



## Enea Corporate Governance Report, 2011

**Enea AB (“Enea” or “the Company”) is a Swedish public limited company listed on the NASDAQ OMX Nordic exchange in Stockholm. Corporate governance within the Enea Group is based on Swedish legislation and the rules and recommendations issued by relevant organizations, including the Swedish Corporate Governance Board, NASDAQ OMX, the Swedish Securities Council and others.**

**Governance, management and control of Enea are distributed between the shareholders through the Annual General Meeting, the Board and the CEO in accordance with the Swedish Companies Act and the Board’s rules of procedure.**

### Swedish Code of Corporate Governance

The following description of the Corporate Governance Report has been prepared in accordance with the Swedish Code of Corporate Governance. Over the 2010 financial year, Enea complied with the Code with the exception of the points detailed below.

Instruction 2.5: The company is to announce the names of members of the nomination committee on its website no later than six months before the Annual General Meeting.

Deviation: The information was disclosed later than six months before the Annual General Meeting.

Explanation: At the end of the third

quarter in 2011, the Chairman of the Board contacted the four largest registered shareholders in terms of number of votes to ask them to appoint one member each to the nomination committee. Three of these appointed a representative, but the fourth declined. Despite requests to many of the remaining largest shareholders, in order of size, no fourth owner-representative was appointed. This meant that the process was protracted and that the information could not be provided in accordance with the Code.

Deviation: The Audit Committee consists of fewer than three members.

Explanation: Due to the company’s size and complexity, it was decided not to replace the former Chairman of the Committee with a new representative when he was appointed as CEO.

### Shareholders

Enea’s ordinary shares are listed on the NASDAQ OMX Stockholm Small Cap list. According to the share register maintained by Euroclear Sweden, Enea had 9,404 shareholders as at 31 December 2011. On 31 December 2011, the share capital in Enea amounted to SEK 18,355,713, divided into 17,659,091 ordinary shares, each conveying the same voting rights and participation in the Company’s capital and earnings. Enea owns 548,734 shares in the Company, corresponding to 3.1 percent of the total shares outstanding. On 31 December 2011, the largest shareholders were SIX SIS AG, with 23.4 percent and Per Lindberg, with 17.3 percent of shares.

### Annual General Meeting

The Annual General Meeting, or where applicable, an Extraordinary General Meeting, is Enea’s highest decision-making body. Every shareholder is entitled to participate

in the Annual General Meeting, either in person or via a representative with power of attorney. Every shareholder has the right to request that a matter be addressed by the Meeting. The 2011 Annual General Meeting of Enea AB (publ) took place on 7 April 2011 in Kista.

The Annual General Meeting adopts Articles of Association, appoints the Board of Directors and its Chairman, appoints auditors, adopts the income statement and balance sheet, resolves on the appropriation of earnings, discharges the Board and the CEO from liability, adopts the principles of remuneration for the CEO and other senior executives, etc. A 2/3 majority is required to amend the Articles of Association.

In addition to adopting the income statement and balance sheet for the company and the Group, the Annual General Meeting resolved to change the Articles of Association concerning the highest and lowest number of shares and the lowest and highest amount of share capital, to discharge the board members and CEO from liability, elected Board members and approved the remuneration to the Board and the auditors, adopted guidelines for the senior executives and introduced an automatic redemption program involving a share split, the redemption of shares and a bonus issue. The redemption program involved a transfer of SEK 86,729,865 to the shareholders. In addition, the Board was authorized to pass resolutions on acquisitions and transfers of treasury shares corresponding to no more than 10 percent of all shares in the company, plus the new issue of shares for share or business acquisitions corresponding to an increase of no more than 10 percent of the share capital and the cancellation of 422,080 treasury shares.

Anders Lidbeck, Kjell Duveblad, Åsa

Landén Ericsson, Mats Lindoff and Anders Skarin were reappointed as ordinary board member at the 2011 Annual General Meeting. Anders Lidbeck was reappointed as Chairman of the Board.

The complete minutes from the Annual General Meeting, together with the Meeting's decision data, can be viewed at the company's website ([www.enea.com](http://www.enea.com)) under the Investor Relations section

### Nomination Committee

The Annual General Meeting will appoint nomination committee members or state how they are to be appointed. Enea's nomination committee for the 2012 Annual General Meeting shall comprise representatives of the four largest shareholders plus the Chairman of the Board. If any of the four largest shareholders in terms of votes declines to appoint a representative on the nomination committee, the next shareholder in order of size must be given the opportunity to appoint such a representative. The names of nomination committee members will be published in the company's third quarterly report. The mandate period for the nomination committee appointed will run until a new nomination committee has taken over. A representative of the shareholders should be appointed chairman of the nomination committee.

In accordance with the above, the Chairman of the Board contacted the four largest shareholders in terms of number of votes at the end of the third quarter of 2011 to ask them to appoint one member each to the nomination committee. Three of these appointed a representative, but the fourth declined. Despite requests to many of the remaining largest shareholders, in order of size, no fourth owner-representative could be appointed. To leave sufficient time

for preparations for the Annual General Meeting, it was decided that the nomination committee for the 2011 Annual General Meeting would only comprise representatives of the three largest shareholders plus the Chairman of the Board.

If any significant change takes place to the ownership structure once the nomination committee has been inaugurated, the composition of the nomination committee will be amended in accordance with the principles above.

The nomination committee shall prepare and submit proposals for:

- the Chairman of the coming Annual General Meeting,
- the appointment of the Chairman of the Board and other Board members,

- the remuneration to the Board, divided between the Chairman and the other members of the Board, along with the principles of remuneration (if any) for committee work,
- the appointment of and remuneration to the auditor and deputy auditor (if applicable), and
- the adoption of principles for the appointment of a nomination committee.

The nomination committee for the 2012 Annual General Meeting consists of Chairman Per Lindberg (the largest shareholder in Enea), Sverre Bergland (DnB Nor), Robert Andersson (Infläktor Fastighets AB) and Chairman of the Board Anders Skarin.

The term of office for the company's current firm of auditors,

### Management overview



PricewaterhouseCoopers AB, with Michael Bengtsson as chief auditor, expires at the 2012 Annual General Meeting. The nomination committee proposes that PricewaterhouseCoopers AB be reappointed until the next Annual General Meeting. Niklas Renström is proposed as new chief auditor. For information on remuneration to the auditors, see Note 5.

### The work of the Board

The Board shall manage the company's interests and the interest of all shareholders. The tasks of the Board include adopting business objectives and strategy, appointing, evaluating and - where necessary - dismissing the CEO, ensuring that effective systems are in place for following up and reviewing the company's operations, ensuring that there is satisfactory control over the company's compliance with laws and other regulations applicable to the company's operations, ensuring that the requisite ethical guidelines are adopted for the company's conduct, and ensuring that the company's provision of information is characterized by openness and is correct, relevant and reliable.

The CEO participates in every Board

meeting and reports on the company's business situation, future prospects, financial position and events of essential significance, as well as the management's budget proposals and action plan for the coming financial year. Other officers of the company also take part in Board meetings, presenting reports when necessary. The CEO does not participate in the parts of Board meetings dealing with the relationship between the CEO and the company, and the work of the CEO is evaluated at least once a year. The Board members' shareholdings are detailed in the presentation of the Board, see pages 28-29.

Every year, the company's auditor reports to the Board its observations from the review and its assessment of the company's internal control.

The guidelines for Board's work are based on the rules of procedure, which regulate the distribution of work between the Board, the Chairman and the CEO, and indicate which matters are to be discussed at ordinary Board meetings. The Board's rules of procedure are adopted each year at the inaugural Board meeting immediately following the Annual General Meeting and they are adjusted as required.

Besides the tasks already stated, the rules of procedure includes approval of the Board's meeting agenda, the instruction to the CEO, the decision-making structure within the company, the relevant division of work and an information arrangement between the company and the Board.

Anders Lidbeck stepped down as Chairman of the Board on 9 September and took over as Enea's CEO. Anders Skarin was appointed new Chairman of the Board. Anders Lidbeck will remain on the Board until the 2012 Annual General Meeting, but without remuneration.

In 2011, the Board dealt with the Enea Group's strategy and business, the divestment of the Swedish consultancy business, the recruitment and appointment of the new CEO, ongoing follow-ups of the business and forecasts, quarterly reports, budget and business plan for 2012 and a buy-back of treasury shares. The work of the Board was evaluated at the end of the year. The Board held a total of 13 meetings in 2011.

In addition to the regular Board work, some members are also members of the company's audit committee and remuneration committee.

## The Board of Directors



Name	Anders Skarin	Anders Lidbeck	Kjell Duveblad	Åsa Landén Ericsson
Born	1948	1962	1954	1965
Appointed	2005	2009	2008	2003
Board duties	Chairman of the Board since September 2011, Board member since 2005.	Board member since September 2011, Chairman of the Board between 2009 and September 2011.	Board member since 2008.	Board member since 2003.
Education	Bachelor of Science.	Bachelor of Business Administration.	Bachelor of Business Administration, Stockholm School of Economics.	Master of Science and MBA.
Other Board assignments	Chairman of Cambio Healthcare Systems AB, PocketMobile Communications AB, Vendator and Infobric. Board member of Acando AB and WSP Europe AB.	Chairman of the Board of Creandum AB and Scalado AB.	Chairman of the Board at Remium Fondkommission AB and Madeo Sourcing Group AB. Board member of 3L System and Board member of other unlisted companies.	Board member of Rejlerkoncernen AB.
Own and related parties' shareholding 2011 (2010)	15,000 (15,000)	50,000 (through endowment assurance) (50,000)	10,000 (10,000)	2,500 (2,500)
Committee work	Audit committee, remunerations committee.	Audit committee and remunerations committee until 9 September 2011.	Remunerations committee.	Audit committee.
Primary occupation	Management consulting and board work.	CEO of Enea.	Consultant.	CEO, Enfo Pointer Sweden AB.

The Board received remuneration of SEK 1,250,000, to be distributed to the Chairman of the Board (SEK 380,000) and to other members appointed by the Annual General Meeting (SEK 175,000 each), as well as SEK 170,000 to be divided among Board members according to their efforts and participation in committee work. In addition, it was resolved that the Board should appropriate SEK 500,000 for use for extraordinary initiatives over and above their regular Board work. This must be reported separately. From 9 September, remuneration equivalent to one year's remuneration, SEK 380,000 of which will be paid to the Chairman of the Board and SEK 175,000 to the other Board members, and SEK 120,000 should be distributed for committee work. An additional SEK 5,000 will be paid to each Board member for extra work required due to the drop in number of Board members. The fee will be taken from the SEK 500,000 appropriated by the Board for extraordinary initiatives.

Details of Board members' remunerations are presented in Note 4/22.

### Board independence

All members were to be considered independent in respect of the company and the

executive management team and in respect of major shareholders in the company.

For information on the Board members and the CEO, see pages 28–30.

### Audit Committee

The audit committee is a committee of the Board that until 9 September 2011 consisted of Anders Skarin (Chairman), Anders Lidbeck and Åsa Landén Ericsson. Anders Lidbeck was appointed as CEO on 9 September 2011, thereby stepping down from the audit committee. From this date, the audit committee consisted of Åsa Landén Ericsson (Chairman) and Anders Skarin. Enea's CFO and the company's external auditor are co-opted to the meetings, which are normally held once a quarter. The work of the audit committee is minuted and reported to the Board.

The audit committee is responsible for the preparation of the Board's work on quality assurance of the company's financial reporting, informing itself of the direction and scope of the audit, and discussing coordination between the external and the company's internal control functions and the view of the company's risks, adopting guidelines concerning which services other than the audit that the company may procure from

the company's auditor, evaluating the audit efforts and notifying the company's nomination committee of the evaluation, and assisting the nomination committee with its proposals for auditors and remuneration.

The audit committee held four meetings in 2011, all in connection with the closing of the quarterly accounts. All members were present at every audit committee meeting in 2011. The formulation of the company's quarterly reports, product profitability, goodwill and other intangible assets, accounts receivable, risk management, finance-related issues and internal reviews were the main topics discussed.

The Group's auditor reports his findings from the audit to the entire Board each year when the annual accounts are prepared. In addition, the Board meets the company's auditor at least once a year – without the presence of the executive management team – to learn about the focus and scope of the audit, and to discuss coordination between the external audit and the internal review and views of the company's risks.

### Remuneration committee

The overall responsibilities of the Board cannot be delegated, but the Board has



Name	Mats Lindoff	Anders Dahlenborg	Mattias Östholm	Frans Roselius
Born	1961	1967	1970	1980
Appointed	2010	2006	2005	2008
Board duties	Board member since 2010.	Employee representative for SI since 2006.	Employee representative for Unionen since 2005.	Employee representative for SI since 2008. Deputy.
Education	Master of Science, EE.	Master of Science, Computer Science.	Engineering (college level).	Master of Science.
Other Board assignments	Board member of Multiq, Free2move, Scalado and a number of unlisted companies.			
Own and related parties' shareholding 2011 (2010)	990 (990)	2,700 (2,700)	0 (0)	0 (0)
Committee work				
Primary occupation	Partner in EMA-Technology and Consulting.	Group manager, Enea Software AB.	Senior consultant, Enea Services Stockholm AB.	Senior consultant, Enea Services Öresund AB.

Enea's Board as of 31 December 2011. All shareholdings, including those of related parties on 31 December 2011.

established a remuneration committee tasked with preparing issues relating to salaries, remuneration and other terms of employment for the CEO and other members of the executive management team. In 2011, the committee consisted of Board members Kjell Duveblad (Chairman from 9 September) and Anders Lidbeck (Chairman until 9 September) and Anders Skarin as replacement for Anders Lidbeck.

The remuneration committee is convened as required and reports on its work to the Board. The remuneration committee held three meetings in 2011.

Below is an account of all Board members' attendance.

## CEO

Anders Lidbeck has been the CEO since 9 September 2011. Anders Lidbeck is employed on a consultancy basis. His other significant assignments and previous experience are detailed in the presentation of senior executives. Anders Lidbeck has no material shareholdings in companies with whom Enea has business relations. Per Åkerberg was the CEO until 9 September.

During his time as the CEO, Per Åkerberg had no material shareholdings in companies with whom Enea has business relations.

## Internal review and risk management related to the financial reporting

In accordance with the Swedish Companies Act, the Swedish Annual Accounts Act and the Swedish Code of Corporate Governance, the Board is responsible for the internal review. The following description is limited to the internal review related to financial reporting.

## REVIEW ENVIRONMENT

Enea's objective is to meet the requirements for ongoing work with risk and internal review that follows on from Enea's application of the Swedish Code of Corporate Governance. At Enea, internal review of financial reporting is an integral part of corporate governance. It includes processes and methods in order to assure Group assets and correctness in financial reporting, and through this aims to protect the owners' investment in the company.

The Board monitors the quality of

financial reporting in a number of ways. The Board approves rules of procedure each year, which include regulating the tasks of the Chairman and CEO. According to these instructions, the CEO is responsible for reviewing and ensuring the quality of all financial reporting, and for making sure that the Board in general receives the reports required to allow the Board to assess the financial position of the Group on an ongoing basis. The instructions to the CEO state the issues on which the CEO is permitted to exercise his authorization to represent the company, but only once the Board has given its authorization or approval for this.

At an inaugural Board meeting following the Annual General Meeting, Enea's Board adopts rules of procedure for the Board, the audit committee and the remuneration committee. In addition, the instruction to the CEO, attestation instruction and instruction for trading the company's shares are approved.

Enea's CEO and Group executive hold operational responsibility for the internal review. Based on the Board's guidelines and laws and rules relating to financial reporting,

## Executive Management Team



Name	Anders Lidbeck	Lars Kevsjö	Tobias Lindquist	Karl Mörner
<b>Born</b>	1962	1958	1972	1975
<b>Employed since</b>	2011	2009	2011	1998
<b>Member of the management group since</b>	September 2011	2009	April 2011	December 2011
<b>Position</b>	President and CEO since September 2011.	Chief Financial Officer.	Chief Technology Officer.	Vice President Products since December 2011.
<b>Education</b>	Bachelor of Business Administration, Lund University.	Bachelor in Business Administration, Stockholm University.	Master of Science, electronics, Lund University.	Graduate engineer, Skövde.
<b>Previous positions</b>	President and CEO of Telelogic. Several sales and marketing positions at Nokia, ICL and Telia Megacom, including CEO of ICL Direct in Benelux and Vice President of Sales and Marketing at ICL Industry systems Europe.	CFO at Net Insight, Chief Financial Officer at Bewator, Chief Financial Officer at Cygate, Director of Finance at Telia Telecom.	Corporate chief architect and responsible for system architecture at Sony Ericsson, Director Head of platform program office at Sony Ericsson Mobile Communications, Senior Manager, Head of Software Architecture, Open Platform at Sony Ericsson.	Director of Product Management at Enea, Director of System Management at Enea, System architect at Enea and Team leader at Enea.
<b>Own and related parties' shareholding 2011 (2010)</b>	50,000 (through endowment assurance) (50,000)	2,500 (2,500)	0 (0)	0 (0)

the executive management team has established the division of roles and responsibilities for employees working with financial reporting within the Group. The Group is divided into units, and the manager of each unit is responsible for the fulfillment of objectives and compliance with governance issues for his/her unit. Enea's organizational structure is communicated on the Group's intranet so that roles and responsibilities are clear to everyone working with financial information.

Enea has issued instructions to the managers of the subsidiaries, based on the same principles that apply to the CEO of Enea AB. Enea has also made a number of policies available to employees via the intranet. These policies govern the work at Enea and create a foundation for good internal review, including a finance policy, attestation policy, IT policy, insider policy and communications policy. The Group also has an accounting and reporting manual with instructions on the Group's accounting principles, reporting instructions and a schedule, to ensure that consistent, correct accounting information is provided in a timely manner. These guidelines are followed up and updated regularly

and communicated to all employees who work directly or indirectly with financial reporting.

#### RISK ASSESSMENT

The objective of Enea's risk assessment is to secure the Group's profit development and financial position. Enea AB's Board approves principles and guidelines for risk management at Enea, and the CEO and Group executive hold operational responsibility. Regular risk assessments are carried out within the scope of Enea's monthly financial follow-ups by the managers of each unit, the executive management team and the controller, and measures are implemented as required.

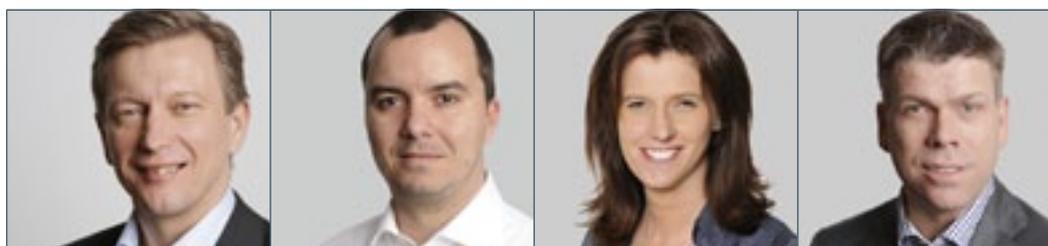
#### REVIEW ACTIVITIES

Every business unit at Enea is followed up every month by the relevant executive and controller. Results are compared with earlier results and budgets for all units. Enea's Group management held scheduled meetings once a month in 2011 to review the business and business situation, the financial outcome compared with the budget and preceding periods, to establish sales and

profit forecasts and to decide on any measures deemed necessary for good internal review. An aggregated report is sent to the Board every month by the CEO. If necessary, more precise follow-up is carried out; e.g. in the form of audits of subsidiaries carried out by controllers. An overview of the company's review activities was initiated in 2011, in order to document and formalize more of the review activities.

In 2011, in connection with the closing of the accounts for the third quarter, Enea's auditors conducted a general review and submitted their report in the quarterly report for the period 1 January–30 September 2011, as well as a review of the annual accounts, for which they submitted their auditors' report in the company's Annual Report for 2011.

Given the scope and limited complexity of the operations, combined with the existing reporting to the Board and the audit committee, the Board does not consider the establishment of a specific internal audit function to be financially viable. The internal review described above is deemed sufficient to assure the quality of the financial reporting.



Name	Bo Strömqvist	Bogdan Putinica	Catharina Paulcén	Håkan Rippe
Born	1964	1977	1973	1968
Employed since	2011	2007	2009	2009
Member of the management group since	August 2011	December 2011	2009	2009
Position	Vice President, Global Sales since January 2012, Sales Manager for the Ericsson key account from August to December 2011.	Vice President Services since December 2011.	Vice President, Corporate Communications.	Senior Vice President, Corporate Development.
Education	Engineer, systems analysis, Linköping University.	International Finance and Banking, Academy of Economic Studies Bucharest, Romania.	International business administration, Universities of Lund and Mannheim.	Master of Science, Chalmers University of Technology, Gothenburg.
Previous positions	VP Ericsson Sales at Enea, Global Account manager at Ericsson and Nordic regional manager at IBM/Rational, VP Sales at TDC and VP Sales at Cision.	CEO of Enea Romania, Global Sales Director Product Services at Enea Romania and CEO for IP Devel.	Branding Manager at IBM Nordics, Director of Marketing at IBM Rational Software and Executive Vice President Marketing & Communications at Telelogic.	Senior Vice President Nordic Consulting at Enea, Business Development Executive at IBM Rational Software and Executive Vice President Corporate Development at Telelogic.
Own and related parties' shareholding 2011 (2010)	2,000 (2,000)	0 (0)	13,000 (13,000)	35,000 (through endowment assurance) (35,000)

Board members that stepped down in 2011:

Per Åkerberg, President and CEO, until September 2011.

Michael Ventrella, Sales Manager for North America until December 2011.

Mathias Båth, Senior Vice President, Marketing and Sales Manager for Europe and Asia, until December 2011.

Adrian Leufvén, Senior Vice President, Research & Development, until December 2011.

Enea's executive management team on 31 December 2011.  
All shareholdings, including those of related parties on 31 December