

CORPORATE GOVERNANCE REPORT

Corporate governance report for 2009

Corporate governance in Bure is regulated by Swedish law, primarily the Swedish Companies Act and NASDAQ OMX Stockholm's ("the Nordic Exchange") Rules for Issuers. Bure is quoted on the Mid Cap list of the NASDAQ OMX Nordic Exchange, and is therefore subject to compliance with the revised rules in the Swedish Code of Corporate Governance (the Code) as of 1 July 2008. These rules are being applied successively to the extent prescribed in the Code and in pace with the issuance of statements and recommendations by advisory organisations (such as the Swedish Corporate Governance Board) on specific issues related to the Code. This report on Bure's corporate governance in 2009 has not been examined by the company's auditors. For additional information about corporate governance matters not dealt with in this corporate governance report, visit www.bure.se.

Nomination committee ahead of the 2010 AGM

On 19 October 2009 Bure announced the composition of the nomination committee, which has been appointed in accordance with the instructions for the nominating committee that were adopted by Bure's 2008 AGM. These state that the Board Chairman, not later than at the end of the third quarter of each year, shall ensure that the company's three largest shareholders are given the opportunity to each appoint one member to the nomination committee. Should any of these three shareholders waive its right to appoint a member, the shareholder next in order of voting power will be contacted to appoint a member to the committee. The mandate period is one year. Furthermore, the Board Chairman shall be a member of the nomination committee.

On 16 February 2010 Bure announced changes in the nomination committee due to the merger with Skanditek Industrieförvaltning AB. Adapted to Bure's new ownership structure, the nomination committee now consists of:

- Dag Tigerschiöld, representing the Tigerschiöld family
- Ulf Strömsten, representing Catella's mutual funds
- Peter Rudman, representing Nordea's mutual funds
- Björn Björnsson, Chairman of Bure Equity AB

Work of the Board of Directors

Bure's Board of Directors has consisted of five members. The composition of the Board and the roles of its members and the President are presented at the end of the corporate governance report. The company's CFO Jonas Alfredson has served as Secretary of the Board.

The work of the Board of Directors is governed by a procedural plan that was most recently adopted at the statutory meeting on 28 April 2009. The work of the Board follows a yearly plan containing fixed decision points that is adopted every year in connection with the statutory meeting. The Board normally holds six meetings during the year, and meets more frequently when required. In the past financial year, the Board held 18 meetings, consisting of 7 scheduled

meetings and 11 extra meetings, of which 7 were held per capsulam. The Board formed a quorum at all meetings. Board members Patrik Tigerschiöld and Björn Björnsson were both absent from one scheduled meeting and two extra meetings (due to impartiality) and Ann-Sofi Lodin was absent from one scheduled meeting. Among other things, the Board's procedural plan contains instructions regarding the division of responsibilities between the Board, the Chairman, the President and the Board's committees.

Due to the merger between Bure and Skanditek Industrieförvaltning AB, a new procedural plan was adopted on 1 February 2010.

According to the procedural plan, the Board is responsible for the company's organisation and management of the company's affairs. The Board continuously monitors the financial situation of the company and the Group, which is reported on a monthly basis, so that the Board is able to meet the monitoring obligations required by law, the NASDAQ OMX Nordic Exchange's Rules for Issuers and good board practice. The procedural plan states that it is the responsibility of the Board to decide on matters that are not part of operating activities or that are of major importance, such as material financial commitments and agreements, as well as any significant changes in the organisation. Once a year, the Board carries out a systematic evaluation of its performance in order to develop the work of the Board and to provide the nomination committee with a relevant basis for decision ahead of the AGM.

Every year, Bure's Board of Directors establishes and documents the company's goals and strategies and discusses marketing, strategic and budgetary issues. The Board establishes the company's finance policy, right of authorisation and decision-making procedure. The Board has formulated specific instructions regarding the responsibilities and powers of Bure's President and Vice President, as well as special reporting instructions for the Executive Management.

The company's auditors attend two Board meetings every year to report on the year's audit and their evaluation of the company's internal control system. The auditors present their observations from the annual audit directly to the Board. Once a year, the auditors meet with the Board without the presence of any member of the Executive Management.

In 2009 the Board of Directors of Bure Equity AB was paid total fees of SEK 990,000, of which the Chairman received SEK 350,000.

Board committees

The Board's procedural plan contains instructions regarding the compensation committee and audit committee. The work of both the compensation committee and the audit committee is performed by the Board as a whole.

The compensation committee discusses and decides on matters relating to remuneration in the form of salary, pensions and bonuses or other terms of employment for the President and staff reporting directly to the President. Proposed principles for compensation to the President and Executive Management will be put before the 2010 AGM for decision. At present, there are no outstanding share-based or share price-based incentive schemes for the Board or Executive Management.

The role of the audit committee is to continuously support the Board in matters relating to auditing, internal control and review of the annual accounts and interim reports.

Financial reporting

Bure's financial reporting is based on the applicable laws, regulations, rules, agreements and recommendations for companies listed on the NASDAQ OMX Nordic Exchange. A more detailed description of the accounting policies is provided on pages 16–21 of the annual report. The audit report for the financial year is found on page 39 of the annual report. The Board and the auditors communicate on an ongoing basis. The Board continuously ensures that the company's finance and accounting organisation is properly dimensioned and has adequate resources. The Board is provided with monthly reports on the development of the portfolio companies, the Parent Company and the Group. Every year, the Parent Company issues instructions regarding the financial information to be reported by the subsidiaries. This information includes income statements, balance sheets, cash flow statements and financial key ratios. A more extensive reporting package is required in connection with the annual closing of the books.

Deviations from the Code

According to section 10.6 of the Code, the Board of Directors is required to evaluate the need for a special audit function on a yearly basis. The Board's assessment is that Bure has no need for this function under the present circumstances. At the same time, the Board has clear instructions and continuously ensures that the responsible individuals in the organisation have the requisite expertise and resources to fulfil their duties in the preparation of financial reports. The evaluation of the need for an internal audit function will be reassessed in 2010.

Presentation of the Board of Directors, President and auditors

Since the time of the AGM, the Board of Directors has consisted of five members. The President is not a member of the Board. Of the company's five Board members, all are independent in relation to the company's major shareholders.

Board member Kjell Duveblad was also chairman and a member of the board of the subsidiary EnergoRetea Group AB in 2009. Board members Björn Björnsson and Ann-Sofi Lodin were members of the board of AcadeMedia during the year.

Björn Björnsson, Chairman

Björn is 63 years old, M.Pol.Sc, active as a consultant in his own company. Elected to the Board in 2002. Björn is dependent in relation to the company and its management and independent in relation to the company's major shareholders.

Håkan Larsson, Vice Chairman

Håkan is 62 years old, M.B.A. Previously President of Rederi AB Transatlantic and employed by the Schenker Group. Elected to the Board in 2002. Håkan is independent in relation to company, its management and the company's major shareholders.

Ann-Sofi Lodin, Board member

Ann-Sofi is 47 years old, M.Pol.Sc. and economist. CEO of Carema Sjukvård. Previously employed by the healthcare company Global Health Partner as COO and the healthcare group Capio, in positions such as General Director of Capio Sjukvård Norden and General Director of Capio Lundby Sjukhus. Elected to the Board in 2006. Ann-Sofi is dependent in relation to the company and its management and independent in relation to the company's major shareholders.

Kjell Duveblad, Board member

Kjell is 55 years old, M.B.A, and operates his own management and IT consulting business. Previously employed by IBM and as Regional Manager of Oracle in Sweden, the Nordic region and the Baltic countries. Elected to the Board in 2005. Kjell is dependent in relation to the company and its management and independent in relation to the company's major shareholders.

Mathias Uhlén, Board member

Mathias is 55 years old, Ph.D. Engineering, professor of microbiology. Former board member of Skanditek Industrieförvaltning since 1992. Elected to the Board in 2010. Mathias is independent in relation to company, its management and the company's major shareholders.

Patrik Tigerschiöld, President and CEO

Patrik is 45 years old, M.B.A. Former President of Skanditek Industrieförvaltning, Chairman of Bure, previously employed by SEB and former President of SEB Allemansfonder. Patrik is dependent in relation to the company's major shareholders. Holdings in Bure (incl. related parties) on 8 March 2010: 6,166,537 shares.

A description of the Board member's shareholdings and other assignments are shown on page 43.

The principles for remuneration and other terms of employment, and information about shareholdings, etc., for the President and other senior executives are shown in Note 36 of the annual report.

Information about the auditors

Ernst & Young AB has been elected as Bure's auditing firm, and has appointed Staffan Landén, 46 years old, as Auditor in Charge. Staffan Landén is auditor of several listed companies such as Alfa Laval AB and AcadeMedia AB and internationally active companies such as Papyrus AB and Capio AB.

Board report on internal control over financial reporting for the financial year 2009

As stated in the Swedish Companies Act and the Swedish Code of Corporate Governance, the Board of Directors is responsible for the company's internal control. This report has been prepared in accordance with the Swedish Code of Corporate Governance, sections 10.5 and 10.6, and is thereby limited to internal control over financial reporting. This description is not part of the formal annual report.

Control environment

The procedural plan for the Board and instructions for the President ensure a clearly defined division of roles and responsibilities that promotes effective management of the company's risks. Furthermore, the Board has established a number of normative documents for internal control, and among other things emphasises the importance of having clear and written instructions and policies that also apply to the Group's subsidiaries. The Executive Management regularly reports to the Board according to established routines and is responsible for the system of internal controls that is necessary for management of significant risks in day-to-day operations. This includes guidelines that promote an understanding and awareness among the various executives for the importance of their respective roles in maintaining good internal control.

Risk assessment and control activities

In assessing the risk for irregularities in the company's financial reporting, Bure has developed a model in which a number of areas with a heightened risk for errors have been identified. Special attention has been given to the creation of controls to prevent and detect deficiencies in these areas. Areas where material deficiencies are noted are dealt with immediately.

Information and communication

Significant guidelines, manuals, policies, etc., of relevance for financial reporting are continuously updated and communicated to the appropriate employees. There are both formal and information communication paths to the Executive Management and Board for significant information from the employees. For external communication, there are guidelines to ensure that the company lives up to the highest demands regarding complete and accurate information to the market.

Monitoring

The Board continuously monitors and evaluates the information provided by the Executive Management. This includes ensuring that action is taken with respect to any deficiencies or recommendations identified in internal and external audits.

Internal audit

The Board has not found reason to set up an internal audit function. The Board's opinion is that there is no need for this function in the company and that it is not financially justifiable in an organisation as small as Bure's. The Board has clear instructions and continuously ensures that the responsible individuals in the organisation have the requisite expertise and resources to fulfil their duties in the preparation of financial reports. The evaluation of the need for an internal audit function will be reassessed in 2010.

This report has not been examined by the company's auditors.