

# Corporate governance

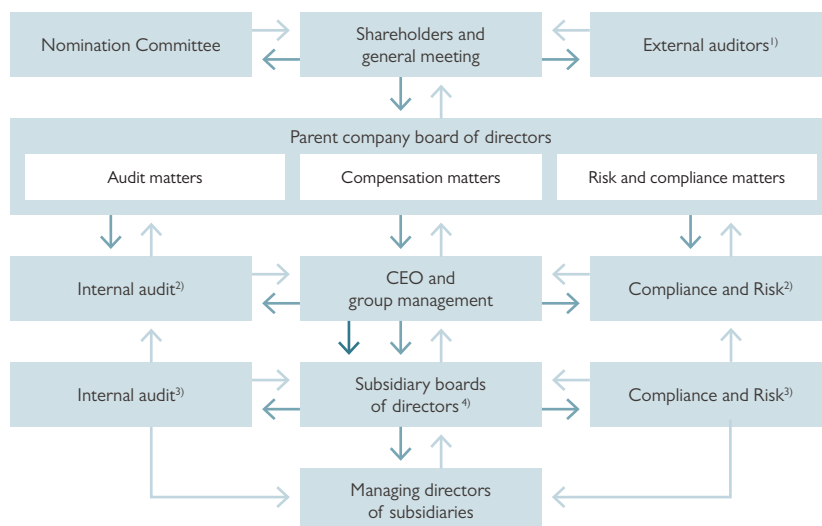
Catella AB (publ) is a public Swedish limited liability company whose registered office is in Stockholm, Sweden. Catella has been listed on Nasdaq Stockholm Mid Cap since 2016 and is governed by the Swedish Companies Act, the Swedish Corporate Governance Code and the rules and regulations of Nasdaq Stockholm.

## Governance and control

Responsibility for management and control of operations in Catella and subsidiaries is allocated among the shareholders at the annual general meeting, the board of directors, the CEO, other senior management personnel and the internal audit, compliance and risk management functions. This responsibility proceeds from the Swedish Companies Act, the Articles of Association, the Swedish Corporate Governance Code, the rules and regulations of Nasdaq Stockholm and internal rules of procedure, policies and instructions. These provisions are applied and monitored by means of corporate reporting procedures and standards.

THE CURRENT ARTICLES OF ASSOCIATION ARE AVAILABLE ON [CATELLA.COM](http://CATELLA.COM).

CATELLA'S CORPORATE GOVERNANCE STRUCTURE



<sup>1)</sup>In addition to the auditor's report, the external auditors submit reports concerning review of the annual accounts, management and internal control for financial reporting to the board of directors and executive management of the Catella group and its subsidiaries.

<sup>2)</sup>Internal audit, compliance and risk management functions at the group level for Catella's consolidated financial situation.

<sup>3)</sup>Internal audit, compliance and risk management functions exist in subsidiaries that conduct regulated operations.

<sup>4)</sup>Subsidiary boards deal with matters related to auditing, compensation and compliance correspondingly to the board of directors of the parent company.

## Shareholders

At the top of the corporate governance structure, shareholders exert their influence to guide the main direction of the company.

The largest individual shareholders at 31 December 2016 were the Claesson & Anderzén Group, with a holding of 49.8 percent (49.9) of the capital and 49.1 percent (49.1) of the votes, followed by Bure Equity AB (publ), with a holding of 10.7 percent (10.8) of the capital and 11.1 percent (11.1) of the votes. See "The Catella share and ownership" section for further information.

## Annual general meeting

The Annual General Meeting (AGM), which is the company's supreme governing body, gives all shareholders the opportunity to exert their influence. Amendments to the Articles of Association are subject to resolution by the AGM. The Articles of Association do not impose any limitation on the number of votes a shareholder may cast at a general meeting. All shareholders are also entitled to vote at the general meeting for the entire number of shares they hold.

The annual general meeting was held 30 May 2016 in Stockholm. The board of directors, auditor and owners representing 68.4

percent of total voting power participated.

Resolutions at the AGM included:

- To dispose of retained earnings and net profit for the year so that SEK 0.60 per share (0.20) is distributed to shareholders and the remainder carried forward.
- To pay directors' fees of SEK 1,870,000 in total (1,700,000), including SEK 550,000 (500,000) to the chairman of the board and SEK 330,000 (300,000) each to other directors. To pay auditor's fees according to approved invoice.
- To re-elect Johan Claesson, Jan Roxendal, Johan Damne, Anna Ramel and Joachim Gahm as directors, and to elect Johan Claesson chairman of the board.
- To appoint PricewaterhouseCoopers AB as the company's auditor, with Patrik Adolfsen as auditor in charge, for a term beginning at the close of the 2016 AGM and ending at the close of the 2017 AGM.
- To endorse the Nomination Committee's proposed nomination principles for the 2017 AGM.

- To approve the board of directors' proposed guidelines for compensation to senior management personnel.


DOCUMENTATION FROM PREVIOUS GENERAL MEETINGS IS AVAILABLE ON [CATELLA.COM](http://CATELLA.COM).

## Nomination Committee:

The members of the Nomination Committee are appointed in a procedure where the chairman of the board contacts the three largest shareholders in terms of voting rights as of 30 September, each of which appoints one representative. These representatives, along with the chairman of the board, make up the Nomination Committee for the period until the next AGM. The Nomination Committee appoints a committee chair internally, who cannot be the chairman of the board. The composition of the Nomination Committee must be publicly announced immediately upon appointment and no later than six months before the AGM. The Nomination Committee's remit is to present proposals to the AGM concerning the number

of directors, directors' and auditor's fees, composition of the board of directors, chairman of the board, resolutions concerning the Nomination Committee, chairman of the AGM and election of auditors. The Nomination Committee's proposal is presented on Catella's website before the AGM. At the AGM, the Nomination Committee reports how its work has been conducted and presents its proposals and the reasoning behind them.

The members of the Nomination Committee ahead of the 2017 AGM are Magnus Strömer, committee chair, appointed by Handelsbanken Fonder, Thomas Andersson Borstam, privately and appointed by TAB Holding AB and Johan Claesson, chairman of the board of Catella AB (publ), appointed by CA Plusinvest AB. Two of the three members are independent in relation to the company, management and major shareholders.

 INFORMATION ABOUT THE MEMBERS OF THE NOMINATION COMMITTEE AND ITS PROPOSALS IS AVAILABLE ON [CATELLA.COM](http://CATELLA.COM).

## Board of Directors

As resolved by the general meeting, the board of directors shall be composed of five ordinary directors and no alternates.

The annual general meeting held 30 May 2016 re-elected Johan Claesson, Jan Roxendal, Johan Damne, Anna Ramel and Joachim Gahm as directors for a term ending at the close of the next AGM. Johan Claesson was elected chairman of the board. Refer to the section "Board of directors and auditors" for further information about the directors.

## Board responsibilities

The board of directors is responsible for the organisation and management of the group in accordance with the Swedish Companies Act and for appointing the president and chief executive officer and the audit and compensation committees. The board also decides on pay and other compensation to the president and chief executive officer and other members of group management.

The board adopted an updated charter in May 2016, which establishes the audit and compensation committees. The board has decided that the entire board will perform the duties of the audit and compensation committees until it decides otherwise. The board has also adopted an instruction for financial reporting, an instruction to the CEO and new and updated policies. The charter regulates matters including the duties of the chairman of the board, the business to be addressed at each board meeting and business to be addressed at specific points during the year.

The board assures the quality of financial reporting through a series of group policies, rules of procedure, frameworks, clear struc-

tures with defined areas of responsibility and documented authority.

## Board work in 2016

The board held 9 meetings (6) in 2016, of which 1 (1) was held by telephone. The CEO, Knut Pedersen, reported to the board but did not serve as a director. Knut Pedersen attended all board meetings. In addition to ongoing operations, matters related to the development of the Property Investment Management and Banking business areas, strategy and operational coordination, risk and compliance issues were accorded particular focus during the year. The chairman presided over the work of the board of directors and maintained continuous contact and dialogue with the CEO. The board met with the auditors twice to receive their opinions on the company's financial reporting and internal control. The COO recorded the minutes at all board meetings in 2016. The minutes were verified by the chairman and one other director. A review of the board's work and decisions during the year is presented below.

### ATTENDANCE AND COMPENSATION TO THE BOARD OF DIRECTORS

	Elected	Independent of company/owners	Attendance, board meetings	Attendance, Audit committee meetings	Fees 2016/2017, SEK <sup>1)</sup>
Johan Claesson, chairman	2008	No/No	9/9	2/2	550
Jan Roxendal	2011	Yes/Yes	9/9	2/2	330
Johan Damne	2014	No/No	9/9	2/2	330
Joachim Gahm	2014	Yes/Yes	9/9	2/2	330
Anna Ramel	2014	Yes/Yes	9/9	2/2	330

<sup>1)</sup> See Note 11 for a specification of directors' fees paid.

### THE WORK OF THE BOARD OF DIRECTORS AND KEY DECISIONS IN 2016

QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4
<ul style="list-style-type: none"> <li>■ Evaluation of compensation matters prior to the annual general meeting.</li> <li>■ Review of the audit and evaluation of the auditor's performance.</li> <li>■ Review of internal audit and decision on internal audit plan for 2016.</li> <li>■ Review of risk reporting.</li> <li>■ Review of compliance and decision on compliance plan for 2016.</li> <li>■ Year-end report.</li> </ul>	<ul style="list-style-type: none"> <li>■ Annual Report 2015.</li> <li>■ Interim report Q1 2016.</li> <li>■ Review of risk report.</li> <li>■ Decision on risk plan for 2016.</li> <li>■ Review of risk and compliance, Q1 2016.</li> <li>■ Review of information security.</li> <li>■ 2016 AGM.</li> <li>■ Adoption of the board charter, instruction to the CEO and reporting instruction.</li> <li>■ Adoption of updated and new policies and guidelines for the Catella group in 2016.</li> </ul>	<ul style="list-style-type: none"> <li>■ Interim report Q2 2016.</li> <li>■ Review of risk and compliance, Q2 2016.</li> <li>■ Review and decision on Catella Group Recovery Plan 2016.</li> <li>■ Review of the ICLAAP process reported to CSSF.</li> <li>■ Decision to discontinue Consumer business within Corporate Finance.</li> </ul>	<ul style="list-style-type: none"> <li>■ Interim report Q3 2016.</li> <li>■ Decision to apply for main market listing on Nasdaq Stockholm.</li> <li>■ Adoption of listing prospectus.</li> <li>■ Review of compliance, Q3 2016.</li> <li>■ Review of MIFID.</li> <li>■ Adoption of ICLAAP.</li> </ul>

### Evaluation of board performance

The chairman is responsible for evaluating the work of the board through interaction with individual directors and has ensured that the assessments were provided to the Nomination Committee.

### Compensation to the board of directors

The 2016 AGM resolved to pay directors' fees of SEK 1,870,000 in total (1,700,000), including SEK 550,000 (500,000) to the chairman and SEK 330,000 (300,000) each to other directors. See Note 11 concerning directors' fees paid during the 2016 financial year.

### Audit committee

The board resolved to establish an audit committee effective August 2016, comprising all directors. Formerly, audit matters were addressed at ordinary board meetings.

The audit committee will meet with Catella's auditors at least four times a year. The committee will support the board in its work to assure the quality of financial reporting and internal control over financial reporting.

Specifically, the committee will monitor financial reporting, the effectiveness of internal control, the activities of the internal audit function and the risk management system. The committee will also keep itself apprised concerning the statutory audit of the annual accounts. It will assess the independence of the external auditor, and services in addition to the audit will be subject to its approval.

The committee will present its conclusions and proposals to the board of directors prior to its decisions. The audit committee held 2 (0) meeting in 2016.

- Audit committee work in 2016
- Internal and external auditor's reports for Q2 2016
- Internal and external auditor's reports for Q3 2016
- Risk report for Q3 2016
- Proposal for ICLAAP
- Risk policy

### Compensation committee

The board resolved to establish a compensation committee effective August 2016, comprising all directors. Formerly, compensation matters were addressed at ordinary board meetings.

The compensation committee will deal with matters related to pay, variable compensation, share-related incentive programmes and other forms of compensation to mem-

bers of group management, and to other management levels if the board of directors so decides. The committee will present its conclusions and proposals to the entire board for decision. The committee did not meet during 2016 because it was not established until the listing on Nasdaq Stockholm in December 2016.

### Guidelines for compensation to senior management personnel

Compensation to the CEO and other members of group management shall comprise fixed salary, variable compensation, other benefits and pension benefits. Total compensation shall be market-based, competitive and proportionate to the employee's responsibility and authority. Variable compensation is based on performance in relation to individually defined qualitative and quantitative targets and shall never exceed the employee's fixed salary. Upon termination of an employment contract by the company, pay during the period of notice and severance pay combined shall not exceed twelve months' salary. Pension benefits shall be provided through defined contribution plans, unless other arrangements are justified by special circumstances. The board of directors is permitted to depart from these guidelines only if justified by special circumstances in individual cases.

The variable compensation to the CEO was decided at the discretion of the board of directors in 2016, which is not in accordance with the decision of the annual general meeting. According to the guidelines for compensation to senior management personnel, the board of directors is empowered to depart from the guidelines if justified by special circumstances in individual cases. In the light of the organisational change that Catella has undergone, the board of directors decided in favour of a discretionary allocation of variable compensation to the CEO for the 2016 financial year. In making this decision, the board determined that qualitative targets for 2016 would provide a better steering mechanism and thus promote focus on the desired change process in the Catella group.

Details of compensation to the CEO and other senior management personnel are disclosed in Note 11.

### Share-related incentive programme

At 31 December 2016, Catella had a total of 7,000,000 outstanding warrants divided among three series with exercise dates in 2018, 2019 and 2020. The exercise price is SEK 11.00 per share. In the judgement of

the board of directors, the incentive programme promotes the long-term financial interests of the company because, through personal investment, senior management personnel will benefit from efforts to achieve long-term and positive appreciation in the value of the company's share. Further information is provided under "The Catella share and ownership".

### CEO and group management

Group management has overall responsibility for operations within the Catella group in accordance with the long-term objectives set by the board of directors of Catella AB.

The CEO leads and regularly meets with managing directors of subsidiaries and other senior management personnel to discuss the business situation and other operational matters. The CEO has delegated decision authority to the managing directors of subsidiaries by means including the rules of procedure for each subsidiary, but this does not relieve the CEO of his responsibility. To support his work, the CEO has appointed a group management team and heads of business areas for consultation on important matters. Group management is described in greater detail in the "Group management" section.

### Evaluation of the CEO

The board of directors continuously evaluates the CEO's performance. This matter is addressed in particular at one board meeting per year, at which no members of group management are present.

### Auditing

The auditor is appointed by the annual general meeting for a term of one year. According to the Articles of Association, Catella shall have at least one and no more than two auditors and no more than two alternate auditors. The auditor and, where applicable, alternate auditor, shall be an authorised public accountant or registered audit firm. The 2016 AGM elected the auditing firm of PricewaterhouseCoopers AB (PwC), with authorised public accountant Patrik Adolfsen serving as auditor in charge. The company's external auditors were present at one board meeting and one audit committee meeting. In addition to the audit, PwC has performed other assignments for Catella, including in relation to Catella's listing process in 2016.

As resolved by the AGM, audit fees shall be paid to the auditor in accordance with approved invoice. Fees paid to the auditors for the 2016 financial year are specified in Note 8.

## Internal control

The board of directors' responsibility for internal control is governed by the Swedish Companies Act and the Swedish Annual Accounts Act (1995:1554). Information about Catella's internal control and risk management system and measures taken by the board of directors to ensure effective internal control must be disclosed each year in Catella's corporate governance statement.

Catella's internal control process is based on the COSO framework developed by the Committee of Sponsoring Organizations of the Treadway Commission. The process was designed to ensure adequate risk management including reliable financial reporting in compliance with IFRS, applicable laws and regulations and other standards that must be applied by companies listed on Nasdaq Stockholm and which are the parent company in a consolidated financial situation. This work involves the board of directors, group management and other staff.

## Control environment

The board of directors has adopted policy documents that govern the roles and allocation of responsibilities between the CEO and the board of directors. The board of directors monitors and assures the quality of internal control in accordance with the board charter. In addition, the board has adopted a number of fundamental guidelines that govern risk management and internal control processes. These include risk assessment, mandatory control activities to manage the most material risks, an annual plan for internal control performance, self-assessment and reporting. The control environment within Catella encompasses these responsibility and authority, along with laws and regulations. All employees are responsible for compliance with adopted policy documents.

## Risk assessment

Group management performs a comprehensive risk analysis each year, which identifies macroeconomic, strategic, operational, financial and compliance risks. Risks are evaluated based on estimated probability and impact, as well as the effectiveness of established measures to manage the risks.

## Control activities

The structure of control activities is profoundly important to Catella's work to manage risks and assure internal control. Control activities are linked to the company's business processes and each unit ensures that control

activities are executed in compliance with established standards.

## Information and communication

Guidelines, instructions and manuals pertinent to financial reporting are communicated to relevant employees via the group's intranet. The board receives regular financial reports covering the group's financial position and profit trend. The company holds meetings at the management level and, thereafter, at the level each unit considers appropriate. A corporate communications policy has been adopted by the board of directors concerning external information, which was designed to ensure that the company complies with requirements for disclosure of accurate information to the market.

## Performance review

The board of directors continuously evaluates the information provided by group management. Catella's financial position and investments and ongoing operations within Catella are discussed at all board meetings. The board of directors is also responsible for monitoring internal control. This work includes ensuring that measures are taken to correct any shortcomings, as well as following up on recommended actions noted in connection with the external audit, and, with regard to the consolidated financial situation, also from internal audit, the risk management function and the compliance function, which are further described below.

The company performs an annual self-assessment of its risk management and internal control performance. This process involves self-assessment of the effectiveness of control activities each year for all operational business processes in each reporting unit. The CFO is responsible for the self-assessment. The board of directors is informed of the key conclusions of the assessment process, as well as any actions concerning the company's internal control environment.

## Internal control and monitoring in the consolidated financial situation

Several subsidiaries of the group conduct operations that are regulated by the financial supervisory authority in their respective jurisdictions. Parts of the group thus constitute a consolidated financial situation that is subject to applicable regulations, which require the establishment of control functions. In respect of the consolidated financial situation, the board of directors of Catella AB has appointed risk management, compli-

ance and internal audit functions that regularly report to the board and the CEO. In respect of companies outside the consolidated financial situation, the board has judged that internal audit is not necessary at present.

The regulations applicable to subsidiaries affect their organisations and structures. In companies within the consolidated financial situation there are, for example, risk management, compliance and internal audit functions that are independent of business operations and report to the respective subsidiary's managing director, directly to the board of directors and to the heads of each function in the group's consolidated financial situation. Group management is represented on the boards of directors of subsidiaries and reports to the board of directors of the parent company. Subsidiary boards also include independent directors.

## Whistleblowing function

A corporate whistleblowing function gives all employees a means to anonymously report serious wrongdoing that conflicts with Catella's values, business ethics, policies or the law. The purposes of this function include to uphold good ethics and prevent irregularities within Catella to the benefit of the company's employees, clients, suppliers and owners. No issues were reported to Catella's whistleblowing function during 2016.

## Compliance with the Swedish Corporate Governance Code

As a Swedish limited liability company listed on Nasdaq Stockholm, application of the Swedish Corporate Governance Code (the Code) began at Catella on 19 December 2016. As of 19 December 2016, Catella is obliged to follow the Code's principle of "comply or explain" and has since then deviated from Code rule 9.4.

**Code rule 9.4:** Variable remuneration is to be linked to predetermined and measurable performance criteria aimed at promoting the company's long-term value creation.

**Remarks:** Variable compensation was allocated to the CEO according to a discretionary decision by the board and was thus not linked to predetermined and measurable performance criteria. This is a deviation from the Code and from the guidelines for variable compensation resolved by the general meeting.

# Board of directors and auditors



**Johan Claesson**

*Chairman*

Born 1951. Chairman of the board of Catella AB since 2011 and director since 2008.

**Other current assignments:** Chairman of Claesson & Anderzén AB and directorships in other companies in the group, chairman of Apodemus AB. CEO and director of Bellvi Förvaltnings AB and Johan och Marianne Claesson AB. Director of Fastighetsaktiebolaget Bremlia, Alufab PLC Ltd, K3Business Technology Group PLC, Leeds Group PLC and Nighthawk Energy PLC.

**Background:** Owner and executive chairman of Claesson & Anderzén AB.

**Education:** MBA.

**Shareholding** (December 2016): 1,087,437 Class A shares and 39,694,718 B shares.

**Warrants** (December 2016): None.

**Ownership:** Private and through companies.

**Independent of company and management:** No.

**Independent of major shareholders:** No.



**Johan Damne**

*Director*

Born 1963. Director of Catella AB since 2014.

**Other current assignments:** CEO of Claesson & Anderzén Aktiebolag; directorships and CEO assignments in other companies in the Claesson & Anderzén group. Director of Parnas Park Holding AB, S Fanfar AB, Glasbtt 2 AB.

**Background:** CEO of Claesson & Anderzén AB.

**Education:** MBA.

**Shareholding** (December 2016): 150,000 B shares.

**Warrants** (December 2016): None.

**Ownership:** Private.

**Independent of company and management:** No.

**Independent of major shareholders:** No.



**Joachim Gahm**

*Director*

Born 1964. Director of Catella AB since 2014.

**Other current assignments:** Chairman of Arise AB and Sustainable Growth Capital SGC AB. Director of Kungsliden Aktiebolag and S&A Sverige AB.

**Background:** Former COO of E. Öhman Jor Fondkommission AB and president of E. Öhman Jor Investment AB.

**Education:** MBA.

**Shareholding** (December 2016): None.

**Warrants** (December 2016): None.

**Ownership:** N/A

**Independent of company and management:** Yes.

**Independent of major shareholders:** Yes.



**Anna Ramel**

*Director*

Born 1963. Director of Catella AB since 2014.

**Other current assignments:** Chairman of Kjellander & Ramel AB. Director of Erik Penser Bank AB (publ), SPP Spar AB and Anna Ramel AB.

**Background:** Compliance consultant in the financial services sector. Former legal counsel and compliance manager for firms including ABG Sundal Collier AB and Alfred Berg Fondkommission AB.

**Education:** LL M (Master of Laws).

**Shareholding** (December 2016): None.

**Warrants** (December 2016): None.

**Ownership:** N/A

**Independent of the company and management:** Yes.

**Independent of major shareholders in the company:** Yes.



**Jan Roxendal**

*Director*

Born 1953. Director of Catella AB since 2011.

**Other current assignments:** Chairman of Flexenclosure AB and the Swedish Export Credit Agency. Chairman, CEO and owner of Roxtra AB. Director of Magnolia Bostad AB.

**Background:** CEO and CFO of Gambro AB, president and CEO of Intrum Justitia Group, COO of ABB Group and CEO of ABB Financial Services.

**Education:** Higher public education in banking.

**Shareholding** (December 2016): 109,554 B shares.

**Warrants** (December 2016): None.

**Ownership:** Private.

**Independent of company and management:** Yes.

**Independent of major shareholders:** Yes.

## AUDITOR

**Patrik Adolfson**

*Auditor*

Born 1973.

PricewaterhouseCoopers AB (PwC) has been Catella's auditing firm since 2011. The auditor in charge is Patrik Adolfson, authorised public accountant and member of FAR.

**Other audit assignments:** Attendo AB, Loomis AB, Nordstjernan Investment AB and Securitas AB.

**Shareholding** (December 2016): None.

**Warrants** (December 2016): None.

**Ownership:** N/A.

# Group management



**Knut Pedersen**

*President and Chief Executive Officer*

Born 1968

Member of group management since January 2014

**Other current assignments:** Chairman of Catella Fondförvaltning AB and member of the supervisory board of Catella Real Estate AG Kapitalanlagegesellschaft. Director of Nordic Seeding GmbH, Catella Bank S.A. And several other subsidiaries of the Catella group.

**Background:** Extensive experience acquired in various positions in the financial sector in Sweden and abroad, most recently as CEO and Group Head of Markets for ABG Sundal Collier AB. Previous positions include trader for UBS Warburg and Head of Equities and Head of Nordic Trading at Nordea.

**Education:** BSc (Economics), Ross School of Economics, University of Michigan.

**Shareholding** (December 2016): None.

**Warrants** (December 2016): 5,000,000.

**Ownership:** Private.



**Johan Nordenfalk**

*Chief Operating Officer*

Born 1973

Member of group management since March 2011

**Other current assignments:** Director of several subsidiaries of the Catella group and minor board assignments outside Catella.

**Background:** Employed by Catella since 2011. Former partner and practising attorney with the law firm of Hamilton advokatbyrå.

**Education:** LL M, Lund University, Maîtrise en droit, Université Panthéon-Assas, Paris.

**Shareholding** (December 2016): 120,000 B shares.

**Warrants** (December 2016): 300,000.

**Ownership:** Private.



**Marcus Holmstrand**

*Chief Financial Officer*

Born 1980

Member of group management since September 2015

**Other current assignments:** Director of several subsidiaries of the Catella group.

**Background:** Employed by Catella since 2011, previously as Group Business Controller. Previously served as Group Business Controller at Haldex AB and controller with the SCA Group.

**Education:** MSc, Economics, Jönköping International Business School. Post-graduate studies at University of California Davis Graduate School of Management.

**Shareholding** (December 2016): 4,000 B shares.

**Warrants** (December 2016): 300,000.

**Ownership:** Private.

Stockholm, 28 April 2017

**Johan Claesson**  
Chairman of the Board

**Johan Damne**  
Director

**Joachim Gahm**  
Director

**Anna Ramel**  
Director

**Jan Roxendal**  
Director

**Knut Pedersen**  
President and Chief Executive Officer

## Auditor's opinion on the corporate governance statement

To the annual meeting of shareholders in Catella AB (publ), company registration number 556079-1419

### Remit and Responsibilities

The board of directors is responsible for the corporate governance statement for the 2016 financial year on pages 63–68 and for its preparation in accordance with the Annual Accounts Act.

### Scope and Orientation of the Examination

Our examination of the corporate governance statement was conducted in accordance with FAR's auditing standard RevU 16 The Auditor's Examination of the Corporate Governance Statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

### Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph of the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, 28 April 2017  
*PricewaterhouseCoopers AB*

**Patrik Adolfson**  
Authorised Public Accountant