INVESTOR AB

PRESS RELEASE

Report on the compensation to the Board of Directors of Investor AB

At the Annual General Meeting of Investor AB on May 19, 1994, it was decided that the Board should investigate the matter of compensation to its members over and above fees decided upon by the General Meeting.

In October 1994, the Board appointed a Committee consisting of Messrs. Carl Axel Petri, President of the Gota Court of Appeal, Sten Wikander, former CEO of the 4th AP-Fund, and Carl Johan Åberg, CEO of the 1st, 2nd and 3rd AP-Funds to "present recommendations regarding the decision making procedures and the forms of remuneration to the Board members of Investor AB". Mr. Carl Axel Petri was appointed Chairman of the Committee. Mr. Hans Wibom, a member of the Swedish Bar, has served as Secretary to the Committee.

On January 31, 1995, the Committee delivered its report to the Board. The Board has decided to carefully review and consider the recommendations and views of the Committee.

The matter of compensation will be discussed with representatives for the shareholders well in advance of the General Meeting, the aim being that a proposal regarding compensation following the recommendations of the Committee can be presented to the General Meeting.

The summary report of the Committee is attached. The full report can be obtained from Investor's Department of Corporate Communications.

Stockholm, February 14, 1995

INVESTOR AB
The Board of Directors

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The Committee's summary of the "Report dated January 31, 1995 from the Committee appointed to propose forms for compensation to the members of the Board of Directors of Investor AB"

At the annual general meeting of Investor AB (Investor) on May 19, 1994 it was decided that the Board of Directors of Investor, possibly assisted by outside expertise, should investigate the matter of special remuneration to board members in addition to the fees decided upon by the shareholders meeting.

At the request of the Board of Directors of Investor Carl Axel Petri, President of the Gota Court of Appeal, Sten Wikander, MBA and former CEO of the 4th AP-fund, and Carl Johan Åberg, CEO of the 1st, 2nd and 3rd AP-fund, declared themselves willing to form part of a committee appointed to consider various matters relating to remuneration of board members of Investor. Carl Axel Petri was appointed chairman of the Committee. Hans Wibom, a member of the Swedish Bar, has carried out the duties of the Committee's secretary.

The Committee was appointed following certain shareholders questioning the system used by Investor and other companies awarding board members' special remuneration over and above the fees determined by the shareholders meeting for work which according to the boards had been in addition to the duties normally performed by a board member.

The mandate of the Committee was summarized in the "Appointment Letter" of October 5, 1994 as set out below:

> The task of the Committee is to present recommendations regarding the decisionmaking procedures and the forms of remuneration to the board members of Investor. The Board of Investor thereby wishes to find such solution which preserves the confidence of the shareholders of Investor, the market and the public.

As a basis for the Committee's considerations and recommendation the Committee has met with and interviewed representatives of the shareholders of Investor, the Stockholm Stock Exchange and the Swedish Shareholders' Association ("SSA"), fund managers, members of the Board of Directors of Investor, Board Members of other listed companies and Sir Adrian Cadbury, who i.a. serves as Chairman of the committee which has published the so called Cadbury Report. As a further basis for its work, the Committee has gathered material relating to fees and other remuneration to Board Members of other companies listed on the Stockholm Stock Exchange and it has studied some material from other countries.

The Committee has also considered the pertinent legal issues and has reached the conclusion that the ordinary fees for work performed as a board member shall be determined by the shareholders meeting but that it is not prohibited for the board, with due regard to rules on "partiality", to enter into an agreement with an individual board member for that member to, against special remuneration, perform work which is outside the scope of the appointment to act as board

member. The Committee further notes that it is up to the board to determine which tasks shall be included in a board member's duty but that difficult borderline cases relating to the scope of a board member's duty can appear.

The Committee has further dealt with the question on fees to and the duties of board members in an international perspective, reported on information received at the interviews and informed on the gathering of information regarding fees and remuneration to board members of Swedish stock market companies. Following a discussion on how a board may discharge its duties the Committee has reported its considerations.

The Committee has especially pointed to the importance of a company's board of directors deciding upon how the work shall be performed and upon the character and the scope of the tasks to be carried out by the chairman and the other board members. The Committee has stated that the basic principle should be that all work which is foreseeable taking into account the board's decision on how the work shall be performed shall be considered to be included in the appointment to act as board member and should only be compensated by the fee determined by the shareholders meeting.

The Committee has given the following recommendation.

As far as Investor is concerned the Committee recommends that the basic principle should be that all foreseeable work to be performed by a board member appointed by the shareholders meeting shall be compensated by a fee decided upon by the shareholders meeting. This eliminates discussions on partiality and on the authorities awarded various corporate bodies. Exceptions may be made from the above mentioned principle if the board member performs tasks which clearly fall outside the scope of the appointment as board member and of course also if the member is an employee of the company or a company within the same group or if he receives a pension from such company.

The Committee recommends that the company, without giving away trade secrets or such, openly informs on how the work performed by the board shall be organized and whether the chairman or individual members will be given tasks which are more comprehensive than can normally be expected. Such information is important for the shareholders meeting to be able to determine the level of suggested fees.

The Committee recommends that the amount of the fees are discussed, well before the shareholders meeting, by members of the present board, the company's managing director and representatives of the shareholders. In such discussion, in addition to the amount of work to be performed by the board, prospective board members' claims for compensation and the company's need for a competent and active board should be considered. The result of such discussions should be presented and in pertinent part submitted to the shareholders meeting for a decision.

The Committee thinks it suitable to determine an aggregate amount for the fees to be distributed by the board amongst its members as it would appear to be difficult for the board and the shareholders meeting to know in advance exactly how the work will be divided between different board members for a coming year. However, the Committee recommends that the basic principle for such division is set out at the shareholders meeting.

The Committee's report is concluded as follows.

The Committee thinks that the annual general shareholders meeting shall decide upon the compensation for all foreseeable work to be performed by the board. In order to facilitate for shareholders to determine the reasonableness of suggested compensation, information should, wherever possible, be given on how the work is intended to be performed. The matter of compensation should preferably be prepared and discussed with i.a. representatives of the shareholders before the decisionmaking shareholders meeting. The result of such discussions should be presented at the shareholders meeting. It should be permitted to let compensation for serving as board member vary between various boards and between individual board members in a way which leads to the compensation contributing to the board organizing the work in the manner most suitable for the company and which contributes to the effective recruiting of qualified board members.

All questions relating to the board's work and compensation must be based upon the best interests of the company and thereby also of the shareholders.