

# Corporate Governance Report 2014

**Axis' Corporate Governance Report for 2014 is presented below, and has been reviewed by the company's auditor. The report describes the division of responsibilities within Axis and also how the company's three decision-making bodies – the annual general meeting, board of directors and President – operate and interact.**

Corporate governance is the system whereby the owners, directly or indirectly, govern and control the company. In a stock corporation such as Axis, governance, management and control are distributed among the shareholders, the board of directors and the President in accordance with prevailing laws, regulations and instructions.

Axis AB (publ) (hereafter "Axis") is a public Swedish stock corporation with its registered office in Lund, Sweden. Axis was floated on the Stockholm Stock Exchange in 2000 and is currently listed on Nasdaq Stockholm's main market. The company follows the provisions of the Swedish Companies Act as well as the stock exchange regulations for listed companies in Sweden. The company has not committed any breaches of Nasdaq Stockholm's rules and regulations or of best practice in the stock market.

Axis applies the Swedish Code of Corporate Governance (hereafter the "Code"). Axis does not deviate from the Code, with the exception of what is expressly stated below. Information about the Code may be found on [www.bolagsstyrning.se](http://www.bolagsstyrning.se).

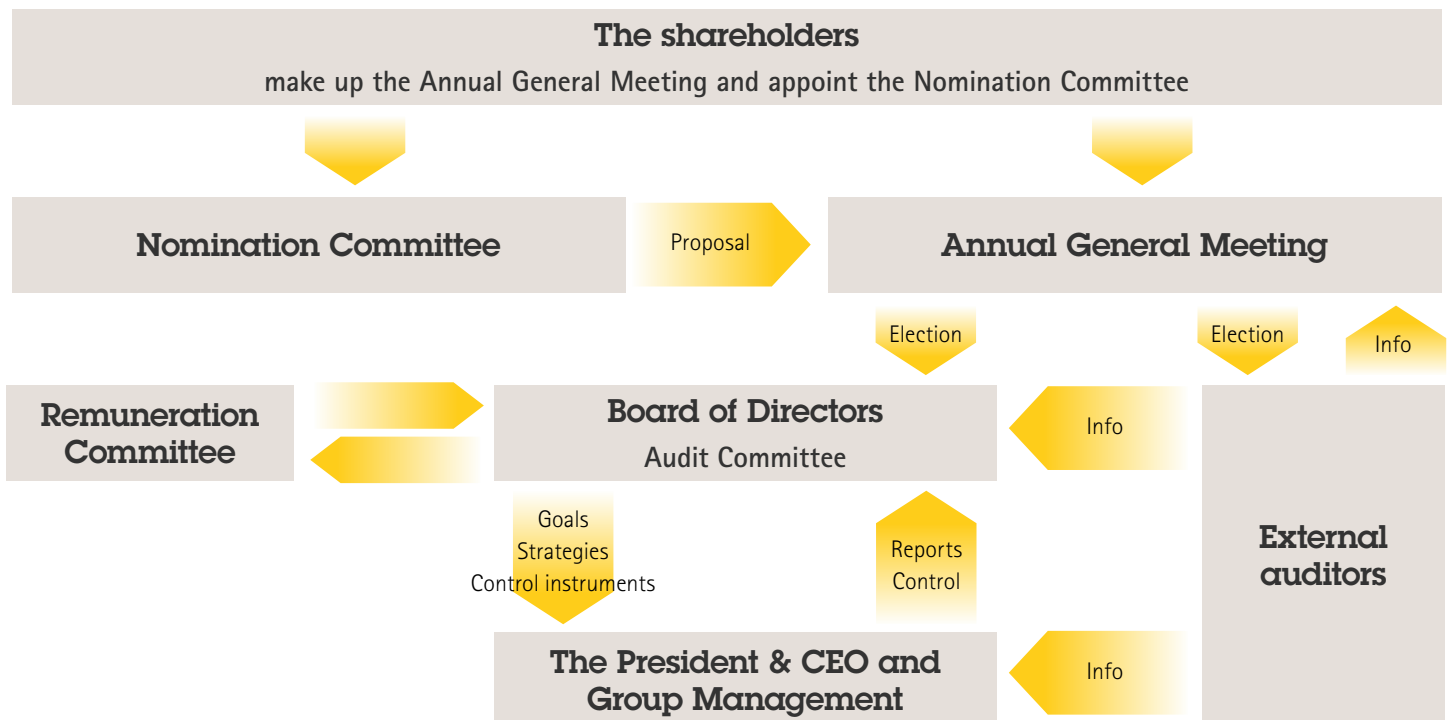
## Deviations from the Code

The company deviates from the Code in relation to item 2.1 that the nomination committee shall submit proposals regarding appointment and remuneration of auditors. At Axis, the board of directors instead prepares and conducts procurement of audit services, in consultation with the nomination committee. The board of directors appoints a special group to conduct the procurement. This group has special experience in questions relating to appointment and remuneration of auditors, which is considered to be of benefit to Axis and raises the quality of the procurement process.

## Share capital, voting rights and ownership

Axis had 21,029 shareholders at the end of 2014 according to the share register maintained by Euroclear Sweden AB. The company's largest owner is Inter Indu AB (14.5 percent of the share capital). Foreign investors' equity interest was 13.5 percent. The ten largest owners had total holdings corresponding to 51.2 percent of the share capital. For additional ownership data see pages 40–41 in the printed annual report. The company's share capital totaled SEK 694,612 at year-end, distributed among 69,461,250 shares. All shares (at December 31, 2014) carry one vote and equal right to share in the company's assets and earnings.

## Control model



## Provisions in Articles of Association

The company's articles of association do not contain any limitations in respect of how many votes each shareholder may cast at a general meeting of shareholders. There are no special provisions in the company's articles of association regarding appointment and dismissal of board members or regarding amendment of the articles of association.

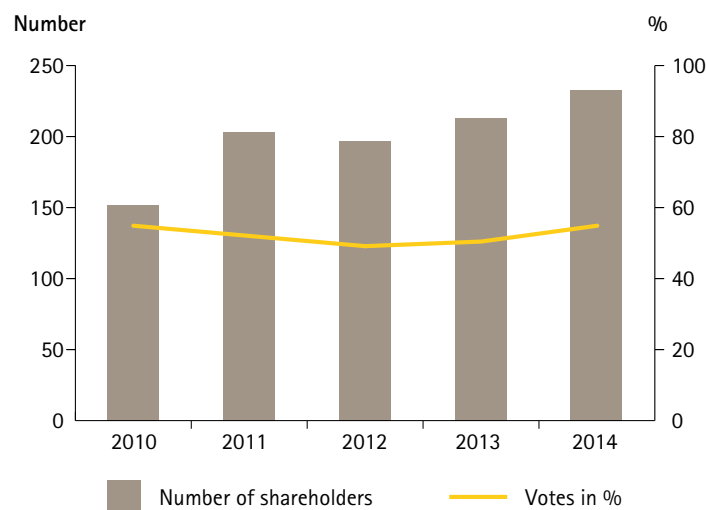
## Annual General Meeting

The general meeting is Axis' highest decision-making body, and the forum through which the shareholders can exercise their influence over the company. The ordinary general meeting where the board shall submit the annual report and consolidated financial statements is called the Annual General Meeting (AGM). The auditors submit the audit report and the audit report for the group at the AGM. The particulars of the AGM are governed by the Swedish Companies Act and by the articles of association. Axis' AGM is held annually in the Lund area during the first half of the year. The venue and date of the AGM will be announced in connection with the interim report for the third quarter of the preceding year. Information regarding the shareholders' right to have matters addressed at the AGM is published in the interim report for the third quarter in the year before the AGM and is available on the company's website from the time of the report's publication. The notice convening the AGM is published no later than four weeks prior to the AGM. At the AGM, information is provided about the company's performance during the past year and resolutions are passed on important questions. The shareholders are given the opportunity at the AGM to ask questions about the company and the results for the year in question. Apart from the legal requirements concerning the right of shareholders to participate in the AGM, preregistration for the AGM is required under Axis' articles of association within the period specified in the convening notice. When applicable, notification should also be provided if the shareholder intends to take along assistants. Those shareholders who cannot personally attend may be represented by proxy. The company does not apply any special arrangements as regards the running of the AGM, either on account of provisions in the articles of association or, as far as the company knows, shareholders' agreements.

## Main owners

	Number of shares	Share of equity and votes
C Brandberg privately and via company (Inter Indu AB)	10,156,957	14.62 %
T Karlsson, via company (LMK Industri AB)	10,000,000	14.40 %
M Gren, via company (AB Grenspecialisten)	7,157,471	10.30 %
Handelsbanken Fonder AB	1,661,769	2.39 %
Tigerschiöld estate	1,277,600	1.84 %
Other	39,207,453	56.45 %
<b>Total</b>	<b>69,461,250</b>	<b>100.00 %</b>

## Attendance Annual General meetings 2010–2014



## Annual General Meeting, April 28, 2014

The AGM, which was held in Lund on April 28, 2014 resolved as follows:

The AGM resolved in accordance with the nomination committee's proposals, namely

- > to elect six ordinary board members without any deputy board members,
- > to re-elect the board members Gustaf Brandberg, Charlotta Falvin, Martin Gren, Olle Isberg, Göran Jansson and Roland Vejdemo,
- > to re-elect Roland Vejdemo as Chairman of the Board, and
- > that directors' fees shall be paid of SEK 1,000,000 in total to be allocated as follows: SEK 500,000 to the chairman of the board and SEK 250,000 to each of the other members, however, fees shall not be paid to members employed by the company or to members who represent large shareholders.

The AGM has not authorized the board to resolve that the company should issue new shares or acquire its own shares.

## Composition of the Nomination Committee

Name	Representing	Shares of votes as of Aug 29, 2014
Christer Brandberg	Inter Indu AB	14,5 %
Therese Karlsson	LMK Industri AB	14,4 %
Martin Gren	AB Grenspecialisten	10,3 %

## Nomination Committee 2014

The AGM resolves on how the nomination committee shall be appointed, and at the AGM 2014 it was resolved that Axis shall have a nomination committee comprising representatives of the three largest shareholders in the company as at August 31, in the year before the AGM. These shareholders shall each appoint a representative to the nomination committee by September 30, in the year before the AGM or at the latest six months prior to the AGM. Axis' Nomination Committee is composed of representatives from the three largest shareholders; Christer Brandberg (Inter Indu AB), Therese Karlsson (LMK Industri AB) and Martin Gren (AB Grens specialisten). Christer Brandberg is chairman and convenor.

### The work of the Nomination Committee

The nomination committee's duties include preparing resolutions for the AGM on questions relating to election of board members and directors' fees, as well as certain procedural matters for the next nomination committee. The nomination committee shall give an account of its work at the AGM. Its proposals are presented in the notice convening the AGM and on the company's website. As a basis for its proposals, the nomination committee shall consider to what extent the present board meets the demands that will be made of the board, as a consequence of the company's situation and future direction, by acquainting itself with the result of the evaluation of the board that has taken place, among other things. Proposals and views from shareholders may either be submitted in writing to the address: Axis AB, attn. Adrienne Jacobsen, Emdalavägen 14, 223 69 Lund, Sweden, or by phone +46 46 272 18 00.

## Board of Directors

During the period between AGMs, the board of directors of Axis constitutes the highest decision making body in the company. The duties of the board are governed by the Swedish Companies Act and by the articles of association. The current articles of association were adopted at the AGM 2011 and are available in their entirety on [www.axis.com](http://www.axis.com). According to the company's articles of association, the board of directors shall consist of a minimum of three and a maximum of seven members, with a maximum of three deputy board members.

All nominated board members were present at the AGM on April 28, 2014. The board members Gustaf Brandberg, Charlotta Falvin, Martin Gren, Olle Isberg, Göran Jansson and Roland Vejdemo were re-elected. Roland Vejdemo was re-elected Chairman of the Board. The board of directors thus consists of six members elected by the AGM.

The board members Roland Vejdemo, Charlotta Falvin and Göran Jansson are independent in relation to Axis, the company management and the major shareholders. Gustaf Brandberg is a board member in one of the three largest owners of the company. Martin Gren is employed by the subsidiary Axis Communications AB and via company is one of the three largest owners of the company. Olle Isberg is employed by the shareholder LMK Industri AB.

Information regarding the remuneration to board members approved by the AGM may be found in the table below and in Note 20, Personnel. Other information about the board members may be found on page 81 of the printed annual report. Information about the shareholdings of board members may be found on page 81 of the printed annual report and on the company's website.

### The formal work plan of the Board of Directors

Under the Swedish Companies Act, the board is responsible for drawing up and evaluating Axis' overall, long-term strategies and goals, adopting the budget and taking decisions affecting the operations and major investments in Axis' organization and operations. The formal work plan of the board is adopted annually by the board. In the formal work plan, and the board's instructions to the President and CEO, the duties of the board and the division of work and responsibilities between the board and the President and CEO are described. It is incumbent on the President and CEO, in consultation with the chairman of the board, to prepare the decision data, the notification and the agenda for each board meeting. The notification and decision data are to be circulated to the board members in good time. The minutes are to be circulated to the board members after the meeting, and a copy stored securely by the company.

## Composition of the Board of Directors

Name	Year elected	Independent	Total fees	Attendance		
				Remuneration Committee	Board meetings	Committee meetings
Roland Vejdemo	2010	Yes	500,000	Yes	9 (9)	1 (1)
Martin Gren	1984	No	-	-	8 (9)	-
Olle Isberg	2006	No	-	Yes	9 (9)	1 (1)
Charlotta Falvin	2006	Yes	250,000	-	9 (9)	-
Göran Jansson	2007	Yes	250,000	-	9 (9)	-
Gustaf Brandberg	2013	No	-	-	9 (9)	-
Kalle Bergdahl (employee representative)	2013	-	-	-	9 (9)	-
Cristian Ionescu-Ildbohrn (employee representative)	2013	-	-	-	5 (9)	-
Petter Östlund (employee representative, deputy) *	2013	-	-	-	4 (9)*	-
<b>Total</b>			<b>1,000,000</b>			

\* Petter Östlund resigned from his position in the company as of October 31, 2014

The role of the chairman of the board of Axis AB, among other things, is to monitor the progress of the business, to organize and lead the work of the board and to be responsible for ensuring that the other directors continually receive the information they require to carry out the work of the board with maintained quality and in accordance with the Swedish Companies Act.

#### The work of the Board during 2014

During the year, the board closely followed and discussed the company's financial performance through monthly reporting and at each board meeting, received a review of the company's financial situation including sales, costs and earnings.

The board also focused strongly on the strategy for the network video area as well as external factors and competition issues, which change rapidly in the industry. The growth strategy for the Video product area was discussed thoroughly and also how the company should invest in, similar new product areas. An example of this is the company's access control system, which was released during the year. The geographical growth strategy involving investment in emerging markets, particularly in Asia has been another question discussed by the board, as well as development operations, which is a key area for Axis.

In addition, the board received regular reports from the company's various lines of business including about their performance and it continually dealt with questions that have to be considered by the board concerning good governance and control in the company.

The board conducts an annual evaluation of its work through the agency of the chairman.

According to the formal work plan of the board at least five ordinary meetings must be held annually in addition to the statutory meeting. In addition to this, the board may convene when circumstances so require. During 2014, the board held nine board meetings including the statutory meeting. See table below for meeting attendance.

A presentation of the board may be found on page 81 in the printed annual report.

## Committees

### Remuneration Committee

The board has appointed a Remuneration Committee. The task of the remuneration committee is to prepare the board's decisions and guidelines relating to salary and other terms of employment for the company management (including President) and other employees. The committee shall also comply with and evaluate the application of the guidelines for determination of salaries and other remuneration to the President and other members of the company management, which have been adopted by the AGM as well as comply with and evaluate any ongoing and completed during the year programs for variable remuneration to the company management and also in relation to current remuneration structures and rates of compensation in the company.

The remuneration committee shall report to the board on an ongoing basis. The committee is appointed at the statutory meeting following the AGM and in 2014 was composed of Roland Vejdemo (chairman and convenor) and Olle Isberg. The two members of the committee held one meeting during the year.

### Audit Committee

Questions relating to internal control and audit are handled by the board in its entirety and therefore no special audit committee has been appointed. The reason for this is that the board has particular experience of such questions and this competence is considered to be of benefit to Axis.

## The President & CEO and Group Management

Axis' Group Management consists of nine members, and is led by the President and CEO, Ray Mauritsson (born 1962). Mauritsson holds a Master of Science, Engineering physics from Lund University, and an Executive MBA from the Institute of Economics, at Lund University. He joined Axis in 1995, and took over as President and CEO in 2003. Prior to this, Mauritsson held leading positions at TAC (now Schneider Electric). He a director of HMS Industrial Networks but has no other significant assignments outside of Axis. Neither Ray Mauritsson nor related parties to him have any substantial shareholding or partnership in companies that Axis has significant business relations with.

For information about the President's and Group Management's shareholdings see page 83 of the printed annual report and the company's website.

The President and CEO manages the day-to-day work, and is responsible for keeping the board informed of the performance of the operations, and for ensuring that they are being conducted in accordance with the board's guidelines and instructions. The President keeps the board and the chairman continually informed of the company's and the group's financial position and performance. The group management team held twelve recorded meetings and a large number of informal meetings during the year. A special strategy meeting is also held, where areas dealt with include; the long-term innovation and growth agenda, core values and their development, organization and employee development and efficient processes.

## Remuneration to the Board, Auditors, President and Senior Executives

### Board of Directors

Directors' fees of SEK 1,000,000 are payable, according to the resolution of the AGM on April 28, 2014. The chairman receives fees of SEK 500,000 and each of the other board members who are not employed by the company and who do not represent large shareholders, receive fees of SEK 250,000.

No special fee is payable for committee work.

### Auditor

Fees to auditors are payable according to approved invoice, pursuant to the resolution of the AGM on April 28, 2014.

### President and Senior Executives

The principles for remuneration of the President and other persons in the company management were determined by the AGM on April 28, 2014. The guidelines essentially correspond to the principles that have been applied to date. The objective of Axis AB's remuneration policy for senior executives shall be to offer compensation that helps to recruit skills and expertise and to retain it in the company.

Remuneration to the President and other members of the company management (that is, the eight persons who together with the President comprise the group management) may consist of basic salary, variable remuneration and pension.

### Basic salary

The basic salary should be determined on the basis that it should be competitive. The absolute level should depend on the specific position and the individual's performance.

### Variable remuneration

Variable remuneration (bonus) to the President and other senior executives shall be based on the financial goals of the group and shall be calculated as a function of the sales growth and the operating margin for the year in question. The bonus to the President shall be maximized at 240 percent of the annual salary (for 2014) and for the other senior executives the highest individual bonus amount shall be maximized at 80 percent of the annual salary (for 2014).

### Pension

The retirement age for the President shall be 65. The pension insurance premium shall amount to 35 percent of the pensionable salary up to a maximum of 28.5 basic amounts. For a salary in excess of 28.5 basic amounts, a premium of 25 percent shall be paid. For other senior executives the ITP agreement is applied. For executives with salary components over the ITP agreement's wage ceiling, a premium of 30 percent is paid. The retirement age for all senior executives is 65.

### Termination benefits

In the event of termination of employment, a six-month mutual notice period shall apply for the President. In the event of termination of employment of the President by the Company, termination benefits corresponding to up to twelve cash monthly salaries may be paid after the end of the notice period. In the event of termination by the President, no termination benefits shall be payable. A mutual period of notice of three to six months shall apply between the company and the other senior executives. In the event of termination by the company, termination benefits corresponding to six cash monthly salaries can be paid. In the event of termination by any of the senior executives, no termination benefits shall be payable.

Other benefits and other remuneration shall be received on the same basis as for other employees. The company does not operate any outstanding share-related or share price-related incentive programs.

Deviations from the principles described above may be approved by the board of directors, if there are specific reasons in individual cases.

## Read more about Axis' corporate governance

Read more about Axis' corporate governance on our website under About Axis/Investor relations/Corporate governance where the following information may be found:

- > Corporate Governance Reports
- > Articles of Association
- > Information from previous AGMs (convening notices, minutes, resolutions)
- > Information about the nomination committee
- > Information about principles for remuneration to senior executives
- > The board's evaluation of guidelines for remuneration of variable remuneration programs
- > Report on variable remuneration schemes

## Read more about how sustainability issues are a natural part of Axis' operations

Axis' sustainability report is available on our website under About Axis/Sustainability, and on pages 38–39 in the annual report you can read more about how Axis works with the following questions;

- > business ethics
- > social responsibility
- > environmental considerations

## The company's system for variable remuneration to senior executives

The President and CEO and the company management are covered by the same bonus program as other employees. The program is based on financial targets for the group and is based on sales growth and profit margin. For the 2014 fiscal year, the bonus amounts were maximized at 240 percent of an annual salary for the President and CEO and the highest individual amount for the other senior executives was 80 percent of an annual salary.

Resolutions regarding bonus programs are passed by board for one year at a time.

## Audit

Axis' auditors are elected by the AGM for a period of four years. The most recent election took place in 2011. The company's auditors are PricewaterhouseCoopers AB, with Ola Bjärehäll as Chief Auditor. Bjärehäll was born in 1974 and has been an Authorized Public Accountant since 2004. PricewaterhouseCoopers AB have been Axis' auditors since 1996 and Ola Bjärehäll since 2011.

## The company's report on internal control over financial reporting 2014

### Introduction

The board of directors is responsible for the internal control in Axis AB under the provisions of the Swedish Companies Act and the Swedish Code of Corporate Governance. The board's report is drawn up in accordance with Section 7.4 of the Swedish Code of Corporate Governance, and has therefore been limited to only covering the internal control over financial reporting. The information in this internal control report applies to both the parent company and the group. The company's processes and systems for ensuring effective internal controls have been designed with the intention of managing and limiting the risks of material errors in the reporting of financial data, and, consequently, ensuring that operational and strategic decisions are based on accurate financial information.

Axis' process for internal control over financial reporting is structured in accordance with the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission), with the control environment as a base for other components and activities; risk assessment, control activities, information and communication as well as monitoring.

## Control environment

The board of directors has overall responsibility for establishing and maintaining an effective system for risk assessment and internal control. The board has adopted a formal work plan for its activities, in which the mutual division of work between the chairman of the board and its members is defined. The day-to-day work of maintaining an effective internal control environment and continuous risk assessment in respect of the financial reporting has been delegated to the President and CEO, who in turn has delegated function-specific responsibility to managers at appropriate levels in the group.

A detailed delegation plan has been drawn up, with well-defined attestation and decision levels. This is applied throughout the Axis Group.

### A. Internal control function

Axis' internal control function works on developing, improving and securing the internal control function in the group. This involves proactive efforts focused on the control environment as well as examining how the internal control works in practice.

### B. Corporate culture

Axis has a strong and firmly-established corporate culture, which fundamentally encourages all employees to think creatively and innovatively, and to show respect for each other's diversity. Everyone is encouraged to question, take the initiative and take responsibility, and to strive at all times towards the common goals, guided by our watchwords – "act as one", "think big" and "always open". The corporate culture is founded on confidence, trust and personal responsibility.

In the recruitment process, great weight is placed on ensuring that the applicants appointed, share the fundamental values on which the corporate culture is built. New recruits in Sweden as well as internationally, complete introductory training at Axis' headquarters in Lund. This training aims to increase understanding of Axis' operating procedures and corporate values.

### C. Guidelines and policies

Responsibility and authority are defined in the delegation plan adopted by the board, attestation instructions, handbooks as well as other policies and codes. The group's most important guidelines and policies relate to financial control, communications issues, business ethics and environmental matters. The basis for financial control and follow up consists of the group's overall finance and accounting policies. The aim of Axis' communications policy is to ensure that external and internal information disclosure is based on facts and is accurate and uniformly structured. Part of the communications policy deals with Investor Relations, (IR), and is intended to ensure compliance with the appropriate laws and stock exchange rules, and to provide a reliable and accurate view of Axis and its operations to players in the financial market. Axis operates a Code of Conduct. The purpose of the Code is to set out the approach, values and guidelines that Axis' employees shall apply in matters of business ethics and also the approach to human rights and freedoms. The objective of Axis' environmental policy is to ensure that the company supplies products and solutions in an efficient and environmentally low-impact way, and that legal obligations and environmental regulations are complied with.

### D. Operational control

Axis' management team (group management) consists, in addition to the President and CEO, of the managers of the various central functions in the group, such as sales, marketing, research and development, operations, human resources, information systems and finance. Within and between the various functions there are a number of steering groups, committees and project teams, formed with the aim of creating short decision paths and ensuring that the operations are managed effectively towards the group's defined goals.

### Risk assessment

The Board carries out an overall risk inventory on an annual basis. This involves identifying, measuring and recording the sources of risk. The material risks which affect the internal control over financial reporting are identified at a group and company level, as well as at a regional level. The risk assessment process also includes risks of impropriety and undue favoritism to another party at the company's expense.

### Control activities

The risk assessment results in a number of control activities. There are both general and more detailed control activities, aimed at ensuring efficiency in the group's processes as well as preventing, discovering and correcting faults and deviations in the financial reporting. The activities include manual controls, controls embedded in IT systems and controls in the underlying IT environment, known as general IT controls. Appropriate control activities have also been designed for operations that are conducted by third parties on behalf of the company.

### Information and communication

Important guidelines, handbooks and similar information relating to the financial reporting are updated and communicated to the employees concerned on an ongoing basis. There are both formal and informal information channels to the company management and to the board for important information from the employees. The board meets regularly with representatives of the various central functions in the Axis Group when they attend board meetings as well as through individual meetings. The President and CEO and the CFO keep the board continuously informed of the group's financial position, performance and any areas of risk. There are guidelines for external communication that ensure that the company meets demands for correct information.

### Monitoring

Observance of internal policies, guidelines, manuals and codes and of the appropriateness and functionality of the established control activities is continually validated, through the financial reporting and control as described below, as well as through documented visits by the internal control function. The annual risk assessment provides the basis for planning of follow-up activities. There is a special process for ensuring that reported deficiencies are remedied.

During 2014, the internal control function made about 10 visits to subsidiaries and to regional offices. The focus has been on ensuring that appropriate documentation exists for the processes that are critical for the financial reporting. Local process documentation has been compared to, and supplemented in relation to, Axis' documented minimum requirements for each process. This work will continue during 2015 with sales processes in focus. Companies that were not visited completed self-assessments.

The internal control function continually reports the result of the performed internal control activities to the CFO, and annually to the board of directors. The board of directors also approves planning for the coming year based on the performed risk inventory and risk analysis.

The company's auditors attend at least two board meetings per year, at which the auditors give their assessment and observations on the business processes, accounts and reporting. The chairman of the board also maintains continuous contact with the auditors.

The controller organisation is continually evaluated by the Group Controller and CFO with the aim of ensuring quality and efficiency. The CFO actively participates in the recruitment process of all qualified controllers.

Axis does not have a separate internal audit function. Based on a good control environment and external audits by auditors, the board has decided that there are no special operational circumstances or other factors which would justify setting up such a function.

### Financial reporting

The financial reporting and financial control are conducted in accordance with well-defined guidelines and policies. The various processes are thoroughly supported by complex and purpose-designed IT systems. The company's financial performance is monitored continuously by the board through comprehensive monthly reporting packages, and through reports by the CFO at all board meetings. Compliance with the company's finance policy is followed up monthly in the reporting package. A high level of transparency in the reporting material and financial processes enables any deficiencies in internal control to be identified and rectified.

The reporting structure is based on two principal dimensions, geographical and functional, which are followed up by the group finance and controller functions. A monthly income statement is prepared for each dimension, and these are followed up together with the responsible managers. At present, the geographical dimension consists of three regions. The smallest components of the functional dimension are the cost centers which, in the aggregate, consist of the three categories Marketing and Sales, Research and Development and Administration. The total number of cost centers with individual income statements and separate follow up amounts to 290. The company's geographical spread creates ideal conditions for comparative analyses between the regions. The key ratios for the different regions constitute a part of the monitoring and analysis work performed by the above-mentioned functions.

Another significant company-wide part of the internal control is the rolling forecast process. Monthly sales forecasts are prepared, with a 12-month horizon and at product level, by the managers of the various regions. The sales forecasts are consolidated and validated by the group's finance department in connection with production of detailed forecasts for the operations. Detailed forecasts are produced twice a year; in May and November, and refer to the next twelve-month period. These are built up from each individual cost center in the group's companies, and then combined with the monthly sales forecasts, and are consolidated, analyzed and compiled by the group's finance department. The forecast drawn up in November, which relates to the next calendar year, is ratified by the board meeting in December. In addition to twelve-month forecasts, the group management team works continuously on overall strategic 3–5 year scenarios.

## AUDITOR'S STATEMENT REGARDING THE CORPORATE GOVERNANCE REPORT

To the Annual General Meeting of the shareholders of Axis AB (publ), corporate identity number 556241-1065.

The board of directors is responsible for the corporate governance report for 2014 on pages 74–80 and for ensuring that it is prepared in accordance with the Swedish Annual Accounts Act.

We have read the corporate governance report and based on this review and on our knowledge of the company and the group, we believe we have a sufficient basis for our opinion. This statutory review has another aim and direction, and is substantially less exhaustive in scope, than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing standards in Sweden.

We consider that a corporate governance report has been prepared and its statutory content is consistent with the annual accounts and the consolidated financial statements.

Lund, February 9, 2015  
PricewaterhouseCoopers AB

Ola Bjärehäll  
*Authorized Public Accountant*