

Code. In addition, Björn Svedberg, who receives remuneration from Investor in addition to board fees; Peter Wallenberg Jr, who has been employed in the subsidiary Grand Hôtel Holdings over the past three years; and CEO Börje Ekholm are not either considered independent in accordance with the Code. A few board members are directors of companies that are included in Investor's Core Investments and receive board fees from these companies. In the view of the Nomination Committee, these board fees do not mean that these persons are to be considered dependent on Investor or its management. In the opinion of the Nomination Committee before the 2006 AGM, the ten members of the board were judged to be very well suited for carrying out Investor's board work over their coming term of office. It has been judged important that Investor, with its active ownership philosophy and long-term ownership involvement in companies, has board members who have extensive experience and who are closely associated with Investor AB and its business model.

The board's composition complies with the rules of the Code that at least two of the board directors who are independent of the company and its management are also to be independent of the company's major shareholders. The independence of each board member is presented in the table on the preceding page.

BOARD WORK IN 2006

2006 was an intense year for Investor and the high level of business activity also affected the board's work to a great extent. During the year, the board had 19 meetings, of which seven regular meetings, one statutory meeting and 11 extraordinary board meetings. The attendance record of each board member is shown in the table below. The secretary at the board meetings was attorney Hans Wibom. Before meetings, board members were provided with comprehensive written information on the issues that would be discussed.

During the year, the board's work was concentrated mainly on two strategically important items of business, as well as a number of complex business matters. One was

Investor's and EQT's joint public offer to acquire the total shares outstanding in Gambro AB. The offer, the largest cash bid made by a Swedish company to date, was preceded by comprehensive work and the preparations and implementation of the offer were discussed by the board.

The second item of business that the board had reason to carefully analyze and discuss was MAN's unsolicited bid for Scania. Based on information from Investor's management, the board discussed a number of financial and strategic issues related to the bid.

The sale of Investor Asia Limited to EQT Partners, as well as Investor's capital commitments in EQT's new funds – EQT Greater China II and EQT V – were other issues that the board decided on. The board also discussed LogicaCMG's offer for WM-data and questions concerning the spin-out of Husqvarna from Electrolux. In addition, a number of value creation plans were discussed for Core Investments.

The board and the Remuneration Committee in particular were involved in the development of the new long-term remuneration program consisting of variable and share-based payment for management and other employees. The program, which was also discussed with a number of major shareholders, requires personal investments on the part of employees and requires the fulfillment of certain goals. The board also decided that the exposure that might arise in connection with an increase in the value of the Investor shares in the program shall be eliminated through repurchases of the company's shares, which was also decided and approved by the 2006 AGM.

As proposed by the company's management, and after in-depth discussions about Investor's long-term strategy and ability to adapt to the new conditions in the acquisitions market, the board decided that Investor's operations are to be divided into four business areas: Core Investments, Operating Investments, Private Equity Investments and Financial Investments. As a result of changes in the market, there is also an increased requirement to discuss corporate governance issues related to companies in the different business areas.

In the Operating Investments business area, the board

Name	Audit Committee	Remuneration Committee	Finance and Risk Committee	Attendance record at board meetings	Attendance record at committee meetings	Board fee SEK 000s	Audit Committee fee SEK 000s	Remuneration Committee fee SEK 000s	Finance & Risk Committee fee SEK 000s	Total fee SEK 000s
Jacob Wallenberg	■	■		100%	100%	1,875	125,0	125,0		2,125,0
Anders Scharp		■		100%	100%	500		62,5		562,5
Sune Carlsson	■			100%	100%	500	187,5			687,5
Börje Ekholm			■	100%	75%	–			–	–
Sirkka Hämäläinen			■	95%	100%	500			62,5	562,5
Håkan Mogren	■			87% ¹⁾	100%	500	125,0			625,0
O. Griffith Sexton		■		89%	57%	500		62,5		562,5
Grace Reksten Skaugen			■	100%	75%	500			62,5	562,5
Björn Svedberg			■	100%	80%	500			125,0	625,0
Peter Wallenberg Jr	■			100%	75%	500	125,0			625,0
						5,875	562,5	250,0	250,0	6,937,5

■ Chairman ■ Member

1) With the exception of the meetings concerning the bid for Gambro which Håkan Mogren could not attend because of possible partiality.

