general stock market practice.

The Group is fully focused on creating shareholder value, which includes providing the investment community with high-quality financial information. The policy includes routines for the year-end report, interim reports, Annual Report, Annual General Meeting, the company website, etc. Crisis communication and information leakage are also included in the policy.

Insider policy and records

The Board of Directors of Securitas has adopted an insider policy as a complement to the insider legislation in force in Sweden. This policy is applicable to all persons reported to the Swedish Financial Supervisory Board (Finansinspektionen) as holding insider positions in Securitas AB (subsidiaries included), as well as certain other categories of employees. Each person covered by the insider policy is individually notified thereof. The list of persons holding an insider position in Securitas AB, which is kept by Finansinspektionen, is reviewed regularly.

The insider policy sets the routine for closed periods, during which trading in financial instruments issued by (or related to shares in) Securitas is prohibited.

Securitas also maintains an internal insider register in accordance with the instructions from time to time issued by the President and CEO. Such register shall include, inter alia, information about all persons having access to inside information, the type of registered inside information and the date when the register was updated.

A report covering all insider trading activities in Securitas is presented every calendar quarter to the Board of Directors, the auditors and the Group Management.

Code of Conduct

Securitas has adopted a Code of Conduct to ensure that the company upholds and promotes the highest ethical business standards. Our basic requirement is to act within the framework of laws and international conventions. This means that we respect and comply with competition rules, environmental legislation, labor market laws, agreements and safety requirements and other provisions that set the parameters of our operations.

Securitas supports and respects basic human rights and recognizes the responsibility to observe those rights wherever Securitas operates. The company also believes in building relationships based on mutual respect and dignity with all employees. Securitas will not use forced, involuntary or underage labor and will respect the right of all employees to form and join trade unions. Securitas is an equal-opportunity employer and does not tolerate bullying or harassment.

Securitas also recognizes the importance of open communication with everyone who is in contact with the operations, including customers, workforce, investors and the general public.

For further information on Securitas responsibility with regard to social, economical and environmental issues refer to pages 40-41.

Internal control

Description of internal control and risk management

According to the Swedish Companies Act and the Swedish Code of Corporate Governance, the Board of Directors is responsible for the internal control and risk management. This report has been prepared in accordance with the Swedish Code of Corporate Governance, and is therefore limited to internal controls over financial reporting. This description does not form a part of the Annual Report.

Securitas' system of internal control is designed to manage rather than eliminate risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material financial reporting misstatement or loss.

Control environment

The Group has established a governance framework. The key features of the control environment within the framework include: the clear terms of reference for the Board and each of its committees, a clear organizational structure, with documented delegation of authority from the Board to Group Management, the competence of employees and a series of Group policies, procedures and frameworks.

Overall the Group operates in a flat and specialized organization whereby managers are given clear objectives and are authorized to make their own decisions and develop their operations close to the customers. For more information on the management model refer to pages 32–35. Delegation of authority is documented in an approval matrix that provides a clear direction for managers at all levels.

Emphasis is placed on the competence and abilities of the Group's employees with continuing education, training and development actively encouraged through a wide variety of schemes and programs. The Group has adopted a set of values to act as a framework for its people to exercise judgment and make decisions on a consistent basis.

The Group's major financial policies, procedures and frameworks include a comprehensive manual, Group policies and guidelines, a reporting manual, Securitas' model for financial control (for more detailed information on the model refer to pages 34–35), a Group treasury manual and the IT security manual. These are all periodically reviewed and updated.

Risk assessment

At the highest level, the Board considers where future strategic opportunities and risks lie and helps shape the corporate strategy going forward. Accountabilities for managing risks are clearly assigned to the Group, divisional and local management. Group Management has the day-to-day responsibility for the identification, evaluation and management of risks and for the implementation and maintenance of control systems in accordance with the Board's policies. Specifically divisional management and established functional committees have the responsibility to ensure that there is a process throughout the division to create risk awareness. Operating unit managers and country risk managers are responsible for ensuring that risk management is part of the local corporate culture at all levels within a country.

The Group has an established, but evolving, system of enterprise risk management, which is integrated into the Group's business planning and performance monitoring processes regardless of risk category concerned. The yearly risk assessment process is coordinated by the Group Risk Committee who is also responsible for the maintenance of the risk register. See illustration below.

Additionally, business risk reviews and risk reviews are conducted routinely throughout the Group. Procedures exist to ensure that significant risks and control failures are escalated to Group Management and the Board, as necessary, on a periodic basis.

For more information on risk management refer to pages 36–39.

Enterprise risk management process

Audit Committee reporting
Results from monitoring activities will be reported at the November Audit Committee meeting.

Monitoring: self assessment, diagnostics, audit, etc
Key risks to be monitored (through self assessment, diagnostics or other means) and/or subject to risk management activities during August–October timeframe.



Risk business plan and yearly assessment and key risks Group Risk Committee (GRC) perform yearly assessment of key risks based on available input from business plan, risk business plan and other sources at their December meeting.

Key risk determination Key risks assessed by GRC will be approved by Group Management at their meeting held in March or April timeframe.

Approval of revision of policies, risk management activities and monitoring plan Key risks and plan for risk management activities and monitoring will be reviewed by AC and recommended for decision by the Board together with yearly approval of Group policies and guidelines at their May meeting.

Control activities

Internal control covers all divisions and subsidiaries in the Group and includes methods and activities for securing assets, controlling the accuracy and reliability of internal and external financial reports and ensuring compliance with defined guidelines.

1. Self assessment

Every major operating unit throughout the Group annually performs a control self assessment of the compliance with Group policies and guidelines and the reporting manual. An extensive questionnaire is used to measure to what extent defined requirements are fulfilled. The control self assessment is signed off by the president and the controller within each entity. As a part of the process, the external auditor and/or another internal or external resource performs a validation of the answers given in the questionnaire for questions deemed as risk areas, for selected reporting units. Answers are compiled at divisional level as well as at a Group level in order to support benchmarking within a division or between divisions. Reported deviations include written comments on planned improvements to address deviations and a deadline for when planned actions will be in place. All reports are made available to Divisional Management, Group Management and the Audit Committee.

2. Risk and control diagnostics

The Group performs risk and control diagnostics in functional areas which by nature have high inherent risk. The diagnostics are done in addition to the recurring areas of the self assessment questionnaire.

For 2009 specific focus has continuously been placed on new countries in the Group, since this has been assessed as a risk area in terms of integration from a financial reporting and control standpoint due to recent acquisition activities. The diagnostic entails a kit covering IFRS reporting compliance as well as key controls within financial processes and IT security.

Another area of focus in 2009 has been contract management and compliance to Group policies within this area which has been subject to specific diagnostics since this is assessed as one of the key risk areas (see further below section 6). The findings from these diagnostic reviews are presented to Group Management and the Audit Committee.

3. Financial reporting

Controllers at all levels have a key role in terms of integrity, professionalism and the ability to work in teams in order to create the environment that is needed to achieve transparent, relevant and timely financial information. Local divisional controllers are responsible for ensuring compliance with the approved set of policies and frameworks and for ensuring that internal control procedures in relating to financial reporting are implemented. The controller is also responsible for reporting financial information that is correct, complete and on time. Controllers receive continuous feedback on reporting quality from Group which is an effective tool used to enhance reporting. In addition each division has a divisional controller with corresponding responsibilities at an aggregated level.

4. Letter of representation

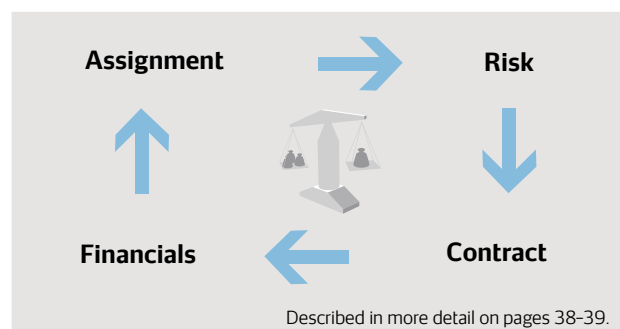
The Group has a representation process in which operating unit presidents and controllers sign a letter of representation in connection with year-end, stating their opinion on whether or not the internal control over financial reporting and the report packages give a true and fair view of the financial position.

5. Acquisition routines

The Group has specific policies and procedures to ensure that all business acquisitions are appropriately approved and rigorously analyzed for the financial and operational implications of the acquisition. The Group also conducts post acquisition appraisals on a periodic basis.

6. Contract management

Customer contract management and loss prevention are key to Securitas' business. The Group has specific policies and procedures related to contract management described in more detail on pages 36–39.



Information and communication

A program of communication exists and is constantly being developed to ensure that all staff are given clear objectives and are made aware of the parameters that constitute acceptable business practice and the expectation of the Board in managing risks. This provides a clear definition of the Group's purpose and goals, accountabilities and the scope of permitted activities of employees.

Systems and procedures have been implemented to provide the management with the necessary reports on business performance relative to established objectives. Information systems exist to ensure that reliable and timely information is made available to management, enabling them to carry out their responsibilities adequately and efficiently.

Monitoring

Monitoring is performed at different levels and by different functions in the organization. The key ones; Board of Directors, Audit Committee, Group Management, functional committees, management assurance, Group legal function and Group risk organization are further elaborated on the following page.

Group Management

Group Management reviews performance through a comprehensive system of reporting based on an annual budget, with regular business reviews against actual results, analysis of variances, key performance indicators (Securitas' model for financial control, refer to pages 34-35, adapted by division) and regular forecasting. This reporting is also reviewed by the Board.

Functional committees

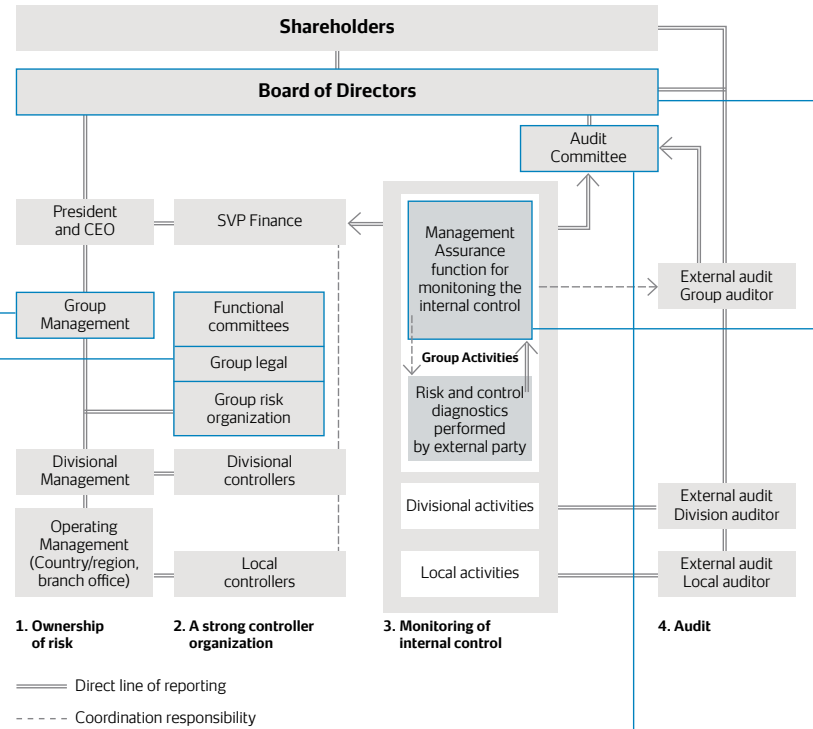
The Group has established a number of functional committees and working groups including for the functions Reporting, Finance/Treasury, Insurance/Risk, Legal, Tax, and Internal Control. These committees include the Senior Vice President Finance and/or Senior Vice President Corporate Finance and the appropriate functional area experts.

The main purposes of these functional committees are to determine appropriate policies, communicate these policies, and ensure local understanding (including training) of policies and to monitor key issues within each area of responsibility. Quarterly meetings are held with the President and CEO where topics subject to reporting to the Audit Committee are discussed.

Group legal function

The legal function is responsible for maintaining an adequate infrastructure to ensure that legal matters are appropriately and in a timely manner brought to the attention of the Group management. The function is headed by the Senior Vice President Chief Legal Counsel - a member of the Group Management. The legal function further monitors and manages legal risk exposures identified by the operating units. A report on outstanding legal disputes is provided to Group Management monthly. A comprehensive report on major legal matters is provided by the legal function to the Audit Committee on a quarterly basis.

Organization of internal control



Group risk organization

The Group risk organization is responsible for providing Securitas with opportunities to take and manage the risks that are necessary in order to ultimately achieve Securitas' strategies and goals. Risk management is an integral part of the Securitas culture. The risk management process continuously evolves as a process. The risk management of the Group is further described on pages 36-39.

Audit Committee

The Audit Committee reviews all annual and quarterly financial reports before recommending their publication on behalf of the Board. In particular the Audit Committee discusses significant accounting policies, estimates and judgments that have been applied in preparing the reports. The Audit Committee supervises the quality and independence of the external auditors.

Board of Directors

The activities of the Board of Directors and division of responsibility between the Board and the Group Management are governed by formal procedures. The Board considers risk assessment and control to be fundamental to achieving its corporate objectives with an acceptable risk/reward profile and plays a part in the ongoing process for identifying and evaluating significant risks faced by the Group and the effectiveness of related controls. The processes used by the Board in order to review the effectiveness of system of internal control include:

- Discussion with Group Management on risk areas identified by the Group Management and the performed risk assessment procedures
- Review of significant issues arising from external audits and other reviews/investigations

The Board of Directors has established an Audit Committee in order to provide oversight of the effectiveness of the Group's internal control systems and financial reporting process

**Management Assurance -
function for monitoring the internal control**

The Group has a coordinating and monitoring function in relation to certain internal control activities at Group level. The Management Assurance staff function operates as the Group's internal audit function and report directly to the Senior Vice President Finance with an open line of communication to the Audit Committee.

The function prepares an annual plan for its work which is approved by the Audit Committee. The results of the function's work, which includes execution and coordination of internal audit related activities during the year, are presented at the Audit Committee meetings. The Management Assurance Director participated in all Audit Committee meetings during 2009.

In line with one of the Group's fundamental principles, this function has continued to develop step-by-step to improve the Group internal control through different activities during the year with fine-tuning of follow up procedures and reporting as well as identification of risk related to financial reporting and the examination of the effectiveness of internal controls related thereto. Specific focus during 2009 has been put on further development and improvement of the enterprise risk management process

and related tools. Experiential exchange through the different activities is also a key part of improvement of control environment. The function works with a combination of internal resources and resources in form of external auditors, consultants and experts depending on the specific situation/area. This enables greater flexibility and responsiveness to the risks the Group is facing, which fits Securitas' business model.

The current responsibilities include:

- Assistance in the control self-assessment process specifically ensuring follow-up where required
- Monitoring the results of the risk and control diagnostics undertaken during the year and ensuring appropriate follow-up of agreed actions
- Assistance in risk management development, implementation and coordination processes
- Determine and plan for areas of specific focus and/or control diagnostics based on risk assessments made, discussions with divisional management and audit findings
- Participate in and/or perform certain audit/review activities such as risk and control diagnostics
- Monitoring communication from the external auditors and ensuring prompt follow-up and implementation of any recommendations impacting the internal controls of the company
- Support Group Management in reviewing and discussing audit plans with external auditors in order to internally coordinate and communicate matters such as; scoping, timing, documentation requirements, etc
- Coordinating the process of updating and renewing the Group policies and guidelines and contributing with feedback on the reporting manual

The function is subject to an annual assessment by the Board to ensure that the activities undertaken enable a well-functioning monitoring structure, together with the other components of the Group's internal control described within this report.

Stockholm, March 11, 2010

The Board of Directors of Securitas AB

Board of Directors

Melker Schörling (Chairman) b. 1947

Director of Securitas AB since 1987 and Chairman since 1993.

Other board assignments: Chairman of Melker Schörling AB, Hexagon AB, AAK AB and Hexpol AB. Director of Hennes & Mauritz AB.

Principal education: BSc in Economics and Business Administration.

Previously: President and CEO of Skanska AB 1993-1997. President and CEO of Securitas AB 1987-1992.

Shares in Securitas: 4,500,000 Series A shares and 16,001,500 Series B shares through Melker Schörling AB.

Carl Douglas (Vice Chairman) b. 1965

Deputy Director of Securitas AB since 1992 and Director since 1999. Vice Chairman since 2008.

Other board assignments: Director of ASSA ABLOY AB, Niscayah Group AB, Swegon AB, Investment AB Latour and Säkl AB.

Principal education: Bachelor of Arts.

Shares in Securitas: 12,642,600 Series A shares and 29,770,000 Series B shares via private holdings, Investment AB Latour, Säkl AB, Förvaltnings AB Wasatornet and Karpalunds Ångbryggeri AB.

Alf Göransson b. 1957

Director of Securitas AB since 2007.

President and CEO of Securitas AB since 2007.

Other board assignments: Chairman of Loomis AB, Director of Hexpol AB and Axel Johnson Inc., USA.

Principal education: International BSc in Economics and Business Administration.

Previously: President and CEO of NCC AB, 2001-2007, CEO of Svedala Industri AB, 2000-2001, Business Area Manager at Cardo Rail, 1998-2000, and President of Swedish Rail Systems AB in the Scancem Group, 1993-1998.

Shares in Securitas: 30,000 Series B shares.

Fredrik Cappelen b. 1957

Director of Securitas AB since 2008.

Other board assignments: Chairman of Byggmax Group AB, Svedbergs AB and Munksjö AB.

Vice Chairman of ICC Sweden. Director of Cramo Oy, Carnegie Investment Bank AB and Granngården AB.

Principal education: BSc in Business Administration.

Previously: 1995-2008 President and Group Chief Executive of Nobia. Marketing Director of Stora Finepaper, President of Kaukomarkkinat International Sweden and Norway and Managing Director of Kaukomarkkinat GmbH, Germany.

Shares in Securitas: -

Marie Ehrling b. 1955

Director of Securitas AB since 2006.

Other board assignments: Director of Nordea AB, Oriflame Cosmetic SA, Schibsted ASA, Safegate AB and Loomis AB, Center for Advanced Studies in Leadership at Stockholm School of Economics, World Childhood Foundation and Business Executives Council IVA.

Principal education: BSc in Economics and Business Administration.

Previously: CEO of Telia Sonera Sverige 2003-2006, deputy CEO of SAS AB, responsible for SAS Airlines and other executive positions at SAS, Information Secretary at the Ministry of Finance and Ministry of Education and Research and financial analyst at Fjärde AP-fonden.

Shares in Securitas: 4,000 Series B shares.

Annika Falkengren b. 1962

Director of Securitas AB since 2003.

President and CEO of SEB.

Other board assignments: Director of Ruter Dam, IMD Foundation, Mentor Foundation and the Swedish-American Chamber of Commerce, Inc., New York.

Principal education: BSc in Economics.

Previously: Several executive positions at SEB.

Shares in Securitas: 7,500 Series B shares.

Stuart E. Graham b. 1946

Director of Securitas AB since 2005.

Other board assignments: Director of Skanska AB, PPL Corporation and Harsco Corporation.

Principal education: BSc in Economics.

Previously: 40 years in the construction industry including President and CEO of Skanska AB until 2008.

Shares in Securitas: 5,000 Series B shares.

Sofia Schörling Högberg b. 1978

Director of Securitas AB since 2005.

Other board assignments: Director of Melker Schörling AB and EM Holding AB.

Principal education: BSc in Economics and Business Administration.

Shares in Securitas: 2,400 Series B shares.

Fredrik Palmstierna b. 1946

Director of Securitas AB since 1985.

CEO of Säkl AB.

Other board assignments: Chairman of Investment AB Latour, Director of Säkl AB, AB Fagerhult, Hultafors AB, Nobia AB and Academic Work AB.

Principal education: BSc in Economics and Business Administration, MBA.

Shares in Securitas: 17,200 Series B shares.

Employee representatives

Susanne Bergman Israelsson b. 1958

Director of Securitas AB since 2004.

Employee Representative, Chairman of Swedish Transport Workers' Union local branch 19 in Norra Mälardalen.

Shares in Securitas: -

Åse Hjelm b. 1962

Director of Securitas AB since 2008. Deputy

Director of Securitas AB since 2007. Employee Representative, Chairman of Salaried Employees' Union local branch of Securitas Stockholm.

Shares in Securitas: 120 Series B shares.

Jan Prang b. 1959

Director of Securitas AB since 2008.

Employee Representative, Chairman of Swedish Transport Workers' Union local branch Securitas Göteborg.

Shares in Securitas: -

Berthold Lindqvist

passed away in December 2009 and

is not included in the Board of Directors as of December 31, 2009.

All figures refer to holdings on December 31, 2009.

For information about independence of the Board members, please see the section The members of the Board of Directors on page 120.

For information about remuneration to the Board of Directors and senior management, please see note 8 on pages 78-81.



Melker Schörling



Carl Douglas



Alf Göransson



Fredrik Cappelen



Marie Ehrling



Annika Falkengren



Stuart E. Graham



Sofia Schörling Högberg



Fredrik Palmstierna



Susanne Bergman Israelsson



Åse Hjelm



Jan Prang

Deputy

Thomas Fanberg b. 1961
Deputy Director of Securitas AB
since 2008.
Employee Representative,
Chairman of Salaried Employee's
Union local branch Securitas
Norrland.
Shares in Securitas:
120 Series B shares.

Auditors

Peter Nyllinge b. 1966
Authorized Public Accountant,
Auditor in charge, Pricewater-
houseCoopers AB.
Auditor in charge of Securitas AB
since 2008.
Other audit assignments: ASSA
ABLOY AB, Bonnier AB, SEB and
Säkl AB.

Patrik Adolfson b. 1973
Authorized Public Accountant,
PricewaterhouseCoopers AB.
Auditor of Securitas AB
since 2009.
Other audit assignment: Catella
Capital AB, Modul 1 Data AB,
Nordstjernan AB.



Erik-Jan Jansen

Alf Göransson



Santiago Galaz



Bart Adam



Jan Lindström

Bengt Gustafson



Kim Svensson

Gisela Lindstrand



Marc Pissens

Morten Rønning



Lucien Meeus

William Barthelemy

Group Management

Erik-Jan Jansen b. 1965. Chief Operating Officer, Security Services Europe. Shares in Securitas: -
Erik-Jan Jansen joined Securitas in 1996 and has held several management positions, previously Country President of Securitas Services Netherlands. In 2008 he was appointed Chief Operating Officer, Security Services Europe. Erik-Jan holds a Bachelor degree in Business Administration from the Hotel Management School in Maastricht, the Netherlands. Earlier he held several international assignments in the hotel industry.

Alf Göransson b. 1957. President and CEO of Securitas AB. Shares in Securitas: 30,000 Series B shares.
Alf Göransson's previous experience include President and CEO of NCC AB, CEO of Svedala Industri AB, Business Area Manager at Cardo Rail, and President of Swedish Rail Systems AB in the Scancem Group. Alf holds an international BSc in Economics and Business Administration from the School of Business, Economics and Law, Göteborg University, Sweden. Other assignments: Chairman of the Board of Loomis AB, Director of Hexpol AB and Axel Johnson Inc., USA.

Santiago Galaz b. 1959. Divisional President, Security Services North America. Shares in Securitas: 60,000 Series B shares.
Santiago Galaz joined Securitas in 1995 as the Managing Director of Security Services Spain after twelve years at the Eulen Group. In 1997 he was appointed the Spanish Country President for Security Services, Systems and Cash Handling Services and later became Divisional President of Cash Handling Services Europe. Santiago was appointed Divisional President of Security Services North America in 2003.

Bart Adam b. 1965. Divisional President, Security Services Europe. Shares in Securitas: 4,500 Series B shares.
Bart Adam brings over 15 years of security industry experience to Securitas. He joined the Group of Securis in Belgium (AviaPartner) in 1988 as a financial controller and after Securitas acquired Securis in 1999, Bart became the Financial Manager for Securitas in Belgium in 2000. Two years later he was appointed Divisional Controller for Security Services Europe and in 2007 he became the division's Chief Operating Officer. In 2008, Bart was appointed Divisional President for Security Services Europe. Bart holds a Commercial Engineering degree from the University of Leuven, Belgium.

Jan Lindström b. 1966. Senior Vice President Finance. Shares in Securitas: 3,500 Series B shares.
Jan Lindström joined Securitas in 1999 as controller for the Group's treasury in Dublin. In 2003 he was appointed head of the Group's reporting function at the head office in Stockholm. Jan holds a B.Sc. in Economics and Business Administration from Uppsala University in Sweden and previously he worked as an Authorized Public Accountant in PricewaterhouseCoopers.

Bengt Gustafson b. 1949. Senior Vice President Chief Legal Counsel. Shares in Securitas: -
Bengt Gustafson's previous experience includes positions as Chief Legal Officer of Metso Minerals and Chief Legal Counsel of Svedala Industri AB. He has also worked as Chief Legal Counsel in France. In addition to his Swedish law degree Bengt Gustafson has earned a Masters of Law degree from University of California, Berkeley, USA. Other assignments: Bengt was the President of European Company Lawyers Association, between 2004 and 2007.



Olof Bengtsson resigned from his position as Senior Vice President Corporate Finance on December 31, 2009.

Kim Svensson b. 1966. Senior Vice President Corporate Finance. Shares in Securitas: 300 Series B shares.
Kim Svensson was employed at Securitas in 1993 and has broad experiences of the security service industry. He has held several positions in Securitas, both operational and staff positions. The past years, Kim has been Divisional Controller of Securitas Latin America. Kim holds an International MSc in Economics and Business Administration from Växjö University in Sweden.

Gisela Lindstrand b. 1962. Senior Vice President Corporate Communications and Public Affairs. Shares in Securitas: 1,000 Series B shares.
Gisela Lindstrand has a degree in Political science from Uppsala University, Sweden. She came to Securitas AB in 2007 from the pharmaceutical company Pfizer AB, where she was the Government Affairs Director. Previous positions include Press Relations Manager at NCC AB, Information Director at SABO AB and Press Relations Manager and Political Advisor to the former Swedish Prime Minister Ingvar Carlsson. Gisela has also worked as a journalist.

Marc Pissens b. 1950. Divisional President, Aviation. Shares in Securitas: -
Marc Pissens has over 20 years of security industry experience. Within Securitas he has been President for the Benelux organization, Managing Director of Securitas Netherlands and Securis/Securair Belgium and President of Globe Aviation (USA). Marc Pissens is the President of the CoESS (Confederation of European Security Services) and the founder and President of ASSA-I (Aviation Security Services Association - International). Marc holds an engineering degree from the Engineering Institute of Brussels, Belgium.

Morten Rønning b. 1960. Divisional President, Mobile. Shares in Securitas: 152,337 Series B-shares.
Morten Rønning joined Securitas 1985 as a supervisor for Security Services in Stavanger, Norway. In 2001 he was appointed Managing Director for Securitas AS in Norway and in 2004, Morten became the Vice President of Security Services Europe after having worked as the Managing Director for Security Services United Kingdom/Ireland for two years. He became Divisional President of Mobile in 2006.

Lucien Meeus b. 1947. Divisional President, Monitoring. Shares in Securitas: 5,500 Series B shares.
Lucien Meeus previously worked in the telecom and pipeline industries, for Raychem Corporation and TD Williamson. In 1997, Lucien started Belgacom Alert Services. He led this company, specializing in the alarm monitoring, into becoming a subsidiary of Securitas AB in 2005. Lucien graduated as a Technical Engineer in Mechelen, Belgium, and holds a Post Graduate Business Administration from UAMS, Antwerp, Belgium and a Post Graduate Partnerships Program from IMD, Lausanne, Switzerland.

William Barthelemy b. 1954. Chief Operating Officer, Security Services North America. Shares in Securitas: 17,000 Series B shares.
William Barthelemy brings over 30 years of industry experience to the organization. With a Criminology Degree from Indiana University of Pennsylvania, USA, Bill began his career as an Investigator and has later worked in many field capacities, including Regional Operations Director and Region President. Bill is an active member of the American Society of Industrial Security, as well as the National Association of Chiefs of Police.