

**CORPORATE GOVERNANCE REPORT**

Corporate governance practices refer to the decision-making systems through which owners, directly or indirectly, control a company. For Invest Receive, which is an industrial holding company, the business model of active ownership is to create value in companies. For this, good corporate governance is fundamental. This applies to Invest Receive's own organization, as well as to the companies in which Invest Receive is an owner.

Invest Receive is a Swedish limited liability corporation that is publicly traded on the NASDAQ OMX Stockholm exchange and adheres to the Swedish Code of Corporate Governance (the Code). The Code is published on [www.bolagsstyrning.se](http://www.bolagsstyrning.se). This Corporate Governance Report is submitted in accordance with the Swedish Annual Accounts Act and the Code. It explains how Invest Receive has conducted its corporate governance activities during the 2011 financial year. The Corporate Governance Report has been reviewed by Invest Receive's auditor, see page 116.

Invest Receive complied with the Code during 2011. Invest Receive did neither deviate from the NASDAQ OMX Stockholm Rule Book for Issuers nor good stock market practice during 2011.

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**Corporate Governance at Invest Receive**


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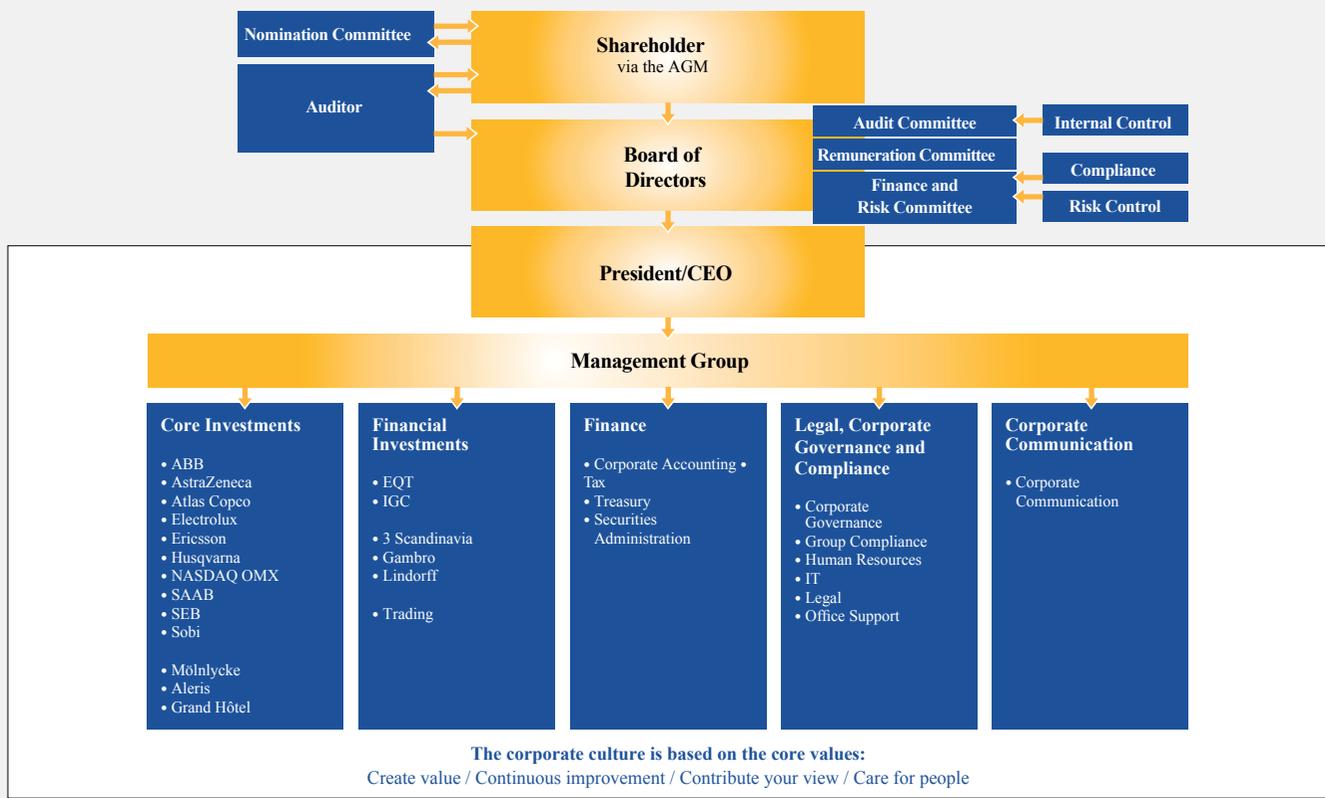
Applicable external legislation, regulations and recommendations, as well as internal policies, instructions and the Articles of Association all form the basis of Invest Receive's corporate governance - from share-holders, the Board and President to company Management.

The Annual General Meeting (AGM) is the company's highest decision-making authority and serves as the forum through which Invest Receive's shareholders exercise their influence over the business.

The Nomination Committee is to promote the interests of all shareholders and is responsible for proposing decisions to the AGM on electoral and remuneration issues, such as a proposal for the composition of the Board.

On behalf of Invest Receive's owners, the Board oversees the Management of the company's affairs. The Board is headed by the Chairman Jacob Wallenberg. The Board appoints the President, who is charged with carrying out the day-to-day Management of the company in accordance with the Board's instructions. The division of responsibilities between the Board and President is specified in Instructions and Rules of Procedures that are approved by the Board each year.

To increase the efficiency and depth of the Board's work on certain issues, it has established three Committees: the Audit Committee, the Remuneration Committee and the Finance and Risk Committee. The Audit Committee is responsible for assuring the quality of the financial reporting and the efficiency in the internal control system.



The Audit Committee is the primary way in which the Board and the company's auditor communicate with each other.

The tasks of the Remuneration Committee are, among other things, to evaluate and prepare guidelines for salary and other remuneration, and to decide remuneration to the Members of the Management Group, except for the President for whom the Board as a whole sets the remuneration.

The Finance and Risk Committee ensures that the company's compliance efforts are effective and monitors risk exposure and financial strategies.

#### *Control*

Using the risk policy approved by the Board as framework, the Risk Control function identifies and monitors the risks that Invest Receive is exposed to. This function is responsible for all internal reporting of Invest Receive's significant risks at the aggregate level. The Risk Control function reports to the Finance and Risk Committee. Furthermore, this function is responsible for coordinating risk management work in the business, developing awareness of different types of risk and contributing to the creation of a healthy culture in connection with risks and risk management.

The Compliance function supports Invest Receive's compliance with laws and regulations, and maintains internal regulatory systems to this end. The Compliance function reports to the Finance and Risk Committee.

The Internal Control function provides objective support to the Board on matters relating to the internal control structure, partly by investigating major areas of risk and partly by performing reviews and follow-ups in selected areas. The function works proactively by proposing improvements in the control environment. The Internal Control function plans its work in consultation with the Audit Committee, Management Group and the external auditor. It also regularly provides reports on its work to the Audit Committee during the year.

#### *External audit*

The external auditor appointed by the AGM audits the Board and the President's administration of the company, as well as the company's financial reports. The auditor provides regular written and oral reports on the audit work and results of the audit to the Audit Committee. The auditor participates at each Audit Committee meeting.

#### *The President and the Management Group*

The President, Börje Ekholm, is responsible for the daily operation of the business. The President's responsibilities include ongoing investments and divestments, personnel, finance and accounting issues and regular contact with the company's stakeholders, such as public authorities and the financial market.

The President reports to the Board and ensures that it is provided with the requisite material for making well-informed decisions. The President is also a member of the Invest Receive Board and attends all Board meetings except for when his performance is under evaluation and when the Board meets the auditor without the presence of the Management Group.

The President has appointed a Management Group that has day-to-day responsibility for different parts of Invest Receive's business. In 2011, Susanne Ekblom was appointed as the new CFO and due to the structural changes that took place at Invest Receive, Stephen Campe left the Management Group. Each member of the Management Group is responsible for one or more departments: Core Investments, Financial Investments, Finance, and Legal, Corporate Governance and Compliance, and Corporate Communication. For more information about the President and Management Group, see page 46.

The Management Group meets regularly to decide and follow up on business activities, current projects and other issues, and to discuss personnel and organizational issues. The Management Group also holds meetings focused on the company's strategy and risk assessment four to five times a year.

The Management Group regularly works with specific business transactions. Efforts continued 2011 with value-creating plans, additional investments and new investment possibilities. During 2011, the Management Group focused on the restructuring of Invest Receive Growth Capital and the new business areas, the termination of Active Portfolio Management and the other challenges faced by the organization in conjunction with the restructuring and associated staff reductions. Furthermore, the Management Group worked proactively to ensure the company's financial flexibility. The Management Group regularly monitors the organization to ensure that it has the right competences given the company's strategy, goals and challenges.

#### *Governance of Business areas*

Invest Receive's Analysts and Investment Managers working in the Core Investments and Financial Investments business areas are each responsible for one or more investments. These individuals continuously research each holding, the sector to which it belongs and competitors to identify value-creating initiatives and their return potential. In the listed Core Investments Invest Receive exercises its active ownership through Board representation.

Invest Receive governs its wholly-owned operating subsidiaries, Mölnlycke Health Care, Aleris and Grand Hotel, through its representation on the Boards of those companies. Invest Receive's Board representatives are appointed by the President of Invest Receive. Board representatives ensure value creation in the companies and that any indications of problems, that could impact Invest Receive, in the portfolio companies are dealt with in an efficient manner. They are also responsible for ensuring that Invest Receive's Management Group and Board are provided with relevant information.

Since July 1, 2011, Invest Receive Growth Capital has been an independent, wholly-owned subsidiary, as Invest Receive's other operating subsidiaries, and is included as a holding under Financial Investments.

The governance of the partner-owned companies, 3 Scandinavia, Gambro and Lindorff, is carried out jointly with each partner.

Active Portfolio Management was terminated in 2011. However, a limited trading function still exists for handling the Parent Company's transactions. It also continually monitors market information. Trading is governed by mandates and limits set by the Board.

Support functions on group level are Compliance, Corporate Accounting, Corporate Communications, Corporate Governance, HR, IT, Legal, Office Support, Securities Administration, Tax and Treasury. Responsibilities and processes within each function are governed by approved policies and instructions.

Internal policies and instructions constitute important control documents in all parts of the company and clarify responsibilities and powers within areas such as information security, compliance and risk.

#### Corporate Culture

The actions of Management and personnel are also governed by Invest Receive's corporate culture. The Management Group actively works to engage all employees in developing the corporate culture and living by the values expressed through it.

AGM and the AGM's decision-making authorities Invest Receive's AGM is held in the Stockholm area during the first half of the year. No later than at the publication of the third-quarter report, shareholders are informed of the time and place of the AGM and are provided information on their right to have business discussed at the AGM. The notice of the AGM is published at the earliest six weeks, but no later than four weeks, before the date of the AGM.

The AGM is informed about the company's development over the past fiscal year and decides on a number of central issues, such as changes to the company's Articles of Association, the election of auditor, discharging the Board from liability for the fiscal year, remuneration for the Board and fees to the auditor, decisions on the number of Board members, election of the Board for the period up to the close of the next AGM and dividends. Invest Receive always strives to ensure that the Board, Management Group, Nomination Committee and the auditor are present at the AGM.

Shareholders are entitled to participate in and vote at the AGM if they are recorded in the register of shareholders and have reported their intention to attend by the specified deadline. Shareholders who cannot attend the AGM in person may appoint a proxy. To enable non-Swedish-speaking shareholders to participate, the AGM's proceedings are simultaneously interpreted into English. All printed information is available in both Swedish and English.

Decisions at the AGM usually require a simple majority vote. However, for certain items to be resolved at the AGM, the Swedish Companies Act requires that a proposal is approved by a higher percentage of the shares and votes represented at the AGM.

Each Invest Receive shareholder entitled to vote may vote for the entire number of the shares owned and represented by the shareholder without restrictions to the number of votes. A-shares are entitled to one vote and B-shares are entitled to 1/10 vote.

#### 2011 and 2012 AGM

Invest Receive's 2011 AGM was held at Stockholm Waterfront Congress Centre on April 12. Approximately 1,000 shareholders, including shareholders represented by proxies, attended the meeting, representing 75.7 percent of the votes and 55.3 percent of the capital.

The 2012 AGM will take place on April 17 at the City Conference Centre in Stockholm. Shareholders who would like to have a particular matter discussed at the AGM should submit such request on or before February 28, 2012.

The President's presentation at the AGM is published on Invest Receive's website the day after the AGM. The documents from the AGM and the minutes recorded at the AGM are also published on the website.

#### Shares, ownerships and distribution policy

At year-end 2011, Invest Receive had 134,329 shareholders according to the register of shareholders maintained by Euroclear Sweden. Institutional owners dominate the ownership structure. Foundations represent the largest single shareholder category. Invest Receive's share capital totaled SEK 4,795 m., consisting of a total of 767 million shares, of which 312 million are class A-shares and 455 million are class B-shares.

Invest Receive's distribution policy is to distribute a large percentage of the dividends received from listed Core investments, as well as to make a distribution from other net assets corresponding to a yield in line with the equity market. Invest Receive AB's goal is to generate a steadily increasing annual dividend.

The 2011 AGM decided on a dividend payment of SEK 5.00 per share to shareholders. The Board and President recommend to the 2012 AGM a distribution of dividends to shareholders of SEK 6.00 per share.

Invest Receive's 10 largest shareholders listed by voting rights on December 31, 2011<sup>1)</sup>

	% of votes	% of capital
Knut and Alice Wallenberg Foundation <sup>2)</sup>	40.2	18.7
Marianne and Marcus Wallenberg Foundation <sup>2)</sup>	4.9	2.3
SEB Foundation	4.7	2.3
Third Avenue Management LLC Skandia	3.5	1.6
Liv insurance company Marcus and Amalia Wallenberg Memorial Fund <sup>2)</sup>	3.1	1.5
Alecta	3.1	1.4
AMF Pension	2.7	4.9
Robur fund	2.1	2.1
Third AP-fund	1.9	1.6
	0.8	1.1
Total	67.0	37.5

- 1) Directly registered, or registered in the name of nominees, with Euroclear Sweden.
- 2) The three largest Wallenberg foundations own a total of 48 percent of the votes and 22 percent of the capital.

### Repurchases of own shares

Since year 2000, the Board has requested and been granted a mandate by the AGM to buy back the company's shares. Opening balance of repurchased shares at the beginning of 2011 was 6,683,800 B-shares. In 2011, no further shares were repurchased, however, 14,642 of the repurchased shares were sold during 2011. For more information about the repurchase of own shares, see page 33.

Invest Receive currently considers it more attractive, from a long-term ownership perspective, to invest capital in new and existing holdings with a high return potential rather than repurchasing own shares.

### Nomination Committee

The AGM decides the procedures of how to appoint the members of the Nomination Committee.

By mandate from the 2011 AGM, the membership of the Committee consists of five members, including one representative from each of the four shareholders or groups of shareholders controlling the largest number of votes and the Chairman of the Board. The register of recorded shareholders and shareholder groups from Euroclear Sweden and other reliable shareholder information available to the company as of the last business day of August serves as the basis for identifying the members.

### Nomination Committee's preparations for 2012 AGM

Up until February 28, 2012, the Nomination Committee had held three meetings at which the minutes were recorded. They also stayed in contact between these meetings. At the Committee's first meeting, Hans Wibom, representing the Wallenberg Foundations, was elected Chairman. All members of the Nomination Committee are presented in table below. Each member of the Nomination Committee signed a confidentiality agreement in connection with the start of their work.

Nomination Committee members 2012 AGM

Nomination Committee member	Independent in relation to the company and company Management	Independent in relation to the company's major shareholders	12/31-11 % of votes
Hans Wibom, Wallenberg Foundations	Yes	No <sup>1)</sup>	48.2
Lars Isacson, SEB Foundation	Yes	Yes	4.7
Curtis Jensen, Third Avenue Management LLC	Yes	Yes	3.5
Caroline af Ugglas, Skandia Liv insurance company	Yes	Yes	3.1
Jacob Wallenberg, Chairman of the Board	Yes	No <sup>2)</sup>	

The composition of the Nomination Committee was made public on September 27, 2011.

The composition of the Nomination Committee meets the independence criteria set forth by the Code.

1) Representing the Wallenberg Foundations.

2) Member of Knut and Alice Wallenberg Foundation.

According to a decision taken at Invest Receive's 2011 AGM, the Nomination Committee is charged with preparing and presenting to the 2012 AGM proposals for resolutions regarding: the Chairman at the AGM, the Board of Directors and the Chairman of the Board, remuneration to the Board (Chairman of the Board, other Board members and Committee work), auditor and audit fees.

In order to reach proper decisions about the composition of the Board, the Committee is furnished with the evaluation of the Board and its work, as well as the Chairman of the Board's report on the company's activities, goals and strategies.

In order to assess the demands imposed on the Board as a consequence of the Company's current position and future direction, the Nomination Committee has discussed the size and composition of the Board, e.g. in terms of competence, industry and international experience, expertise and diversity. An important principle is that the composition of the Board shall reflect and allow various competences and experiences that Invest Receive's active ownership philosophy and long-term ownership involvement require.

The Nomination Committee also studied the audit evaluation and the recommendations of the Audit Committee regarding auditor and fees for audit work.

The Nomination Committee's recommendations are made public when notice of the AGM is published. The matters of business are also presented at the AGM together with a report on the work performed by the Committee.

### Board

The Board is appointed by the AGM to serve for a mandate period through the end of the next AGM. On behalf of Invest Receive's owners, the Board establishes the goals and strategies for the company, evaluates the operational management and ensures that systems are in place to monitor and verify the company's business and organizational objectives. The Board also ensures that the company's stakeholders are furnished with accurate information, that laws and regulations are complied with and that ethical guidelines and internal policies are modified as needed. Invest Receive's Board forms a quorum when more than half of the members are present. The Board's efforts to assure the quality of Invest Receive's financial reporting are described in the section "Internal controls and risk management for the financial reporting".

Pursuant to § 5 in the Articles of Association, the Board must consist of no less than three and no more than eleven Directors, as well as no more than four deputies. To the AGM 2012, the Board of Directors proposes that § 5 in the Articles of Association is amended. For further information, see the company website. The AGM decides the exact number. The Board is assisted by a secretary, who is not a member of the Board. Board members are to devote the time and attention to Invest Receive that the assignment requires. Each Board member is responsible for requesting any supplementary information that he/she feels is necessary in order to make sound decisions. New Board members are introduced to Invest Receive's business operations by attending an introduction orientation involving, for example, meetings with departmental managers. Board members are continuously updated on new regulations, practices and statutory requirements that may affect the business.

### *The Chairman of the Board*

The AGM appoints the Chairman of the Board. The Chairman organizes and leads the work of the Board, ensures that the Board continues to advance its knowledge of the company, communicates views from the owners and serves as support for the President. The Chairman and the President set the agenda for Board meetings. The Chairman verifies that the Board's decisions are implemented efficiently, and ensures that the work of the Board is evaluated annually and that the Nomination Committee is informed of the result of this evaluation.

In addition to his active involvement in Invest Receive, the Chairman of the Board, Jacob Wallenberg, is also involved in a number of other companies and serves on a number of international organizations. He has an extensive international network and he participates in various policy forums.

### *Members of the Board of Directors*

Since the 2011 AGM, the Board has consisted of eleven members and no deputies. At the 2011 AGM, Jacob Wallenberg, Gunnar Brock, Sune Carlsson, Börje Ekholm, Tom Johnstone, Carola Lemne, Grace Reksten Skaugen, O. Griffith Sexton, Lena Treschow Torell and Peter Wallenberg Jr. were re-elected. Board member Sirikka Hämäläinen declined re-election and Hans Stråberg was elected as a new member. The AGM elected Jacob Wallenberg as Chairman of the Board for the period ending with the next AGM. President Börje Ekholm is the only Board member who is a member of the company's Management Group.

The percentage of women and the percentage of foreign members on the Board are both 27 percent. A more detailed presentation of the Board is found on page 44 and on the website. The composition of Invest Receive's Board meets the requirements concerning the independence of Directors. Several of the Board members

are Directors of Invest Receive's holdings and they receive remuneration from these companies. It is the opinion of the Nomination Committee and the company that this remuneration does not entail a dependence of these members on Invest Receive or its Management. The assessment of each Board member's independence is presented in the table below.

### *The Board's Rules of Procedure*

In addition to laws and recommendations, the work of the Board is governed by its Rules of Procedure. These dictate how the Board works and the tasks that it performs. The Rules of Procedure also include instructions to the President and the Committees. The Board reviews its Rules of Procedure annually and adopts them by a Board decision.

The Rules of Procedure also specify which matters of business should always be included on the agenda of each Board meeting as well as on the agenda of the statutory Board meeting. Furthermore, the Rules of Procedure contain guidelines governing the decisions the Board may delegate to the President.

### *Evaluation of the Board*

Pursuant to the Rules of Procedure, the Chairman of the Board initiates an annual evaluation of the performance of the Board.

The 2011 evaluation consisted of an anonymous questionnaire that was answered by each Board member. The questionnaire was divided into a number of sections covering topics such as the atmosphere of cooperation within the Board, its range of expertise and the methods the Board utilized to carry out its tasks. In addition, the Chairman met with each Board member separately to discuss the work done by the Board during the year. The objective of the evaluation is to provide insight into the Board members' opinions about the performance of the Board and identify

Board of Directors 2011

Member	Elected	Position	Year of birth	Nationality	Independent in relation to the company and company Management	Independent in relation to the company's major shareholders
Jacob Wallenberg Sune	1998	Chairman	1956	Swedish	Yes	No <sup>1)</sup>
Carlsson Gunnar Brock <sup>2)</sup>	2002	Vice chairman	1941	Swedish	Yes	Yes
Börje Ekholm	2009	Member	1950	Swedish	No <sup>3)</sup>	Yes
Tom Johnstone Carola	2006	Member	1963	American/Swedish	No <sup>4)</sup>	Yes
Lemne	2010	Member	1955	British	Yes	Yes
Grace Reksten Skaugen	2010	Member	1958	Swedish	Yes	Yes
O. Griffith Sexton Hans	2006	Member	1953	Norwegian	Yes	Yes
Stråberg	2003	Member	1944	American	Yes	Yes
Lena Treschow Torell	2011	Member	1957	Swedish	No <sup>3)</sup>	Yes
Peter Wallenberg Jr	2007	Member	1946	Swedish	Yes	Yes
	2006	Member	1959	Swedish	Yes	No <sup>1)</sup>

1) Member of the Knut and Alice Wallenberg Foundation.

2) In conjunction with taking over as the Chairman of the Board for Mölnlycke Health Care in 2007 (which was prior to his election to the Board of Invest Receive), Gunnar Brock acquired shares (ordinary and preferred) in Mölnlycke Health Care as part of the stock investment program for the Board and senior executives of that company. However, it has been concluded that this does not make Gunnar Brock dependent on Invest Receive or its Management.

3) Has been President of a closely-related company during the last five years.

4) President.

measures that could make the work of the Board more effective. A secondary objective is to form an overview of the areas the Board believes should be afforded greater scope and where additional expertise might be needed within the Board.

The Board discussed the results of this year's evaluation and the Chairman of the Board presented them to the Nomination Committee.

Invest Receive's Board continuously evaluates the performance of the President by monitoring the development of the business in relation to the established objectives. A formal performance review is carried out once a year.

#### *Work of the Board in 2011*

During the year, the Board held 13 meetings, of which ten were regular meetings, one was statutory and two were extraordinary. The attendance of each Board member at these meetings is shown in the table on page 40. The secretary of these Board meetings was General Counsel, Petra Hedengran. Prior to each meeting, Board members were provided with comprehensive written information on the issues that were to be discussed.

During the year, the Board devoted considerable time to the organizational changes announced on April 7, 2011, the acquisition of additional shares in ABB, Atlas Copco, Electrolux, Ericsson, Husqvarna and NASDAQ OMX, the add on investments in Aleris, the rights issue in Sobi, and the divestment of Aker Holding AS. Prior to each transaction, extensive analysis were presented to the Board.

Due to the uncertainty in the global financial environment the Board has reviewed Invest Receive's financial flexibility. As an example a decision was made to raise another debt financing in EUR.

As one of the Directors of the Board, Carola Lemne, the CEO of Praktikertjänst AB, which business partially competes with Aleris, she has been prevented from participating in the resolution regarding the add on acquisition of Aleris and does not participate in other resolutions that involve Aleris or its business during the board meetings, nor does she receive any information regarding said company.

The Board also devoted time to both internal and external presentations of the financial markets in particular countries, as well as from a global perspective. The Board discussed the development and the effects on industries, markets and individual companies, paying particularly close attention to Invest Receive's holdings and the long-term strategies of such holdings. For example, guest speakers were invited to give presentations at Invest Receive's Board meeting that was held in June in New York.

During the year the Board also has met with the CEOs of Invest Receive's holdings NASDAQ OMX and Sobi for presentations of their companies.

The financial reports presented at every regular Board meeting, including those prior to the year-end and interim reports, are an important aspect of the Board's work. The Board also receives regular reports on the company's financial position. At regular Board meetings, reports were delivered on the ongoing operations in the business areas, together with in-depth analyses and proposed actions regarding one or more of the company's holdings.

Committee work is an important task performed by the Board. A more detailed description of the work conducted by the Committees during 2011 is presented below.

During the year, the company's Management presented value-creating plans for Core Investments, including analyses of the holdings' operations and development potential in the business areas where they are active. These analyses and their implications were discussed and assessed by the Board with a focus on the individual companies as well as in the context of overall strategic discussions.

The Board also received and discussed reports on the composition of portfolios and developments within Financial Investments, including Invest Receive's involvement in EQT and the operations of Invest Receive Growth Capital.

In addition to participating in meetings of the Audit Committee, the company's auditor also attended a Board meeting during which Board members had the opportunity to pose questions to the auditor without representatives of the company's Management being present.

An evaluation of the work done by the Board was also conducted during the year, which provided the basis for the work of the Nomination Committee and for determining the focus of future Board work.

#### *Board Committees*

In order to increase the efficiency of its work and enable a more detailed analysis of certain issues, the Board has formed three Committees: the Audit Committee, the Remuneration Committee and the Finance and Risk Committee. The members of the Committees are appointed for a maximum of one year at the statutory Board meeting and they perform their duties in accordance with the instructions presented to each Committee annually.

The primary objective of the Committees is to provide preparatory and administrative support to the Board. The issues considered at Committee meetings are recorded in minutes and reported at the next Board meeting. Representatives from the company's specialist functions always participate in Committee meetings.

#### *AUDIT COMMITTEE*

During 2011, the Audit Committee consisted of Sune Carlsson (chairman), Jacob Wallenberg and Peter Wallenberg Jr. The composition of the Committee meets the independence criteria set forth by the Code and the Swedish Companies Act. The Audit Committee held seven meetings during the year, typically in conjunction with issuance of the quarterly and annual reports. During 2011 the Committee:

Analyzed each interim report and the year-end report for completeness and accuracy.

Focused particularly on the correct treatment and accounting of each business area subsequent to the restructuring within Invest Receive.

Maintained regular contact with the company's external auditor and followed up on any findings reported.

Evaluated the audit work and presented its conclusions to the Nomination Committee.

Monitored the efficiency in the organization and the internal control by among other things the results of reviews conducted by the Internal Controls function during 2011, with a special focus on the controls that are in place for business processes and the consolidation including connections between the IT systems that are used for processing financial reporting.

#### REMUNERATION COMMITTEE

In 2011, the members of the Remuneration Committee were Jacob Wallenberg (chairman), O. Griffith Sexton and Lena Treschow Torell. The composition of the Remuneration Committee meets the independence criteria set forth by the Code. The Remuneration Committee held eight meetings during the year. During 2011 the Committee

- Evaluated and approved remuneration structures for personnel and salary reviews for Management.
- Evaluated and assessed the President's goals and terms and conditions for remuneration for 2011, which were then approved by the Board.
- Monitored and evaluated variable salary programs that were in effect or concluded during the year.
- Evaluated and implemented the guidelines for remuneration and the long-term variable remuneration program for Management and employees that was adopted by the 2011 AGM.
- Monitored and evaluated the development of remuneration programs and remuneration levels in the market.
- Initiated a project that made a thorough evaluation of the long-term variable remuneration program for the Management and the employees which was adopted at the AGM 2011, see page 41.
  - Proposed to the Board to submit to the AGM 2012 a long-term

variable remuneration program which is substantially identical to the program from 2011, see page 33 and the company website.

#### FINANCE AND RISK COMMITTEE

The members of the Finance and Risk Committee in 2011 were Grace Reksten Skaugen (chairman), Gunnar Brock and Jacob Wallenberg. The independence criteria do not apply to the members of this Committee. The Finance and Risk Committee held three meetings during the year. At each meeting, representatives from the specialist functions gave presentation on the current risk status and follow-up on limits and mandates in relation to policies. During 2011 the Committee focused on

- Invest Receive's financial flexibility because of the uncertainty about the future global economic situation.
- Monitoring of risk exposure and strategy.
- The internal restructuring of the business areas and the organization.
- The termination of Active Portfolio Management and the creation of the new, limited-scope Trading operation.
- The work accomplished by the Security function was reported.
- Updates of policies and instructions were approved.

#### Attendance record and Board remuneration in 2011

Member Chairman				Attendance record, Board Meetings	Attendance record, Committee Meetings	Board fee excl. Committee fees		Committee fees			Total Board Remuneration incl. synthetic shares, SEK <sup>1)</sup>	
	Audit Committee	Remuneration Committee	Finance and Risk Committee			Cash, SEK	Value of synthetic shares, SEK <sup>1)</sup>	Number of synthetic shares <sup>1,2)</sup>	Audit Committee, SEK	Remuneration Committee, SEK		Finance and Risk Committee, SEK
Jacob Wallenberg Sune				100%	100%	937,500	937,500	6,468	125,000	125,000	62,500	2,187,500
Carlsson Gunnar Brock				100%	100%	250,000	250,000	1,725	187,500			687,500
Börje Ekholm				100%	100%	250,000	250,000	1,725			62,500	562,500
Tom Johnstone Carola				100%								–
Lemne				100%		250,000	250,000	1,725				500,000
Grace Reksten Skaugen				92%		250,000	250,000	1,725				500,000
O. Griffith Sexton Hans				92%	100%	500,000					125,000	625,000
Stråberg				92%	100%	500,000				62,500		562,500
Lena Treschow Torell				100%		250,000	250,000	1,725				500,000
Peter Wallenberg Jr				92%	78%	250,000	250,000	1,725		62,500		562,500
				92%	100%	250,000	250,000	1,725	125,000			625,000
<b>Total</b>						<b>3,687,500</b>	<b>2,687,500</b>	<b>18,543</b>	<b>437,500</b>	<b>250,000</b>	<b>250,000</b>	<b>7,312,500</b>

1) At point of allocation.

2) Based on volume weighed average price for Invest Receive's B shares during the five trading days immediately following the day the B-share was traded without the right to receive dividend.

For total value of Board fee including synthetic shares and dividends at year-end, see Note 6, Employees and payroll cost.

## Auditor

The auditor is appointed by the AGM for a mandate period of one year. On behalf of the shareholders, the auditor is responsible for auditing the company's annual accounts, accounting records and administration by the Board and the President. The auditor-in-charge also submits an audit report to the AGM, a statement on how the guidelines for remuneration and other compensation have been applied, and an opinion on the Corporate Governance Report. Shareholders are welcome to direct questions to the auditor at the AGM.

Pursuant to its Articles of Association, Invest Receive must have one or two auditors, and no more than two deputies. A registered firm of auditors may be appointed as the company's auditor.

At the 2011 AGM, the registered firm of auditors, KPMG AB was appointed auditor until the close of the 2012 AGM. The auditor in charge is Helene Willberg, Authorized Public Accountant.

Over the past three years, the auditing firm has, besides the audit, conducted a limited number of other assignments on behalf of Invest Receive. These assignments mainly consisted of services associated with auditing, such as in-depth reviews during an audit. By limiting the extent to which the auditor is allowed to perform services other than auditing, it is possible to ensure that the auditor is independent of the company. For details on remuneration to auditors, see Note 7, Auditor's fees and expenses.

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Invest Receive's auditor: KPMG AB

Auditor-in-charge: Helene Willberg

Year of birth: 1967

President of KPMG AB

Auditor-in-charge for Invest Receive since 2010

Shares in Invest Receive AB: 0

Other auditing assignments: Cloetta, Höganäs, Nobia, Ortivus, Thule

## Remuneration

### *Remuneration to the Board*

The Nomination Committee recommends the remuneration to the Board for the coming fiscal year and the AGM approves the remuneration. Remuneration is paid to Board members not employed by the company. The total remuneration to the Board approved by the AGM was SEK 7,313 t. Information on specific compensation is provided in the table on page 40 and in Note 6, Employees and payroll costs. The Chairman receives higher compensation than the other Board members, which reflects the extra duties this position involves. Members of the Board not employed by the company do not participate in Invest Receive's share-based remuneration programs.

The Nomination Committee believes it is to the advantage of the company and its shareholders if Board members are either shareholders in the company or have similar exposure to changes in the price of Invest Receive's share over the long term. Since the 2008 AGM, it is possible for Board members to receive a portion of their compensation in the form of synthetic shares. For the detailed terms and conditions for synthetic shares, see Note 6, Employees and payroll costs and the company website.

At the statutory board meeting in April, the Board adopted a policy stating that Board members, who do not already have such hold-

ings, are expected to, over a five-year period, acquire an ownership in Invest Receive shares (or a corresponding exposure to the Invest Receive share, e.g. in the form of synthetic shares) with a market value equivalent to at least one year board remuneration, before taxes, excluding remuneration for Committee work.

### *Remuneration to Management and other employees*

Remuneration is an important governing instrument. In order to achieve solid, long-term growth in value for its shareholders, Invest Receive strives to offer its employees a total remuneration package that is in line with the market and enables the recruitment and retention of the most suitable employees. Comparative studies of relevant industries and markets are carried out annually in order to evaluate current remuneration levels and to determine what constitutes a total level of remuneration in line with market practice.

The total remuneration for the President is determined by the Board. Remuneration issues concerning other members of the Management Group are decided by the Remuneration Committee, after which the Board is informed.

When determining salaries, the employee's total compensation package is taken into consideration. The total compensation package consist of the following components: fixed cash salary, variable cash salary, long-term variable remuneration, pension and other remuneration and benefits.

Invest Receive's policy is for the Management Group to own shares in Invest Receive corresponding to a market value of at least one year's gross salary for the President and at least half of one year's gross salary for the other members of the Management Group.

For a detailed description on guidelines for salary and other remuneration, see Note 6, Employees and payroll costs.

During 2011, a project, initiated by the Remuneration Committee, made a thorough evaluation of the long-term variable remuneration program for the Management and the employees which was adopted at the Annual General Meeting 2011. The evaluation was made from four perspectives; the employees' motivation and alignment of interest with shareholders, the control effects, the effects of the program on the shareholder value and simplification. As a result of the evaluation, the Board has discussed and evaluated alternative changes to the long-term variable remuneration program. The Board has decided to propose to the Annual General Meeting 2012 a long-term variable remuneration program which is essentially identical to the program from 2011. For a description of the Board's proposed guidelines for salary and other remuneration for the President and other Members of the Management Group to the 2012 AGM, see page 33 and the company website.

Information is also available on the website about Invest Receive's variable remuneration to senior executives and of each outstanding share- and share-price-related incentive scheme. Furthermore, available on the website are the Remuneration Committee's reports on the following: the results of the evaluation of on-going, and during the year completed, programs concerning variable salary and of the current remuneration structure and levels of remuneration, and how guidelines for remuneration principles, decided by the AGM, have been applied.

The Board's report on Internal control for financial reporting This description of the internal controls, risk management practices and financial reporting pertains to Invest Receive's investment activities. The wholly-owned operating subsidiaries, Mölnlycke Health Care, Aleris and Grand Hotel, have separate internal control systems in place for their operational activities. The Management group for each of these companies is responsible for ensuring the efficiency of the operating subsidiary's internal regulations, internal controls, risk management and financial reporting, as well as reporting on these items to that company's Board of Directors. Invest Receive's Board representatives provide this information to Invest Receive's investment organization, where analysis and follow-up take place.

Effective Board work is the cornerstone for good internal control. Internal control and risk Management comprise a part of the Board's and Management's governance and follow-up of the business operations. Internal control is intended to ensure appropriate and efficient management of the operations, the reliability of the financial reporting and compliance with laws, ordinances and internal regulations.

Internal control and risk management are an integral part of all of processes associated with Invest Receive's investment activities. Invest Receive's system of internal control and risk management, with regard to financial reporting, is designed to manage risks involved in the processes related to financial reporting and ensure a high level of reliability in financial reporting. It is also designed to ensure compliance with the applicable accounting requirements and other requirements that Invest Receive must meet as a listed company. Invest Receive's main business is the management of financial transactions and the company's internal control over financial reporting is focused primarily on ensuring efficient and reliable management of, and accounting for, purchases, sales and accurate evaluation of securities. Correct consolidation of the operating subsidiaries is also a priority.

#### *Control environment*

The foundation of internal control is the overall control environment established by the Board and Management. This control environment is built around an organization with clear decision-making channels, powers and responsibilities that are defined by explicit instructions and a corporate culture based on shared values. It also requires each individual's awareness of his/her role in maintaining effective internal control. The corporate culture at Invest Receive is based on four core values: Create value, Continuous improvement, Contribute your view and Care for people.

All of Invest Receive's business areas have policies, instructions and detailed process descriptions for the various phases of each business flow, e.g. from transaction management to bookkeeping and the preparation of external reports. These documents establish rules on responsibilities for specific tasks, mandates and powers and how validation is to be carried out. The governing documents are updated yearly or when needed to ensure that they always reflect current legislation, regulations and changes in processes. Because of the reorganization in 2011, the Compliance function updated the policies and instructions that were affected. Compliance also provided the organization with training in compliance matters.

#### *Risk assessment*

Risk assessment, i.e. identifying and evaluating risks that could prevent the company from achieving its business goals and having reliable financial reporting, is conducted continuously at Invest Receive.

The Board, via the Finance and Risk Committee and the Audit Committee, is responsible for identifying and managing significant financial risks and any risks of material weaknesses in financial reporting. Daily, the Management Group is provided with risk reports on the Treasury and Trading businesses.

Risk assessment is carried out yearly in the form of a self-evaluation and includes the establishment of action plans to mitigate identified risks. In the yearly risk assessment process, the organization evaluated and followed up identified risks during 2011. There was a particular focus on identifying risks related to the restructuring and staff reductions that were carried out by Invest Receive during 2011. The Risk Control function was responsible for managing the risk assessment process. Risk assessment encompasses the entire organization and all of its processes. It takes into consideration such things as systems, control activities and key individuals. Identified risks are analyzed in relation to Invest Receive's assets, such as financial assets, brand, personnel, information and IT/infrastructure. When needed, action plans were implemented to minimize the probability and impact of identified risks. The identified risks are compiled in a company-wide risk map. Conclusions drawn from the risk assessments are then reported to the Management Group and the Board.

Using each business area's risk assessment as a starting point, the Audit Committee determines which of the identified risks should be prioritized by the Internal Control function. Focus is placed on risks of material weaknesses in the financial reporting for significant Income Statement and Balance Sheet items, which have a higher risk because of the complexity of the process, or where there is a risk that the effects of potential weaknesses may become significant because of the high transaction values involved. Actions such as improved control routines are then taken in order to further ensure accurate financial reporting. The Finance and Risk Committee follows up on the measures in place for dealing with other risks.

For a more detailed description of Invest Receive risks and risk management practices, see Note 31, Risk exposure and risk management page 105. For a description of the operating subsidiaries' risk management practices, see Note 31, Risk exposure and risk management page 108.

#### *Control activities*

To ensure that business is conducted efficiently and that financial reporting gives a true and fair picture on each reporting date, every process incorporates a number of control activities. These involve all levels of the organization, from the Board and company Management to other employees. The purpose of the control activities is to prevent, detect and rectify weaknesses and deviations. At Invest Receive, control activities include approval of business transactions, reconciliation with external counterparts, daily monitoring of risk exposure, daily account reconciliation, monthly custody reconciliation, performance monitoring and analytical monitoring of decisions.

Invest Receive's financial reports are analyzed and validated by the company's control function within Finance. The validation process consists of both automatic checks, including deviation reporting, and manual checks such as reasonability assessment of the values found. The effectiveness of the automatic checks in the IT systems is monitored regularly on the basis of information received from system administrators in the business process.

During 2011, the Internal Control function performed a review of the system-wide controls for financial reporting and the consolidation process. Reporting instructions have been updated in order to ensure that the wholly-owned subsidiaries correctly report their financial information. Suggestions for improvements are implemented on an ongoing basis.

#### *Information and communication*

Invest Receive's Board has adopted a communication policy for the purpose of ensuring that the external information is correct and complete. Financial information is provided in the interim reports, year-end report and the annual report. Within the company, there are also instructions on how to communicate financial information between Management and other employees. In order for correct dissemination of information to occur, there must be good information security routines in place.

Invest Receive regularly publishes up-to-date information on its website so that shareholders and stakeholders can follow Invest Receive's operations and performance. News and events that are considered to have an impact on Invest Receive's share prices are announced in press releases.

#### *Monitoring*

Both the Board and the Management Group regularly follow up on the compliance and effectiveness of the company's internal controls to ensure the quality of internal processes. Invest Receive's financial situation and strategy regarding the company's financial position are discussed at every Board meeting and the Board is furnished with detailed monthly reports on the financial situation and development of the business to this end. The Audit Committee plays an important role in ensuring and monitoring that control activities are in place for important areas of risk inherent in the processes for financial reporting. The Audit Committee, Management Group and Internal Control function regularly follow up reported deviations.

More information about Invest Receive's corporate governance activities is available at [www.investreceive.com](http://www.investreceive.com)

Information about laws and practices associated with Swedish corporate governance is available at:

[www.corporategovernanceboard.se](http://www.corporategovernanceboard.se) (the Code),

[www.nasdaqomx.com](http://www.nasdaqomx.com) (rule book for issuers) and [www.fi.se](http://www.fi.se) (The Swedish Financial Supervisory Authority's statutes and information about insiders).

# Board of Directors



**Jacob Wallenberg** born 1956  
Chairman since 2005  
Vice Chairman 1999-2005  
Director since 1998  
Other board assignments Vice Chairman:  
Atlas Copco AB, SAS AB, SEB Skandinaviska Enskilda Banken AB (SEB) and Telefonaktiebolaget LM Ericsson  
Director: ABB Ltd, The Coca-Cola Company, The Knut and Alice Wallenberg Foundation and Stockholm School of Economics  
Member: The European Round Table of Industrialists and IBLAC Shanghai's International Business Leaders Advisory Council

**Work experience**  
President and CEO: SEB  
Executive Vice President and Head of Enskilda Division, SEB  
Advisor to the President and CEO of SEB  
Executive Vice President and CFO: Invest Receive AB

**Education**  
B.Sc. in Economics and M.B.A., Wharton School, University of Pennsylvania  
Reserve Officer, Swedish Navy

**Independent/Dependent**  
Independent in relation to the company and its Management  
Dependent in relation to the company's major shareholders

**Committees**  
Chairman: Remuneration Committee  
Member: Audit Committee and Finance and Risk Committee

**Shares in Invest Receive<sup>1)</sup>**  
257,936  
Synthetic shares  
29,683



**Gunnar Brock**  
born 1950  
Director since 2009  
**Other board assignments**  
Chairman: Mölnlycke Health Care AB, Stora Enso Oyj and Rolling Optics AB  
Director: Stockholm School of Economics, Stena AB and Total SA  
Member: The Royal Swedish Academy of Engineering Sciences (IVA)

**Work experience**  
CEO: Atlas Copco AB, Thule International, Tetra Pak Group of Companies and Alfa Laval

**Education**  
M.Sc. in Economics and Business Administration, Stockholm School of Economics

**Independent/Dependent**  
Dependent in relation to the company and its Management  
Independent in relation to the company's major shareholders

**Committees**  
Member: Finance and Risk Committee

**Shares in Invest Receive<sup>1)</sup>**  
Synthetic shares  
5,875



**Sune Carlsson**  
born 1941  
Vice Chairman since 2011  
Director since 2002

**Other board assignments**  
Chairman: Atlas Copco AB

**Work experience**  
Vice Chairman: Scania AB  
President and CEO: AB SKF  
Executive Vice President: ASEA AB and ABB Ltd

**Education**  
M.Sc. in Engineering, Chalmers University of Technology, Gothenburg

**Independent/Dependent**  
Independent in relation to the company and its Management  
Independent in relation to the company's major shareholders

**Committees**  
Chairman: Audit Committee

**Shares in Invest Receive<sup>1)</sup>**  
50,000  
Synthetic shares  
7,915



**Börje Ekholm**  
born 1963  
Director since 2006  
See also information on page 46

**Independent/Dependent**  
Dependent in relation to the company and its Management  
Independent in relation to the company's major shareholders



**Tom Johnstone**  
born 1955  
Director since 2010

**Current role**  
President and Chief Executive Officer: AB SKF

**Other board assignments**  
Director: AB SKF and Husqvarna AB

**Work experience**  
Director: AB Electrolux and The Association of Swedish Engineering Industries  
Executive Vice President: AB SKF  
President: Automotive Division, AB SKF

**Education**  
M.A., University of Glasgow

**Independent/Dependent**  
Independent in relation to the company and its Management  
Independent in relation to the company's major shareholders

**Shares in Invest Receive<sup>1)</sup>**  
Synthetic shares  
3,611



**Carola Lemne**  
Born 1958  
Director since 2010

**Current role**  
President and Chief Executive Officer: Praktikertjänst AB  
Associate professor: Karolinska Institutet

**Other board assignments**  
Director: Getinge AB, Praktikertjänst AB, The Confederation of Swedish Enterprise  
Member: The Dental and Pharmaceutical Benefits Agency, The Swedish Corporate Governance Board and The National Council for Innovation and Quality

**Work experience**  
Director: Apoteket AB, Stockholm University, The Strategic Research Foundation and Meda AB  
Member: The Swedish Governmental Delegation on Cooperation in Clinical Research  
Managing Director: Danderyd University Hospital AB  
Vice President Clinical Development and Regulatory Affairs Strategy: Pharmacia Corp, New Jersey  
Vice President: Clinical Research Europe, Pharmacia & Upjohn Corp

**Education**  
M.D., Karolinska Institutet  
Ph.D., Karolinska Institutet  
Associate Professor, Karolinska Institutet

**Independent/Dependent**  
Independent in relation to the company and its Management  
Independent in relation to the company's major shareholders

**Shares in Invest Receive<sup>1)</sup>**  
Synthetic shares  
3,611

1) Includes holdings of close relatives and legal entities. For more information about synthetic shares see Note 6, Employees and payroll costs.



**Grace Reksten Skaugen** born 1953  
Director since 2006

**Other board assignments**  
Chairman: Entra Eiendom AS, Ferd Holding AS and Norwegian Institute of Directors  
Director: Statoil ASA

**Work experience**  
Director: Atlas Copco AB, Opera Software ASA, Renewable Energy Corporation ASA, Storebrand ASA and Tandberg ASA  
Consultant: Argentum Fondinvesteringar AS Director: Corporate Finance Enskilda Securities, Oslo Project Adviser: AS Aircontractgruppen, Oslo Venture Capital Consultant: Fearnley Finance Ltd, London  
Microelectronics Research Officer: Columbia University, New York

**Education**  
M.B.A., BI Norwegian School of Management, Careers in Business Program, New York University, Ph.D., Laser Physics, Imperial College of Science and Technology, London University, B.Sc., Honours, Physics, Imperial College of Science and Technology, London University

**Independent/Dependent**  
Independent in relation to the company and its Management  
Independent in relation to the company's major shareholders

**Committees**  
Chairman: Finance and Risk Committee

**Shares in Invest Receive**<sup>1)</sup> 1,500



**O. Griffith Sexton** born 1944  
Director since 2003

**Other board assignments**  
Director: Morgan Stanley

**Work experience**  
Advisory Director and Managing Director: Morgan Stanley

**Education**  
M.B.A., Stanford University Graduate School of Business and B.S.E., Princeton University

**Independent/Dependent**  
Independent in relation to the company and its Management  
Independent in relation to the company's major shareholders

**Committees**  
Member: Remuneration Committee

**Shares in Invest Receive**<sup>1)</sup> 1,800



**Hans Stråberg** born 1957  
Director since 2011

**Other board assignments**  
Chairman: Orchid, CTEK AB and Roxtec AB  
Director: N Holding AB, Stora Enso Oyj, The Confederation of Swedish Enterprise and The Association of Swedish Engineering Industries Member: Royal Swedish Academy of Engineering Sciences (IVA)

**Work experience**  
President and CEO: AB Electrolux  
COO: AB Electrolux Executive Vice President: AB Electrolux  
Head of Floor Care Products and Small Appliances: AB Electrolux  
Executive Vice President: AB Electrolux  
Head of Product division: Floor Care Products, AB Electrolux  
Head of Product area: Dishwasher and Washing Machines, AB Electrolux  
Assistant: Technical Attaché, The Swedish Embassy, Washington DC

**Education**  
M.Sc. in Engineering, Chalmers University of Technology, Gothenburg Reserve Officer, The Swedish Army

**Independent/Dependent**  
Dependent in relation to the company and its Management  
Independent in relation to the company's major shareholders

**Shares in Invest Receive**<sup>1)</sup> 8,300  
Synthetic shares 1,725



**Lena Treschow Torell** born 1946  
Director since 2007

**Other board assignments**  
Chairman: Euro-CASE (European Council of Applied Sciences and Engineering), MISTRA (The Foundation for Environmental Strategic Research) and The Royal Swedish Academy of Engineering Sciences (IVA)  
Vice Chairman: The Chalmers University of Technology Foundation, Micronic Mydata AB and ÅF AB Director: Saab AB and AB SKF

**Work experience** President: Royal Swedish Academy of Engineering Sciences (IVA)  
Research Director: Joint Research Centre, European Commission, Brussels  
Vice President: Chalmers University of Technology, Gothenburg  
Professor: Materials Physics, Chalmers University of Technology  
Professor: Solid State Physics, Uppsala University, Uppsala  
Board member: Gambro AB, Getinge AB, Imego AB, IRECO Holding AB and Telefonaktiebolaget LM Ericsson

**Education**  
Ph.D., Physics, University of Gothenburg  
Docent, Physics, Chalmers University of Technology

**Independent/Dependent**  
Independent in relation to the company and its Management  
Independent in relation to the company's major shareholders

**Committees**  
Member: Remuneration Committee

**Shares in Invest Receive**<sup>1)</sup> 16,500  
Synthetic shares 7,915



**Peter Wallenberg Jr** born 1959  
Director since 2006

**Other board assignments**  
Chairman: Foundation Asset Management AB, The Grand Group, The Royal Swedish Automobile Club and Kungsträdgården Park & Evenemang AB  
Vice Chairman: The Knut and Alice Wallenberg Foundation  
Director: Aleris Holding AB, Scania AB, SEB Kort AB and Stockholmsmässan AB

**Work experience**  
President and CEO: The Grand Hôtel Holdings  
General Manager: The Grand Hôtel  
President: Hotel Division Stockholm-Saltsjön AB

**Education**  
BSBA Hotel Administration, University of Denver, International Bachelor, American School, Leysin, Switzerland

**Independent/Dependent**  
Independent in relation to the company and its Management  
Dependent in relation to the company's major shareholders

**Committees**  
Member: Audit Committee  
**Shares in Invest Receive**<sup>1)</sup> 57,598  
Synthetic shares 7,915



**Honorary Chairman Peter Wallenberg** born 1926

Honorary Chairman since 1997  
Chairman 1982-1997  
Director 1969-1982

**Other board assignments**  
Chairman: The Knut and Alice Wallenberg Foundation  
Honorary Chairman: Atlas Copco AB

**Education**  
Bachelor of Laws, University of Stockholm

1) Includes holdings of close relatives and legal entities. For more information about synthetic shares see Note 6, Employees and payroll costs.

# Management Group



## **Börje Ekholm**

born 1963  
Director since 2006  
President and Chief Executive Officer since 2005  
Member of the Management Group since 1997,  
employed in 1992

### *Board assignments*

Chalmersinvest AB, EQT Partners AB, Husqvarna AB,  
KTH Royal Institute of Technology, NASDAQ OMX,  
Scania AB and Telefonaktiebolaget LM Ericsson

### *Work experience*

Head of New Investments: Invest Receive AB CEO:  
Novare Kapital  
Analyst: Core Holdings, Invest Receive AB Associate:  
McKinsey & Co Inc

### *Education*

M.B.A., INSEAD, Fontainebleau and  
M.Sc. in Engineering, Royal Institute of Technology  
(KTH), Stockholm

### *Shares in Invest Receive*<sup>1)</sup>

413,095



## **Susanne Ekblom**

born 1966  
Chief Financial Officer  
Member of the Management Group since 2011,  
employed in 2011

### *Board assignments*

–

### *Work experience*

CFO, Sveriges Television  
Controller, Scania  
Head of Financial and Administration, Dynamate Head  
of Accounting, LFR Media  
Financial Manager, Ingenjörskörbundet

### *Education*

BSc in Business and Economics, Stockholm University

### *Shares in Invest Receive*<sup>1)</sup>

0



## **Johan Forssell**

born 1971  
Head of Core Investments  
Member of the Management Group since 2006,  
employed in 1995

### *Board assignments*

Atlas Copco AB and Saab AB

### *Work experience*

Head of Research, Head of Capital Goods and  
Healthcare sector, Head of Capital Goods sector  
and Analyst Core Holdings: Invest Receive AB

### *Education*

M.Sc. in Finance, Stockholm School of Economics

### *Shares in Invest Receive*<sup>1)</sup>

54,708



## **Petra Hedengran**

born 1964  
General Counsel, and Head of Corporate Governance  
and Compliance  
Member of the Management Group since 2007, employed  
in 2007

### *Board assignments*

Lindorff Group AB and EQT Partners

### *Work experience*

Partner and Head of Banking and Financing Group:  
Advokatfirman Lindahl  
Legal Counsel and General Counsel Nordic Region:  
ABB Financial Services AB  
Assistant Judge: Stockholms Tingsrätt  
Associate: Gunnar Lindhs Advokatbyrå

### *Education*

Bachelor of Laws, University of Stockholm

### *Shares in Invest Receive*<sup>1)</sup>

13,067



## **Lennart Johansson**

born 1955  
Head of Financial Investments  
Member of the Management Group since 2006, employed in  
2003

### *Board assignments*

Lindorff Group AB and SOBI AB

### *Work experience*

CEO: b-business partners and Emerging  
Technologies AB  
Deputy CEO/Senior Executive Vice President and Senior  
Vice President Accounting: Atlas Copco AB Audit and  
Control  
Business Area Controller: Atlas Copco Industrial Technique  
Management Consultant: Nordic Management, SMG

### *Education*

Degree in Economics and Business Administration,  
Stockholm School of Economics

### *Shares in Invest Receive*<sup>1)</sup>

31,271

See Note 6, Employees and payroll costs, for employee  
stock options held by Management Group members.

1) Includes holdings of close relatives and legal entities.

# Auditor's report

To the annual meeting of the shareholders of Invest Receive AB CORP ID 556013-8298

Report on the annual accounts and consolidated accounts We have audited the annual accounts and the consolidated accounts of Invest Receive AB for the year 2011. The annual accounts and the consolidated accounts are included in the printed version of this document on pages 29-115.

## *Responsibilities of the Board of Directors and the President for the annual accounts and consolidated accounts*

The Board of Directors and the President are responsible for the preparation and fair presentation of these annual accounts and consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the President determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

## *Auditor's responsibility*

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the President, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## *Opinions*

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Parent Company as of 31 December 2011 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act, and the consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2011 and of their financial performance and cash flows in accordance with International Financial

Reporting Standards, as adopted by the EU, and the Annual Accounts Act. A Corporate Governance Report has been prepared. The Statutory administration report and the Corporate Governance Report are consistent with the other parts of the annual accounts and the consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the Income Statement and Balance Sheet for the Parent Company and the group.

Report on other legal and regulatory requirements In addition to our audit of the annual accounts and consolidated accounts, we have examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the President of Invest Receive AB for the year 2011.

## *Responsibilities of the Board of Directors and the President*

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the President are responsible for administration under the Companies Act.

## *Auditor's responsibility*

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the President is liable to the company. We also examined whether any member of the Board of Directors or the President has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## *Opinions*

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the President are discharged from liability for the financial year.

Stockholm, March 13, 2012

KPMG AB

*Signed on the original document*

Helene Willberg

*Authorized Public Accountant*

*This Auditor's report is a translation of the original Auditor's report in Swedish.*