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## Annual report state-owned companies

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Annual Report State-owned companies 2014



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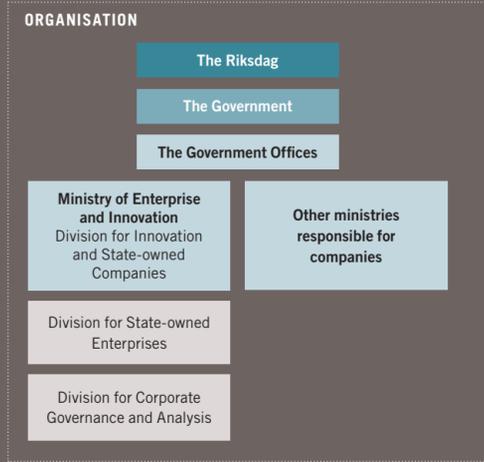


## How the state-owned companies are governed

The Government has been commissioned by the Riksdag to actively manage the state's assets. The Government Offices and the various ministries assist the Government in its work and manage 49 companies: 41 wholly owned and 8 partly owned.

Corporate governance is exercised primarily through the board nomination process at Annual General Meetings, in accordance with the State's Ownership Policy, including its guidelines, and by means of efficient capital structure. The companies are followed up and assessed through analyses and different types of reports from the companies. Targets beyond the generation of financial value are also assessed.

Within the Ministry of Enterprise and Innovation, there is a specialised investment management organisation that is divided into two divisions. These are responsible for the development and coordination of corporate governance at the Government Offices and for the active ownership of 41 of the companies. The responsibility for the remaining, of the total 49 companies, lies with other ministries.



## Number of board members Number of employees

# 343

The companies that are wholly or partly owned by the state have a total of 343 board members, including chairpersons. There are 283 board members in the companies wholly owned by the state.

# 163,000

In total, slightly more than 163,000 people are employed by the state-owned companies, including the associated companies. The companies that are wholly owned by the state have about 125,000 employees.

## Estimated value

# 460

 billion

The state-owned companies represent considerable value. The combined value of the state-owned company portfolio – which is owned jointly by the people of Sweden – is calculated at SEK 460 billion. Read more on pages 44–47.

## Gender balance

Board members

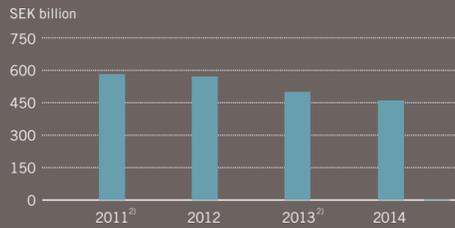


Chairman of the Board



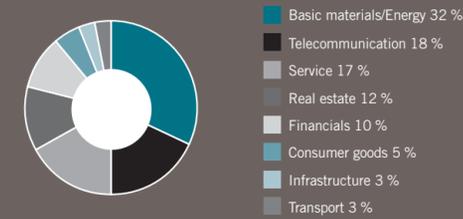
The state-owned companies act as good examples in having a high proportion of women on their boards and now also chairing the boards. Including chairpersons, 49 per cent of the board members in companies wholly-owned by the state are women. Among the publicly traded companies, the proportion of women board members is 29 per cent according to SIS Ågarservice. The Government's target is for there to be at least 40 per cent of each gender on each board. In the state-owned companies, no fewer than 46 per cent of chairpersons are women, compared with 41 per cent last year and 23 per cent in 2006. Among the publicly traded companies, the proportion of women chairpersons is only 5 per cent according to SIS Ågarservice.

### VALUATION OF PORTFOLIO OF STATE-OWNED COMPANIES<sup>1)</sup>



1) Value as per 31 December.  
2) Decreased ownership in Nordea Bank.

### BREAKDOWN BY SECTOR



**BASIC MATERIALS/ENERGY:** Ersättningsmark, LKAB, Orio, Sveaskog, Vattenfall  
**TELECOM:** TeliaSonera  
**SERVICE:** APL, Bilprovingen, Lernia, Metria, Miljömärkning Sverige, Samhall, SOS Alarm, Svenska Spel, Swedesurvey  
**REAL ESTATE:** Akademiska Hus, Jernhusen, Specialfastigheter, Statens bostadsomvandling, Svedab, Vasallen  
**FINANCIALS:** Almi Företagspartner, Bostadsgaranti, Fouriertransform, Inlandsinnovation, RISE, SBAB, SEK, Svenska Skeppshypotek, Swedfund  
**CONSUMER GOODS:** Apoteket, Apoteksgruppen, Systembolaget  
**INFRASTRUCTURE:** Arlandabanan, Göta kanalbolag, Infranord, SSC, Svevia, Swedavia, Teracom Boxer Group  
**TRANSPORT:** Green Cargo, PostNord, SAS, SJ  
**OTHERS:** Dramaten, ESS, Operan, VisitSweden



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## THE STATE-OWNED COMPANIES IN BRIEF • THE STATE-OWNED COMPANIES IN BRIEF

### Net turnover

Wholly-owned companies and subsidiaries

**SEK 350** billion

Including associated companies

**SEK 397** billion

In 2014, net turnover for the wholly state-owned companies and their subsidiaries decreased by 2.2 per cent to SEK 350 billion. Including associated companies, net turnover in 2014 was SEK 397 billion, which also represented a decrease of 2.2 per cent.

### Dividends and profit

Dividend

**SEK 18.1** billion

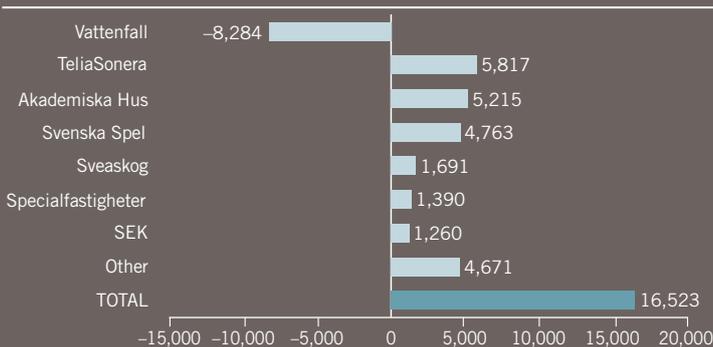
Profit

**SEK 16.5** billion

The state-owned companies make a significant contribution to the state treasury. For the 2014 fiscal year, the state's dividends increased by 1.9 per cent to SEK 18.1 billion. Read more on pages 44-46.

Combined net profit for 2014 was SEK 16.5 billion, an increase of almost 15.9 per cent.

#### NET PROFIT FOR JAN-DEC 2014 (SEK MILLION), COMPANIES WITH THE GREATEST IMPACT ON EARNINGS



The state is a significant company owner in Sweden. The state-owned company portfolio includes 49 wholly and partly owned companies, of which two are listed. The state bears a substantial responsibility to be an active and professional owner. For the government, the overall objective is for the companies to generate value and, where relevant, to ensure that public policy assignments are executed well.

# Financial overview

## STATE-OWNED COMPANIES, TOTAL

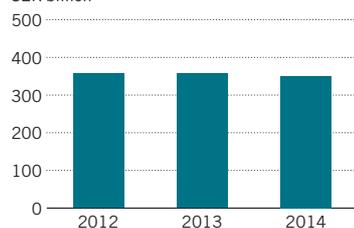
SEK billion	2014	2013	Change, %
Net turnover	350.1	357.8	-2.2
Net turnover, including associated companies	396.5	405.4	-2.2
Profit before changes in value	23.0	24.9	-7.5
Changes in value	5.0	2.1	136.1
Operating profit (EBIT)	28.1	27.0	3.8
Profit before tax	20.6	17.3	19.4
Net profit	16.5	14.3	15.9
Gross investments	47.5	52.8	-10.0
Cash flow from operating activities (excluding SEK and SBAB)	65.2	65.0	0.3
Total equity	363.8	358.7	1.4
Total assets	1,539.4	1,489.0	3.4
Number of employees, excluding associated companies (thousands)	125.1 <sup>1)</sup>	128.6 <sup>1)</sup>	-2.7
Number of employees, including associated companies (thousands)	163.3 <sup>2)</sup>	168.9 <sup>2)</sup>	-3.4
Dividend	18.1	17.7	1.9
Estimated value	460	500	-8.0
Return on equity (%)	4.8	4.0	
Equity/assets ratio (%)	23.6	24.1	

1) Of whom women accounted for 34 (34) per cent and men for 66 (66) per cent.

2) Of whom women accounted for 36 (36) per cent and men for 64 (64) per cent.

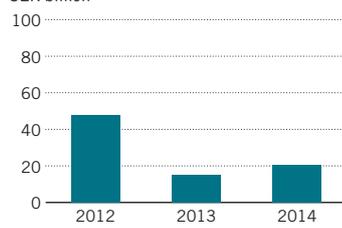
### NET TURNOVER

SEK billion



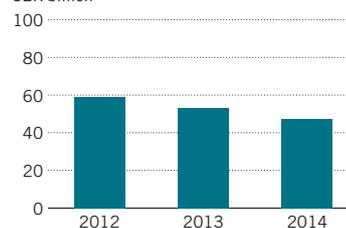
### PROFIT BEFORE TAX

SEK billion



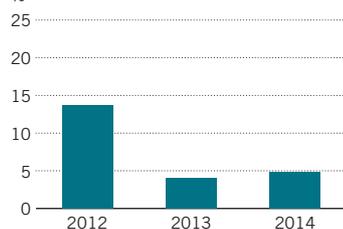
### GROSS INVESTMENTS

SEK billion



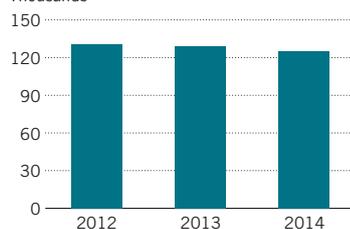
### RETURN ON EQUITY

%



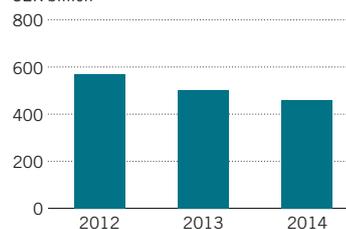
### NUMBER OF EMPLOYEES

Thousands



### MARKET VALUE

SEK billion



# Although turnover decreased in 2014, the profitability of the state-owned companies improved

In 2014, the profitability in the state-owned companies strengthened. Improved profits for Akademiska Hus, SBAB and Swedavia strengthened overall profit by more than SEK 3 billion. Vattenfall's earnings continue to be burdened by impairments. Falling iron ore prices and increased expenses for community transformation, primarily in Kiruna, burdened LKAB's earnings heavily.

*The state-owned companies are owned collectively by the Swedish people and are therefore an important asset for the entire country.*

Governing the state-owned companies is a task that imposes considerable responsibility, that must be performed in an active and professional manner with value creation as an overarching objective. This means that the companies must act efficiently, profitably and long term, and should be given opportunities for development. Most of the companies operate in competitive markets. Accordingly, it is particularly important that they be subject to market requirements to ensure that competition is conducted on equal terms between publicly and privately owned companies.

Being responsible for ownership issues, I consider ensuring the public's confidence in the state-owned companies to be one of my most important tasks. Key words in the management of the state-owned companies are openness, active ownership, professionalism and good order. Ultimately, the companies are owned by the Swedish people which demands transparency and professional accounting. In addition to accounting legislation and

I am convinced that sustainability is one of the greatest challenges facing trade and industry – but also that the transition to a sustainable society offers an amazing number of business opportunities.

generally accepted accounting principles, the state-owned companies are required to present annual, quarterly and year-end reports according to the same rules as listed companies. The annual report and the communication to the Riksdag (Swedish parliament) are important instruments in monitoring the development of the companies.

I am convinced that sustainability is one of the greatest challenges facing trade and industry in the years to come – but also that the transition to a sustainable society offers an amazing number of business opportunities. Proactive sustainability work secures strong long-term growth in the state-owned companies. Accordingly, I have made it clear to the boards of state-owned companies that sustainable business practices are an issue of business strategy and will be central to this government's corporate governance of the companies.

In recent years, the world economy has undergone very considerable change and has increasingly focused on development in the emerging markets. The Swedish economy is one of the world's most export-dependent and Swedish companies compete in a global market. Both state-owned and privately-owned companies need to evolve continuously to maintain their position and strengthen their competitiveness, particularly in innovation and digitalisation.

One of the main tasks of the management organisation is to set and monitor targets for state-owned companies. Most of the companies have financial targets that are regularly reviewed. Companies with public policy assignments have "public policy targets" to assess how well their public policy assignments are being fulfilled. As from 2015 a sustainability analysis is linked to the financial targets and public policy targets. This analysis serves to highlight relevant risks and opportunities in the area of sustainable business practices with regard to climate change, gender equality, human rights and labour rights, for example. The financial targets, public policy targets and monitoring of the strategic sustainability targets are important tools in our

Key words for the governance of state-owned companies are: transparency, active ownership, professionalism and good order.

corporate governance to be able to clearly communicate our expectations as an owner.

Turnover in the state-owned company portfolio declined by 2 per cent in 2014, while the companies' combined profit rose from SEK 14 billion to SEK 16 billion. The improvement in profit is primarily a consequence of a lower non-recurring impairment in Vattenfall's continental European operations being recognised than in 2013. The underlying operating profit in the companies remains stable with the exception of LKAB's earnings, which are strongly affected by sharply declining iron ore prices. The value of the state-owned company portfolio, calculated at the end of 2014, decreased from SEK 500 billion to SEK 460 billion, compared within the preceding year. The change is a consequence of decreased value in primarily Vattenfall and LKAB.

My ambition is for the state to be an active owner and, through professional portfolio governance, be clear in its ownership role, both in relation to the companies and to society in general.

I take a positive view of the development of our companies and look forward to supporting the state-owned companies continue to generate long-term value and to contribute to the development of our society.

Stockholm, June 2015



*Mikael Damberg*  
MINISTER FOR ENTERPRISE AND INNOVATION, MINISTER RESPONSIBLE FOR THE STATE-OWNED COMPANIES



## Events in brief

### Increased provisions at Vattenfall due to lower market interest rates

After an extended period of falling market interest rates, Vattenfall has decided to lower the discount rate in its calculation of pension provisions, both in Sweden and Germany, as well as for other provisions in Germany, primarily for future expenses for the decommissioning of nuclear power. This has resulted in the provisions on the balance sheet increasing by SEK 8.7 billion and the adjusted net debt increasing by SEK 9.3 billion.

### Praise for state-owned companies' sustainability reports

During the year, LKAB's sustainability report for 2013 was named as Sweden's best by FAR the professional organisation for auditors in Sweden. Among other things, the report was praised for presenting the company's sustainability work as a natural part of the business strategy with each strategic area including dimensions of sustainability. This year, FAR also presented a second place award, which went to SEK. Forest products group SCA received the third place award. Swedfund and ball bearing manufacturer SKF received honourable mentions. For more than a decade, the FAR has presented annual awards for exemplary non-financial reporting.

### TeliaSonera buys Tele2 in Norway

TeliaSonera is acquiring Tele2's mobile operations in Norway. The operations are valued at SEK 5.1 billion. The transaction will increase TeliaSonera's market share in mobile telephony in Norway from about 23 to 40 per cent, while the number of mobile subscriptions will rise from 1.6 million to 2.7 million. TeliaSonera has also pledged to reach 98 per cent of Norway's population with 4G coverage by 2016.

### Campaign to prevent purchasing of alcohol for minors

In June, Systembolaget's campaign to prevent purchasing of alcohol for minors was visible. The campaign included "Tonårsparlören" (Teenager phrasebook), a website and book on how to talk about alcohol with minors. The book was distributed to parents of teenagers during the spring by Systembolaget's subsidiary IQ-initiativet.



### Svenska Spel strengthens its collaboration with Swedish soccer

Svenska Spel continues to sponsor Swedish soccer. In March 2014, a comprehensive agreement was signed regarding principal sponsorship. The collaboration is valued at slightly more than SEK 928 million and extends six years into the future. This includes a major venture in Swedish elite ladies' soccer and talent development.

### LKAB and Kiruna agree on infrastructure compensation

In May 2014, LKAB and the municipality of Kiruna signed an agreement regulating compensation for infrastructure including streets, roads, and water and sewerage mains – investments in schools, emergency services, libraries and other community buildings that are necessary when moving the town centre as the mine expands. The compensation will amount to SEK 3.74 billion.

### Bostadsgaranti to be phased out

In May 2014, an Extraordinary General Meeting of AB Bostadsgaranti resolved to divest the subsidiary Försäkringsaktiebolaget Bostadsgaranti. The divestment is part of the ongoing phase-out of Bostadsgaranti as a whole. The company's remaining operations are expected to be wound up by 2018.

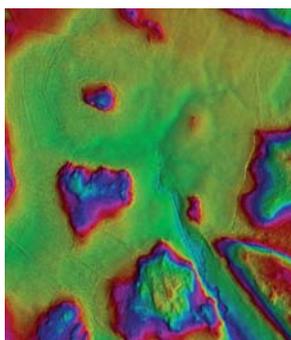
### Almi lends SEK 1.2 billion to innovative companies

Almi is launching a new Growth Loan for innovative businesses. Over a two year period, Almi will lend SEK 1.2 billion to innovative companies throughout Sweden. The Growth Loan is made possible by a guarantee agreement between the European Investment Fund and Almi. With the new Growth Loan, more companies with growth potential will have the opportunity to finance continued development and growth.



### SSC acquired ground station in Canada

In January 2014, SSC, the Swedish Space Corporation, acquired the outstanding shares in PrioraNet Canada Ltd., in which SSC was already a part owner. The company operates the Inuvik ground station located in northern Canada. The station in Inuvik represents a step in the strategic strengthening of SSC's global network of earth stations.



### Metria initiated collaboration on national elevation model

In the spring of 2014 Metria initiated a partnership where it will, with its customer Lantmäteriet (Swedish National Land Survey) and subcontractors, complete a comprehensive national elevation model for Sweden. Eighty per cent of the country's surface has already been mapped via laser scanning – now, the remaining 20 per cent, the mountainous regions, will be completed. The National Elevation Model (project "NH") was in progress in 2014 and is continuing in 2015.

### Workshops on sustainability

In 2014, the state-owned companies management organisation conducted three workshops on different themes relating to sustainability: diversity, GRI G4 (the latest sustainability reporting guidelines) and ecosystem services (the services natural ecosystems provide to man). The purpose of the small-group workshop format was to enable more in-depth knowledge transfer on specific themes. Some 25 people from state-owned companies participated in each meeting. In 2015, workshops are planned on the UN Guiding Principles on Business and Human Rights.

### Akademiska Hus' Aula Medica named Building of the Year

In March, Aula Medica, which Akademiska Hus built at the Karolinska Institute's Solna Campus, was named Building of the Year 2014 by building sector magazine Bygginindustrin. The building has been environmentally certified in accordance with Green Building, the EU's system for energy efficient buildings. Aula Medica is also certified according to the Sweden Green Building Council's Silver standard.



### SAS issued preference shares and terminated the state's loan commitment

When, in 2012, SAS presented a new business plan to strengthen the company's competitiveness, the Swedish state, together with the Norwegian and Danish states and a number of private players, issued a loan commitment, known as an RCF, to SAS for a total SEK 3.5 billion, which was later renegotiated to SEK 2.0 billion. The aim was to secure the company's access to liquidity. Since then, SAS's financial position has improved and, in February 2014, the company strengthened its financial position by issuing preference shares corresponding to SEK 3.5 billion to investors and the general public. Having raised this capital, SAS terminated the loan commitment.

## Savings programme at PostNord

In the autumn, PostNord initiated a savings programme aimed at generating approximately SEK 500 million in annual savings. The programme reduces the number of employees by approximately 800 in administration and other support functions, mostly in Denmark. The negotiations with the unions were completed in December 2014 in Denmark and in January 2015 in Sweden.

## History written as Rosetta spacecraft lands on comet

In November, the European Space Agency's (ESA) Rosetta spacecraft, which has been chasing a comet through space for ten years, succeeded landing the probe Philae on the comet's surface. This is the first time in history a landing of this kind has been carried out and it has been described as one of the most complex space missions ever. The objective is to learn more about the origins of the solar system. SSC, the Swedish Space Corporation, has participated in the project through LSE Space and Aurora.



## Miljöstylningsrådet in liquidation

Aktiebolaget Svenska Miljöstylningsrådet entered liquidation during 2014. This occurred as a result of the Government's decision regarding a unified procurement support service, meaning that the procurement support tasks previously conducted by Miljöstylningsrådet were transferred to the state and have been reassigned to the Swedish Competition Authority since 1 July 2014.



## Sveaskog land impacted by the forest fire in Västmanland

The huge forest fire that broke out in the province of Västmanland in August affected some 1,500 hectares of Sveaskog's land holdings. Sveaskog had a large number of people in place who helped both with firefighting and the mopping up process. Sveaskog is now planning to turn its fire-ravaged forest land in the area into an ecopark. The ecopark will entail a conservation measure safeguarding the survival of species favoured by and dependent on fire throughout central Sweden.

## New investments by Fouriertransform

During 2014, Fouriertransform invested a total of SEK 201.7 million in five new companies: AAC Microtec AB in Uppsala, Pelly AB in Hillerstorp, Osstell AB in Gothenburg, APR Automation AB in Arvika and SMP Parts AB in Ilsbo, as well as SEK 196.6 million in existing portfolio companies. In February 2015, ÅF AB (publ) acquired all shares in Fouriertransform's portfolio company LeanNova Engineering in Trollhättan. Fouriertransform also divested 51 per cent of the shares in Vicura AB to AVL List GmbH.

## Swedavia takes over handling at regional airports

Following an agreement with SAS, Swedavia has taken over handling services at five regional airports from SAS Ground Handling (SGH). On 1 November, Swedavia assumed responsibility at Kiruna Airport, Luleå Airport, Umeå Airport, Åre Östersund Airport and Ronneby Airport.



## LKAB issues bonds for SEK 2 billion

In December 2014, LKAB successfully issued bonds for a total of SEK 2 billion as part of its newly established MTN programme. The programme encompasses a loan framework of SEK 7 billion and permits bonds to be issued in the Swedish market. The bond loans have a maturity of five years and are divided into two tranches, one with a fixed interest rate and one with a variable rate. The bonds will be listed on the NASDAQ Stockholm exchange. The purpose of establishing an MTN programme is to further increase LKAB's financial flexibility and its presence in the capital market.



## Infranord in European partnership on railway development

Infranord, as well as the Swedish Transport Administration and Vossloh, is part of the comprehensive development project Shift2rail. 26 European countries will be participating over a period of seven years. The project addresses energy, transport management, infrastructure, IT and rolling stock. The aim is to find ways to more rapidly develop railways throughout Europe. Increased operational reliability, greater capacity and lower lifecycle costs are on the agenda.

## Continued efficiency enhancement at SJ

Within the framework of the improvement programme that is to reduce SJ's costs by SEK 1 billion in administration and sales, a total of 400 employees were served notice of termination in January 2014. Eighteen of SJ's travel agencies, including the one in Copenhagen, were phased out during the first quarter. At the same time, SJ announced that it would be closing its service centre in Tranås, affecting a total of 95 permanent employees. In the second quarter, SJ's service centre operations were concentrated at the Ånge facility.

## SBAB has Sweden's most satisfied mortgage customers

SBAB wins first place, with a good margin ahead of the major banks, in Swedish Quality Index's annual customer satisfaction survey in residential mortgages. SBAB gained the highest scores in most of the question categories in the survey, including value for money, service, satisfaction, image and expectations.

## Changes in the state-owned companies management organisation following the 2014 elections

The September parliamentary elections and new Government entailed certain changes in the state-owned companies's management organisation. The management of 41 of the 49 companies wholly or partly owned by the Swedish state is now assigned to the Ministry of Enterprise and Innovation. As of 2015, the organisation has also been responsible for managing the European company EUROFIMA and the Industrifonden and Norrlandsfonden foundations. Eight companies are managed by the Ministries of Finance, Culture, Health and Social Affairs, and the Ministry for Foreign Affairs.



## More young people visited Dramaten

In addition to the productions that primarily target children and young people at Unga Dramaten, a relatively large and young audience also attends theatre performances on the other stages. In 2014, the number of tickets with child and youth discounts totalled 55,290, which is an increase by more than 20 per cent compared with 2013. Unga Dramaten has moved back to the Dramaten Theatre to continue developing its operations there.

## Safe pharmaceuticals at Apoteksgruppen's pharmacies.

One of Apoteksgruppen's strategic sustainability objectives is to increase the use of EES (electronic expert support) in connection with the dispensing of prescriptions in Apoteksgruppen's pharmacies and this is now taking place to an increasing extent. The aim is to detect incorrect dosages and inappropriate combinations of pharmaceuticals for individual customers. Each year, incorrect usage of pharmaceuticals causes considerable suffering for individuals and major costs for healthcare.



Infranord provides operation and maintenance, but also new construction of railways in Sweden and Norway. *Photo: Infranord*

# Active ownership

The state-owned company portfolio, consisting of 49 wholly and partly owned companies, is valued at SEK 460 billion and employs about 163,000 people. Combined, the companies comprise a significant share of the Swedish business sector. It is the state's ambition to be an active and responsible owner. Within the Ministry of Enterprise and Innovation, there is an organisation specialised in generating value in the companies. Organisationally, this is separated from the market-regulating agencies in other parts of the Government Offices. It is responsible for the development and management of most state-owned companies. Management is conducted in accordance with state's corporate governance documents, which have been compiled in the State's Ownership Policy.

## THE GOVERNMENT'S MANDATE AND PRINCIPLES

The Government is mandated to actively manage the state's assets. The Government Offices with the ten ministries assist the Government in its work and execute this management. The Government Offices currently manage 49 companies<sup>1)</sup> in accordance with the State's Ownership Policy, of which 41 are wholly owned and 8 are partly owned. In addition, an European company and two operating foundations are also governed according to the same principles. As per December 2014, the estimated combined value of the company portfolio was approximately SEK 460 billion. Combined, the state-owned companies and their subsidiaries employ about 125,000 people, and if associated companies<sup>2)</sup> are included, the companies employ 163,000 people. Among the

state-owned companies, there are numerous strong brands. In many cases, the companies play an important role in Swedish society, with many having begun as state enterprises, business operations within a public authority or as state monopolies. To operate efficiently and to improve the conditions for competition neutrality in markets that are also targeted by new, private players, these operations have subsequently been corporatized. The majority of state-owned companies now operate in fully competitive markets where the overarching objective of state-ownership for the companies' operations is to generate value over the long term.

As mandated by the Riksdag, the Government is required to actively manage the state's holdings in companies in order to

## MANAGEMENT ORGANISATION



1) Since the 2013 Annual Report, the number of companies has decreased from 50 with the state phasing out the operations of the company Svenska Miljöstyrningsrådet. The 49 companies include Svenska skeppshypotekskassan, which, however, is not a limited company but a special form of association under public law. The operating foundations Industrifonden and Norrlandsfonden and the European company EUROFIMA are not included in the aggregated figures for employees or sales.

2) The associated companies are those in which the state owns 20–50 per cent, and include Bostadsgaranti, Dom Shvetsii, SAS, SOS Alarm, TeliaSonera and VisitSweden.

ensure the best possible long-term value development and – where applicable – to ensure that public policy assignments are performed well. The focus of many of the companies' operations and public policy assignments means that the state is expected to continue being a major company owner. The Government takes the view that the companies should be managed actively and professionally, with long-term value creation as an overarching goal, and, where relevant, ensuring that specifically adopted public policy targets are performed well. This means that the companies must act efficiently, profitably and long term, and should be afforded capacity for development. State-owned companies should act as role models in the area of sustainable business and should otherwise behave in a manner that instils public confidence. This is the overall focus of the Government Offices' ongoing management and corporate governance.

#### MANAGEMENT ORGANISATION

The Minister for Enterprise and Innovation is responsible for a unified overarching ownership policy with regard to the state-owned companies, and is the minister responsible for most of the companies. Accordingly, the Ministry of Enterprise and Innovation has an organisation specialised in corporate governance and investment management<sup>1)</sup>, which is organisationally separate from the Government Offices' market-regulating operations and which focuses on generating value in the companies. This organisation, which operates within the Department for Innovation and State-owned Companies, is responsible for the development and governance of 41 of a total of 49 state-owned companies that are managed by the Government Offices, and is divided into two divisions working in close cooperation. The Division for State-owned Enterprises employs investment directors who work on the company boards, coordinate ongoing contacts with the companies and lead the organisation's ongoing work with the holdings. The division also includes a function responsible for communications and investor relations, including financial information and stakeholder dialogue. The Division for Corporate Governance and Analysis is responsible for company analysis, sustainable business, business law, board recruitment and overarching corporate governance documents, such as the State's Ownership Policy, as well as work on and monitoring of financial targets and public policy targets.

For a small number of state-owned companies, responsibility for administration lies with other parts of the Government Offices: the Ministry of Finance, the Ministry of Culture, the Ministry of Health and Social Affairs, the Ministry of Education and Research and the Ministry for Foreign Affairs. The Government's principles for active ownership and corporate governance also encompass these companies.

1) On 1 January, the organisation was transferred from the Ministry of Finance to the Ministry of Enterprise and Innovation.

#### MANAGEMENT COSTS

In 2014, the management organisation costs amounted to SEK 48.3 (56.2) million, corresponding to 0.01 per cent of the assets under management. Of this, SEK 12.5 (20.2) million was for services procured externally, including fees for financial, economic and legal advice, and for the preparation of the Annual Report and the Government Offices' interim reports for state-owned companies. The costs for the management organisation consist primarily of salaries but also of other current expenses, such as travel and office supplies. Costs for investment management within other ministries are not included, as they mainly consist of salaries that are also attributable to other tasks within each ministry.

#### INVESTMENT TEAMS FOR EACH STATE-OWNED COMPANY

Work to develop and manage the individual holdings are mainly conducted based on investment teams for company holdings in the management organisation. For each state-owned company, there is an investment team of comprising expertise from the two aforementioned divisions. The investment teams for each state-owned company holding deal with all ongoing matters of ownership involving the managed state-owned companies. The work of the investment teams for state-owned company holdings is coordinated and led by an investment director. The investment teams for state-owned company holdings also include investment managers, legal counsels, recruiters, communicators and specialists in sustainable business, each of whom can head individual projects within the framework of the investment teams for state-owned company holdings. This composition helps ensure that the groups

#### INVESTMENT TEAMS FOR EACH STATE-OWNED COMPANY HOLDINGS



The investment teams for each state-owned company holdings deal with all ongoing matters of ownership involving the managed companies.

have good insight into the business environments of the companies and their markets, as well as an understanding of the challenges and risks facing the companies, allowing the management organisation to set requirements and to develop the companies.

The investment teams analyse each state-owned companies' operations, markets, competitors, and sustainable business practices, helping ensure the value creation in the state's holdings through active ownership. Various aspects of ownership are addressed, such as the forward looking strategy and changes in the market, board changes, dividend levels and target fulfilment (*read more about the investment teams for company holdings on p.14*).

**POLITICAL LEADERSHIP**

In addition to the Minister for Enterprise and Innovation, certain other ministers are also responsible for companies. The relevant ministers and their political advisers hold regular progress meetings with the chairmen and executive management teams of the state-owned companies, so-called ownership meetings, with the purpose of reviewing the companies' operations and performance in relation to financial targets, public policy targets and sustainability work. Owner meetings are prepared by the relevant investment teams. When companies face particularly critical decisions, their boards coordinate their views with the political leadership in a process of "ownership coordination".

**THE STATE'S MODEL OF CORPORATE GOVERNANCE**

The state's corporate governance document, **the ownership policy** (the State's Ownership Policy and guidelines for state-owned companies), specifies the framework for investment management and clarifies the relationship between the owner, board and management. In the ownership policy, the Government details its management mandate and its positions on key princi-

**RESPONSIBLE MINISTRIES**

**Ministry of Enterprise and Innovation**

- Akademiska Hus
- Almi Företagspartner
- Apoteket
- Apoteksgruppen
- Arlandabanan Infrastructure
- Bilprovingen
- Bostadsgaranti
- EUROFIMA
- Fouriertransform
- Green Cargo
- Göta kanalbolag
- Industrifonden
- Infranord
- Inlandsinnovation
- Jernhusen
- Lernia
- LKAB
- Metria
- Norrlandsfonden
- Orio
- PostNord
- RISE
- Samhall
- SAS
- SBAB
- SEK (Svensk Exportkredit)
- SJ
- SOS Alarm
- Specialfastigheter
- SSC (Svenska rymdaktiebolaget)
- Statens Bostadsomvandling
- Sveaskog

- Svedab
- Svenska Skeppshypotek
- Svenska Spel
- Svevia
- Swedavia
- Swedesurvey
- Swedfund
- TeliaSonera
- Teracom Boxer Group
- Vasallen
- Vattenfall
- VisitSweden

**Ministry of Finance**  
Miljömärkning Sverige

**Ministry of Culture**  
Kungliga Dramatiska Teatern  
Kungliga Operan  
Voksenåsen

**Ministry of Health and Social Affairs**  
APL (Apotek Produktion & Laboratorier)  
Systembolaget

**Ministry of Education and Research**  
ESS (European Spallation Source)

**Ministry for Foreign Affairs**  
Dom Shvetsii

**FRAMEWORK FOR STATE-OWNED COMPANIES**

	State-owned companies	Publicly traded companies	Public authority
<b>Legal framework</b>	Companies Act The State's Ownership Policy	Companies Act, Listing agreement	Administrative Procedure Act Government Agencies Ordinance Ordinance with instructions
<b>Operations and assignments</b>	Operations section in the Articles of Association Owner instruction <sup>1)</sup>	Operations section in the Articles of Association	Appropriation Government resolution on specific assignment
<b>Highest decision-making body</b>	Annual General Meeting	Annual General Meeting	General Director of agency/board or committee

1) Occurs primarily where companies have public policy assignments, see ownership policy, page 122.

The comparison with a public authority serves to illustrate the considerable difference between companies and authorities in terms of their governance.

## Active investment teams for company holdings – a strength in connection with difficult ownership issues

SWEDAVIA

Several crucial issues have affected the state's ownership of Swedavia. Central to its corporate governance has been a well-functioning and active investment team.

Within the management organisation, there is an investment team for each individual holding that analyses and manages all of the issues affecting the state in its role as owner. In the Swedavia investment team, the activity level has been particularly high over the past two years. Among other things, the group has worked with impact assessments regarding Arlanda Airport's environmental permit and Bromma's contested air traffic, analyses of pricing regulations and new financial targets, and public policy targets. In parallel with these issues, which are of vital company importance, the investment team also addresses recurring issues such as following up on performance in relation to targets, analysing Swedavia's sustainability targets and efficiency, and evaluating the Board's work and composition.

"As owners, we must understand the company's challenges and pay attention to issues affecting the company both in the short and very long term. Since its incorporation five years ago, Swedavia has undergone a significant transformation. At the same time, to meet new passenger flows at key Swedish airports, the company needs a planning and investment horizon of 30 years," explains Jenny Lahrin, investment director at the Ministry of Enterprise and Innovation.

The investment team, which is coordinated by the investment director, also includes an investment manager, a legal counsel, a sustainability expert and a board recruiter. As a member of the board of Swedavia, Jenny Lahrin also contributes to deepening the group's knowledge and understanding of various issues within the company.

"Our work in the Swedavia's investment team has always been well-oiled because my colleagues have always realised the need to take the initiative and have pursued many issues themselves. With their expertise, the other members of the group have both complimented and challenged the image I have conveyed of the company, adding additional perspectives. Overall, this dynamic within the group has enhanced the end product in all of our projects – thus not only improving the conditions for corporate governance, but also increasing our preparedness for dealing with difficult standpoints relating to Swedavia," says Jenny Lahrin.

Group meetings are held at strategic times over the financial year. Parts of the group also meet with the company and other players within the framework of certain analysis projects. Examples of this include reviewing financial targets and specifically adopted public policy targets to designing Swedavia's public policy assignment. Both are projects pursued by the investment manager and resulting in resolutions at the 2014 Annual General Meeting.

This high activity level is expected to continue. In addition to monitoring the company's performance, the group has, for example, initiated an efficiency analysis to better comprehend the company's journey from an state enterprise to a company.

The group also prepares the political leadership's meetings with the chairman and the CEO, and participates in these meetings. Over the year, the team visited Bromma and Arlanda Airports, Swedavia's communications department and Commercial Services to better understand the business and price regulation process.

"We both improve and simplify our corporate governance when we have a good basic knowledge of the company's major issues. For example, our legal counsel has had detailed knowledge of the company's on-going legal processes, enabling us as owners to assess early the possible consequences," says Jenny Lahrin.

The team's work represents our ambition to reflect on past challenges, plan for the future and share current information, which contributes to more efficient management of the company.



During 2014, the Swedavia group consisted of Jenny Lahrin, investment director, Per Lundqvist, investment manager, Christina Detter, board recruiter, Christine Leandersson, legal counsel and Jens Schlyter, sustainable business. Photo: Jörgen Ulvsgård

ples regarding corporate governance and investment management. In terms of company law, the state-owned companies are controlled in the same way as private limited liability companies, with the Companies Act as their general framework and with the Annual General Meeting as the company's highest governing body.

The ownership policy is fully applied in companies in which the state is the majority shareholder. In companies where the state is a joint owner, the management organisation engages in a dialogue with the other owners to ensure that the State's Ownership Policy is applied. The management organisation's legal counsels are responsible for the investment management complying with the ownership policy. They also play a central role as the investment teams for company holdings' internal advisors on business law in various projects (read the complete ownership policy on p.122).

**Board nominations** form an important part of the corporate governance of the state-owned companies. The management organisation includes recruitment specialists who are responsible, within the investment teams for company holdings, for the process of assessing the existing boards, performing needs analyses based on the companies' operations and challenges, and for the process of recruiting chairmen and board members (*read more about board nominations on p.20*).

The role of **investment director** encompasses responsibility for project management in the management of a number of companies in which the investment director is normally also a board member. The investment directors' board work provides vital expertise to the boards, and contributes to the knowledge of the investment teams for company holdings' on the companies. The investment management of the publicly traded companies is also based on investment teams for company holdings. In these companies, the state is represented in the nomination committees but not the board.

The requirement for **transparency** in the state-owned companies is intended to maintain confidence in the companies among the public and in trade and industry. State-owned companies are subject to the same external financial reporting requirements as publicly traded companies (read more about the companies on p.50 and the complete guidelines for external reporting on p.126). Confidence-building communications represent an important aspect of the investment teams for company holdings' work, and are supported by specific expertise in communications. This annual report provides a summary account of the management of state-owned companies. In its annual communication to the Riksdag, the Government provides an account of the past year's management of state-owned companies. Addi-



tionally, two interim reports on the financial performance of the state-owned companies are published annually.

**Monitoring** of different targets plays a central role in the dialogue between the companies and the state in its capacity as owner. The regular ownership meetings where the management organisation and the political leadership meet the chairmen of the Board and executive management, monitor the companies' performance in relation to established targets. Targets enable the performance of the companies to be measured and, where targets are not met, the owner may request a plan from the companies for the implementation of measures. The targets may be strictly commercial or based on public policy assignments, or may be long-term strategic sustainability targets.

– **Financial targets** are not set as unilateral demands but through a dialogue between the owners and the company, to enhance the quality of the targets and ensure that they are realistic. The overall purpose of the targets is to optimise the development of value in the state-owned companies and for operations to be conducted efficiently. The setting and monitoring of financial targets forms an important part of the work of the investment teams for company holdings. Work is conducted in accordance with an established process and builds on an analysis of the company's challenges, market and operations led by the investment manager. The Government Offices consider continuously how the targets can be revised since a company's internal and external conditions change as the external environment changes. To encourage an exchange of experiences between the state-owned companies on, for example, financial targets and reporting, the management organisation has initiated a network of CFOs, which met on a few occasions in 2014 (read more about the work with financial targets on p.26).

– **Sustainable business** is a prerequisite for the companies' long-term survival. The sustainability targets set by the company boards should be few in number, strategic and measurable. Since 2014, target fulfilment has been monitored by the owner. To

increase transparency, the state-owned companies are obliged to report their activities in accordance with the Global Reporting Initiative, GRI. In the investment teams for company holdings, specialists in the area of sustainable business work together with the other members of the investment teams on, for example, the monitoring of the companies' sustainability targets and work on sustainable business. In 2014, the process for evaluating the companies' work with sustainable business continued to be developed and integrated into both the development of new financial targets and the overall evaluation of the companies (*read more about work on sustainable business on p.32*).

Certain state-owned companies are tasked by the Riksdag with specifically adopted public policy assignments, which are formulated in their Articles of Association and that may be stated in more detail in an owner instruction. The public policy assignments in the state-owned company portfolio have been mapped out. To assess how well the companies perform their assigned public policy assignments, a process has been developed to identify and monitor the **public policy targets** linked to the public policy assignments (*read more about the work with public policy targets on p. 38*).

#### CHANGES IN THE COMPANY PORTFOLIO

While the state did not divest any companies in 2014, it did initiate the phasing out of the operations of Apotekens Service, Ersättningsmark i Sverige and Svenska Miljöstyrningsrådet. The liquidation of Apotekens Service was completed in 2014 and the liquidation of Ersättningsmark i Sverige during 2015. Furthermore, in 2014, the Government was authorised by the Riksdag to divest assets and liabilities in ESS AB to a consortium for European research infrastructures and to liquidate the company. The Government also currently has the Riksdag's authorisation to decrease or liquidate the holdings in Bilprovingen, Bostadsgaranti, Lernia, Orio (formerly Saab Automobile Parts), SAS, and Svensk Exportkredit (SEK).

#### MANDATE TO CHANGE STATE OWNERSHIP

Company	Current shareholding, %	Mandate to change shareholding to, %	Decision
Bilprovingen	100	0	Bill 2009/10:54, Report 2009/10:NU10, Riksdag Communication. 2009/10:162
Bostadsgaranti	50	0	Bill 2012/13:1, Report. 2012/13:NU1, Riksdag communication. 2012/13:103
Lernia	100	0	Bill 2012/13:1, Report. 2012/13:NU1, Riksdag communication. 2012/13:103
Orio	100	0	Bill 2012/13:99, Report. 2012/13:FIU21, Riksdag communication.2012/13:287
SAS	21.4	0	Bill 2009/10:121, Report. 2009/10:FIU35, Riksdag communication. 2009/10:220
SEK	100	34	Bill 1995/96:141, Report. 1995/96:NU26, Riksdag communication. 1995/96:302, Bill 2002/03:142, Report 2002/03:NU14, Riksdag communication. 2002/03:244



hälsokä  
- Här hittar du naturläkemedel,  
mineraler och kosttillskott

Tips! Gillar du inte fisk?  
Om du inte gillar fisk, kan du ta ett kosttillskott som innehåller fiskolja. Det är ett bra alternativ till fisk. Du kan också ta ett kosttillskott som innehåller omega-3. Det är ett bra alternativ till fisk. Du kan också ta ett kosttillskott som innehåller omega-3. Det är ett bra alternativ till fisk.

Allt vitaminer & mineraler  
59-89:-

Apoteksgruppen focuses on health, particularly through the Hälsokällan concept, which was expanded with several new products over the year. Photo: Apoteksgruppen

## Svevia – transition from public authority into a company

Three years of extensive restructuring has resulted in construction and installation company Svevia progressing from considerable losses into profitability while significantly reducing the level of risk.

In 2009, two production units within the former Swedish Road Administration that exercised no official authority were incorporated as companies. The consulting operations within the Swedish Road Administration and the Swedish Rail Administration were combined to form Vectura Consulting AB and the road construction, surfacing, equipment and property operations in Vägverket Produktion within the former Swedish Road Administration became Svevia AB.

Operating as an independent company represented a major realignment and, despite adjustment measures within Svevia, the company did not manage to bring its underlying profitability under control during the initial years following incorporation. Svevia's leadership changed in October 2011 with the appointment of the company's current CEO, Torbjörn Torell, who has an extensive background as the CEO of several different types of construction companies.

One of the CEO's first measures was to conduct a thorough analysis of Svevia's existing business projects and work processes. This work resulted in major impairments, mainly in road construction projects, the profitability of which was found to be lower than previously estimated. At the same time, a multi-year action programme was launched and the company was reorganised. The action programme targeted more efficient control of projects and strengthened leadership, but also developing the



Svevia's CEO Torbjörn Torell and chairman Olof Ehrlén. Photo: Svevia

company's business focus and reducing costs. In some cases, profitability is generated through economies of scale, such as in the maintenance of the country's road network where Svevia has a 30 per cent market share and where the reorganisation contributed to specialisation and better coordination between different road areas. In other cases, the measures have resulted in improved risk management, with Svevia developing methods to identify the projects and assignments on which the company should bid.

The 2013 Annual General Meeting elected a new chairman: Olof Ehrlén, who has extensive experience of the industry, most recently as



In the operation and maintenance of roads, Svevia is the market leader in Sweden with a market share of slightly less than 30 per cent the country's road network. Photo: Patrick Trägårdh/Svevia

# SVEVIA

President and CEO of NCC. This further reinforced the on-going development process within the company.

“Svevia has now completed the transition from being part of a public authority to being a competitive company in civil construction and road maintenance. Svevia now has a platform on which to generate growth in profitability and volumes,” says Olof Ehrlén, Chairman of Svevia. “It is important to recall that it is not only Svevia’s focus on profitability that has changed in recent years, but also the company’s culture, which has helped reduce the general level of risk in the company. Significant portions of Svevia’s management team and other key competencies have gradually been replaced to create a strong, profitability-focused executive management team, and increased system support has brought

improved precision in profitability and risk assessment.”

Several measures have also been implemented within the company to promote sound ethical behaviour and to minimise the risk of corruption. An example of this are Svevia’s measures to increase adherence to centrally signed contracts, with the objective of 100 per cent adherence to agreements in selected agreement areas by 2016.

The transition has resulted in turnover decreasing by more than half a billion kronor since 2011. In return, Svevia has shown dramatic improvement in profitability. In 2014, for the first time, Svevia achieved its target of a 13 per cent return on equity, as established by the owner in 2010. The return was 17 per cent. Due to the recent years’ changes in Svevia a review of the owner’s financial targets is planned during 2015.



*In new construction and rebuilding of roads, Svevia is the fourth-largest player in the market. Photo: Patrick Trägårdh/Svevia*

# Company boards

The Board of Directors bears the overall responsibility for the management of a limited liability company. Consequently, board nominations form an important part of the corporate governance of the state-owned companies. To ensure that the company boards possess the requisite skills, the management organisation has a structured process for board nominations.

## BOARD RESPONSIBILITIES

Under the Companies Act, the Board of Directors is responsible for the organisation and management of the company's affairs. Among other things, this means that the Board determines the company's overall strategy, makes important strategic decisions, appoints the CEO and issues instructions for his/her management of the company. These substantial powers impose rigorous demands on a well-functioning Board, suited to the company's specific operations and challenges, as well as to the state's ambitions as an owner.

## COMPOSITION OF THE BOARDS

Each board nomination is based on the expertise required for the specific board. The composition shall ensure that the Board is able to manage the company's business with integrity and efficiency, and that the Board embodies industry-specific skills and other expertise relevant to the company. In addition to relevant skills, Board members in state-owned companies shall also have a high degree of integrity and the capacity to act in the best interests of the company. Sustainability and ethics are important issues for the state as an owner and boards must be able to work strategically in the area of sustainable business.

An efficient board cannot be too large, the number of members should normally be six to eight people. The Government intends to have only regular members and no deputies.

Board composition should be such that diversity and breadth of experience are achieved. Diversity and breadth may relate to age, ethnicity and gender, but also professional experience, academic background and profession. Bringing in a new board member with a different background than the other members shall serve to ensure relevant breadth in the combined expertise in the boardroom and to enhance the dynamic of the board. However, this should not be fulfilled at the cost of making the board too large. To achieve gender balance, the state-owned companies target having at least 40 per cent of board members of either gender.

## BOARD NOMINATION PROCESS

The management organisation includes recruitment specialists who work exclusively with assessment, recruitment and coordinating board nominations for the state-owned companies. To capitalise on the expertise of both women and men, as well as individuals with different backgrounds and experience, the selection of members involves a broad recruitment base. A uniform and structured approach throughout the nomination process safeguards quality.

An investment team, consisting of representatives from the investment team for company holdings, begins the board nomination process by analysing current expertise requirements given the company's business, current situation and future challenges, as well as its present board composition and board evaluations. Recruitment needs are determined, requirement profiles produced and the recruitment process begins. Nomination proposals are approved through a decision by the minister responsible for the company. The Annual General Meeting determines the ultimate election of board members.

## Board work and responsibilities

Under the Swedish Companies Act, the Board of Directors is responsible for the organisation and administration of a company's affairs. This includes the Board determining the company's overarching strategy and making more important strategic decisions.

The Board also appoints the CEO and issues instructions for the CEO's management of the company. The Board determines who represents the company (authorised signatories) and calls shareholders to Annual General Meetings.

Each year, the Board establishes the main focus of its work for the coming fiscal year. The rules of procedure regulate matters including the number of board meetings, the

matters to be addressed at these meetings, the division of work within the Board, the specific tasks of the Chairman of the Board and how the work of any committees is to be conducted. The Board shall also examine the CEO's reporting instructions each year.

The Board's responsibilities include ensuring that taxes and fees are paid on time, and that annual reports are prepared and submitted to the Companies Registration Office. The Board bears considerable responsibility and members may be liable both to the company and to third parties, and can in certain cases be held personally liable for the company's liabilities.

In 2014, each board in the state-owned company portfolio had an average of 7.0 board members, unchanged compared with the previous year. The size of the boards varies from three to ten members. There are a total of some 340 board members in the state-owned companies. Each year, about 50–70 new board members are elected.

In the listed companies SAS and TeliaSonera, in which the state is one of the largest shareholders, the nomination committees include a representative from the management organisation.

**CHAIRMAN OF THE BOARD – A SPECIAL ROLE**

The chairman holds a special status on the board. He or she is responsible for the work of the board being well organised and efficient. Other special duties include aligning the views of the board with those of the owner when the company faces particularly important decisions. The chairman maintains contact with the CEO between board meetings and is responsible for the ongoing dialogue with the owner.

**BOARD PERFORMANCE IS ASSESSED**

Board performance is assessed annually and the chairman is responsible for ensuring that the evaluation is conducted. In companies wholly or partly owned by the state, the chairman reports the assessment results to the relevant ministry. In the listed companies, the nomination committee is informed.

As part of the corporate governance and board nomination processes, the Government Offices also conduct their own ongoing assessments of the boards of the state-owned companies.

Each year, the owner appoints auditors to independently review the administration by the board and the CEO, as well as the company’s annual report and accounts.

**BOARD FEES**

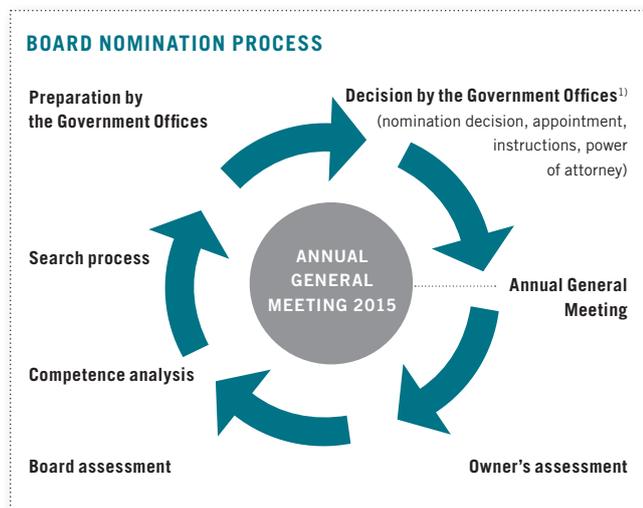
Board members are compensated for their effort and for the responsibility that the board assignment entails. Board fees are set by the Annual General Meeting. As a rule, officials of the Government Offices who are board members in state-owned companies are not paid board or committee fees by those companies. Situations are to be avoided whereby board members or their deputies are engaged as consultants to the company and thereby receive consultancy fees in addition to their board fees.

**MORE WOMEN BOARD MEMBERS THAN IN PUBLICLY TRADED COMPANIES**

As of 1 May 2015, 46 per cent of board members elected by the Annual General Meetings were women and 54 per cent were men in the state-owned companies. In the companies that are wholly-owned by the state, the proportion of women was 49 per cent, compared with 29<sup>1)</sup> per cent in listed companies. Of the total 49 state-owned companies, 30 met the gender balance target, i.e. the proportion of either sex was at least 40 per cent. In 19 companies (15 in the previous year), the target was not achieved. In 14 of these companies, men were over-represented, i.e. more than 60 per cent of board members were men and less than 40 per cent were women. In five of these companies, women were over-represented. See the diagram “Number of gender-balanced boards” below.

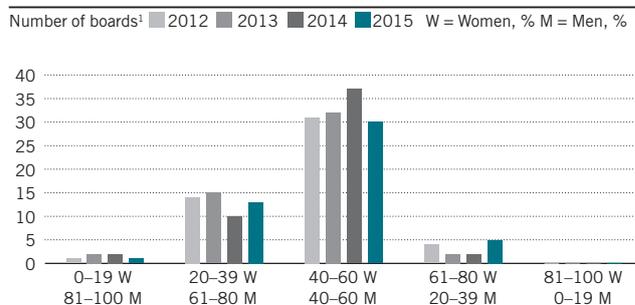
The proportion of women chairmen in the state-owned company portfolio (wholly and partly owned companies) has risen from 33 per cent in 2010 to 45 per cent in 2015, compared to 5<sup>1)</sup> per cent among publicly traded companies. Among the companies wholly owned by the state, the proportion of women chairmen is 46 per cent.

1) According to SIS Ägarservice.



1) Decision by Minister as authorised by the Government.

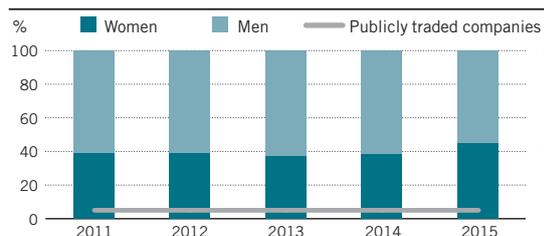
**NUMBER OF GENDER-BALANCED BOARDS**



The diagram shows the number of companies and the gender distribution of the boards. In 30 of the 49 companies, the gender balance is 40–60 per cent women or men respectively.

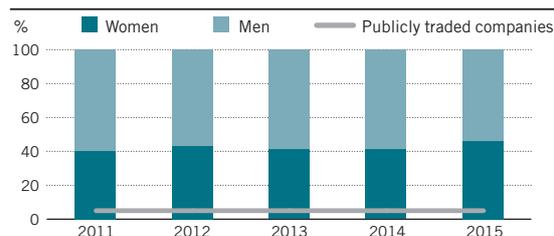
1) Based on the number of board appointments by the Annual General Meeting.

**GENDER DISTRIBUTION, WHOLLY AND PARTLY OWNED COMPANIES – CHAIRMEN**



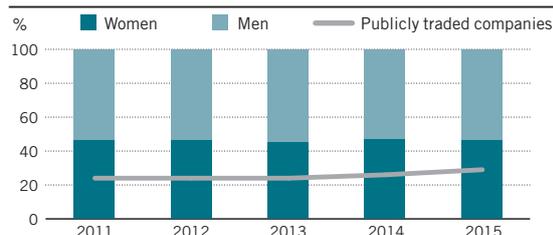
The bars show gender distribution in per cent among chairmen in the wholly and partly owned companies. The curve shows the corresponding trend among publicly traded companies.

**GENDER DISTRIBUTION, WHOLLY OWNED COMPANIES – CHAIRMEN**



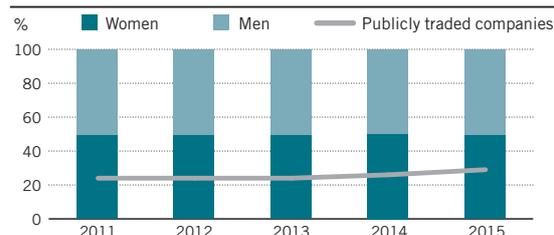
The bars show gender distribution in per cent among chairmen in the wholly owned companies. The curve shows the corresponding trend among publicly traded companies.

**GENDER DISTRIBUTION, WHOLLY AND PARTLY OWNED COMPANIES – CHAIRMEN AND MEMBERS**



The bars show gender distribution in per cent for all members in the wholly and partly owned companies. The curve shows the corresponding trend among publicly traded companies.

**GENDER DISTRIBUTION, WHOLLY OWNED COMPANIES – CHAIRMEN AND MEMBERS**



The bars show gender distribution in per cent for all members in the wholly owned companies. The curve shows the corresponding trend among publicly traded companies.

**GENDER DISTRIBUTION – CEOs AND EXECUTIVE MANAGEMENT TEAMS<sup>1)</sup>**

	31 Dec 2014			31 Dec 2014		31 Dec 2013		31 Dec 2012		31 Dec 2011	
	W. No.	M. No.	Total	W, %	M, %						
CEO	15	32	47	32	68	35	65	29	71	29	71
Executive management team <sup>2)</sup>	120	184	304	39	61	38	62	38	62	38	62

In 2014, eight of the companies had no management other than the CEO.

- 1) At the start of the year, there were 49 companies. The evaluation does not include Arlandabanan Infrastructure or Dom Shvetsii.
- 2) Executive management team, excluding the CEO.

**GENDER DISTRIBUTION – MEMBERS APPOINTED BY THE ANNUAL GENERAL MEETING**

	1 May 2015			1 May 2015		1 May 2014		1 May 2013		31 May 2012		31 May 2011	
	W. No.	M. No.	Total	W, %	M, %	W, %	M, %	W, %	M, %	W, %	M, %	W, %	M, %
<b>Wholly and partly owned companies</b>													
Chairmen	22	27	49	45	55	38	62	37	63	39	61	39	61
Members	136	158	294	46	54	48	52	47	53	48	52	46	54
<b>Total, chairmen and members appointed by the Annual General Meeting</b>	<b>158</b>	<b>185</b>	<b>343</b>	<b>46</b>	<b>54</b>	<b>47</b>	<b>53</b>	<b>45</b>	<b>55</b>	<b>46</b>	<b>54</b>	<b>46</b>	<b>54</b>
<b>Wholly-owned companies</b>													
Chairmen	19	22	41	46	54	41	59	41	59	43	57	40	60
Members	119	123	242	49	51	51	49	50	50	50	50	49	51
<b>Total, chairmen and members appointed by the Annual General Meeting</b>	<b>138</b>	<b>145</b>	<b>283</b>	<b>49</b>	<b>51</b>	<b>50</b>	<b>50</b>	<b>49</b>	<b>51</b>	<b>49</b>	<b>51</b>	<b>49</b>	<b>51</b>

The Government aims to achieve a gender balance on the boards of the state-owned companies. At 1 May 2015, the proportion of female board members in the state-owned company portfolio was 46 per cent, while the proportion of men was 54 per cent. In the companies that are wholly owned by the state, the proportion of board members who were women was 49 per cent, while the proportion of men was 51 per cent. The proportion of chairwomen in the companies that are wholly owned by the state was 46 per cent. The above account includes all state-owned companies.

One of Erik Strand's board appointments is as chairman of state-owned Samhall. Among other positions, he has previously worked as an entrepreneur when he started travel agency Ticket and he has held senior positions at SAS and Poolia among others.



## Erik Strand on ...

### ... the board's work:

"Although, in a legal sense, the board is the owner's instrument of control, I consider the Board's main task not to control the company, but rather to provide support for the business and its operational management. However, this requires the membership of the board to be appropriately composed and that board members have the right attitude towards their assignment. In part, the Board should have a breadth of competencies with members being willing to share their experience. This works best when members have relinquished their own career ambitions in operational positions, since this attributes both to integrity and the interaction with management. In addition, all members must show respect for company management by being well prepared. On those occasions during my career when I have arrived at board meetings to meet members who have not been adequately prepared, I have been truly upset. The board shall be a stimulating source of assistance for the CEO, otherwise the company will not develop."

### ... the chairman's assignment:

I report everything said at the owner meetings to the board on a regular basis, including occasions between board meetings. As chairman, through my close collaboration with the CEO and specific contacts with the owner, I gain a continuous advantage in terms of the information available to me which imposes considerable demands on my transparency towards other board members.

When board members occasionally seek to step in and give overly clear instructions to the management of the company, it is important to remind the board that its role is to act as a dedicated forum that should inspire reflection rather than direct the actions of the company's management. As Chairman, I must draw clear boundaries between the roles of the board and management, while also being responsible for ensuring that the voices of the other board members are heard. In the boardroom I limit myself to asking open questions, since it is largely my task to prepare board meetings and make demands regarding the materials made available to us."

### ... the state as owner:

"I have noticed that companies with diverse ownership tend to be completely management-controlled. In my view, this is to the company's disadvantage. For a company to perform and develop well, it needs a committed board of directors, which, in turn, requires a strong owner. For this reason, the state is very interesting as a company owner. But ownership also imposes different requirements, particularly for Samhall, which, although funded by taxpayers, competes in the market. Samhall's board must at all times help maintain public confidence, demonstrating that every taxpayer-funded krona is spent on labour market policy measures that help secure employment for those otherwise unable to find work rather than distorting competition."



One of SSC's assignments is technological development. MEMS (Micro Electro Mechanical Systems) is a technology that makes it possible to conduct completely new missions in space. In turn, this gives us greater knowledge about other planets and increases our understanding of our own planet. *Photo: SSC*

## Targets and follow-up

Establishing and monitoring clear targets is an important tool for corporate governance. Targets allow companies' performance to be measured and the necessary actions to be taken. Consequently, monitoring targets represents an increasingly central aspect of the dialogue between the companies and the state as the owner. The overarching purpose of the targets is for the companies' operations to be conducted efficiently and with a long-term perspective, which leads to the sustainable development of value and, where appropriate, that public policy assignments are performed well.

Most of the of the state-owned companies are assessed based on some form of **financial targets**. These may, for example, involve the operations' profitability or the company's capital structure. The purpose of the financial targets is to ensure value creation in the company portfolio through efficiency in the operations of the state-owned companies while financial risks are kept at a reasonable level. The ambition is that, by 2015 at the latest, all companies administered by the Ministry of Enterprise and Innovation shall undergo review and receive revised financial targets relevant to their circumstances.

Effective from 2014, the boards of all of the State-owned companies are tasked with elevating sustainability issues to a strategic level and with formulating a small number of **overarching sustainability objectives** for their operations. The aim is thus to integrate sustainable business into the company's business strategy.

Several of the state-owned companies have public policy assignments decided by the Riksdag. Assessing how well a public policy assignment is performed is facilitated by clearly defined objectives. Within the framework for its administration of the companies, the Government Offices monitors how well the public policy assignments are performed. Where relevant, this should be accomplished through one or more **public policy targets** being adopted by the Annual General Meeting. There is no contradiction between public policy assignments and financial efficiency. The state's objective is that the assignment is performed well and as efficiently as possible – consequently, it is meaningful to combine public policy targets with financial targets in companies with public policy assignments. Accordingly, the Government Offices have developed a process for setting public policy targets.

For most of the state-owned companies, the owner has established more than one type of target. Various aspects are weighed in for the goals to be as clear and balanced as

possible. In the event that targets conflict, the company and the state (as owner) are able to discuss priorities or the time-frame for target fulfilment.

Concrete targets contribute to clearer owner meetings. When the chairmen and executive management teams of the companies meet the owner at the regular progress meetings, the follow-up of results in relation to various targets is a central part of the agenda. Another advantage with targets is that the company's and the owner's considerable effort and analysis in preparing them help increase the understanding of the company's challenges, while the owner's intentions are also clarified for the company.

*(Read about the different targets for the relevant companies on p. 51–99.)*

### TARGETS

#### FINANCIAL TARGETS

- Are set by the owner at the Annual General Meeting.
- Are drawn up by the owner in dialogue with the company.
- Are to be achieved long term over an economic cycle, and are defined as targets for profitability (or cost trend), capital structure and dividend level.

#### STRATEGIC SUSTAINABILITY TARGETS

- Are set by the board of the company.
- Are to be few in number, comprehensive and relevant to the company's business operations and sustainability challenges and, where applicable, relevant to the company's specifically adopted public policy assignment. They should also be long term, challenging and monitorable, while being distinct and easy to communicate.

#### PUBLIC POLICY TARGETS

- Where relevant are set by the owner at the Annual General Meeting.
- Are developed for companies with specifically adopted public policy assignments, primarily companies administered by the Ministry of Enterprise and Innovation.
- Facilitate assessment of how well public policy assignments are being performed.

# Financial targets

Establishing and monitoring clear targets is an important tool in the governance of state-owned companies. Realistic and ambitious targets that can be monitored are set in a process in which the owners, the board and company management are actively involved. Targets, outcomes and the companies' efforts to reach the targets are key components in owner meetings.

### FINANCIAL TARGETS IN STATE-OWNED COMPANIES

In most cases, state-owned companies operate under market conditions in competitive markets. In these cases, generating value is the overall objective of corporate governance. With operations being subject to the same conditions and requirements as other actors, competitiveness, value development and capital efficiency are strengthened while the risk that competition is distorted decreases. This also generates the necessary pressure for change that is a prerequisite for improved efficiency and long-term competitiveness. The process of setting and monitoring financial targets contributes to this.

The methodology behind the financial targets focuses on value generation and was developed more than three years ago. Since then, a methodology has also been developed for setting public policy targets, focusing on the implementation of the public policy targets and public policy assignments at hand, and for sustainability analysis. In the projects currently being implemented, public policy targets, financial targets and sustainability analyses are being developed in an integrated manner. The sustainability analysis forms an important part of the fundamental analysis of the company's risks and opportunities on which the financial targets are based. By simultaneously

developing public policy targets and financial targets, public policy assignments can be balanced with the generation of financial value. A clearly structured target process also lays the foundation for the owners and the company maintaining an active dialogue on targets and outcomes. When targets are drawn up in dialogue with the companies, rather than as unilaterally formulated requirements, more nuanced and expedient governance is achieved, while improving the quality of the targets and ensuring that they are realistic. The purpose, method and process for setting financial targets are described in brief below.

### PURPOSE OF FINANCIAL TARGETS

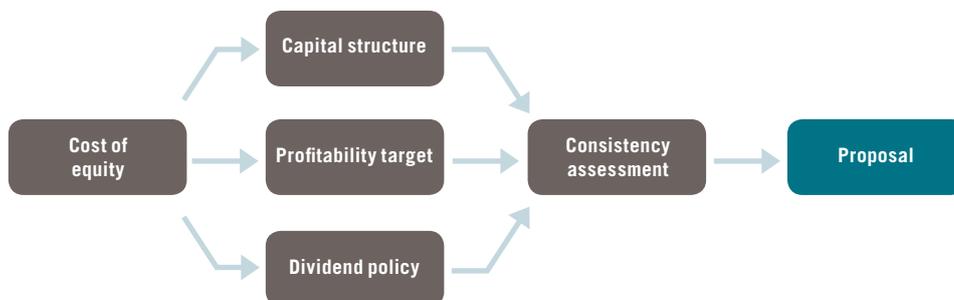
Financial targets normally address capital structure, profitability and dividends, and serve mainly to:

- promote both operational efficiency and capital efficiency,
- keep financial risk at a reasonable level,
- help ensure that the owner receives predictable and long-term sustainable dividends, as well as
- enabling monitoring and evaluation.

### COST OF CAPITAL IS THE STARTING POINT

The method applied in setting financial targets is based on a multi-stage analysis. The cost of capital represents an investor's alternative cost for a certain investment and therefore determines whether the investor will receive reasonable compensation for the risk that the investment entails. It affects all three principal areas covered by the financial targets and is therefore a key starting point in the analysis and formulation of the financial targets. The cost of capital affects a company's optimal capital structure. The capital structure is the distribution between equity and borrowed capital that minimises the company's cost of capital. Since the cost of capital represents an investor's

### METHOD FOR SETTING FINANCIAL TARGETS



expected return, over time, it also sets a floor for a company's profitability targets. In turn, that floor affects the amount of investments that the company finds attractive. For an investment to be attractive, the expected return over time should correspond to the cost of capital. All else being equal, a higher cost of capital decreases the amount of attractive investments and thus a company's need to retain capital in its operations.

*(Read more about cost of capital on p. 28.)*

### **EFFICIENT CAPITAL STRUCTURE**

The purpose of the capital structure target is primarily to keep the company's financial risk at a reasonable level, while, at the same time, the company is efficiently capitalised. To find an appropriate capital structure, the theoretically optimal capital structure for minimising the company's cost of capital is first calculated. This calculation is supplemented with relevant sector comparisons and a more detailed analysis of the company's operating risk. The analysis of the company's operating risk is particularly important because an appropriate capital structure should both be financially resilient and keep the company efficiently capitalised. Consequently, it is not an objective in itself that a company should have more equity than necessary. The capital structure target is generally expressed in terms of net debt/equity ratio, most often as an interval.

### **AN AMBITIOUS PROFITABILITY TARGET**

The purpose of the profitability target is to foster efficient performance of the company's operations. This applies from both an operational and financial perspective. The profitability target should also provide reasonable compensation for the risk-taking that ownership of the company entails. For this reason, the cost of capital forms the floor for the profitability target. It should also be viewed as a target to be achieved over the long term and not as a demand that must be met at every point in time. The profitability target should therefore express an ambitious but, at the same time, achievable target scenario for the company. Consequently the profitability target builds primarily on detailed analyses of the company's business plan and sector comparisons. In most companies, a return target is applied (for example, return on equity or operating capital). This is because such a target generates an incentive for a company to work with profitability enhancements as well as capital efficiency. For other companies, whose operations do not tie up large amounts of capital and for whom capital efficiency is consequently less important, margin targets, for example, may be more appropriate. Apoteket, Bilprovningen and Svenska Spel, for example, apply operating margin targets, while LKAB has a cost target.

### **ADAPTED DIVIDEND POLICY**

Among other purposes, the dividend policy shall ensure that the owner receives predictable and long-term sustainable dividends. However, the owner may also profit from an increase in value by allowing the company to retain and reinvest capital in the operations rather than by distributing it as dividends. The more attractive investments a company has (that is, investments whose expected returns equal or exceed the cost of capital), the more capital the company should be able to retain for investments.

For this reason, the dividend policy is based primarily on a thorough analysis and assessment of the company's investment plan and growth opportunities. If a company has an attractive investment opportunity that does not live up to the owner's profitability target, there may still be reasons for the company to make the investment. As long as the expected return on the investment equals or exceeds the cost of capital, the owner will receive reasonable compensation for its risk-taking in the company. However, where there are several different investment opportunities, it is important that the company prioritises the investments offering the best expected return in relation to the risk. The dividend policy is usually expressed as a percentage of net profit for the year, generally as an interval.

### **MONITORING AND EVALUATION**

The financial targets are forward-looking and long-term. Due to economic fluctuations, for example, it is therefore natural that the targets are exceeded in certain years, but not achieved in others. The owner monitors the company's development and target fulfilment at regular progress meetings with the company's Chairman and management. Both the company's internal work to achieve the targets and the external factors affecting the company's conditions are discussed at these meetings. Target fulfilment is assessed in relation to current market conditions and the budget and business plan.

### **REVISION OF FINANCIAL TARGETS**

A company's internal and external conditions change as the world around us changes. Accordingly, the financial targets are reviewed after a while. Significant changes in the company's strategy or market conditions, as well as major acquisitions or divestments may motivate rise to a revision of the targets. Major and lasting changes in macroeconomic conditions, such as the risk-free interest rate and the market risk premium can also give cause to revise the targets. A revision of the targets is a structured process, involving both the owner and the company. Since the financial targets are determined by both the owner and the company, targets and outcomes are communicated externally by both. The owner details them in this publication. The companies communicate the targets in their annual reports.

## FACTS

# The important role of the cost of capital

## WHY IS THIS IMPORTANT?

The cost of equity is a key measure in corporate governance. It represents an investor's expected return on an alternative investment with the same risk and duration. In other words, the cost of equity is an investor's opportunity cost for ownership of a company. Consequently, it determines whether the investor receives reasonable compensation for the risk-taking that the ownership of a company entails.

In principle, reasonable compensation means that over time a company generates a return on equity in line with the expected return, i.e. the cost of equity. If the return on equity over time exceeds the expected return, the investor receives additional compensation in relation to the risk-taking that ownership of a company entails. Conversely, when the return on equity over time falls short of the expected return, the investor is not fully compensated for the risk-taking that ownership of a company entails.

## COST OF EQUITY

The management organisation applies the Capital Asset Pricing Model (CAPM) to estimate the cost of equity. According to CAPM, the cost of equity ( $r_e$ ) is determined by three factors: the risk-free interest rate ( $r_f$ ), the stock market's risk premium ( $r_m - r_f$ ), and beta ( $\beta$ ), which is a measure of the company's systematic risk, i.e. the risk attributable to market fluctuations that a well-diversified investor cannot avoid through diversification. The cost of equity is determined by the equation:

$$r_e = r_f + \beta(r_m - r_f)$$

According to CAPM, higher systematic risk leads to higher cost of equity. In other words, investors expect compensation in terms of higher expected returns in exchange for increased systematic risk.

The lowest expected return, and therefore the absolute floor for the cost of equity, is the risk-free return in the same currency as the company's shares. In most cases, this is equivalent to the interest on government bonds.

The stock market's risk premium is intended to capture the compensation that an investor expects above the risk-free interest rate to maintain the so-called market portfolio – a portfolio that is often modelled using a broad stock market index.

Beta is a measure of the covariance between the value of the company's shares and the market portfolio and is intended to

capture the company's systematic risk. The company's systematic risk consists of both operating risk and financial risk. Companies in cyclical sectors, whose income varies considerably over the business cycle have higher operating risk and are likely to be more sensitive to systematic risk and therefore have a higher beta than companies in less sensitive sectors. At the same time, higher leverage leads to higher fixed costs in terms of interest payments which, all else being equal, increases the financial risk and hence the systematic risk and beta. This, in turn, leads to a higher cost of equity.

For publicly traded companies, beta is estimated by assuming a linear regression with the return on the company's share as the dependent variable and the return on the market portfolio as the explanatory variable. The regression coefficient for the market portfolio variable is usually represented by the beta symbol ( $\beta$ ), hence the name.

For unlisted companies, beta is usually estimated using a comparison group of publicly traded companies. Here, it is important that the operations of the companies in the comparison group correspond as closely as possible to the operations of the company being analysed.

For companies with different areas of operations, it may be helpful to assume different betas for the different areas of operations. Thus each area of operations has its own comparison group that corresponds as closely as possible to the operations concerned. The resulting beta assumptions for the different areas of operations are then weighted together as a beta for the whole company.

## WEIGHTED COST OF CAPITAL

Companies normally fund themselves through a combination of equity and borrowed capital. Consequently, a company's weighted average cost of capital, WACC, is the average weighted cost of equity ( $r_e$ ) and borrowed capital ( $r_d$ ), where the weights consist of the proportion of equity ( $\omega_e$ ) and borrowed capital ( $\omega_d$ ) respectively. The weighted cost of capital is determined by the equation:

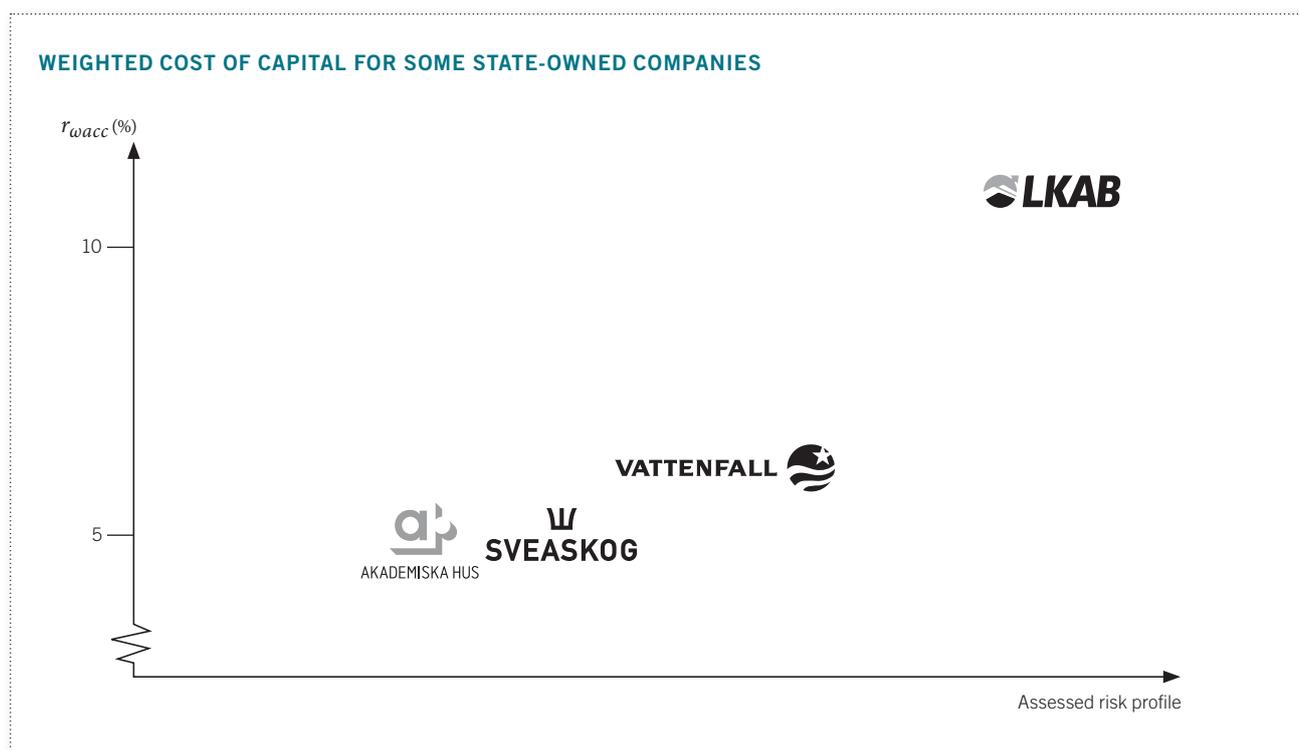
$$r_{wacc} = \omega_e \cdot r_e + \omega_d \cdot r_d (1 - \tau)$$

where  $\tau$  consists of the company's tax rate. Just as with the cost of equity, the cost of borrowed capital also increases with increased operating and financial risk.

## Example: Weighted cost of capital for some state-owned companies

A company's weighted cost of capital depends primarily on the systematic risk in the company's operations. Characteristic of operations with low systematic risk is that demand for their products and services is independent of the business cycle, as well as a strong financial position. Healthcare and FMCG companies, for example, are considered to have low systematic risk,

while mining and technology companies are considered to have high systematic risk. The state-owned companies conduct operations in diverse sectors and their weighted cost of capital varies accordingly. The graph below presents the weighted cost of capital for a selection among the largest state-owned companies.



LKAB has relatively high weighted cost of capital, since the systematic risk in its operations is considered high. The foremost reason for the higher systematic risk is that demand for iron ore varies considerably across the business cycle, with large fluctuations in both price and volume and thus also in income and profit. Vattenfall encompasses both activities with a relatively high level of risk; primarily electricity generation, which is exposed to volatile electricity and raw material prices; as well as operations with a lower level of risk, such as subsidised generation of wind power and price-regulated electricity distribution.

Akademiska Hus and Sveaskog are deemed to have relatively low systematic risk. The reason is that these operations have long-term business models that are less sensitive to economic fluctuations. Akademiska Hus enters relatively long-term leases with stable public sector customers, which decreases the systematic risk. In the case of Sveaskog, the company can offset temporary decreases in price and demand by leaving the forest to grow. All else being equal, the company thus achieves higher growth in value at the expense of direct return.



Innventia's pilot plant for the large scale production of nano-cellulose is the first and only of its kind in the world that is open to external users. Innventia is one of the four research groups included in the RISE group. *Photo: Innventia*

## FINANCIAL TARGETS – TARGETS AND OUTCOMES IN 2014

%	PROFITABILITY		CAPITAL STRUCTURE		DIVIDEND	
	Return on equity (unless otherwise stated)		Equity/assets ratio (unless otherwise stated)		Share of profit for the year	
	Target	Outcome 2014	Target	Outcome 2014	Target	Outcome 2014
Akademiska Hus	6.5 <sup>1)</sup>	7.3	30–40	48	40–60	50
APL	8	4.3	40–50	42	50	0
Apoteket	3 <sup>2)</sup>	1.8	0.4–0.8 <sup>3)</sup>	0.03	40–60 <sup>4)</sup>	60
Apoteksgruppen	4	1.8	80	84	40	0
Bilprovningen	8 <sup>5)</sup>	8.4	30–40	44	80	95
Bostadsgaranti	rf+3 <sup>6)</sup>	76.0			33	105
Green Cargo	10 <sup>7)</sup>	neg	0.6–0.9 <sup>8)</sup>	–0.6	50	0
Infranord	16	3.6	>33	24	50–75	0
Jernhusen	12	9.8	35–45	41	33	32
Lernia	5 <sup>9)</sup>	4.2	35–50	54	30–50	258
LKAB	12	0.9	0–0.2 <sup>10)</sup>	0	30–50	40
Metria	8 <sup>11)</sup>	2.8				
PostNord	10.5 <sup>12)</sup>	2.7	0.1–0.5 <sup>13)</sup>	0.6	40–60	0
Samhall	7	5.0	>30	47	0	0
SAS	8 <sup>14)</sup>	0.4	>35	17	30–40	0
SJ	7 <sup>15)</sup>	10.1	0.5–1.0 <sup>16)</sup>	0.1	30–50	50
SOS Alarm	8	19.5	>30	26	5 <sup>17)</sup>	0
Specialfastigheter	8	11.9	25–35	41	50	215
SSC	6	6.2	0.3–0.5	0.1	30	30
Sveaskog	4.5 <sup>18)</sup>	5.0	0.3–0.6 <sup>19)</sup>	0.44	65–90	90
Svenska Spel	>22 <sup>20)</sup>	22.2			100	100
Svevia	13	17.4	>30	30	50–75	63
Swedavia	7 <sup>21)</sup>	10.3	1–1.5 <sup>22)</sup>	1.4	30–50	0
Swedesurvey	>0 <sup>23)</sup>	24.0	>30	31		
Swedfund	rf <sup>24)</sup>	neg				
Systembolaget	rf+7 <sup>25)</sup>	14.4	20–30	31	80–100	100
TeliaSonera					>50	83
Teracom Boxer Group	17	17.1	>30	45	40–60	60
Vasallen	rf+4 <sup>26)</sup>	10.2	>50	89	30–50	322
Vattenfall	9 <sup>27)</sup>	neg	0.5–0.9 <sup>28)</sup>	0.61	40–60	0

%	PROFITABILITY		CAPITAL STRUCTURE		DIVIDEND	
	Return on equity		Core Tier I capital ratio		Share of profit for the year	
	Target	Outcome 2014	Target	Outcome 2014	Target	Outcome 2014
SBAB	10	12.1	18–20	36.8	40	40
SEK	8.0	8.1	16 <sup>29)</sup>	16.9	30	30

- 1) The return on operating capital, excluding changes in value, should be at least 6.5 per cent.
- 2) Operating margin
- 3) Debt/equity ratio, equity adjusted for pensions
- 4) Of net profit adjusted for net financial items from pensions and associated tax
- 5) Operating margin
- 6) Return on equity, five-year government bond rate plus 5 percentage points.
- 7) Return on operating capital
- 8) Net debt/equity ratio
- 9) Operating margin
- 10) Debt/equity ratio
- 11) Operating margin
- 12) Return on operating capital
- 13) Net debt/equity ratio
- 14) Operating margin

- 15) Return on operating capital
- 16) Net debt/equity ratio
- 17) Share of equity
- 18) Dividend yield
- 19) Net debt/equity ratio
- 20) Operating margin
- 21) Return on operating capital
- 22) Net debt/equity ratio
- 23) Operating margin
- 24) Average return on equity before tax, rf=average government bond yield with one-month maturity
- 25) Return on equity, rf=10-year government bond rate
- 26) Return on equity of risk-free interest plus 4 percentage points.
- 27) Return on capital employed
- 28) Debt/equity ratio
- 29) Target 16 per cent, but at least 12 per cent

# Sustainable value creation

The purpose of the Government’s work on sustainable business is for the state-owned companies to act in such a way that they enjoy the trust of the public, while safeguarding long-term growth in value. Ultimately, the boards of the companies are responsible for the work on sustainable business and are to set strategic sustainability targets and strategies for achieving those targets.

## LONG-TERM VALUE CREATION

Sustainable business is of great importance to the state’s governance. The Government is one of Sweden’s largest company owners and seeks, by means of sustainable business, to ensure secure long-term sustainable growth in value in its corporate holdings. The companies are administered by the State and are ultimately owned by the Swedish people and it is therefore natural that, as an owner, the state strives to be at the forefront in this area.

State-owned companies are to meet ambitious requirements and act in a manner that means they enjoy the confidence of the public. Customers, employees and other stakeholders expect these companies to act responsibly and contribute to more sustainable societal development.

Sustainable business entails operations being adapted to new expectations and external demands, just as they must respond to new business challenges such as competition, technological development and changed patterns of behaviour. When companies fall short in dealing with sustainability challenges, this either gives rise to business risks that can have far-reaching con-

sequences for the company’s capacity to survive, or to a business opportunity being lost.

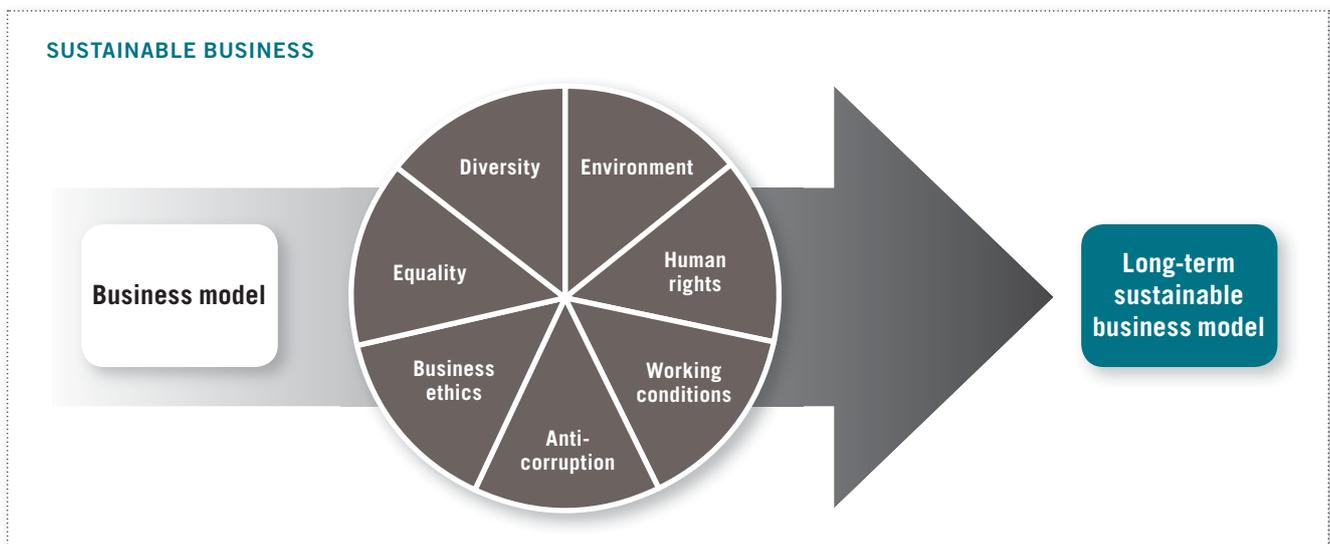
Companies that apply a strategic approach to sustainable business do so based on their business and/or public policy assignment and deal with relevant sustainability challenges. Consequently, the point of departure is that proactive and integrated sustainability work contributes positively to the company’s development.

## SUSTAINABLE BUSINESS IN CORPORATE GOVERNANCE

The Government has a high level of ambition regarding sustainable business. Sustainable business, controlled by means of established tools, forms an important and integral part of the state’s governance. The aim of corporate governance is for the state-owned companies to act as role models in the areas of the environment, human rights, working conditions, anti-corruption, business ethics, and equality and diversity.

The companies act as role models by:

- working strategically with sustainable business, entailing, for example, that boards set strategic targets for sustainability work and strategies for achieving these,
- behaving transparently towards stakeholders, including by issuing sustainability reports and conducting an open and constructive dialogue with key stakeholders,
- cooperating with other state-owned companies, private trade and industry, non-profit organisations and other stakeholders to improve efficiency and achieve even better results, and
- comply with international guidelines regarding environmental consideration, human rights, working conditions, anti-corruption and business ethics.



In connection with a raised level of ambition, the management organisation has invited board members and CEOs to participate in a dialogue on the owner's expectations regarding sustainable business and continuously communicates these expectations.

These expectations are stated in the State's Ownership Policy (read more in the State's Ownership Policy on p.122).

### SUSTAINABLE BUSINESS – AN IMPORTANT PART OF THE STRATEGY

On the government's behalf, the boards of state-owned companies have set targets and strategies for the strategically important areas of sustainable business. It is the board of a company that has the best understanding of which areas of sustainability within which it is most relevant to establish strategic sustainability targets. Accordingly, it is the responsibility of the companies, and not their annual general meetings, to determine these targets and strategies. The Government has defined a number of quality requirements for the targets – they should be:

- few in number and comprehensive,
- relevant to the company's business operations and sustainability challenges,
- long-term and challenging,
- possible to monitor (without having to be quantifiable),
- clear and straightforward to communicate, and
- adopted by means of board resolutions.

### TRANSPARENCY OF CONDUCT

State-owned companies should behave transparently towards their stakeholders. A transparent approach creates confidence, clarifies risks and opportunities, and gives stakeholders insight into the companies' on-going efforts. This makes it possible to monitor gradual improvements and better understand the companies' challenges and priorities. A dialogue with relevant stakeholders allows the companies to act as role models. The companies gain a greater awareness of the issues around which they should communicate, which represents an important component in better understanding their external environment and thereby identify the areas that are important for the company to address – including both risks and opportunities.

In the Government's guidelines for external reporting, the companies are required to publish, simultaneously with their annual accounts, an independently certified and quality assured sustainability report in accordance with the Global Reporting Initiative (GRI). By using the GRI as the starting point, opportunities are provided for comparisons over time and between companies in different sectors, both nationally and internationally. The state-owned companies continuously develop their reporting and for 2014, a number of state-owned companies have reported in accordance with the new GRI G4 reporting standard.

### COOPERATIONS

Each year, all board members and CEOs of state-owned companies are invited to a board seminar. The 2014 seminar was devoted to impact of shale gas on the European energy market and the creation of jobs for young people – both areas currently of great relevance to sustainable business.

### INTERNATIONAL COOPERATION

Sweden has been an active participant in the development of the OECD Guidelines on Corporate Governance of State-Owned Enterprises. The guidelines, which are non-binding, were drafted in 2005 and provide well-used support in the development of the governance of state-owned companies in various countries. The Swedish Government's principles of corporate governance largely comply with these guidelines. The guidelines can be found at [www.oecd.org/dataoecd/46/51/34803211.pdf](http://www.oecd.org/dataoecd/46/51/34803211.pdf). During 2015, a review of the guidelines is in progress, in which Sweden is actively involved. Further details of the OECD's work on corporate governance can be found at <http://www.oecd.org/daf/ca/>.

Sweden maintains an ongoing dialogue with state ownership and governance organisations in other countries to develop its own governance and to disseminate information about the Swedish ownership

and governance model, which is well in line with best practice in the OECD area.

#### Sweden's work arouses curiosity abroad

In 2014, the management organisation hosted delegations from various countries with the aim of increasing their understanding of the work on sustainable business in the Swedish state-owned companies. For some years, Sweden has had a statement of intent on CSR with Chile and China, and in 2014 delegations from both countries visited Sweden, partly to meet state-owned companies, and partly to meet the management organisation to increase their knowledge of how sustainable business is integrated into the corporate governance model. The delegations consisted of representatives from the corresponding management organisations.

Furthermore, the state has established a network for sustainable business to initiate and encourage exchanges of experience and network building between companies in which the Government is an owner. This provides the companies the opportunity for inspiration and to share their experience with the purpose of strengthening and enhancing the efficiency of efforts in sustainable business throughout the state-owned company portfolio. Depending on the theme, speakers are invited from the state-owned company portfolio as well as from the private sector, special interest organisations and other expert organisations. In 2014, the network met and discussed country risk, principles of children's rights, the new GRI G4 guideline on sustainability reporting and current sustainability trends. In January 2014, network delegates also participated at an SNS event with Georg Kell, head of the UN Global Compact. The network is run and coordinated by the management organisation, based on the company's needs and wishes.

In 2014, the management organisation also conducted three workshops on the themes of diversity, ecosystem services and GRI G4. The purpose was to facilitate a more in-depth transfer of knowledge on specific themes in smaller groups.

#### INTERNATIONAL GUIDELINES

The state-owned companies shall observe international guidelines regarding environmental consideration, human rights, working conditions, anti-corruption and business ethics: the ten principles in the UN's Global Compact, the UN's guiding principles on business and human rights, and the OECD's guidelines for multinational enterprises. This is particularly important for companies in particularly exposed sectors, or with operations in countries that are deficient in their observance of international guidelines.

#### POLICY AND GUIDELINES

The guidelines for the state-owned companies' sustainability reporting, harmonise with many of the international standards and thus form part of an international aspiration towards more sustainable progress.

Some key international standards

- **The OECD's Guidelines for Multinational Enterprises** was an early initiative (1976) to guide companies operating in an international environment to observe international frameworks for sustainability and responsible business in all areas of their operations. The guidelines are 44 governments' joint recommendations to multinational companies. They clarify the expectations on the companies from the governments that have adopted them and the guidelines act as a reference point for companies and other stakeholders. The OECD countries and other signatory countries have undertaken to advance the guidelines by establishing national contact points. In Sweden, the Government, by way of the Ministry for Foreign Affairs, chairs the national contact point, which serves to promote compliance with the OECD guidelines for multinational companies. Among other areas, the guidelines address human rights, the environment, competition, anti-corruption, taxation and product liability.
- **Global Compact** is a global UN initiative based on ten principles of human rights, labour law, the environment and anti-corruption that have been formulated based on the UN's core conventions. Companies signing up to the Global Compact work to integrate the princi-



ples in their own operations. Since its inception in 2000, the number of members, most of which are companies, has increased steadily. Several state-owned companies have joined the Global Compact. For a complete list, visit the Global Compact website: [www.unglobalcompact.org](http://www.unglobalcompact.org)

- **The UN Guiding Principles on Business and Human Rights** The principle "Protect, respect and remedy" have been developed to elucidate governments' and companies' respective responsibilities in relation to the protection and promotion of human rights. Companies have a responsibility to respect these rights in their business and to ensure that they do not contribute to human rights violations.
- **Global Reporting Initiative (GRI)** consists of guidelines for the reporting of sustainability work in a social, environmental and economic perspective. In this way, it is a support and tool for companies and organisations to report their work on the basis of, for example, the Global Compact and the OECD's guidelines. GRI serves to increase possibilities for monitoring and assessing companies' sustainability work and to increase comparability.



## Collaboration for increased diversity

BILPROVNINGEN

Collaboration and exchange of experience with other companies and organisations is an important part in the continuous development of their efforts. To afford state-owned companies better opportunities to develop their efforts, the state has established a network and conducted workshops at which the companies meet to share their experiences and knowledge in the area of sustainable business.

In 2014, several workshops were organised on a range of current themes, such as the GRI's G4 reporting, ecosystem services and a well-attended workshop on ecosystem services and diversity.

In the same year, the management organisation conducted a review of the state-owned companies with a sustainability target encompassing diversity. The review indicated that the companies have different strengths in the area diversity. To increase the usefulness of the companies' efforts, a well-attended workshop was conducted on the theme of diversity, at which the companies were encouraged to inspire and challenge one another.

Bilprovningen was one of the companies that played an active role at the workshop. The company was early to identify diversity as a strategically important issue in being an attractive employer with high level of skill and customer satisfaction. Accordingly, considerable focus has been placed on increasing the number of female employees and employees with a foreign background. "It's about us as a company reflecting the diversity of our customers but also benefiting from the tremendous potential that exists if we can make use of the skills found among those with a foreign background. Greater diversity increases our skills, our creativity and our customer satisfaction," says Bilprovningen's CEO, Benny Örnefors.

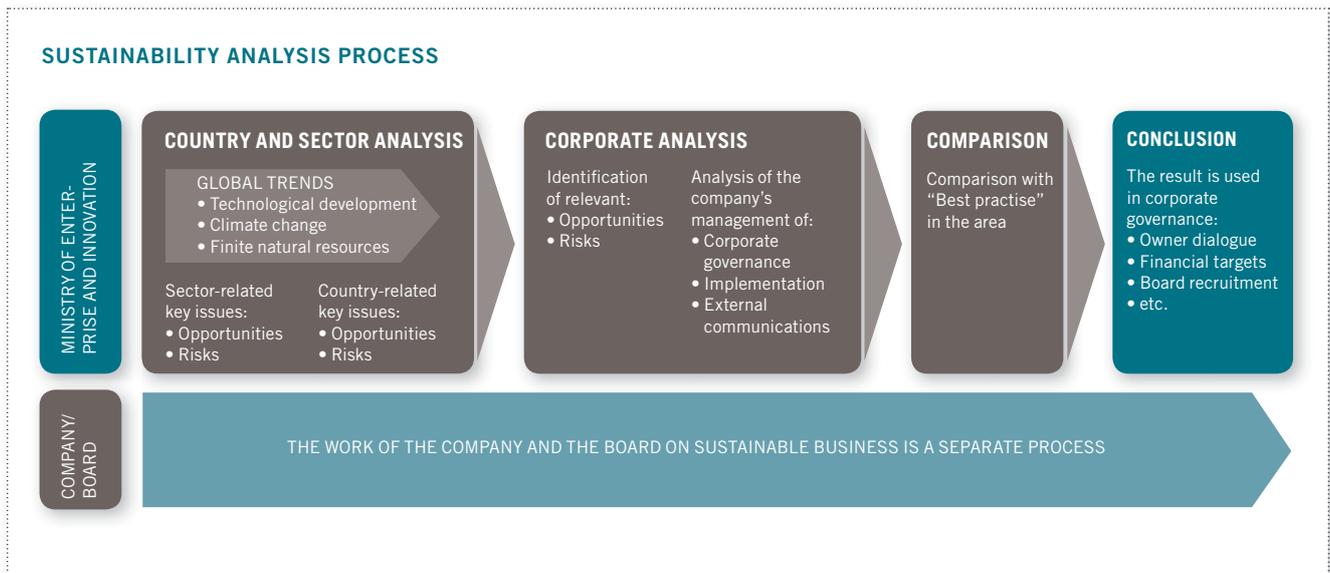
During the workshop on diversity, Bilprovningen shared its success factors and, among other things, related its experiences of successful activities to recruit women and people with foreign backgrounds and the importance of cooperating with other actors. Bilprovningen often participates in the network activities arranged for the state-owned companies and finds great value in meeting other companies and actors. "For me personally, the meetings have provided a valuable network. But hearing from others has also provided inspiration for new solutions and new partnerships," says Benny Örnefors. "The fact that the state has such high ambitions for sustainable business also makes me very proud of the work we do. The efforts of the state-owned companies sends ripples beyond the public sphere," Benny Örnefors concludes.

**MONITORING OF THE COMPANIES WORK ON SUSTAINABLE BUSINESS**

In 2014, the owner initiated efforts to monitor the sustainability targets set by the companies' boards. In the dialogue with the owner, the strategic sustainability targets and their monitoring have formed an important part of the ongoing review process. The companies have presented their targets and explained how the objectives are to be achieved and measured. In certain cases, concrete results have also been presented. The targets are long term and in 2014 the focus of the dialogue with the companies was on the design of the targets and their relevance to the companies' business operations and sustainability challenges.

To monitor and analyse the companies' work with sustainable business, a sustainability analysis has been developed by the management organisation within the Ministry of Enterprise and Innovation. The analysis serves to increase the awareness of the companies' sustainability challenges within the investment

teams for company holdings. The analysis is based on broad business intelligence that takes into account global trends, risks and opportunities linked to the value chain in which the company operates. The investment team identifies relevant areas for analysis, and then analyses how the company is working to deal with selected areas through its governance processes. The results of the analysis are used in the active ownership process, that is, in the dialogue with the owner, the board nomination process, the process of setting financial targets and the process of setting public policy targets. The analysis provides a foundation for a shared and predictable starting point in the dialogue between the owner and the company and provides the conditions for the long-term and consistent governance of the companies. The first analyses were performed during 2014. In 2015, the analysis will, to an even greater extent, form an integral part of the process for developing financial targets. This makes the process more efficient and reduces the risk of conflicting objectives.





## Sustainable targets are integrated into operations

INFRANORD

The boards of state-owned companies are tasked with setting strategic sustainability targets. Among other things, the targets shall be long-term, measurable and relevant to the operations. Most of the targets were set by the boards at the end of 2013 and 2014 was a year during which the companies implemented the targets in their operations and integrated them into both business plans and activities. Infranord's makes no distinction between strategic targets and sustainability targets.

"This is a process that cannot be rushed. Strategic areas must be identified, the appropriate key performance indicators defined and measurements must be made to determine the starting point – after that, the company can set long-term targets. Solid groundwork is essential to integrate these issues in the work of the board, management and the entire operations," says Eva Färnstrand, Chairman of the Board of Infranord since 2012. The company was formed five years ago and works with operation and maintenance, as well as rebuilding and new construction of railways in Sweden and Norway. The process of developing

sustainability targets went hand in hand with the company's strategy process, which resulted in the board making no distinction between the company's strategic targets and its sustainability targets. Instead, the board views the prioritised areas as important for the company's long-term sustainable development.

In 2013, Infranord adopted four overarching areas of focus with long-term targets: zero workplace accidents, zero negative deviations from planned financial performance, zero ethical irregularities and zero environmental incidents. The strategic sustainability targets have been supplemented with more detailed annual targets for 2014 and 2015 and, based on measurements from these years, a three-year target is to be set. At the 2014 strategy meeting, we discussed whether we had identified the correct environmental areas and assessed the action plan. On the board of Infranord, we are now monitoring the targets," says Eva Färnstrand. "In the longer term, we can add further indicators, but right now, the most important thing is to work with the areas we have prioritised."

Eva Färnstrand says: "The management organisation has provided us with valuable support in the process of developing the sustainability targets, through support processes, quality requirements and seminars for the Chairman and CEO. The targets are also reviewed in the dialogue with the owner and the CEO meets with the State Secretary and Minister responsible. I am proud that the owner tasked us with setting sustainability targets. This shows that the state seeks to be at the forefront and that sustainable business is important."

# Public policy targets

Common to the companies with specifically adopted public policy assignments is that traditional financial assessment does not provide an accurate or complete picture of the value these companies generate. Public policy targets are used to assess how well the public policy assignments are performed.

Certain state-owned companies have public policy assignments specifically adopted by the Riksdag and these can differ in character. For example, companies may operate in markets where so-called externalities arise that are not covered by pricing. A typical example is an infrastructure company that owns bridges or airports and whose activities, besides the direct value to the owner, also provide positive effects for society as a whole. This occurs because improved transport opportunities foster flexibility in the labour and housing markets, which in turn benefits the national economy. Swedavia, which operates most of Sweden's major airports, is an example of an infrastructure company with a specifically adopted public policy assignment. Further examples of companies with specifically adopted public policy assignments are Samhall, whose public policy assignment entails the company providing meaningful and stimulating jobs for people with reduced functionality, and RISE, which is to help develop the industrial research institutes, to thereby strengthen the competitiveness of Swedish trade and industry.

## WHAT IS A SPECIFICALLY ADOPTED PUBLIC POLICY ASSIGNMENT?

When the Riksdag commissions a company to conduct operations serving to generate effects other than a financial return for the owner, this constitutes a specific public policy assignment.

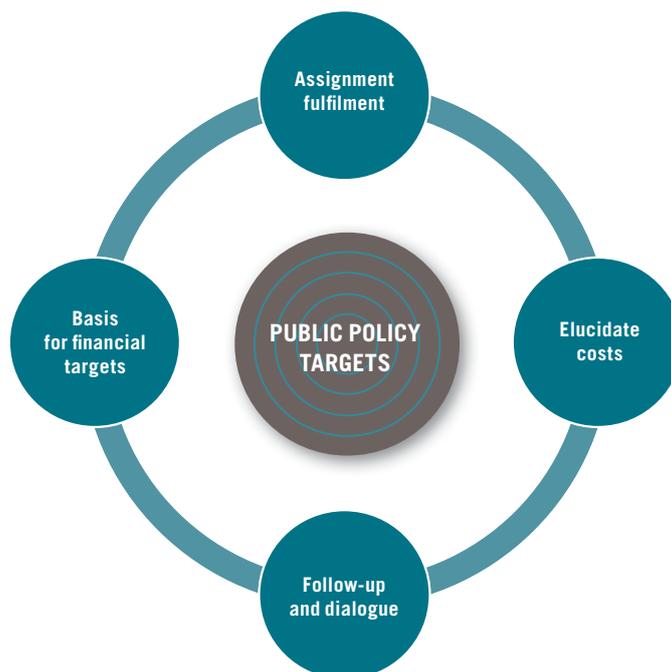
## PUBLIC POLICY TARGETS

The management organisation has developed a uniform methodology and process for setting and monitoring targets for specifically adopted public policy assignments, known as public policy targets, for the companies managed by the Ministry of Enterprise and Innovation.

The purpose of setting public policy targets for the companies is to:

- ensure that the companies perform the specific public policy assignments determined by the Riksdag,
- clarify, in terms of profitability and value, the cost for the performance of the specifically adopted public policy assignments,
- enable monitoring and reporting to the Riksdag and other stakeholders, and to
- elucidate the conditions for the financial targets, which should take the public policy targets into account.

## PUBLIC POLICY TARGETS



### PURPOSE OF THE PUBLIC POLICY ASSIGNMENT

The Articles of Association set out the objectives of the company's operations. However, the background to the public policy assignment, which should be the starting point for the public policy targets, is not always explained. Elucidating the purpose of the specifically adopted public policy assignment is therefore often the first step in establishing a company's public policy targets. The next step involves identifying appropriate targets. To achieve a uniform methodology and consistent objectives, the management organisation has divided the purposes applicable to the companies with specifically adopted public policy assignments into different categories. For these categories, standard targets have also been developed. An example of such a category is infrastructure, for which the standard targets are expressed in terms of the degree of capacity utilisation and a quality index. Degree of capacity utilisation is applied because the desirable externalities are generally higher as capacity utilisation increases. The quality index is to be applied to ensure execution in a manner that is optimal for the user. In companies operating without competition, quality and customer surveys are particularly important since the market mechanisms that ensure efficient execution are missing.

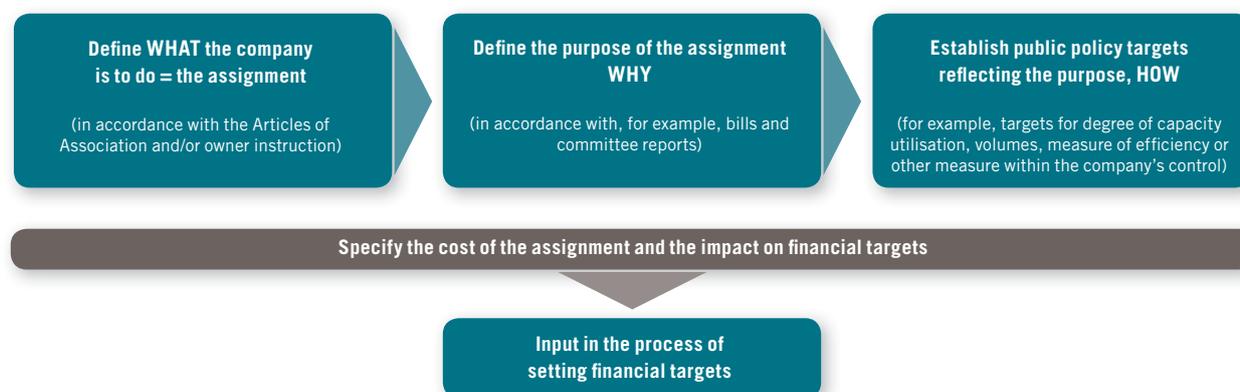
### PUBLIC POLICY TARGETS IN RELATION TO FINANCIAL TARGETS

The state's ambitions regarding the efficiency and control of financial risks also encompass companies with specifically

adopted public policy assignments. However, setting financial targets for these companies presents specific challenges. For example, the performance of the public policy assignment may be associated with a cost, which will affect the company's financial outcome in terms of profitability and the possibility of paying dividends, for example. The public policy assignment may also affect the company's risk, and thus what may be considered an appropriate capital structure. The interpretation of a company's public policy assignment and the ambition expressed in the public policy targets therefore has a bearing on the company's financial conditions and hence what financial targets it should have.

Conversely, the process of developing financial targets provides data significant in the drawing-up of public policy targets. In the theory on which the financial target methodology is based, an important building block is the cost of equity. This defines the market return for the risk borne by a company's equity and owners. Although it is difficult, in many cases, to assess in monetary terms the benefit from the fulfilment of a public policy assignment, there is a value in determining the cost of performing the assignment, which is achieved by comparing the return on equity and the cost of equity. Data on the cost of performing a public policy assignment is important to the Government and the Riksdag when it comes to prioritising how taxpayer funds should be used.

#### GENERAL METHODOLOGY IN WORK IN PUBLIC POLICY TARGETS



## SEK – holistic approach to review and new targets

At SEK's Annual General Meeting in April 2015, resolutions were made regarding new financial targets, public policy targets and a new owner instruction. This was the result of a major, three-part project carried out in 2014 at the owner's initiative. When it became necessary to review the company's financial targets, a comprehensive initiative was taken addressing targets, owner instruction and sustainability analysis – all in an integrated process.

It was necessary to review SEK's financial targets due to amended requirements in the regulations on capital and liquidity. In connection with this, it was also decided to perform a review of the company's owner instruction, develop public policy targets and carry out a sustainability analysis of SEK's operations.

The sustainability analysis and public policy targets are relatively new tools in the management of the state-owned companies. The sustainability analysis serves to increase the knowledge of the management organisation in relevant areas of sustainability thereby integrating sustainable business into corporate governance – in owner dialogues, board nominations processes and in the process of setting financial targets. Public

policy targets are developed for companies with public policy assignments specifically adopted by the Riksdag. The purpose of the public policy targets is to enable measurement and monitoring of how well the companies are fulfilling their public policy assignments. Since the results of the sustainability analysis and the level of ambition for financial goals and public policy targets can affect one another, it is important that these be developed in parallel in an integrated process.

In the SEK project, efforts were conducted in three parallel work flows to achieve integrated and well balanced targets. Together with the company's heads of Finance and IT, the investment director and investment manager responsible for SEK within the management organisation initiated the process to develop both financial targets and public policy targets. The company's CEO and those responsible for risk, lending and borrowing participated in the process, which encompassed analyses of the market, regulatory framework and business plan. At the same time, together with the individual responsible for sustainability issues at the company, a second investment manager and a sustainability expert from the management organisation initiated the process of performing a sustainability analysis.

The sustainability analysis, which includes a mapping of both opportunities and risks, defined the most significant risks for SEK as those related to the projects or companies that SEK finances. This risk mapping then served as input for both the financial targets and public policy targets. An example of a clear influence between sustainability and the assignment is that the projects financed by SEK can give rise to both positive and negative sustainability impacts while being able to promote the Swedish export sector, which is SEK's assignment. The project was able to conclude that SEK already works with sustainability and credit risks in an integrated manner in its credit process. However, the project recommended that, when approving loans, the board should, more clearly and in a structured manner, include the positive effects associated with both the assignment and aspects of sustainability.

There are clear links between the assignment and financial targets. An important issue that needed to be elucidated, and that is related directly to the company's capital structure, involved SEK's assignment. It concerned what the company's role should be during periods of financial crises, for example, when the market cannot adequately provide the Swedish export sector with financing.

The various sub-projects resulted partly in updated financial targets, partly in new public policy targets in the form of a customer survey and stakeholder dialogue, and partly in a sustainability analysis. With all this in place, a review was also made of the company's owner instruction, based on the discussions held during the project. The result was a clearer, easier-to-use owner instruction that makes it easier for the company to develop its operations in line with changes in the market and customer needs. The new financial targets and public policy targets are detailed in the company overview section on p. 79.

### EXAMPLES FROM THE SUSTAINABILITY ANALYSIS

As an example of the results of the sustainability analysis, the project's comments and recommendations to the board regarding sustainability are presented here.

#### Comment

SEK has established a process for mitigating risks with regard to anti-corruption, the environment, human rights and working conditions by means of a high level of risk awareness and compliance with international standards.

#### Recommendations

1. Proactive work (risk analysis, due diligence and monitoring) in anti-corruption should be strengthened.
2. In transactions where a high level of risk is deemed to exist, it is recommended that the board take both positive and negative effects into account in a structured manner.
3. Continue to implement relevant international guidelines – the Equator Principles being the most relevant – as a complement to the "OECD Common Approaches".
4. Clarify the objectives for SEK's work to contribute to sustainable development.

## AB SVENSK EXPORTKREDIT

**SEK****MANAGEMENT'S VIEW****Catrin Fransson, CEO**

"The process has resulted in the organisation being better able to understand the reasoning of the owner. There are fewer areas of uncertainty regarding our assignment and the targets facilitate the assessment of our work. The sustainability analysis has indicated additional issues on which we need to work. The new financial targets and the review of our business and external environment have really motivated our on-going process to create a more flat customer-oriented organisation."

**Susanna Rystedt,  
CFO and IT Manager**

"Our collaboration with the management organisation regarding the development of new financial targets and public policy targets has been very good. A clear and positive process is in place that has resulted in a favourable dialogue on the targets associated with SEK's assignment and the conditions in the market. The result is clear and challenging targets that are completely in line with our business plan."

**Johan Henningsson,  
Sustainability Manager**

"With the sustainability analysis, we have had the opportunity to deepen our discussion with the management organisation regarding our key sustainability issues. This has been both important and rewarding for us. We now have a common understanding of how we currently manage sustainability effects in connection with our lending, what the challenges facing us in the future look like and what improvements we can continue to work with."



*AB Svensk Exportkredit (SEK) promotes the Swedish export sector by offering financing solutions.*

# Sustainable salary levels and terms of employment

Since remuneration to senior executives in trade and industry is a significant issue of confidence, the state-owned companies should pay managers carefully considered salaries and pensions.

## A MATTER OF CONFIDENCE

Today, the demand for sound remuneration systems has become one of the most important issues of corporate governance, both in Sweden and abroad. Remunerations are criticised for not being transparent, being approved in the wrong way, being too high, and causing a sense of injustice within companies and in society.

Reasonable and well-considered remunerations for senior executives play an important role in the corporate governance of the state-owned companies. The behaviour of the state-owned companies and their representatives is subject to demanding external expectations, and it is important for the state to be a clear, professional and responsible owner.

## GUIDELINES FOR TERMS OF EMPLOYMENT

On 20 April 2009, the Government adopted guidelines on terms of employment for senior executives in state-owned companies (see the guidelines in full on p. 128). In these guidelines, the possibility of paying variable salaries to senior executives was removed. In companies where the state is directly or indirectly one of several owners, the Government should, in dialogue with the other owners, act in favour of its guidelines being applied as far as possible. The boards of the state-owned companies are responsible for the Government's guidelines on terms of employment for senior executives being applied.

According to the remuneration principles in the guidelines, total remuneration to senior executives should be reasonable and carefully considered. It should also be competitive, have a set ceiling and be appropriate, while fostering sound ethics and a

good corporate culture. Remuneration should not be wage-leading in relation to comparable companies, but should be pervaded by moderation. The guidelines further state that this should also serve as standard for total remunerations to other employees.

## PERFORMANCE REVIEW

The Government Offices continuously monitor remuneration levels in the companies with state ownership. The Government Offices have commissioned a consulting company to examine compliance with the Government's guidelines on terms of employment for senior executives. This survey was based on the companies' own data on terms of employment and remuneration of senior executives. The study examines how the companies adhere to the guidelines and compares compensation levels in the companies with market data from private companies that provide relevant benchmarks in terms of size and sector. For each company, five to ten peer companies have been identified, with a total of more than 350 peer companies being included in the survey.

The starting point for the survey has been whether or not total remuneration to the CEO and other senior executives has been "competitive but not wage-leading", as expressed in the Government's guidelines. Total remuneration refers to all fixed and variable remuneration and benefits paid to the employee, including pension premiums.

## PROPORTION OF CEOs WITH DEFINED BENEFIT PENSION PLANS REMAINS UNCHANGED

The proportion of CEOs with defined-benefit pension plans remains unchanged. In 2014, slightly less than a quarter (22.2 per cent) of all CEOs, and four out of ten (40.9 per cent) other senior executives had defined-benefit pension plans. For senior executives, this is based mainly on applicable collective agreements and does not therefore conflict with the guidelines. Other cases involve old agreements that have yet to be renegotiated.

### CERTAIN POSITIVE TREND IN COMPLIANCE

The 2014 follow-up on the "Guidelines for terms of employment for senior executives reveals that:

- No CEO of a state-owned company receives variable remuneration,
- The number of people entitled to retire before the age of 62 is unchanged,
- The proportion of CEOs with defined-benefit pension plans is largely unchanged, and
- The number of companies and individuals with variable remuneration in the group other senior executives has declined.

In 2014, pension benefits accounted for approximately 27,5 per cent of total average remuneration in the state-owned companies, which is in line with the private market.

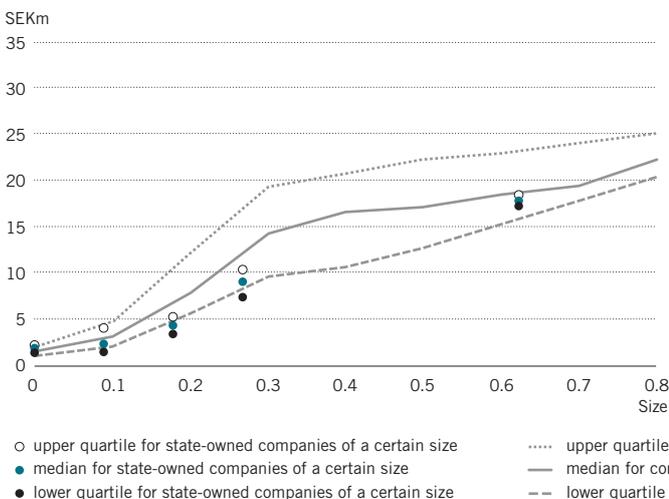
According to the Government guidelines, on termination by the company, the period of notice shall not to exceed six months and severance pay shall not be paid for more than 18 months. Consequently, the combined period of notice and severance pay shall not exceed 24 months. With the exception of one individual (out of a total of 382 persons in the compiled data), all senior executives have a combined period of notice and severance pay of 24 months or less.

According to the Government guidelines, retirement age in the companies shall not be lower than 62 and should be at least 65. One CEO and four senior executives have a retirement age of less than 62.

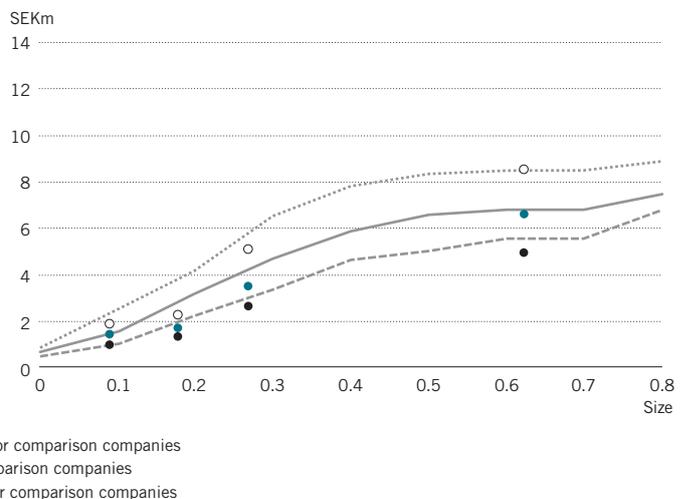
**CEO SALARIES BELOW MARKET TREND**

Over the period 2009–2014, total remuneration to CEOs in state-owned companies increased on an average 3.7 per cent annually, which is below the market increase of 4.6 per cent annually. The trend in total remuneration to CEOs in the companies was below the market average for these years. For most of the CEOs, their remuneration is close to the median for the market, and between the upper and lower quartiles. In one of the companies, total remuneration to the CEO is above the market's upper quartile. Fifteen CEOs have total remuneration exceeding SEK 5 million, which is below the market average and the upper quartile. See figure below.

**TOTAL REMUNERATION TO CEOs**



**TOTAL REMUNERATION TO SENIOR EXECUTIVES**



**Market:** For each state-owned company, 5–10 comparison companies have been identified (in total more than 350 companies) which comprise the "Market".  
**Size:** All of the companies were weighted and divided by size according to number of employees (25 per cent), turnover (25 per cent), total assets (25 per cent) and a qualitative factor (25 per cent).

Total remuneration includes all fixed and variable remuneration and benefits to the employee including pension plans.

## Improved profits in 2014

In 2014, the combined profits of the state-owned companies rose by 16 per cent, mainly due to lower impairments in Vattenfall, but also due to rising market values in Akademiska Hus' property portfolio. Lower electricity prices and sharply falling iron ore prices held profits back.

### TURNOVER

The state-owned companies' turnover in 2014 fell by 2 per cent compared with the previous year and amounted to SEK 350.1 (357.4) billion. Total turnover, including the state's holdings in associated companies,<sup>1)</sup> decreased by 2 per cent in 2014. Vattenfall accounts for 47 (48) per cent of turnover in the state-owned company portfolio and 42 (42) per cent when the associated companies are included. Lower prices and volumes contributed to the company's sales falling by SEK 6.3 billion in 2014 compared with the preceding year. Compared with 2013, LKAB's turnover decreased by 14 per cent or SEK 3.3 billion due to lower iron ore prices. Turnover in SBAB and Systembolaget both increased by SEK 0.7 billion.

### PROFIT

Profit after tax amounted to SEK 16.4 (14.2) billion in 2014. Vattenfall's loss after tax for 2014 was SEK 8.3 billion, representing an improvement in earnings of SEK 5.6 billion compared with 2013. In Akademiska Hus, profit increased by SEK 2.6 billion as a consequence of positive, unrealised changes in property

values. In SBAB and Swedavia, profit rose by SEK 0.4 billion for each company. In LKAB, profit fell by SEK 5.7 billion to SEK 0.3 billion, the state's participation in TeliaSonera's profit decreased by SEK 0.5 billion to SEK 5.8 billion. Svenska Spel's profit decreased by SEK 0.5 billion. The state's share in the profits of SAS fell by SEK 0.4 billion.

### CASH FLOW

Cash flow from operating activities, excluding the financial sector companies (SBAB and SEK), amounted to SEK 65.3 (65.0) billion. Vattenfall's cash flow strengthened by SEK 2.3 billion to SEK 40.1 billion. Vattenfall's cash flow represents slightly more than 60 per cent of the entire portfolio's cash flow.

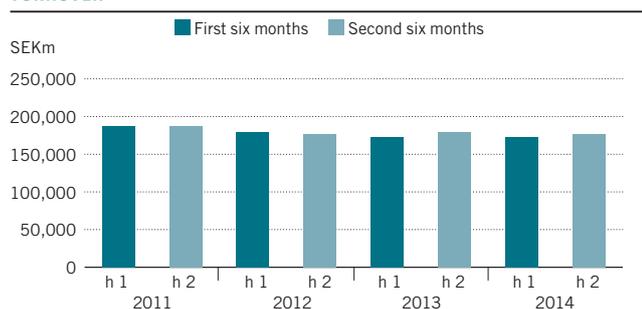
### INVESTMENT

Compared to 2013, gross investments in 2014 decreased by 10 per cent, from SEK 52.8 billion to SEK 47.5 billion. Total investment was dominated by Vattenfall's investments of nearly SEK 29 billion, representing an increase of 5 per cent compared with 2013. LKAB's investments of SEK 5.5 billion were 11 per cent higher than in 2013 and Akademiska Hus' investments rose to SEK 3.0 billion. Investments by PostNord, Swedavia, Svevia and Svenska Spel declined sharply over the year to SEK 1.8 billion, SEK 0.9 billion, SEK 0.5 billion and SEK 0.5 billion respectively.

### PROPOSED DIVIDENDS

For the 2014 fiscal year, dividends from the state-owned companies are expected to amount to SEK 18.1 (17.7) billion. Dividends are slightly higher than in the preceding year.

### TURNOVER



1) Includes the associated companies on the basis of the state's share of equity.

### NET PROFIT <sup>1)</sup>

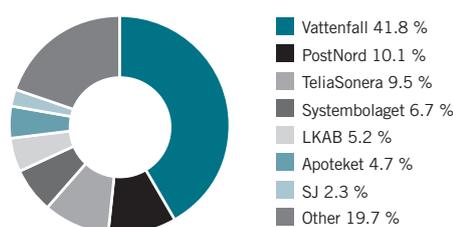


GROSS INVESTMENTS<sup>1)</sup>

	2014 SEKm	2013 SEKm	Change, SEKm	Change %
<b>Total</b>	<b>47,486</b>	<b>52,766</b>	<b>-5,280</b>	<b>-10.0</b>
Vattenfall	29,032	27,761	1,271	4.6
TeliaSonera <sup>2)</sup>	17,899	17,793	106	0.6
LKAB	5,491	6,141	-650	-10.6
Akademiska Hus	3,007	2,758	249	9.0
PostNord	1,846	2,591	-745	-28.8
Jernhusen	1,199	1,294	-96	-7.4
Systembolaget	1,050	1,234	-184	-14.9
Swedavia	924	2,413	-1,489	-61.7
SJ	828	527	301	57.2
Svevia	544	1,426	-882	-61.9
Svenska Spel	466	3,163	-2,697	-85.3
Fouriertransform	398	408	-9	-2.3
Specialfastigheter	374	497	-123	-24.7
Teracom Boxer Group	284	348	-64	-18.4
RISE Research Institutes of Sweden	227	306	-79	-25.8
Almi Företagspartner	221	222	-1	-0.3
Svedab	216	239	-23	-9.6
Inlandsinnovation	166	275	-109	-39.6
Vasallen	165	56	109	194.6
Green Cargo	163	343	-180	-52.5
SSC (Svenska rymdaktiebolaget)	158	71	88	124.4
Infranord	146	88	58	65.9
Sveaskog	133	212	-79	-37.3
ESS (European Spallation Source)	129	6	123	2,201.8
Other	318	388	-70	-18.0

1) The table includes the companies whose gross investments exceeded SEK 100 million in 2014.

2) Since TeliaSonera is an associated company, its investments are shown only for information purposes and are not included in the total.

DISTRIBUTION OF TURNOVER JAN-DEC 2014<sup>1)</sup>  
INCLUDING ASSOCIATED COMPANIES

1) Net turnover, including the associated companies, in relation to the state's share of equity.

## APPROPRIATION/TURNOVER FOR 2014

SEKm	Appropriation 2014	Net turnover 2014	Percentage of financing through appropriation, %
Almi Företagspartner	260	1,074	24
Dramaten	227	289	79
Göta kanalbolag	25	73	34
Operan	447	523	86
PostNord	24	40,582	0
RISE Research Institutes of Sweden	361	1,993	18
Samhall	4,405	7,452	59
SOS Alarm	214	953	22
Swedfund <sup>3)</sup>	34	161	21
Teracom Boxer Group	3	3,849	0
VisitSweden	125	245	51
Voksenåsen	10	70	14
<b>Total</b>	<b>6,135</b>	<b>57,264</b>	<b>11</b>

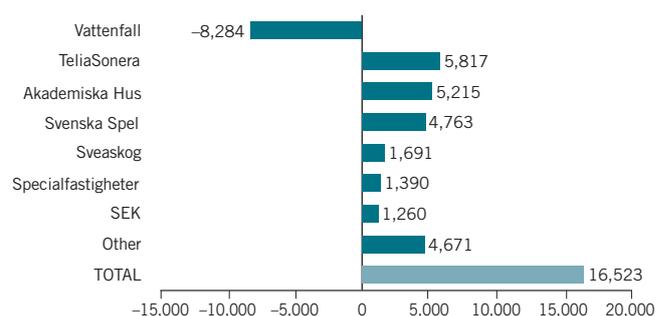
3) Allocation for the Legal, Financial and Administrative Services Agency intended for Swedpartnership's business.

## DIRECT STATE FUNDING

Among the state-owned companies, there are some that receive direct funding from the state to perform particular assignments or operations. Dramaten and Operan, for example, receive funding as national stages for spoken theatre and opera/ballet respectively. Of this funding, 72 per cent goes to Samhall, which receives an appropriation to perform its core labour market policy assignment to provide rewarding jobs for people with disabilities, and 6 per cent to RISE to invest in structural and skill development. In 2014, state-owned companies received SEK 6.1 billion in appropriations.

## DIVESTMENTS

In 2013, the Government sold the state's shareholdings in Nordea Bank and Vectura Consulting, generating revenues of SEK 42.0 billion. No shares were sold in 2014.

NET PROFIT FOR JAN-DEC 2014 (SEK MILLION),<sup>1)</sup>  
COMPANIES WITH THE GREATEST IMPACT ON EARNINGS

## SUMMARY OF FEES – COMPANIES' REMUNERATION TO AUDITORS IN 2014

Company	Audit revenue, SEKm	Other consulting services, SEKm	Total, SEKm	Percentage of audit, %	Percentage of total audit fees, %
BDO	0.7	0.1	0.8	84.8	0.4
Deloitte	55.5	13.2	68.7	80.8	34.9
EY	64.0	15.7	79.6	80.3	40.2
Grant Thornton	1.7	0.9	2.6	65.2	1.1
KPMG	17.3	23.0	40.2	42.9	10.9
PwC	19.0	29.6	48.5	39.1	11.9
Other	0.8	0.6	1.5	57.3	0.5
<b>Total, excl. Swedish National Audit Office</b>	<b>158.9</b>	<b>83.0</b>	<b>242.0</b>	<b>65.7</b>	<b>100.0</b>
Swedish National Audit Office	1.1	0.0	1.0	0.1	0.7
<b>Total, incl. Swedish National Audit Office</b>	<b>160.0</b>	<b>83.0</b>	<b>243.0</b>	<b>65.8</b>	<b>100.7</b>

PROPOSED DIVIDEND FOR 2014 (STATE'S PARTICIPATION)<sup>2)</sup>

SEKm	Shareholding, %	2014	2013
Akademiska Hus	100	1,445	1,374
APL (Apotek Produktion & Laboratorier)	100	0	3
Apoteket	100	158	150
Apoteksgruppen	100	0	4
Bilprovingen	100	48	290
Bostadsgaranti	50	138	9
Inlandsinnovation	100	100	0
Jernhusen	100	113	100
Lernia	100	235	58
LKAB	100	139	3,500
Metria	100	3	0
Orio	100	35	55
PostNord	60	0	77
SBAB	100	502	0
SEK	100	378	327
SJ	100	230	73
Specialfastigheter	100	3,000 <sup>3)</sup>	481
SSC (Svenska rymdaktiebolaget)	100	10	3
Sveaskog	100	800	450
Swedavia	100	230	0
Svenska Spel	100	4,763	5,269
Svevia	100	120	0
Systembolaget	100	251	287
TeliaSonera	37	4,844	4,844
Teracom Boxer Group	100	235	290
Vasallen	100	300	100
<b>Total</b>		<b>18,077</b>	<b>17,744</b>

2) In 2014, Inlandsinnovation distributed SEK 100 million and Ersättningsmark SEK 28 million at extraordinary general meetings.

3) Which included ordinary dividends of SEK 435 million, extraordinary dividends of SEK 494 million and capital repayments of SEK 2,071 million.

## INCOME STATEMENT

SEKm	2014	2013
Net turnover (incl. any appropriations)	350,125	357,840
Other income	7,466	4,583
Expenses	-340,702	-344,910
Result from shares in associated companies	6,117	7,365
Changes in value	5,050	2,139
<b>Operating profit (EBIT)</b>	<b>28,056</b>	<b>27,017</b>
Financial income	4,149	3,253
Financial expenses	-11,592	-13,007
<b>Profit before tax</b>	<b>20,612</b>	<b>17,263</b>
Tax	-3,874	-2,985
Income from discontinued operations		116
<b>Net profit for the year</b>	<b>16,523</b>	<b>14,259</b>
Attributable to shareholders in parent company	16,616	14,131
Attributable to minority interests	-94	127
<b>Total</b>	<b>16,523</b>	<b>14,258</b>

## BALANCE SHEET

SEKm	2014	2013
<b>Assets</b>		
Property, plant and equipment	230,944	231,024
Intangible assets	279,063	276,954
Financial assets	818,591	787,464
Current assets	210,846	193,608
<b>Total assets</b>	<b>1,539,444</b>	<b>1,489,050</b>
<b>Equity, provisions and liabilities</b>		
Equity attributable to shareholders in parent company	347,059	344,412
Equity attributable to shareholders in minority interests	16,754	14,242
<b>Total equity</b>	<b>363,813</b>	<b>358,654</b>
<b>Total liabilities and equity</b>	<b>1,539,444</b>	<b>1,489,050</b>

## CASH FLOW

SEKm	2014	2013
Cash flow from operating activities	65,246	65,033
Cash flow from investing activities	-29,174	-41,097
Cash flow from financing activities	-35,908	-26,887

## OTHER INFORMATION

SEKm	2014	2013
Gross investments	47,486	52,766
Depreciation, amortisation and impairment	52,137	57,981
Turnover consisting of appropriations from state	6,086	5,856
Number of employees, excluding associated companies	125,062	128,579
Number of employees, including associated companies	163,272	168,937
Equity/assets ratio, %	23.6	24.1
Return on equity, %	4.8	4.0

# Valuation of the company portfolio

The value of the state-owned company portfolio is assessed annually. At the end of 2014, the value was estimated at SEK 460 billion.

## ANNUAL VALUATION

The value of the state-owned companies is assessed annually and the estimated value of the state's holdings is published in connection with this Annual Report. The value pertains to the end of 2014.

## VALUATION METHODS

Companies corresponding to about 95 per cent of the total portfolio value are assessed based on cash flow assessments and supplementary relative valuations. Property companies are valued at net worth and publicly traded companies at their listed market value. Other companies in the state-owned portfolio are valued at the book value of equity.

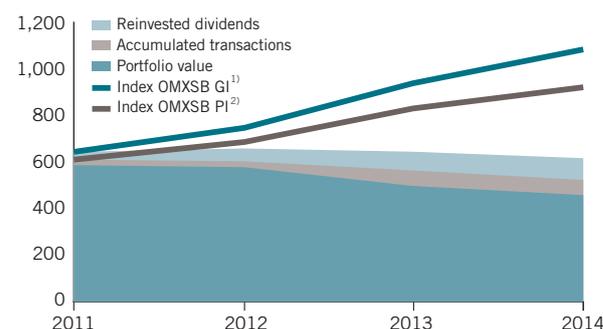
## APPROACH

The companies are valued based on their being owned by the state. The value with the state as the owner may differ significantly from the value that could be realised in a sale to private owners or through an IPO. One reason is that state-owned companies sometimes have specifically adopted public policy assignments or instructions that limit their operations.

## VALUE DEVELOPMENT IN 2014

At the end of 2014, the estimated value of the state's publicly traded and unlisted company holdings amounted to SEK 460 billion, a decrease of approximately SEK 40 billion, or 8 per cent, compared with the same time a year earlier. Dividends paid to the state over the year amounted to SEK 17.9 billion, corresponding to a dividend yield of 3.6 per cent. Adjusted for shareholder contributions, the total return was a negative 4.7 per cent. By comparison, the Stockholm Stock Exchange rose by 11 per cent over the same period, had a dividend yield of 4 per cent and a total return of 15 per cent. The continued negative trend in the value of the state-owned company portfolio is primarily attributable to the trend in the basic industry/energy sector. Falling prices for energy and iron ore have brought pressure on the profitability of both Vattenfall and LKAB. The negative trend in the basic industry/energy segment has also had a negative impact on dividends. Vattenfall paid no dividends in 2014, while LKAB distributed SEK 3 billion. The companies from which the state received the largest dividends in 2014 were Svenska Spel at SEK 5.3 billion and TeliaSonera at SEK 4.8 billion. The best performing sectors in the state portfolio are finance and property. The growth in the finance sector depends largely on residential

## VALUE DEVELOPMENT ADJUSTED FOR DIVIDENDS AND TRANSACTIONS



- 1) Value adjusted for transactions and reinvested dividends.  
2) Value adjusted for transactions.

mortgages and cost efficiency. In the property sector, the increase is largely attributable to new construction in Akademiska Hus. The value of the two listed holdings, TeliaSonera and SAS, fell by 6 per cent and 16 per cent respectively.

## VALUE DEVELOPMENT 2011–2014

Since 2011, the value of the state-owned company portfolio has decreased from SEK 580 billion to SEK 460 billion. The decrease of SEK 120 billion is explained partly by the divestments made during the period. The net transaction proceeds made over the period amounted to SEK 65 billion, of which the divestment of the holdings in Nordea in 2011 and 2013 formed the greater part. Adjusted for divestments, the value of the portfolio declined by SEK 55 billion over the period, or 9 per cent. In comparison, the Stockholm Stock Exchange rose by 51 per cent over the same period. The weaker performance by the state-owned portfolio compared with the Stockholm Stock Exchange is primarily attributable to the value of the basic industry/energy sector, which includes Vattenfall and LKAB, having declined 50 per cent in value over the period – from SEK 294 billion to SEK 146 billion. As a percentage of the overall portfolio, the value of this sector declined from 51 per cent to 32 per cent, despite divestments in other sectors. Over the period, the total value for the other sectors rose by an average 10 per cent. Over the same period, the Stockholm Stock Exchange rose by an average 15 per cent annually. Even when adjusted for the basic industry/energy sector, the composition of the state-owned company portfolio and the Stockholm Stock Exchange differ appreciably – meaning that comparisons of performance between the two are not entirely meaningful.

## Publicly traded holdings

The market value of the state's holding in TeliaSonera and SAS amounted to SEK 82.4 billion at the close of 2014. Consequently, the state's holdings in publicly traded companies represent slightly less than 18 per cent of the value of the overall portfolio of state-owned companies, which was valued at SEK 460 billion at the end of 2014.

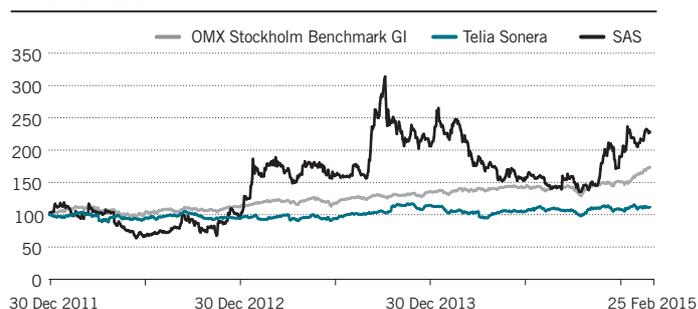
### VALUE DEVELOPMENT

The share price trend in the publicly traded holdings was negative in 2014. Over the year, the value of the publicly traded holdings fell by 6 per cent or slightly more than SEK 5 billion. Over the same period, the OMX Stockholm Benchmark rose by 11 per cent.

### DIVESTMENT MANDATES FOR PUBLICLY TRADED COMPANIES

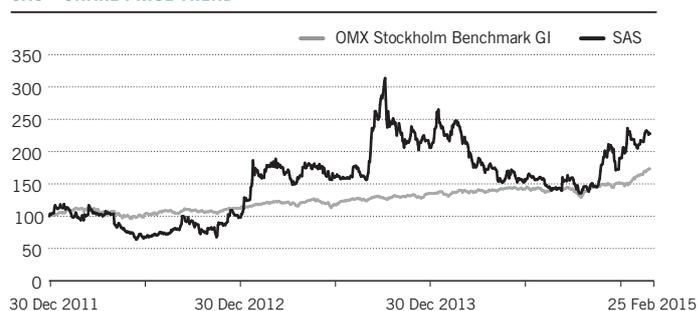
No shares were sold in 2014. The Government currently has the Riksdag's authorisation to divest the holding in SAS.

### TOTAL RETURN ON THE STATE'S PUBLICLY TRADED SHAREHOLDINGS, JAN 2012–FEB 2015

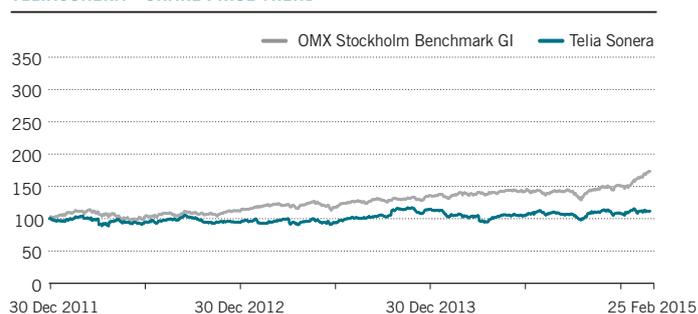


The above graph shows the total return (share price and reinvested dividend) for the state's publicly traded portfolio since 30 December 2011.

### SAS – SHARE PRICE TREND



### TELIASONERA – SHARE PRICE TREND



### MARKET VALUE OF THE STATE'S PUBLICLY TRADED SHAREHOLDINGS, SEKm

Company	State's holding, No. of shares	Participation in company	Holding in % of state's total company portfolio (value SEK 460 billion)	31 Dec 2014	31 Dec 2013	Share price change compared with 31 Dec 2013	25 Feb 2015	Share price change compared with 31 Dec 2014
				Market value, SEKm	Market value, SEKm		Market value, SEKm	
TeliaSonera	1,614,513,748	37.3%	17.7%	81,371	86,457	-6%	84,358	4%
SAS	70,500,000	21.4%	0.2%	1,072	1,163	-8%	1,283	20%
Total			17.9%	82,443	87,620	-6%	85,641	4%

# How the state's finances are affected by company divestments and dividends

Between 2007 and 2014, the state divested companies for a value of SEK 160 billion. Over the same period, state-owned companies paid dividends of SEK 203 billion.

The divestment proceeds, which derive primarily from the divestments of Vin & Sprit and Vasakronan, as well shares in Nordea Bank and TeliaSonera, have been used to amortise central government debt. These amortisations have helped reduce the state's interest expenditure. Divestments of companies also lead to a reduction in possible future dividends, and the sale value normally takes this into account.

The annual dividends from the state-owned companies entail a reduction in central government borrowing needs and thus falling interest expenditure. The state's savings (or net lending, i.e. net investments of funds in the form of financial assets net placed liabilities), increase when the companies distribute funds, as long as the dividend corresponds to profits generated over the year.

When the companies' dividends exceed their profits for the year, thereby decreasing their equity, net lending is unaffected because the dividend is matched by an equal reduction in equity, i.e. financial liability. Consequently, it is not possible to strengthen net lending (savings) through additional dividends exceeding profit for the year from state-owned companies. Nor do divestments affect net lending.

## DIVESTMENTS IN THE STATE-OWNED COMPANY PORTFOLIO SINCE 2007

SEK billion	Year	Income, SEKbn	Participation in company
TeliaSonera	2007	18.0	8%
OMX	2008	2.1	6.6%
Vin & Sprit	2008	57.7	100%
Vasakronan	2008	24.6	100%
Nordea Bank	2011	19.0	6.3%
Arbetslivsresurs	2011	0.1	100%
Vectura	2013	0.9	100%
Nordea Bank	2013	19.5	6.4%
Nordea Bank	2013	21.6	7%
<b>Total</b>		<b>160.3</b>	

## TOTAL DIVIDENDS FROM STATE-OWNED COMPANIES

Year	SEK billion
2007	31.3
2008	23.2
2009	20.8
2010	37.6
2011	27.8
2012	26.7
2013	17.7
2014	18.1
<b>Total</b>	<b>203.2</b>

## HOW THE STATE'S FINANCES ARE AFFECTED BY DIVESTMENT PROCEEDS AND DIVIDENDS

	Proceeds from divestments of companies	Dividends equivalent to operating profit for the year in the companies	Dividends exceeding operating profit for the year in the companies
<b>Central government debt</b>	Decreases	Decreases	Decreases
<b>Central government borrowing requirement and interest expenditure</b>	Decreases	Decreases	Decreases
<b>Net lending</b>	Not affected	Increases	Not affected



## Companies

- 51 Akademiska Hus
- 52 Almi Företagspartner
- 53 APL (Apotek Produktion & Laboratorier)
- 54 Apoteket
- 55 Apoteksgruppen
- 56 Arlandabanan Infrastructure
- 57 Bilprovingen
- 58 Bostadsgaranti
- 59 Dom Shvetsii
- 60 Dramaten
- 61 ESS
- 62 Fouriertransform
- 63 Green Cargo
- 64 Göta kanalbolag
- 65 Infranord
- 66 Inlandsinnovation
- 67 Jernhusen
- 68 Lernia
- 69 LKAB
- 70 Metria
- 71 Miljömärkning Sverige
- 72 Operan
- 73 Orio
- 74 PostNord
- 75 RISE
- 76 Samhall
- 77 SAS
- 78 SBAB
- 79 SEK
- 80 SJ
- 81 SOS Alarm
- 82 Specialfastigheter
- 83 SSC (Svenska rymdaktiebolaget)
- 84 Statens Bostadsomvandling
- 85 Sveaskog
- 86 Svedab
- 87 Svenska Skeppshypotek
- 88 Svenska Spel
- 89 Svevia
- 90 Swedavia
- 91 Swedesurvey
- 92 Swedfund
- 93 Systembolaget
- 94 TeliaSonera
- 95 Teracom Boxer Group
- 96 Vasallen
- 97 Vattenfall
- 98 VisitSweden
- 99 Voksenåsen

Among other things, VisitSweden is responsible for the Sweden brand and Sweden's image.  
 Photo: Fredrika Berghult/NobelMediaAB/  
 imagebank.seden.se



## AKADEMISKA HUS

Akademiska Hus Aktiebolag was formed in 1993 in connection with the reorganisation of the National Board of Public Buildings. The company's mission was clarified in the Budget Bill for 2014. The company shall own, develop and manage properties for universities and colleges, with its main focus being on educational and research operations. These operations are to be conducted on a commercial basis and generate a return in line with the market by setting rent levels that take the operations' risks into account.

### OPERATIONS

Akademiska Hus is one of Sweden's largest property companies. Universities and colleges represent the company's largest customer group. The company's operations consists of owning, managing, planning, building and developing properties. The company plays an important role for universities and colleges and it shall help increase customer benefit and facilitate the development of educational and research activities on campuses, thereby contributing to the objective of strengthening Sweden as a nation of learning. Student housing also represents an important part of the long-term development of the campuses, where Akademiska Hus helps create conditions for external actors to build housing, but where the company can also build and own properties itself. An important cornerstone for the operations is that they be pursued sustainably, commercially and on market terms. This serves to ensure that resources are used efficiently, that competition in the property market is not distorted, and that the substantial property holdings are managed in a long-term sustainable manner. In addition, opportunities are provided, regardless of the economic situation, to invest considerable amounts in new projects for seats of learning around Sweden. Akademiska Hus' operations are characterised by long-term contracts with stable customers, providing a favourable risk profile. The company has operations across the country and its headquarters are located in Gothenburg.

### 2014

- Rental income increased as a result of properties being brought into use.
- Unrealised positive changes in value amounting to approximately SEK 3.5 billion.
- Investments in new construction and renovations of SEK 3 billion during the year.

Akademiska Hus' rental income rose, mainly as a result of new facilities being brought into use. The operating surplus improved somewhat over

### BOARD AND AUDITORS ELECTED FOR 2015/2016



**Chair:** Eva-Britt Gustafsson **CEO:** Kerstin Lindberg Göransson

**Chair:** Eva-Britt Gustafsson **Board:** Britta Burreau, Olof Ehrlén, Ingela Lindh, Leif Ljungqvist, Pia Sandvik, Gunnar Svedberg, Ingemar Ziegler **Employee reps:** Tomas Jenninger, Anders Larsson **Auditor:** Björn Flink, KPMG

Remuneration to the Chairman of the Board is SEK 270 (250). Remuneration to board members elected by the Annual General Meeting is SEK 135 (125). No remuneration is payable to members who are employed by the Swedish Government Offices.

the year, primarily due to lower operating and maintenance costs. A major cost item is energy, where the company's efforts to enhance efficiency have contributed to lower costs in recent years. Major positive unrealised changes in property values helped greatly increase profit after tax compared with 2013. Gross investments in new building and renovations further increased in 2014 and, at the end of the year, the total project portfolio amounted to slightly more than SEK 20 billion.

### PERFORMANCE REVIEW

The return on operating capital was 7.3 (7.2) per cent, which exceeded the target. The equity/assets ratio increased to 48.0 (46.8) per cent, greatly exceeding the target range. An ordinary dividend of SEK 1,445 (1,374) million was proposed for 2014, which is in line with policy. The owner will need to adjust the capital structure in accordance with target equity/assets ratio.

After the owner determined a clarified assignment for Akademiska Hus in 2013, revised financial targets were set by the 2014 Annual General Meeting. Work with the different parts of the assignment and the targets is followed up in consultation with the owner. During 2014, the company intensified its customer-focused efforts, including the development of strategy, communications, efficiency enhancements and cooperation initiatives. In cooperation with other parties, a large number of projects to create new student housing were also implemented during the year.

The amount of energy purchased fell by 3.9 per cent in 2014, which is fully in line with the long-term target. The customer satisfaction index was 66 per cent, which was lower than the target of 70 per cent. Over the year, 14 sustainability initiatives were carried out, which exceeded the target of ten. Target levels for eliminating the CO<sub>2</sub> footprint are being developed.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	5,681	5,588
Changes in value	3,529	232
<b>Operating profit/loss</b>	<b>7,200</b>	<b>3,665</b>
<b>Profit before tax</b>	<b>6,261</b>	<b>3,275</b>
<b>Net profit/loss</b>	<b>5,215</b>	<b>2,568</b>
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>69,719</b>	<b>63,342</b>
Fixed assets	63,399	59,254
<b>Equity</b>	<b>33,432</b>	<b>29,614</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>17,796</b>	<b>18,235</b>
<b>Operating capital</b>	<b>51,228</b>	<b>47,849</b>

KEY RATIOS	2014	2013
Surplus ratio, %	65	63
Operating margin (incl. change in value), %	126.7	65.6
Return on equity after standard tax (average), %	16.5	8.9
Return on operating capital (average), %	7.3	7.2
Net debt/equity ratio, multiple	0.5	0.6
Equity/assets ratio, %	48.0	46.8
Gross investments, SEKm	3,007	2,758
Appropriation, SEKm	0	0
Dividend, SEKm	1,445	1,374
Average no. of employees	408	407

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- Profitability: The Return on operating capital, excluding changes in value, should be at least 6.5 per cent.
- Capital structure: Equity/assets ratio 30–40 per cent.
- Dividend: 40–60 per cent of profit after financial items, excluding unrealised changes in value, less current tax and taking capital structure and capital requirements into account.

### STRATEGIC SUSTAINABILITY TARGETS

- Cooperation with customers on sustainability initiatives.
- Reduction in purchased energy (kWh per square metre).
- Eliminated CO<sub>2</sub> footprint from use of energy in operation.
- An accident-free workplace, both in building and management.

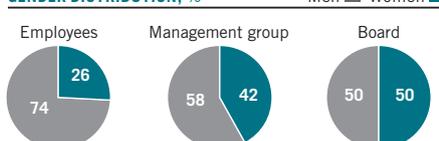
### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

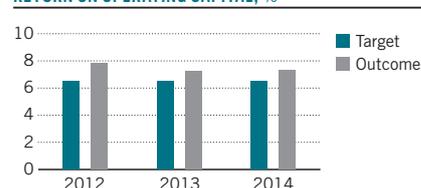
### STATE OWNERSHIP, %



### GENDER DISTRIBUTION, %



### RETURN ON OPERATING CAPITAL, %





Almi Företagspartner AB was formed in 1994 following a resolution by the Riksdag according to which the county-specific development funds were reorganised from foundations into limited companies in a group under a parent company wholly owned by the state. Almi's assignment is to contribute to growth and innovation, through advisory services, loans and equity capital to develop competitive small and medium-sized companies, both nationally and globally.

#### OPERATIONS

Almi's activities include advisory services, loans and equity capital for companies in early development or entering a new phase. Almi's operations are to complement the private market with regard to companies' needs for financing and advice and should engage where suitable private options exist.

Within the Almi group, counselling and lending are conducted in 16 regional subsidiaries, owned 51 per cent by the parent company and 49 per cent by regional actors (county councils, regions, municipal cooperation bodies and others). Advice is provided both by Almi's own advisers and by externally procured consultants, as well as by the part-owned IFS Rådgivning AB, which focuses on people with a foreign background. Where possible, lending is conducted in collaboration with other lenders, such as banks, at an interest rate above average bank interest rates. Almi's total loan fund amounts to just over SEK 5 billion and lending operations are to be conducted such that the capital is kept nominally intact.

Investments in equity capital are made through the Almi Invest organization in which 40 investment managers spread over eight regions invest equity capital in both seed capital (projects in the very early stages of development) and partly in companies in the early growth stage. Almi Invest always co-invests alongside private investors. Almi Invest's fund capital of about SEK 1 billion partly comprises the 2009 Structural Fund, which consists 50 per cent of EU structural funds and 50 per cent of financing equally distributed between the parent company and the regional owners. There are also funds from the former Innovationsbron with which Almi merged in 2012/13.

#### 2014

- Improvement earnings due to lower loan losses.
- Newly granted loans increased by 7 per cent in value, but decreased 2 per cent in number.
- SEK 211 million in equity capital was invested in 194 companies.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Birgitta Böhlín CEO: Göran Lundwall

Chair: Birgitta Böhlín Board: Anders Byström, Katarina Green, Nicolas Hassbjer, Åke Hedén, Agneta Mårdsjö, Anna Söderblom (Katarina Green was elected at the 2015 Annual General Meeting when Inga Thoresson-Hallgren left the board) Employee reps: Maria Ines Ribeiro de San Juan, Christina Wahlman Deputy employee reps: Per-Arne Norbäck Auditor: Jonas Ståhlberg, Deloitte

Remuneration to the Chairman of the Board is SEK 180,000 (150,000). Remuneration to board members elected by the Annual General Meeting is SEK 90,000 (80,000). No remuneration is payable to members who are employed by the Swedish Government Offices

Almi's revenues in 2014 consisted of a grant from the state of SEK 260 (260) million, operating grants from the minority shareholders in the regional subsidiaries, compensation for assignments performed for companies, county councils, municipalities and others, as well as revenues from loan operations and asset management. Operating income decreased by 2.4 per cent, primarily due to lower project revenues and somewhat lower interest income.

The value of newly granted loans in Almi increased to SEK 2,354 (2,200) million, distributed between 3,857 (3,921) loans. Over the year, loan losses in relation to lending volumes decreased to 3.8 (5.6) per cent. After loan losses, the return on loaned funds amounted to 3.9 (1.7) per cent. Among Almi's priority target groups, the number of loans to women has increased by 2 per cent compared with last year, representing 32 (30) per cent of the total number of loans granted in 2014. The number of loans to entrepreneurs with a foreign background fell by 6 per cent and accounted for 28 (29) per cent of the total number of loans granted. Almi's advisory offering was utilised by 17,003 (18,271) unique customers.

Within Almi Invest, new and follow-on investments were made in 194 portfolio companies, corresponding to SEK 211 million during 2014. At the end of the year, Almi had holdings in 375 (357) portfolio companies, and participations in 10 (11) mutual fund companies.

#### PERFORMANCE REVIEW

The owner has yet to set any financial goals or public policy targets for Almi. Operations are monitored based on a number of reporting requirements specified in an owner instruction.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	1,074	1,100
Operating profit/loss	35	-27
Profit before tax	120	75
Net profit/loss	120	75
- of which attributable to minority interests	1	1

BALANCE SHEET, SEKm	2014	2013
Total assets	7,804	7,733
Fixed assets	4,867	4,857
Equity	6,939	6,820
- of which, minority interests	183	182
Net debt	-2,869	-2,787
Operating capital	4,070	4,033

KEY RATIOS	2014	2013
Operating margin, %	3.2	neg
Return on equity (average), %	1.7	1.1
Return on operating capital (average), %	0.9	neg
Net debt/equity ratio, multiple	-0.4	-0.4
Equity/assets ratio, %	88.9	88.2
Gross investments, SEKm	221	222
Appropriation, SEKm	260	260
Dividend, SEKm	0	0
Average no. of employees	436	454

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

#### TARGETS

##### FINANCIAL TARGETS

- No financial targets have been set by the owner. In the long term, Almi shall conduct its lending operations in such a way that its capital remains nominally intact in accordance with Bill 1993/94:40.

##### STRATEGIC SUSTAINABILITY TARGETS

- Sustainability issues must be included in the dialogue with all customers.
- Almi should undertake proactive measures in relation to all target groups.
- There should be diversity in Almi's own organisation.

##### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Targets have not yet been developed in accordance with the process for public policy targets.

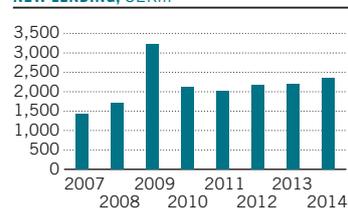
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### NEW LENDING, SEKm





Apotek Produktion & Laboratorier AB's (APL) principal assignment is to produce and supply extempore pharmaceuticals and stock preparations, that is, pharmaceuticals tailored for an individual patient, clinic, animal or herd, or that are only produced in small series. The company was previously a subsidiary of Apoteket AB, but has been directly owned by state since 30 June 2010.

#### OPERATIONS

Today, APL supplies extempore pharmaceuticals to all pharmacy companies operating in the outpatient care market, as well as to inpatient care providers, on equal and non-discriminatory terms. Following changes in the law, which came into effect on 1 June 2010, the extempore market is exposed to competition.

Until 1 July 2015, the company bears a particular responsibility to produce and deliver extempore pharmaceuticals and stock preparations on demand from outpatient pharmacies.

APL is required to develop and supply, in close cooperation with specialists and prescribers (e.g. physicians, dentists and veterinarians), authorities and other stakeholders, a medically appropriate and quality-assured range of extempore pharmaceuticals and stock preparations. The company shall also safeguard the availability of easily accessible information, user-friendly payment procedures and efficient supplies of its pharmaceuticals. APL is also responsible for the administration of product numbers and cataloguing of the stock preparations produced and that are sold extempore pharmacies.

APL also offers development and production services for the Life Science sector.

#### 2014

- Positive trend for sales of substance preparation services for the county councils.
- Increased sales within Life Science.
- Together with higher sales volumes, investments in IT-related operational support generated increased costs.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Johan Assarsson

CEO: Eva Sjökvist Saers

**Chair:** Johan Assarsson **Board:** Malin Forkman, Britt Hansson, Eugen Steiner, Ulf Tossman (Malin Forkman and Ulf Tossman were elected at the 2015 Annual General Meeting when Gunilla Högbon and Wenche Rolfsen left the board) **Employee reps:** Johan Hammargren, Susann Danielsson-Lindberg **Deputy employee reps:** Astrid Holdt, Maria Åhman **Auditor:** Åsa Lundvall, EY

Remuneration to the Chairman of the Board is SEK 250,000 (250,000). Remuneration to board members elected by the Annual General Meeting is SEK 130,000 (130,000).

#### PERFORMANCE REVIEW

The equity/assets ratio for 2014 was 41.9 per cent. The return on equity was 4.3 per cent. With the implementation of the company's strategy in mind and its investment needs, the company is not distributing any dividends for the 2014 financial year. Equity amounted to SEK 213.8 million, which was SEK 6.3 million higher than at the start of the year. This change corresponds to net profit for the year less the dividends paid during the year.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	1,183	1,174
Operating profit/loss	15	28
Profit before tax	12	23
Net profit/loss	9	19
– of which attributable to minority interests	0	0
BALANCE SHEET, SEKm	2014	2013
Total assets	511	524
Fixed assets	228	234
Equity	214	208
– of which, minority interests	0	0
Net debt	161	154
Operating capital	375	362
KEY RATIOS	2014	2013
Operating margin, %	1.3	2.4
Return on equity (average), %	4.4	9.8
Return on operating capital (average), %	4.1	7.8
Net debt/equity ratio, multiple	0.8	0.7
Equity/assets ratio, %	41.9	39.6
Gross investments, SEKm	18	18
Appropriation, SEKm	0	0
Dividend, SEKm	0	3
Average no. of employees	512	537

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Return exceeding 8 per cent.
- Capital structure: Equity/assets ratio 40–50 per cent.
- Dividend: At least 50 per cent of net profit for the year.

##### STRATEGIC SUSTAINABILITY TARGETS (selection)

- Reduce carbon dioxide emissions by 15 per cent, focusing on district heating and transport.
- Reduce pharmaceutical waste from production by 30 per cent.
- To continuously develop operations on the basis of APL's equality and diversity plan.

Read all of the sustainability targets in the company's annual report.

##### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Targets have not yet been developed in accordance with the process for public policy targets.

#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %





Apoteket AB was founded as Apoteksbolaget AB in 1970 when the pharmacy market was nationalised. In 2009, Apoteket's monopoly in the pharmacy market came to an end. Approximately two-thirds of the company's network of shops was sold in the spring of 2010. Today the company operates in a fully competitive market. Apoteket remains a central state-owned player in the pharmacy market, and shall be operated in such a way that a satisfactory supply of pharmaceuticals in Sweden is facilitated.

#### OPERATIONS

Apoteket offers products and services in the areas of pharmaceuticals and health. In the outpatient market, the company provides prescription and non-prescription pharmaceuticals, merchandise, health services and information to private individuals through about 370 pharmacies nationwide.

The company also has a well-developed remote trade business which consists of Internet sales and remote sales via the company's pharmacy agents. Increased access to pharmaceuticals and advice represent an important component in the company's strategy. Apoteket's other major customer area offers supply and pharmacy services, including pharmaceutical supply, briefings on pharmaceuticals and other advisory services to county councils, municipalities and private healthcare companies. The company also conducts dispensing operations, which are an important part in increasing patient safety and accessibility. The owner's ambition is for Apoteket to remain an efficient, competitive and long-term profitable player in the pharmacy market. Here, sustainability work is an important and integrated part of the company's profiling and commercial operations. The company continuously further develops its sustainable customer offering to strengthen its position as the leading pharmacy player, both towards consumers and on the contractual side of its operations.

Apoteket is also assigned with maintaining the existing pharmacy agents to the extent necessary to maintain a satisfactory supply of medicines in the locality where the agent operates.

#### 2014

- Sales decreased due to fewer and smaller-scale contracts in the healthcare market.
- Lower operating costs but also lower gross margin.
- Continued efforts to strengthen the customer offering.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Christian W Jansson CEO: Ann Carlsson

Chair: Christian W Jansson Board: Maria Curman, Gert Karnberger, Leif Ljungqvist, Kristina Schauman, Sussi Kvar (Sussi Kvar was elected at the 2015 Annual General Meeting when Elisabet Wenzlaff left the board)

Employee reps: Gunilla Larsson, Carin Sällström-Nilsson Deputy employee reps: Marie Redeborn, Lena Rhodin Auditor: Åsa Lundvall, EY

Remuneration to the Chairman of the Board is SEK 300,000 (300,000). Remuneration to board members elected by the Annual General Meeting is SEK 150,000 (150,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

Apoteket's sales of pharmaceuticals and other health products in the consumer market increased in 2014. Nonetheless, this increase could not fully offset lower turnover in the healthcare market. In the second half of 2014, however, sales rose compared with the preceding year. Operating profit fell slightly compared with the previous year, with an increased share of more expensive pharmaceuticals with a lower margin and reduced parallel imports contributing to this. Net turnover decreased by 2 per cent as a consequence of less extensive and fewer agreements in the healthcare market. Operating expenses were brought down through various cost-saving measures.

#### PERFORMANCE REVIEW

Apoteket's operating margin amounted to 1.8 (1.9) per cent in 2014, with the focus remaining on reaching 3 per cent. The consolidated, pension-adjusted debt/equity ratio for 2014 was a multiple of 0.03 (0.2), and was thus lower than the targeted debt/equity ratio of a multiple of 0.4–0.8. The dividend amounted to SEK 158 million, which constituted 60 per cent of adjusted profit, in line with policy.

With regard to the sustainability targets, at the end of 2014, 94 per cent of the company's suppliers (non-prescription) had signed the Code of Conduct, putting the target of 100 per cent within reach. Employee motivation rose from 67 per cent to 72 per cent and the target has now been set at 80 per cent. Furthermore, 80 per cent of Apoteket's customers are to return left-over pharmaceuticals, with the company estimating the current level at about 75 per cent. Apoteket has adhered fully with the points detailed in the owner instruction including with regard to the pharmacy agents.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	18,567	18,847
Operating profit/loss	343	355
Profit before tax	481	436
Net profit/loss	371	364
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	8,028	7,866
Fixed assets	4,201	4,223
Equity	4,686	4,389
– of which, minority interests	0	0
Net debt	–3,647	–3,350
Operating capital	1,039	1,039

KEY RATIOS	2014	2013
Operating margin, %	1.8	1.9
Return on equity (average), %	8.2	9.8
Return on operating capital (average), %	33.0	23.0
Net debt/equity ratio, multiple	–0.8	–0.8
Equity/assets ratio, %	58.4	55.8
Gross investments, SEKm	70	135
Appropriation, SEKm	0	0
Dividend, SEKm	158	150
Average no. of employees	3,474	3,899

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

#### FINANCIAL TARGETS

- Profitability: Operating margin 3 per cent.
- Capital structure: Debt/equity ratio 0.4–0.8 times pension-adjusted equity.
- Dividend: 40–60 per cent of net profit for the year adjusted for profit and tax relating to the pension foundation.

#### STRATEGIC SUSTAINABILITY TARGETS

- Health target – NKI 80.
- Diversity target – 80 per cent motivated employees.
- Range target – 100 per cent of suppliers to have signed the Code of Conduct.
- Environmental target – 80 per cent to return left over pharmaceuticals.

Read more about the sustainability targets in the company's annual report.

#### PUBLIC POLICY TARGETS

- Among other directives, the owner instruction for Apoteket states that the company shall retain the existing pharmacy agents until 30 June 2016.

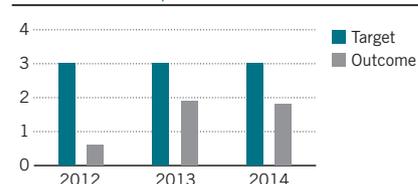
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### OPERATING MARGIN, %



# apoteksgruppen

The company, which is wholly owned by the Swedish state was founded in 2009 and is tasked with implementing the restructuring of the pharmacy market and giving small-scale entrepreneurs the opportunity to operate pharmacies. Today, Apoteksgruppen is a voluntary pharmacy chain consisting of 165 pharmacies, operated by some 180 self-employed individuals under a shared brand.

## OPERATIONS

Apoteksgruppen generates economies of scale for affiliated pharmacies through cooperation. The service organisation offers pharmacy owners support in operating their pharmacies. The pharmacy owners, gain access to a shared product range, Apoteksgruppen's proprietary brands, purchasing, finance and HR systems, quality, sales and start-up support, shared marketing and IT systems. The pharmacy market consists largely of five players, with Apoteksgruppen being the fourth-largest with a market share of approximately 10 per cent.

## 2014

- Stable pharmacy market and slightly increasing volumes.
- Reinforced service offering increases customer satisfaction.
- A new digital platform is being developed.

During the year, the group showed strong growth in operating income. Due to changes in accounting principles, the figures for the year include sales from proprietary pharmacies. Operating profit deteriorated, mainly due to costs for the development of a digital platform

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Birgitta Böhlin



CEO: Eva-Britt Gustafsson

**Chair:** Birgitta Böhlin **Board:** Peder Larsson, Annema Paus, Richard Reinius, Gunilla Rittgård, Satish Sen (Gunilla Rittgård and Richard Reinius were elected at the 2015 Annual General Meeting when Gunvor Engström and Lars Erik Fredriksson left the board)  
**Auditor:** Lena Möllerström Nording, Grant Thornton

Remuneration to the Chairman of the Board is SEK 250,000 (250,000). Remuneration to board members elected by the Annual General Meeting is SEK 130,000 (130,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

having burdened earnings. For pharmacies affiliated with Apoteksgruppen, total sales for 2014 amounted to SEK 3,429 (3,358) million, an increase of 2.1 per cent, which was mainly due to the market growing by 4.9 per cent in 2014. Operating profit amounted to SEK 208 (202) million. The improvement in profits is mainly explained by the positive trend in merchandise sales.

## PERFORMANCE REVIEW

The equity/assets ratio for 2014 exceeded the target of approximately 80 per cent. Profitability was 0.9 (1.8) per cent, which fell short of the target. The dividend amounted to SEK 0.0 (3.5) million.

Progress towards the strategic sustainability targets during the year was favourable. Apoteksgruppen is the chain that uses the EEA system most.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	254	181
Operating profit/loss	-8	-7
Financial income	10	15
Profit before tax	-3	7
Net profit/loss	0	0
- of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	474	495
Fixed assets	116	179
Equity	396	412
- of which, minority interests	0	0
Net debt	0	-25
Operating capital	396	387

KEY RATIOS	2014	2013
Operating margin, %	neg	neg
Return on equity (average), %	neg	1.8
Return on operating capital (average), %	neg	neg
Net debt/equity ratio, multiple	0.0	-0.1
Equity/assets ratio, %	83.6	83.2
Gross investments, SEKm	11	9
Appropriation, SEKm	0	0
Dividend, SEKm	0	4
Average no. of employees	59	80

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- Profitability: Return on equity at least 4 per cent.
- Capital structure: Equity/assets ratio in the group approximately 80 per cent.
- Dividend: 40 per cent of profit for the year, taking the target equity/assets ratio in to account.

### STRATEGIC SUSTAINABILITY TARGETS

- Increase the level of service at Apoteksgruppen pharmacies (that is, the proportion of prescriptions directly dispensed).
- Increase the use of EES (Electronic Expert Support) in connection with the dispensing of prescriptions at pharmacies within Apoteksgruppen.
- Increase the proportion of Swan and Swallow eco-labelled products in relation to total merchandise.

### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

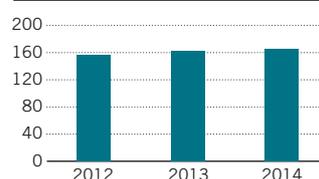
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## NUMBER OF PHARMACIES AFFILIATED TO APOTEKSGRUPPEN





To connect the Swedish rail system with Arlanda Airport, the Riksdag approved in 1994 an infrastructure project jointly financed by the Government and private business – the Arlandabanan rail line. Arlandabanan Infrastructure AB was formed under the auspices of the Government to implement the project and manage the facility.

#### OPERATIONS

Arlandabanan Infrastructure owns and administers the Arlandabanan rail line, granting use of the line and certain rights for the operation of high-speed shuttle trains (Arlanda Express) between Arlanda Airport and Stockholm Central. Arlandabanan Infrastructure controls the operation of the facility, as well as the operation of the rail services. The company shall also promote integrated and efficient traffic on the line and work together with Swedavia to create an attractive rail and air traffic solution at Arlanda airport.

Arlandabanan Infrastructure administers the contracts associated with the Arlandabanan line and is responsible for ensuring that the Government's rights and obligations in accordance with the contracts are observed. A-Train AB holds the concession for the line and is Arlandabanan Infrastructure's contractual counterparty. A-Train operates the Arlanda Express service, manages the infrastructure and is responsible for all of the obligations this entails. The contracts grant A-Train the right to use Arlandabanan Infrastructure's traffic rights on the state-owned rail network as well as the right to use Arlandabanan and its stations. Under certain conditions, the right of use also entails an obligation to grant use of the line and the station at Arlanda Airport to other railway companies.

Arlandabanan Infrastructure shall promote increased rail travel to and from Arlanda Airport. Rail travel is to be developed by integrating new catchment areas well with other rail services. The objective is to double rail travel by 2015 compared with 2010. To date, the increase is 25 per cent.

Through the Swedish National Debt Office, the state has issued an interest and amortisation-free loan to A-Train. According to the terms, the state is instead entitled to royalties from A-Train AB. These royalties may be lower or higher than the state's costs for the loan. Arlandabanan Infrastructure's objective is to endeavour that the loan will be repaid within the contract period.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Jan Olson

CEO: Ulf Lundin

Chair: Jan Olson Board: Lars Erik Fredriksson, Kerstin Hessius, Irene Svenonius (Lars Erik Fredriksson was elected at the 2015 Annual General Meeting when Hans Brändström left the board) Auditor: Mikael Sjölander, EY

Remuneration to the Chairman of the Board is SEK 110,000 (110,000). Remuneration to board members elected by the Annual General Meeting is SEK 66,000 (66,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

#### 2014

- The number of passengers using Arlanda Express rose by 8 per cent.
- The number of passengers using other railway companies rose by 7 per cent.

Arlandabanan Infrastructure's operations are financed through revenues from traffic rights, land rent from A-Train, special control and supervision fees from A-Train and commission fees from Trafikverket (Swedish Transport Administration). Each year, the operations report a break-even result.

Traffic at Arlanda Airport, as well as travel to and from the airport, increased. Travel by SL's commuter rail service to Arlanda Airport increased by 14 per cent. Arlanda Express' market share rose from 14.2 per cent to 14.5 per cent.

#### PERFORMANCE REVIEW

Due to the company's financing, its financial outcome will always be break-even.

In the process of setting long-term sustainability targets, these have been broken down into long-term and quantifiable targets.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	68	67
Operating profit/loss	0	0
Profit before tax	0	0
Net profit/loss	0	0
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	1,455	1,511
Fixed assets	1,437	1,494
Equity	10	10
– of which, minority interests	0	0
Net debt	–10	–8
Operating capital	0	2

KEY RATIOS	2014	2013
Operating margin, %	0.0	0.0
Return on equity (average), %	0.0	0.0
Return on operating capital (average), %	0.0	0.0
Net debt/equity ratio, multiple	–1.0	–0.8
Equity/assets ratio, %	0.7	0.7
Gross investments, SEKm	0	0
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	1	1

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

#### TARGETS

##### FINANCIAL TARGETS

- The company's operations are not intended to make a profit.

##### STRATEGIC SUSTAINABILITY TARGETS

Overarching objectives have been established within the areas of:

- Diversity and justice.
- Limited environmental impact.
- Anti-corruption.
- Traveller satisfaction.

##### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Operations within the framework of the public policy target funded through state appropriations are followed up.

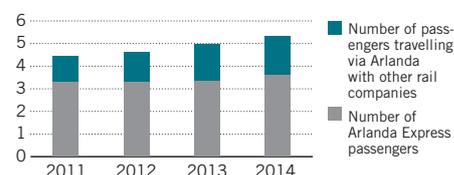
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### NUMBER OF PASSENGERS TO ARLANDA AIRPORT, million



# BILPROVNINGEN

Aktiebolaget Svensk Bilprovning, Bilprovningen (Swedish Motor-Vehicle Inspection Company) was founded in 1963, commissioned by the Riksdag and the Government. The vehicle inspection market was deregulated in 2010 and in 2012 the process began of dividing Bilprovningen into three clusters of station networks, two of which were later sold. Since March 2013, Bilprovningen has been fully owned by the state.

## OPERATIONS

Bilprovningen conducts commercial operations in a fully deregulated market. With 94 stations and approximately 650 employees, even following the completion of the divestments, Bilprovningen remains a leading actor in motor vehicles inspection and the only player in the market with a nationwide network of stations. By providing advice and inspecting vehicles, Bilprovningen shall meet customers' service requirements regarding their vehicles' traffic safety, environmental impact and running costs. Bilprovningen shall be located close to customers and offer its services in a manner that suits the customer. In 2014, Bilprovningen opened new vehicle inspection stations in Kallhäll, Enköping and Värmdö outside Stockholm. In its market, Bilprovningen is the player with the best availability in terms of opening hours and also offers a drop-in service. In 2014, Bilprovningen carried out more than two million inspections, of which 88 per cent consisted of mandatory inspection and registration inspections in accordance with EU directives and national laws and regulations. The company has a strong brand that is to be maintained through a high-quality customer service and a responsible approach that is sustainable in the long term.

## 2014

- Organic growth was 5 per cent.
- Profitability improved and operating profit amounted to SEK 60 (24) million.
- The average market share during the year was 33 per cent.

Bilprovningen's turnover fell to SEK 719 (785) million, although that included cluster 2 (now Besikta Bilprovning i Sverige AB) for slightly more than three months in 2013. Operating profit rose to SEK 60 (24) million, which is partly the result of a price increase implemented by the company in the autumn of 2014. Competition in the vehicle inspection market increased during the year and, combined, the three players originating from Bilprovningen: Bilprovningen, Opus and Besikta,

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Karin Strömberg CEO: Benny Örnérors

**Chair:** Karin Strömberg **Board:** Gunnar Malm, Anna Nilsson Ehle, Hans Krondahl, Kristina Patek, Héléne Westholm (Héléne Westholm was elected at an Extraordinary General Meeting in November 2014 when Leif Ljungqvist left the board, Kristina Patek was elected at the 2015 Annual General Meeting when Cecilia Daun Wennborg left the board) **Employee reps:** Bengt Lindblom, Joakim Rönnlund **Deputy employee reps:** Göran Lund, Jonas Nilsson **Auditor:** Jonas Ståhlberg, Deloitte

Remuneration to the Chairman of the Board is SEK 160,000 (130,000). Remuneration to board members elected by the Annual General Meeting is SEK 85,000 (80,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

held 86 per cent of the market in December 2014. In addition to these actors, there are seven others, who accounted for 14 per cent of the market. The largest of these smaller players is Carspect, with about 8 per cent. At the end of 2014, there were a total 384 inspection stations, which is double the number prior to deregulation, when there were 192 stations. In 2014, the market gained 27 new stations; an increase of 24 per cent on the previous year.

At the 2014 Annual General Meeting, new financial targets and a new dividend policy were adopted for Bilprovningen.

## PERFORMANCE REVIEW

For the 2014 financial year, the company's operating margin amounted to 8.4 per cent (3.1) and the equity/assets ratio was 44 (64) per cent. The reason for the reduction in the equity ratio is that, at the 2014 Annual General Meeting, the company approved a special dividend that, combined with the ordinary dividend, amounted to SEK 290 million. The dividend for the 2014 financial year amounts to SEK 48 million, equivalent to 95 per cent of net profit for the year in the parent company.

The company works continuously to achieve its target for the number of additional supplementary inspections. In 2014, the proportion of female inspection technicians amounted 10 per cent and inspection technicians with a foreign background accounted for 14 per cent. Between 2006 and 2012, Bilprovningen almost halved its climate impact and it reduced its energy consumption by about 15 per cent.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	719	785
<b>Operating profit/loss</b>	<b>60</b>	<b>24</b>
<b>Profit before tax</b>	<b>63</b>	<b>40</b>
<b>Net profit/loss</b>	<b>63</b>	<b>31</b>
– of which attributable to minority interests	0	0
<b>BALANCE SHEET, SEKm</b>	<b>2014</b>	<b>2013</b>
<b>Total assets</b>	<b>330</b>	<b>583</b>
Fixed assets	53	60
<b>Equity</b>	<b>145</b>	<b>372</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>0</b>	<b>0</b>
<b>Operating capital</b>	<b>145</b>	<b>372</b>
<b>KEY RATIOS</b>	<b>2014</b>	<b>2013</b>
Operating margin, %	8.4	3.1
Return on equity (average), %	24.3	4.6
Return on operating capital (average), %	n/a	n/a
Net debt/equity ratio, multiple	1.5	1.2
Equity/assets ratio, %	43.8	63.7
Gross investments, SEKm	19	11
Appropriation, SEKm	0	0
Dividend, SEKm	48	290
Average no. of employees	646	731

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- Profitability: Operating margin at least 8 per cent.
- Capital structure: Equity/assets ratio 30–40 per cent.
- Dividend: At least 80 per cent of net profit for the year.

### STRATEGIC SUSTAINABILITY TARGETS

- Safe vehicles: Supplementary checks doubled. (2016).
- Attractive employer: Employee turnover max 7 per cent, percentage of female inspection technicians at least 12 per cent, percentage of employees with foreign backgrounds at least 17 per cent (2016).
- Environmental role model: Climate impact is to be reduced by 80 per cent (2006–2050) with an intermediate target to reduce this by 30 per cent by 2020, energy consumption to be reduced cumulatively by 2 per cent annually (kWh/inspection).

### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

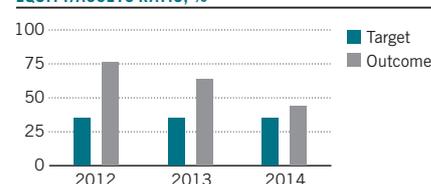
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## EQUITY/ASSETS RATIO, %



# AB BOSTADS GARANTI

Aktiebolaget Bostadsgaranti was formed in 1962 and since then has worked with consumer protection in residential construction. Bostadsgaranti is owned equally by the state and the Swedish Construction Federation. As a step in the owner's liquidation of the company, in November 2014, Bostadsgaranti completed the divestment of the shares in the subsidiary Försäkringsaktiebolaget Bostadsgaranti (FABO).

## OPERATIONS

In December 2012, the Riksdag authorised the Government to divest the state's shares in Bostadsgaranti and in 2014 the Government was authorised, as an alternative, to liquidate the company.

The divestment of the shares in the wholly owned subsidiary FABO in 2014 was part of the liquidation of Bostadsgaranti as a whole. The buyer, Columbia Insurance Company, is a wholly owned subsidiary of the US insurance and investment company Berkshire Hathaway. Following the divestment, the remaining operations in Bostadsgaranti consisted of the ongoing liquidation of the deposit and advance guarantees. New sales ceased in 2012 and remaining commitments are expected to have been completed by 2018 at the latest.

## 2014

- Divestment of subsidiary Försäkringsaktiebolaget Bostadsgaranti.
- Remaining operations consist of the liquidation of previously pledged securities.

Historically, the parent company's operations have consisted of issuing guarantees in accordance with the Tenant Owner Act. This issuance of guarantees ceased in April 2012 and is now being phased out. In 2013, training and consultancy operations in connection with the production of tenant-owner properties ceased.

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Hans Wibom

CEO: Kåre Eriksson

**Chair:** Hans Wibom **Board:** Bo Antoni, Pether Fredholm, Richard Reinius (Maurice Forstlund left the board at the 2015 Annual General Meeting) **Auditor:** Gunilla Wernelind, KPMG

Remuneration to the Chairman of the Board is SEK 76,000 (76,000). Remuneration to board members elected by the Annual General Meeting is SEK 38,000 (38,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

Consolidated net sales decreased by 90 per cent over the year. The substantial increase in profit before tax is mainly explained by capital gains from the divestment of the subsidiary FABO and dissolution of a part of the company's fund to cover warranty damage resulting from the settlement of previously pledged securities. At the end of the year, the market value of the company's investments was SEK 275 (982) million. The decline corresponds to the investment assets associated with the disposal of FABO.

## PERFORMANCE REVIEW

The return on equity for 2014 amounted to 76 per cent, thus exceeding the target. The dividend amounted to SEK 275 million, half of which accrues to the state as an owner, which is in line with policy.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	1	7
Operating profit/loss	-12	-4
Profit before tax	220	68
Net profit/loss	263	51
- of which attributable to minority interests	0	0
<b>BALANCE SHEET, SEKm</b>	<b>2014</b>	<b>2013</b>
Total assets	399	1,419
Fixed assets	0	1
Equity	337	356
- of which, minority interests	0	0
Net debt	-399	-718
Operating capital	-62	-362
<b>KEY RATIOS</b>	<b>2014</b>	<b>2013</b>
Operating margin, %	neg	neg
Return on equity (average), %	76.0	15.1
Return on operating capital (average), %	5.6	1.3
Net debt/equity ratio, multiple	-1.2	-2.0
Equity/assets ratio, %	84.4	25.1
Gross investments, SEKm	0	0
Appropriation, SEKm	0	0
Dividend, SEKm	275	18
Average no. of employees	1	12

Reported in compliance with GRI guidelines	No
Externally assured GRI report	No
Reports in compliance with IFRS	No

## TARGETS

### FINANCIAL TARGETS

- Profitability: Return on equity shall correspond to the five-year government bond rate plus 3 percentage points.
- Dividend: At least one third of net profit for the year.

### STRATEGIC SUSTAINABILITY TARGETS

- No strategic sustainability targets have been developed for the company.

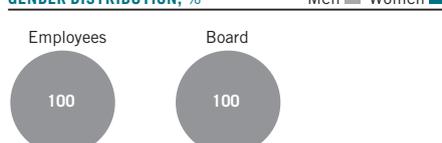
### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

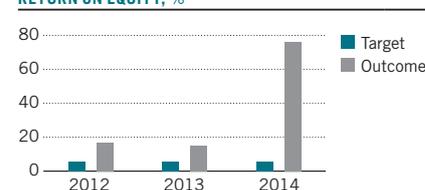
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## RETURN ON EQUITY, %



## A/O Dom Shvetsii

The Riksdag resolved in the autumn of 1994 that the Swedish Government and City of St. Petersburg, Russia would form a limited company, A/O Dom Shvetsii, ("House of Sweden"). The company administers a "House of Sweden" in St. Petersburg, housing official, cultural and commercial functions. The Ministry for Foreign Affairs leases premises in the building for the Swedish Consulate General of Sweden. A large proportion of the remaining premises are leased to operations with Swedish connections and to Swedish and foreign companies.

### OPERATIONS

The intention was that establishing a House of Sweden in central St. Petersburg would be seen as a step in the development of relations between Russia and Sweden, where Sweden has a particular interest in developing relations with St. Petersburg and northwest Russia. Giving Swedish authorities and the Swedish business sector a natural base for their operations in St. Petersburg was considered a priority. The project was to be implemented on commercial terms and with the long-term objective of being independently financially viable. The company was formed through a tripartite agreement between the Swedish Government, the City of Saint Petersburg and Skanska. Skanska divested its 49-per cent holding in Dom Shvetsii to CA Fastigheter in the autumn of 2008.

Dom Shvetsii is a Russian limited company owned 49 per cent by Ladoga Holding AB (a subsidiary of CA Fastigheter), 36 per cent by the Swedish State, and 15 per cent by the City of St. Petersburg. Dom Shvetsii retains the right of disposal of the Sweden House complex and the land for 49 years. The property complex includes a lettable area of about 4,500

### BOARD AND AUDITORS ELECTED FOR 2015/2016



**Chair:** Jan Borekull

A management company attends to the responsibilities of CEO

**Chair:** Jan Borekull **Board:** Johan Damne, Lars Grundberg, Vladislav Vilorgovich Kozelskij, Lena Wedén (Lena Wedén was elected at the 2015 Annual General Meeting when Leif Appelblom left the board)  
**Auditor:** Dimitry Mikhaylov, Dimitry Mikhaylov Consulting Bureau

Remuneration to the Chairman of the Board is USD 0 (0). Remuneration to board member elected by the Annual General Meeting is USD 4,000 (4,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

square metres. The largest tenant is the Ministry for Foreign Affairs, which leases premises for the offices and residence of the Consulate General of Sweden and apartments for emissaries. Other major tenants are the Stockholm School of Economics, the Royal Bank of Scotland and the Nordic Council of Ministers.

### 2014

- Occupancy rate of 91 per cent.
- Increased competition due to increased supply of office space in the city. The economic trend in Russia may also contribute to a declining property market.

### PERFORMANCE REVIEW

Dom Shvetsii's operations are entirely dependent on the level of demand for premises in St. Petersburg. Today, the House of Sweden has an occupancy rate of 91 per cent.

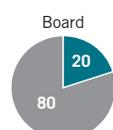
INCOME STATEMENT, SEKm	2014	2013
Net turnover	13	18
<b>Operating profit/loss</b>	<b>11</b>	<b>14</b>
<b>Profit before tax</b>	<b>10</b>	<b>12</b>
<b>Net profit/loss</b>	<b>8</b>	<b>10</b>
- of which attributable to minority interests	0	0
BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>25</b>	<b>27</b>
Fixed assets	10	15
<b>Equity</b>	<b>13</b>	<b>-3</b>
- of which, minority interests	0	0
<b>Net debt</b>	<b>9</b>	<b>15</b>
KEY RATIOS	2014	2013
Operating margin, %	88.9	75.2
Return on equity (average), %	157.4	neg
Equity/assets ratio, %	50.8	-13.6
Gross investments, SEKm	0	0
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	0	0

Reported in compliance with GRI guidelines	No
Externally assured GRI report	No
Reports in compliance with IFRS	No

### STATE OWNERSHIP, %

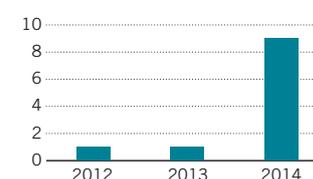


### GENDER DISTRIBUTION, %



Men ■ Women ■

### VACANCY RATE, %



# DRAMATEN

Kungliga Dramatiska Teatern (the Royal Dramatic Theatre) has been Sweden's national stage for spoken theatre since the days of King Gustav III. The theatre has had varying degrees of state influence since its inception and, in 1975, it became a state-owned limited company. As national stage, the objective is for Kungliga Dramatiska Teatern to be the leading institution in its field.

## OPERATIONS

Kungliga Dramatiska Teatern (also known in Swedish as simply Dramaten) is to be Sweden's leading drama institution and, as a national stage, it shall maintain the highest standards in terms of development, renewal, artistic quality and craftsmanship in its studios and workshops. Dramaten is to operate in an international theatrical and cultural context, initiating partnerships and promoting intercultural exchange. Dramaten shall nurture and promote the Swedish language and Sweden's national heritage in theatre.

It shall offer a varied repertoire including Swedish and international classics and modern works, as well as including drama for children and young people. The theatre shall also support innovative Swedish performing arts by commissioning and staging contemporary Swedish drama, while also provide space for innovative performing artists.

Dramaten is to reach the widest and largest audience possible, targeting adults as well as children and young people. At the same time, Dramaten shall be of interest for a nationwide audience in Sweden. Dramaten shall strive to reach new audience groups and to enhance its accessibility in different ways.

## 2014

- Continued positive results and a strong equity position.
- The number of productions and performances increased compared with the preceding year.

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Daniel Sachs



VD: Eirik Stubø (appointed in January 2015 when Marie-Louise Ekman left the board)

Chair: Daniel Sachs Board: Pontus Braunerhjelm, Carina Brorman, Sara Danius, Gunvor Kronman, Qaisar Mahmood, Tasso Stafiliadis (Pontus Braunerhjelm and Tasso Stafiliadis were elected at the 2015 Annual General Meeting when Chris Marshall and Eric Sjöström left the board) Employee reps: Rebecka Hemse, Kjäll Åkerblom Deputy employee reps: Jan-Eric Piper, Dick Sandin Auditor: Kerstin Sundberg, Deloitte

Remuneration to the Chairman of the Board is SEK 60,000 (60,000). Remuneration to board members elected by the Annual General Meeting is SEK 30,000 (30,000).

The state appropriation for 2014 amounted to SEK 227 million. Profit for the year was SEK 4.5 million and shareholder's equity continued to strengthen, amounting to SEK 36 million for 2014.

## PERFORMANCE REVIEW

The repertoire is varied and includes both contemporary drama and classics of both Swedish and international origin.

Dramaten presented eight classic and 21 modern pieces, with 20 of these pieces being new productions. The number of performances at, and visitors to, Unga Dramaten – Dramaten's performing arts venture targeting children and young people – increased tangibly in 2014. Combined, Dramaten gave 919 performances that were seen by 270,286 people. In order to reach audiences across the country, guest performances were given and a number of productions were made available digitally and in collaboration with Sveriges Radio AB and Sveriges Television AB, among others.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	277	263
Operating profit/loss	3	2
Profit before tax	5	3
Net profit/loss	5	3
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	101	90
Fixed assets	10	9
Equity	36	31
– of which, minority interests	0	0
Net debt	–75	–63
Operating capital	–38	–32

KEY RATIOS	2014	2013
Operating margin, %	0.9	0.7
Return on equity (average), %	14.8	10.4
Return on operating capital (average), %	neg	neg
Net debt/equity ratio, multiple	–2.1	–2.0
Equity/assets ratio, %	36.0	35.0
Gross investments, SEKm	4	4
Appropriation, SEKm	227	222
Dividend, SEKm	0	0
Average no. of employees	317	310

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

## TARGETS

### FINANCIAL TARGETS

- Dramaten shall maintain equity providing a solid financial foundation for its operations.

### STRATEGIC SUSTAINABILITY TARGETS

- To manage, enrich, develop and renew artistic quality, intellectual life and values by means of repertoire and other operations.
- Increase the proportion of first-time visitors.
- Increase the proportion of the audience reached through digital channels.
- Achieve a gender balance among authors of original artistic works.

### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Operations within the framework of the public policy assignment funded through state appropriations are followed up. Targets have not yet been developed in accordance with the process for public policy targets.

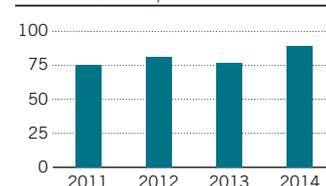
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## ATTENDANCE RATE, %





EUROPEAN  
SPALLATION  
SOURCE

The European Spallation Source ESS AB (ESS) was formed in 2010 and is tasked with planning, designing, building, owning and operating the European Spallation Source in Lund. ESS is jointly owned by Swedish and Danish states. The Swedish state owns 74 per cent and the Danish state owns 26 per cent of the shares.

#### OPERATIONS

During 2014, ESS commenced construction of the European Spallation Source in Lund. When complete it will be the world's premier facility for materials research, using neutrons to study materials at the atomic and molecular level. This enables studies of the structure of a protein, for example and its function in conditions similar to those in which the molecule acts in its original environment. The company cooperates with the 17 partner countries currently participating in the project.

#### 2014

- Construction of the facility has begun.
- Increased costs for personnel and consultants as a result of the start of construction.
- Shareholder contribution of SEK 793.6 million from the Swedish state.

In the fifth year of its existence, the organization continued to build out and construction commenced as planned in 2014. Construction officially commenced with a ceremony on 2 September with the Swedish and Danish research ministers breaking the ground. The construction phase has entailed increased costs for personnel and consultants. This has also been matched by an increase in the shareholder contribution of SEK 793.6 million.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Sven Landelius



CEO: James H. Yeck

Chair: Sven Landelius Board: Katarina Bjelke, Lars Börjesson, Per Eriksson, Kim Graugaard, Lena Gustafsson, Hans Müller Pedersen, Bo Smith (Kim Graugaard was elected at an Extraordinary General Meeting in October when Lars Goldschmidt left the board) Employee rep: Michael Palade Auditor: Kent Lindén, KPMG

Remuneration to the Chairman of the Board is SEK 175,000 (140,000). Remuneration to board members elected by the Annual General Meeting is SEK 70,000 (70,000). No remuneration is payable to members who are employed by the Swedish Government Offices or the Danish ministry.

The intention is for the operations of ESS AB to be turned into an so called Eric consortium during 2015. In December 2014, the Riksdag authorised the government (Bill 2014/15:1, Report 2014/15: UbU1, Riksdag Communication 2014/15:90), to transfer the company's assets and liabilities to a European research infrastructure consortium of this kind and to liquidate the company.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	0	0
Operating profit/loss	-780	-534
Profit before tax	-780	-533
Net profit/loss	-780	-533
- of which attributable to minority interests	0	0
<b>BALANCE SHEET, SEKm</b>	<b>2014</b>	<b>2013</b>
Total assets	538	212
Fixed assets	136	9
Equity	314	51
- of which, minority interests	0	0
Net debt	0	0
Operating capital	314	51
<b>KEY RATIOS</b>	<b>2014</b>	<b>2013</b>
Operating margin, %	0.0	0.0
Return on equity (average), %	neg	neg
Return on operating capital (average), %	neg	neg
Net debt/equity ratio, multiple	0.0	0.0
Equity/assets ratio, %	58.4	23.8
Gross investments, SEKm	129	6
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	246	166

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

#### TARGETS

##### FINANCIAL TARGETS

- The company's operations are not intended to make a profit.

##### STRATEGIC SUSTAINABILITY TARGETS

- All buildings within ESS are to be designed for environmental certification according to internationally recognised certification systems.

##### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Operations within the framework of the public policy assignment funded through state appropriations are followed up. Targets have not yet been developed in accordance with the process for public policy targets.

#### STATE OWNERSHIP, %



■ Share owned by the Swedish state 74%  
■ The Danish state 26%

#### GENDER DISTRIBUTION, %

Men ■ Women ■



# f Fouriertransform

Fouriertransform Aktiebolag is a state-owned venture capital company. The company was established in December 2008 with equity of approximately SEK 3 billion<sup>1)</sup>. Originally, the company's assignment was to contribute investment to strengthen the Swedish automotive cluster's international competitiveness. In August 2013, the company's business mandate was extended to include other areas in the manufacturing industry and related service industries. The assignment is performed by providing various forms of capital on a commercial basis.

## OPERATIONS

Fouriertransform invests in operations deemed able to contribute to the Swedish automotive industry, other Swedish industry and related services maintaining their prominent position, particularly in the areas of the environment and safety.

The company's assignment also includes being an active owner in all part-owned companies, bringing competence to each project by contributing highly qualified board representatives, some of whom are employees of Fouriertransform and some of whom are people in the company's network.

Since its inception in 2009, Fouriertransform has invested a total of approximately SEK 1.4 billion in 25 companies. The portfolio companies have a turnover of about SEK 2.5 billion and 1,600 employees.

The company commenced operations in 2009, and investments are made on a long-term basis. Profits are primarily affected by the revaluation of holdings in portfolio companies, net financial items and costs for the management organisation. The company has 12 employees and offices in Stockholm and Gothenburg. The company is to be a long-term industrial partner that invests on a commercial basis.

## 2014

- Invested a total of SEK 202 million in five new companies.
- Sustainable value generation in growth companies.
- Divestment of portfolio company LeanNova Engineering in Trollhättan.

Over the year, a total of SEK 202 million was invested in five new companies – AAC Microtec in Uppsala, Pelly in Hillerstorp, Osstell in Gothenburg, APR Automation in Arvika and SMP Parts in Ilsbo – as well as SEK 197 million in existing portfolio companies.

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Sigrun Hjelmquist CEO: Per Nordberg

Chair: Sigrun Hjelmquist Board: Jan Bengtsson, Ulf Berg, Hasse Johansson, Richard Reinius, Charlotte Rydin (Richard Reinius was elected at the 2015 Annual General Meeting when Hanna Lagercrantz and Christina Åkerman left the board) Auditor: Birgitta Löf, Deloitte

Remuneration to the Chairman of the Board is SEK 300,000 (300,000). Remuneration to board members elected by the Annual General Meeting is SEK 150,000 (150,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

The company's costs are primarily attributable to personnel costs, and project and consulting costs. Effective from the fourth quarter of 2013, Fouriertransform has begun to apply the international accounting standards (IFRS) and all amounts pertain to the investment company, meaning that investments in portfolio companies and short-term investments are valued at their estimated fair value on the closing date.

## PERFORMANCE REVIEW

Since its inception, Fouriertransform has invested a total of about SEK 1.4 billion, which compared with the estimated fair value of the existing portfolio and returns from the portfolio companies, corresponds to an increase in value on invested capital of about 2 per cent.

The company's sustainability work is fully integrated, with sustainability, growth and profitability targets being compatible and coordinated. In 2014, a review was carried out to ensure that the sustainability goals established in 2013 have been integrated into the portfolio companies' strategy and support day-to-day business operations. For Fouriertransform, the sustainability targets have been incorporated into the company's investment process, from investment proposal to exit, in accordance with the approved action plan.

1) The background to the formation of the company is stated in Government bill "The State's Responsibility for Companies with Research and Development Activities and Other Activities in the Automotive Industry, etc." (Bill. 2008/09:95)

INCOME STATEMENT, SEKm	2014	2013
Net turnover	6	24
Changes in value	-112	77
Operating profit/loss	-172	42
Profit before tax	-80	151
Net profit/loss	-91	131
- of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	3,223	3,353
Fixed assets	1,362	1,085
Equity	3,192	3,283
- of which, minority interests	0	0
Net debt	-1,851	-2,253
Operating capital	1,342	1,030

KEY RATIOS	2014	2013
Operating margin, %	neg	173.7
Return on equity (average), %	neg	4.1
Return on operating capital (average), %	neg	5.1
Net debt/equity ratio, multiple	-0.6	-0.7
Equity/assets ratio, %	99.0	97.9
Gross investments, SEKm	398	408
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	12	11

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- No financial targets have been determined by the owner.

### STRATEGIC SUSTAINABILITY TARGETS

- Fouriertransform shall invest in companies that have sustainable products and services.
- All portfolio companies shall implement sustainability targets to be integrated into ownership agendas and business plans.

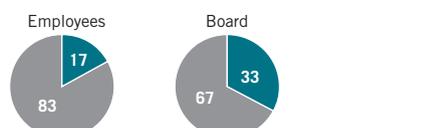
### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

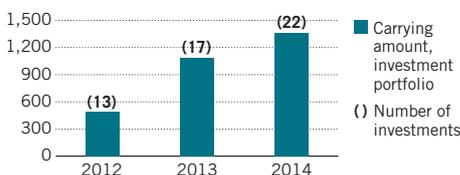
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## INVESTMENT PORTFOLIO/NUMBER OF INVESTMENTS





Green Cargo AB, which is wholly owned by the Swedish state, was formed in 2001 in connection with the incorporation of the Swedish State Railways state enterprise. At that time, Green Cargo took over all of the state enterprise's rail freight traffic. Green Cargo's business concept is to provide efficient and sustainable rail logistics for the Swedish business sector.

#### OPERATIONS

Green Cargo is Sweden's largest rail freight operator. The company offers transports both within its network and by means of unit trains. The rail freight market comprises a small number of players. Competition with maritime and road freight companies is very strong.

The company's largest customers are in the steel, mining, chemical, automotive, engineering, paper and forestry, and trade sectors. The established rail companies are facing increased competition from private players, increasing the requirements on cost-efficient, high-quality freight services. Customers demand efficient international logistics solutions. The rail sector has been slow to adapt to a borderless and integrated Europe has thus found it difficult to compete with other modes of transport for international flows.

Green Cargo's strategy is to focus on efficient and sustainable rail logistics for the Swedish business sector and to increase quality while conducting operations profitably.

#### 2014

- Continued weak economic trend, intense competition and fluctuating volumes.
- Ongoing efficiency enhancement boosted profits.

The year 2014 was characterised by continued weak economic conditions, intense competition and fluctuating volumes, while the principal focus internally was on achieving sustainable profitability. Profits are headed in the right direction, although much remains to be done. Green Cargo's operating loss for the full year was SEK 121 (368) million or SEK 80 (178) million excluding non-recurring costs. The improved earnings are attributable largely to the ongoing efficiency enhancement programme.

The efficiency programme aims to improve network efficiency and to create new approaches and synergies through co-location. The co-location of the operations is largely expected to be completed in the third quarter

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Lennart Pihl

CEO: Jan Kilstrom

**Chair:** Lennart Pihl **Board:** Margareta Alestig Johnson, Ann-Christine Hvittfeldt, Daniel Kristiansson, Ingvar Nilsson, Lotta Stalin, Tryggve Sthen (Ingvar Nilsson was elected at the 2015 Annual General Meeting)

**Employee reps:** Stefan Bieder, Peter Lundmark **Deputy employee reps:** Anders Gustavsson, Jerker Liljeberg

**Auditor:** Hans Åkervall, KPMG

Remuneration to the Chairman of the Board is SEK 300,000 (300,000). Remuneration to board members elected by the Annual General Meeting is SEK 150,000 (150,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

of 2015 and the first stage of a new production model was implemented in December 2014. The objective of the programme is for Green Cargo to achieve stable profitability over business cycles and to boost its operating profit by approximately SEK 400 million in 2016 compared with 2013. The changes currently being implemented by Green Cargo represent the most sweeping ones made since the incorporation of the company in 2001.

The company is affected by the uncertain external economic climate. With a strong base in Swedish industry, economic fluctuations have a direct impact on the business.

Volumes increased by 2 per cent compared with the corresponding period last year. This increase occurred mainly in the steel industry.

Safety and punctuality characterise Green Cargo's daily work. The outcome of the traffic safety index for the year was 94.6 (94.7). The start of the year was characterised by good preparations for the winter within the operations and relatively few shunting accidents. Punctuality of delivery to customers within the promised hour was 95 per cent (95).

#### PERFORMANCE REVIEW

Green Cargo did not achieve its financial targets in 2014 – these are to be reached by 2016 at the latest. The company paid no dividend for 2014. The strategic sustainability targets have been set for 2020, except with regard to idling of diesel locomotives (2015).

INCOME STATEMENT, SEKm	2014	2013
Net turnover	4,154	4,149
<b>Operating profit/loss</b>	<b>-121</b>	<b>-368</b>
<b>Profit before tax</b>	<b>-171</b>	<b>-394</b>
<b>Net profit/loss</b>	<b>-188</b>	<b>-382</b>
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>4,192</b>	<b>4,214</b>
Fixed assets	2,969	3,143
<b>Equity</b>	<b>1,096</b>	<b>1,333</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>-711</b>	<b>-540</b>
<b>Operating capital</b>	<b>385</b>	<b>793</b>

KEY RATIOS	2014	2013
Operating margin, %	neg	neg
Return on equity (average), %	neg	neg
Return on operating capital (average), %	neg	neg
Net debt/equity ratio, multiple	-0.6	-0.4
Equity/assets ratio, %	26.1	31.6
Gross investments, SEKm	163	343
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	2,002	2,125

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Return on operating capital 10 per cent by 2016.
- Capital structure: Net debt/equity ratio 0.6–0.9.
- Dividend: 50 per cent taking the debt/equity ratio in to account.

##### STRATEGIC SUSTAINABILITY TARGETS

- Train drivers be trained in ECO-driving (2020).
- New rules for idling of diesel locomotives are to be developed and all drivers are to be trained (2015).
- All diesel engines are to have idle controls installed (2020).
- The number of accidents to be halved (2020).
- In the long-term, sickness absence should be less than 3.5 per cent (2020).
- The proportion of women in senior positions shall increase by 50 per cent (2020).

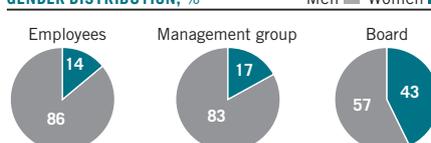
##### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

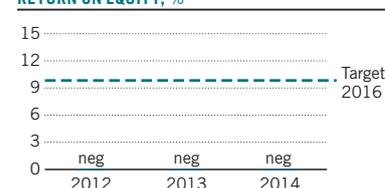
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### RETURN ON EQUITY, %





The first company to administer the canal was established by a charter issued by King Karl XIII in 1810, and in 1978 AB Göta kanalbolag was registered when the state assumed control of assets formerly administered by other stakeholders. Two resolutions by the Riksdag, from 1992 and 1994, guide the owner's view of Göta kanalbolag's commission. The Riksdag determined that upgrading and operating Göta kanal to preserve its value as a structure of cultural historical importance and as a tourist attraction was the concern of the state.

#### OPERATIONS

Göta kanal was built between 1810 and 1832. The canal is one of the largest engineering projects ever carried out in Sweden, and has been named as the "Structure of the Millennium". Today, Göta kanalbolag's assignment is to operate the canal in a manner that preserves its value as a structure of cultural historical importance and as a tourist attraction. Today, Göta kanal is one of the principal engines within the Swedish hospitality industry. The company engages in canal and property operations. The canal operation includes the running of the canal facility, which is 90 km long, with 58 locks and 47 bridges. The canal is mainly navigated by leisure and passenger boats. The company also conducts extensive maintenance and upgrading of the canal and properties to preserve and improve their condition. The property business includes the management of forests, land and properties associated historically and practically to the canal. Most of the properties are leased out as homes or as commercial premises. Tourism along the canal is developed in close cooperation with municipalities and the business sector. The canal operations generate new conditions for business operations along the canal.

#### 2014

- Increased income from the property operations.
- Positive development for businesses associated with the canal, as well as for visitors to the canal area.
- Decreased volume of boat traffic on the canal but increased caravan tourism.

The increased income from the property operations is a consequence of their market orientation, which generates increased income that can be reinvested in the canal facility and buildings. In recent years, caravan tourism

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Elisabeth Nilsson CEO: Anders Donlau

Chair: Elisabeth Nilsson Board: Gunilla Asker, Göran Carlberg, Anna Ernestam, Bengt-Olov Gunnarson, Jenny Lahrin, Ulf Larsson, Mikael Lundström (Göran Carlberg, Anna Ernestam and Bengt-Olov Gunnarson were elected at the 2015 Annual General Meeting when Christer Berggren and Renée Mohlkert left the board) Employee rep: Karin Nybrolin Deputy employee rep: Peter Gredin Auditor: Clas Tegedius, EY

Remuneration to the Chairman of the Board is SEK 60,000 (60,000). Remuneration to board members elected by the Annual General Meeting is SEK 41,000 (41,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

along the canal has increased significantly and this was also the case in 2014. The year saw the starting shot for the far-reaching, long-term project "Göta kanal – the next 200 years", which is directly linked to the company's conservation assignment. The purpose of the project is to document the existing facility, secure its operation under current conditions and to gradually improve the facility through a controlled and optimised renovation programme. The objective is for the canal to function reliably, providing a canal system through Sweden adapted to current requirements in terms of safety and functionality.

#### PERFORMANCE REVIEW

In 2014, Göta kanalbolag reported for the first time the results of the strategic sustainability targets adopted in 2013. All of the targets were met: the customer satisfaction index was 4.7, all water samples were rated "serviceable" with the exception of two of the fifteen samples, which were rated "serviceable with reservations" and the country's longest tree-lined avenue was replanted with 105 trees. With regard to the responsible employer target, a pilot project was conducted with the Public Employment Service in Motala to design the target. Three young people underwent practical work experience. The board resolved to remove one of the previously established sustainability targets when, during the year, it did not prove possible to secure relevant and verifiable data. The target concerned the number overnight stays in accommodation facilities in the canal area. These facilities are not operated by Göta kanalbolag, but by independent entrepreneurs.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	73	71
Operating profit/loss	0	0
Profit before tax	0	0
Net profit/loss	0	0
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	63	57
Fixed assets	54	46
Equity	42	42
– of which, minority interests	0	0
Net debt	–5	–5
Operating capital	37	37

KEY RATIOS	2014	2013
Operating margin, %	0	neg
Return on adjusted equity (average), %	0.0	0.1
Return on operating capital (average), %	0	neg
Net debt/equity ratio, multiple	–0.1	–0.1
Equity/assets ratio, %	67.1	73.4
Gross investments, SEKm	11	5
Appropriation, SEKm	25	25
Dividend, SEKm	0	0
Average no. of employees	40	39

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

#### TARGETS

##### FINANCIAL TARGETS

- No financial targets have been determined by the owner.

##### STRATEGIC SUSTAINABILITY TARGETS (summary)

- At least 50 avenue trees are to be planted along the canal annually.
- In the annual customer survey, leisure boat customers should give a score of >4.5 on a five-degree scale.
- The canal's water quality shall be measured at five locations and actions are to be undertaken to maintain good water quality and/or improve water quality.
- The company shall work together with the municipalities along the canal to create internships/job opportunities during the canal season for young people lacking previous work experience.

Read the targets in full in the company's annual report.

##### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Targets have not yet been developed in accordance with the process for public policy targets.

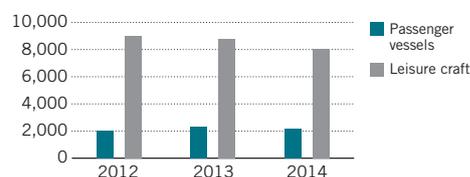
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### INCOME FROM BOAT TRAFFIC GÖTA KANAL, SEK 000s (excl. VAT)



# INFRANORD

Since the early 2000s, the Swedish railway market has gradually been deregulated and it is now one of the most competitive in Europe. In November 2009, the Riksdag resolved, in accordance with a government proposal, to incorporate Banverket Production, a unit of the former Swedish Rail Administration. On 1 January 2010 Infranord AB was formed.

## OPERATIONS

Infranord provides operation and maintenance, as well as new construction of railways in Sweden and Norway. Sweden is the company's base with more than 2,000 employees and the largest personnel group consisting of engineers with expertise in rail, electrical, signalling and telecom technology. The company has also been established in Norway since 2010. Effective from January 2015, in addition to the staff functions, operations in Sweden are conducted in two regions, North and South, as well as in the Equipment, Surveying and Components units. In the long term, the outlook for the Nordic rail market remains favourable. There is a general political consensus on continued expansion and modernisation of the railways to enable the transition of transports from road to rail.

## 2014

- Significant earnings improvement in 2014 due to implemented efficiency improvements.
- Stronger order intake.
- Continued efforts to increase the company's competitiveness.

Infranord shows significant improvement in profitability for the 2014 full year, achieving an operating profit of SEK 32 million, compared with a loss of SEK 190 million the year before. The main reason is the efficiency measures that have been implemented, resulting in lower administrative costs and better resource utilisation. Order intake developed positively in 2014 and was slightly more than SEK 900 million higher than in the preceding year. The company's competitiveness strengthened over the year, causing the success rate in bidding processes to increase 50 per cent compared with 2013.

Despite the positive trend over the year, the company feels that further streamlining is required for Infranord to be a sustainably successful player for the long term in the Swedish rail market. In December, a decision was therefore taken to perform complementary reorganisation and the company served

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Eva Färnstrand



CEO: Lars Öhman

Chair: Eva Färnstrand Board: Johan Hallberg, Magnus Jonasson, Agneta Kores, Johan Skoglund, Gunilla Spongh, Per Westerberg (Magnus Jonasson and Per Westerberg were elected at the 2015 Annual General Meeting when Sven Landelius and Ingemar Ziegler left the board) Employee reps: Håkan Englund, Jörgen Lundström Deputy employee reps: Anders Högström, Dennis Lövgren Auditor: Peter Ekberg, Deloitte

Remuneration to the Chairman of the Board is SEK 380,000 (380,000). Remuneration to board members elected by the Annual General Meeting is SEK 190,000 (190,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

redundancy notices for about 150 positions. The change affects all parts of the organisation and most of the staff cutbacks affect administrative functions.

Infranord remains a leader in the operation and maintenance of the Swedish railways and secured several new basic operation and maintenance contracts in Sweden in 2014. In Norway, the company is expanding organically and shows good growth. Among other things, Infranord secured an assignment for track and overhead electricity supply work for the new double track and station at Holmestrand for an order value of SEK 173 million.

Several major future initiatives for the railways in Sweden have been presented and this is expected to generate increased market volumes from the autumn of 2015 at the earliest.

## PERFORMANCE REVIEW

Sharply improved profits were reported for 2014, meaning that during that year, the company took significant steps towards achieving its long-term goals. The company will make continued efforts to strengthen its competitiveness. A dividend may only be paid if the target equity/assets ratio is achieved and consequently none was paid.

Infranord's sustainability target regarding safety work shows that the company needs to continue its efforts to strengthen its safety culture. The number of environmental accidents decreased over the year and the company no cases of discrimination in relation to the ethics target.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	3,956	3,787
Operating profit/loss	32	-190
Profit before tax	27	-197
Net profit/loss	17	-162
- of which attributable to minority interests	0	0
BALANCE SHEET, SEKm	2014	2013
Total assets	2,013	1,805
Fixed assets	778	678
Equity	479	472
- of which, minority interests	0	0
Net debt	150	174
Operating capital	629	646
KEY RATIOS	2014	2013
Operating margin, %	0.8	neg
Return on equity (average), %	3.6	neg
Return on operating capital (average), %	5.0	neg
Net debt/equity ratio, multiple	0.3	0.4
Equity/assets ratio, %	23.8	26.1
Gross investments, SEKm	146	88
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	2,184	2,581

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- Profitability: 16 per cent return on equity.
- Capital structure: Equity/assets ratio at least 33 per cent.
- Dividend: 50–75 per cent of net profit.

### STRATEGIC SUSTAINABILITY TARGETS

- Safety: Reduced number of workplace accidents.
- Finance: No negative budget deviation and customer satisfaction index (CSI) >7.
- Ethics: Reduced discrimination/harassment in employee satisfaction index and 70 per cent approved suppliers.
- Environment: Reduced number of environmental incidents by 30 per cent.

For further information on the sustainability targets, see the company's annual report.

### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

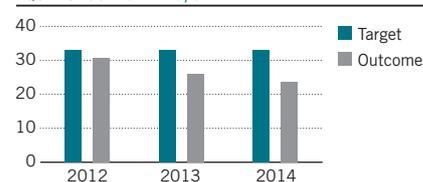
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## EQUITY/ASSETS RATIO, %





Inlandsinnovation AB is a venture capital company wholly owned by the state, with a capital base of SEK 2 billion. The company was formed following a parliamentary decision in 2010 serving to increase the availability of risk capital to exploit the growth potential and strengthen the international competitiveness of companies in the north of Sweden. Inlandsinnovation's geographical area of operations includes the counties of Norrbotten, Västerbotten, Jämtland, Västernorrland, Gävleborg, Dalarna and Värmland.

#### OPERATIONS

Inlandsinnovation's operations commenced in the final quarter of 2011. Investments can vary in terms of size and sector, and are made on market conditions in companies that are in early or mature stages of expansion. Inlandsinnovation acts as an active and long-term stable owner by providing capital and development resources. Normally, Inlandsinnovation is a minority owner and works actively alongside other owners to build strong companies with the aim of phasing out ownership within seven to eight years.

Since its inception, Inlandsinnovation has received 423 inquiries and invested SEK 737 million in 45 companies (figures at the end of 2014). Investments consist partly of direct investments through equity and convertible loans and similar instruments to operating companies, as well as of indirect investments in regional fund-of-fund companies, in regional growth funds and through loans. More than half of the capital has been invested in direct investments. Since its inception, Inlandsinnovation has completed two exits, i.e. divested former holdings.

#### 2014

- Poorer results due to write downs and lower net interest income.
- SEK 162 million was invested in 29 new and existing companies.
- One exit was completed.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Eva Färnstrand VD: Peter Gullander

**Chair:** Eva Färnstrand (was elected at the 2015 Annual General Meeting when Wilhelm Geijer left the board) **Board:** Leif Boström, Katarina Green, Mats Gullbrandsson, Anita Johansson, Siv Svensson (Leif Boström, Katarina Green and Mats Gullbrandsson were elected at the 2015 Annual General Meeting when Per Hollander, Bengt-Erik Lindgren and Elisabeth Norman left the board. Anita Johansson was elected at an Extraordinary General Meeting in June 2014 when Yvonne Lif Lövbrand left the board) **Auditor:** Lars Helgesson, Deloitte

Remuneration to the Chairman of the Board is SEK 110,000 (100,000). Remuneration to board members elected by the Annual General Meeting is SEK 55,000 (50,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

Peter Gullander became the new CEO in October. In 2014, Inlandsinnovation invested SEK 162 million in 18 new and 11 existing portfolio companies. This can be compared with 2013 when the company invested SEK 275 million in 24 companies. In 2014, Inlandsinnovation performed its second exit to date.

The net loss for the year was affected by a weaker outcome from investment activities than in previous years, at a negative SEK 31 (8) million, mainly due to impairment losses. Profit from financial items, which relates mainly to the management of SEK 1,300 million in liquidity, contributed positively.

#### PERFORMANCE REVIEW

The owner has not set any financial targets for the operations. The Government Communication on Inlandsinnovation's focus (Comm. 2010/11:74) states that the yield requirement for the company should be variable since the return is expected to follow inflation and interest rate trends, and that it should be taken into account that positive results may take some time to materialise due to investments having long lead times.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	8	4
Changes in value	-40	-17
Operating profit/loss	-54	-51
Profit before tax	7	37
Net profit/loss	-12	10
- of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	2,065	2,079
Fixed assets	758	641
Equity	1,918	2,030
- of which, minority interests	0	0
Net debt	-270	-264
Operating capital	1,648	1,766

KEY RATIOS	2014	2013
Operating margin, %	neg	neg
Return on equity (average), %	neg	0.5
Return on operating capital (average), %	neg	neg
Net debt/equity ratio, multiple	-0.1	-0.1
Equity/assets ratio, %	92.9	97.6
Gross investments, SEKm	166	275
Appropriation, SEKm	0	0
Dividend, SEKm	100	0
Average no. of employees	7	6

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

#### TARGETS

##### FINANCIAL TARGETS

- No financial targets have been set.

##### STRATEGIC SUSTAINABILITY TARGETS

- Financial: Inlandsinnovation should contribute to the creation of companies in northern Sweden that are profitable in the long term and thus financially sustainable.
- Society: Inlandsinnovation should contribute to the maintenance and creation of jobs with a good working environment and favourable working conditions.
- Employees: Inlandsinnovation should be an employer that attracts and retains competent personnel.

##### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

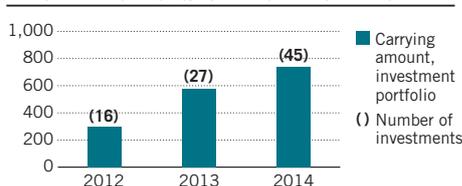
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### INVESTMENT PORTFOLIO/NUMBER OF INVESTMENTS





Jernhusen AB was formed in 2001 in connection with the incorporation of the Swedish State Railways state enterprise. Jernhusen owns, develops and manages stations, railyards, maintenance depots and freight and container terminals along the Swedish railways. The objective is for Jernhusen to be a strong, value-generating player meeting travellers', traffic operators' and other users' property needs at stations and engineering facilities on competitively neutral terms.

#### OPERATIONS

Jernhusen is a property company in the transport sector and owns station facilities, maintenance depots and freight terminals in growing communities and at key transport nodes. Existing and new station facilities, maintenance depots and freight terminals are developed. The company also develops and provides other service offerings in connection with these properties. During land development, the company also owns other properties in these areas. Properties are sold either with development rights or once investments have been completed, in both cases taking risk and return requirements into account. Jernhusen's operations are organised into four business areas: Stations, City Projects, Depots and Freight Terminals. Jernhusen has several categories of tenants. At stations and in station areas, they are mainly shops and restaurants, but also other types of businesses and organisations. Tenants in maintenance depots are essentially maintenance contractors, but also train operators. At the freight and container terminals, terminal operators and forwarding agents lease warehouses and logistics facilities adjacent to their terminals.

#### 2014

- A slight increase in property revenue, which is primarily attributable to changes in the property portfolio.
- Operating profit was impacted positively by unrealised value changes in the property portfolio, but negatively by value changes in the derivative portfolio.
- Rail travel has further increased from last year's record level.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Kjell Hassler

CEO: Kerstin Gillsbro

Chair: Kjell Hassler Board: Kristina Ekengren, Jakob Grinbaum, Anders Kupsu, Kerstin Lindberg Göransson, Ingegerd Simonsson, Christel Wiman Employee rep: Thomas Franzon Auditor: Magnus Fredmer, EY

Remuneration to the Chairman of the Board is SEK 225,000 (225,000). Remuneration to board members elected by the Annual General Meeting is SEK 120,000 (120,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

The slight increase in income is primarily attributable to changes in the property portfolio with the Boxholm depot and the Stockholm Årsta container terminal having been added, as well as price adjustments on infrastructure management. Increased rent levels and income from the services provided within Jernhusen's premises, as well as advertising and events, contributed positively to the increase in income. Operating expenses also increased slightly, driven by expensed maintenance costs and increased costs for property administration. Due to divestments having been made, Jernhusen had a net tax asset for the year.

#### PERFORMANCE REVIEW

The average return on equity over the past five years is 9.8 (8.5) per cent, which is below the target. The equity/asset ratio is strong and remains within the target range, while the interest coverage ratio exceeds the target. The dividend for the year was SEK 113 million, which is in line with policy.

The number of visitors to the stations increased by 3 per cent and, during the year, six properties passed the requirements corresponding the Sweden Green Building Council's Bronze level.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	748	682
Changes in value	17	400
Operating profit/loss	500	797
Profit before tax	355	650
Net profit/loss	389	513
– of which attributable to minority interests	1	–1

BALANCE SHEET, SEKm	2014	2013
Total assets	12,776	11,920
Fixed assets	12,417	11,659
Equity	5,262	4,973
– of which, minority interests	8	7
Net debt	6,302	5,638
Operating capital	11,564	10,611

KEY RATIOS	2014	2013
Surplus ratio, %	45	42
Operating margin, %	66.9	116.9
Return on equity (average), %	7.6	10.8
Return on operating capital (average), %	4.5	8.0
Net debt/equity ratio, multiple	1.2	1.1
Equity/assets ratio, %	41.2	41.7
Gross investments, SEKm	1,199	1,294
Appropriation, SEKm	0	0
Dividend, SEKm	113	100
Average no. of employees	222	237

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Return on equity 12 per cent.
- Capital structure: Equity/assets ratio 35–45 per cent, interest coverage ratio multiple of at least 2.0.
- Dividend: All funds not needed in operations, taking financial and strategic objectives into account. Typically one third of profit after financial items.

##### STRATEGIC SUSTAINABILITY TARGETS

- Sustainable transport: Visitor numbers at Jernhusen's stations are to rise by 6 per cent annually.
- Sustainable properties: The environmental classification of Jernhusen's existing property holdings shall reach at least the Bronze level.
- Sustainable finances: The return on equity shall be 12 per cent.

##### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

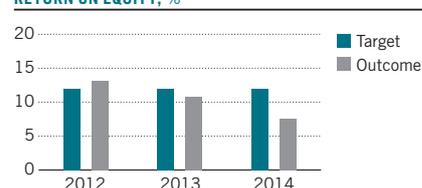
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### RETURN ON EQUITY, %





Lernia AB was formed in 1993 through the incorporation of the AMU Group. At that time, the company mainly produced and sold labour market training programmes. Today, Lernia is a leading supplier in training, staffing and career realignment. In December 2012, the Riksdag authorised the Government to divest the state's shares in Lernia.

#### OPERATIONS

Lernia works with developing and matching people's skills with companies' needs. The company offers services in training, staffing and career realignment. Operations are organised into five divisions: Labour Market Services, Adult Education, Staffing Skilled Workers, Staffing Clerical and Career Transition. Lernia is represented in more than 100 locations throughout Sweden and is certified as a staffing, training and career realignment company by each of the professional associations. The company's services target individuals, customers in both private trade and industry, as well as customers in the public sector.

#### 2014

- Pressure on margins in the training segment.
- A shift in the mix towards staffing services has also affected the margin adversely.
- An elaborated strategy has been implemented to strengthen Lernia's role as a skills partner, which has resulted in new business.

Income for 2014 was essentially unchanged, while margins weakened compared with the previous year. The decline in the margin was mainly explained by a mix shift to the advantage of staffing services where profitability is lower, but also by pressure on margins in the training segment. Over the year, Lernia implemented an elaborated strategy for strengthening the potential for coordinating the two segments – training and staffing – from the customer's perspective. In this way, it strengthened its role as a comprehensive competence partner with an offering that covers the entire skills supply chain. The strategy has resulted in a number of new transactions with both new and existing customers.

In 2014, Lernia's share of the total staffing market was 7.1 per cent, making Lernia the fourth-largest staffing player in Sweden overall and the largest in the segment for staffing by professional workers covered by collective agreements. In the career transition market too, Lernia's 8.8 per cent market share makes it the

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Birgitta Böhlin CEO: Helena Skåntorp

Chair: Birgitta Böhlin Board: Johan Hallberg, Peter Hägglund, Anna Klingspor, Peter Lundahl, Ola Salmén, Karin Strömberg (Johan Hallberg and Peter Lundahl were elected at the 2015 Annual General Meeting when Sven-Runo Bergqvist and Kristina Ekengren left the board) Employee reps: Olle Eriksson, Inge Lindroth, Julia Viktorsson Auditor: Ann-Christine Hägglund, PwC

Remuneration to the Chairman of the Board is SEK 240,000 (225,000). Remuneration to board members elected by the Annual General Meeting is SEK 120,000 (110,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

fifth-largest player. There remains a lack of statistics on the total market for publicly funded training services.

#### PERFORMANCE REVIEW

Lernia does not meet the target margin for the past five years. In 2011 and 2012, the margin was negative. The dividend for 2014 was SEK 253 (58) million, corresponding to 298 per cent of profit for the year. For the individual year 2014, Lernia did not meet its target operating margin but the capital structure target was exceeded. The dividend also exceeded policy.

New financial targets were adopted by the 2015 Annual General Meeting. The equity/assets ratio should amount to between 30 and 50 per cent with a target value of 40 per cent. Return on equity should be at least 20 per cent. Ordinary dividends should amount to at least 50 per cent of net profit for the year. Decisions on dividends shall take the company's capital structural target and future capital requirements into account.

The company works with systems support to be able to survey self-employed individuals and it will be possible to follow-up the target effective from 2015. In the business ethics target, no incidents were reported in 2014. Among employees, 63 per cent were men, while the proportion was 51 per cent at the management level within the Group, which meets the target for the proportion of women and men respectively to be at least 40 per cent.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	2,621	2,653
Operating profit/loss	111	185
Profit before tax	112	188
Net profit/loss	85	146
– of which attributable to minority interests	0	0
BALANCE SHEET, SEKm	2014	2013
Total assets	1,011	1,070
Fixed assets	113	132
Equity	542	525
– of which, minority interests	0	0
Net debt	–334	–148
Operating capital	208	377
KEY RATIOS	2014	2013
Operating margin, %	4.2	7.0
Return on equity (average), %	15.9	32.8
Return on operating capital (average), %	37.9	60.8
Net debt/equity ratio, multiple	–0.6	–0.3
Equity/assets ratio, %	53.6	49.1
Gross investments, SEKm	22	20
Appropriation, SEKm	0	0
Dividend, SEKm	235	58
Average no. of employees	4,163	3,828

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Operating margin 5 per cent over a rolling five-year period.
- Capital structure: Equity/assets ratio 35–50 per cent.
- Dividend: at least 30–50 per cent of net profit.

Targets in 2014. New financial targets were adopted by the 2015 Annual General Meeting.

##### STRATEGIC SUSTAINABILITY TARGETS

- Self supporting: Lernia contributes to a sustainable society in which more people are self supporting.
- Business ethics: Lernia applies a sustainable, commercially ethical approach that stands up to thorough scrutiny.
- Diversity: Lernia works for increased diversity by valuing people's differences and different competencies.

##### PUBLIC POLICY TARGET

- Has no specifically adopted public policy assignment.

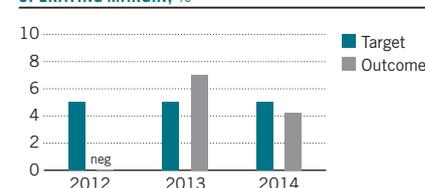
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### OPERATING MARGIN, %





Luossavaara-Kiirunavaara Aktiebolag (LKAB) is an international high-tech minerals group and a world-leading producer of processed iron ore products for steel production. LKAB was formed in 1890. The state became a shareholder in the company in 1907 and the company has been wholly owned by the state since 1976.

#### OPERATIONS

LKAB produces and supplies processed iron ore products and services to customers worldwide. Operations also include other closely related products and services that are based on LKAB's expertise and that support the core business. LKAB is to be perceived by customers as the supplier providing the greatest additional value and should thus be a leader in its chosen market segments. For LKAB, superior and consistent product quality and cost efficiency are critical factors in tackling competition.

#### 2014

- Structural oversupply of iron ore in the market has brought pressure on world market prices for iron ore.
- Lower operating income due to lower iron ore prices and higher costs for provisions for social transformation.
- Higher delivery volumes, although disruption, primarily at the underground mines, affected annual production negatively.
- In accordance with its long-term financing strategy, LKAB's commercial paper programme was activated and corporate bonds were issued.
- LKAB's annual and sustainability reports were named Sweden's best by the auditors' professional organisation FAR.

In 2014, the mining operations' impact on the surrounding communities entailed profits being burdened by a provision of SEK 3,577 billion, of which SEK 145 million is for inflation indexations and is included under net financial items. The impact on the Malmfälten communities will continue to burden LKAB's profit and liquidity by substantial amounts over the next few years. The group's investments in property, plant and equipment decreased over the year, mainly due to the new main levels at the underground mines in Kiruna and Malmberget having neared completion. Work on growth investments in the Svappavaara field continues. The new mines offer LKAB increased flexibility and offset any disruption at the underground mines. Gruvberget is in production and, in Mertainen, preparatory work is in progress for production to commence – with a permit having

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Sten Jakobsson



CEO: Lars-Eric Aaro  
(Jan Moström new CEO effective from August 2015)

Chair: Sten Jakobsson Board: Hans Björck, Leif Darner, Maija-Liisa Friman, Eva Hamilton, Lars-Åke Helgesson, Hanna Lagercrantz, Lars Pettersson (Eva Hamilton and Leif Darner were elected at the 2015 Annual General Meeting when Maud Olofsson left the board) Employee reps: Stefan Fagerkull, Tomas Strömberg, Jan Thelin Deputy employee reps: Dan Hallberg, Bertil Larsson, Pentti Rahkonen Auditor: Peter Ekberg, Deloitte

Remuneration to the Chairman of the Board is SEK 570,000 (570,000). Remuneration to board members elected by the Annual General Meeting is SEK 250,000 (250,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

been obtained on 18 June 2014. A process in the Land and Environmental Court regarding mining at Leveäniemi mine ended with a positive ruling in the second quarter of 2015. The protracted approval process for new mines delayed LKAB's growth programme and entailed significant financial impact.

#### PERFORMANCE REVIEW

In 2014, return on equity amounted to 0.9 per cent and the proposed dividend amounted to SEK 139 million, corresponding to 40 per cent of net profit for the year. On the balance sheet date, the net debt/equity ratio was 0 per cent.

LKAB's target of reducing production costs by 20 per cent annually between 2012 and 2015 will not be achieved in 2015. The reason is primarily that the planned production increase, through contributions from new open-pit mines in the Svappavaara field, have been postponed due to delayed approval processes.

Although the accident rate, one of LKAB's 12 sustainability targets, shows a slightly positive trend, the target for 2014 could not be met. Sulphur dioxide emissions decreased due to the new treatment plants in Svappavaara and Malmberget and work to reduce falling dust is beginning to bring results, although the levels are still relatively high in Svappavaara and Narvik. Other sustainability targets are progressing as planned.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	20,615	23,873
Operating profit/loss	570	7,639
Profit before tax	594	7,768
Net profit/loss	347	6,032
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	63,133	57,822
Fixed assets	40,775	35,213
Equity	37,754	41,472
– of which, minority interests	0	0
Net debt	-16	-7,315
Operating capital	37,738	34,157

KEY RATIOS	2014	2013
Operating margin, %	2.8	32.0
Return on equity (average), %	0.9	14.6
Return on operating capital (average), %	1.6	23.4
Net debt/equity ratio, multiple	0.0	-0.2
Equity/assets ratio, %	59.8	71.7
Gross investments, SEKm	5,491	6,141
Appropriation, SEKm	0	0
Dividend, SEKm	139	3,500
Average no. of employees	4,539	4,427

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Return on equity should exceed 12 per cent. In addition, LKAB's production cost (SEK/tonne) is to be reduced by 20 per cent between 2012 and 2015.
- Capital structure: Debt/equity ratio 0–20 per cent
- Dividend: 30–50 per cent of profit for the year.

##### STRATEGIC SUSTAINABILITY TARGETS

LKAB's companies have 12 sustainability targets, including:

- Long-term sickness absence should continue to be less than 0.8 per cent.
- The proportion of women in the company should be at least 25 per cent by 2020.
- Carbon dioxide emissions per tonne of finished products is to be reduced from 27 kg per year in 2011 to 17 kg per year in 2020.
- New generation of climate smart pellets by 2017.

Read all 12 sustainability targets in the company's annual report.

##### PUBLIC POLICY TARGET

- Has no specifically adopted public policy assignment.

#### STATE OWNERSHIP, %

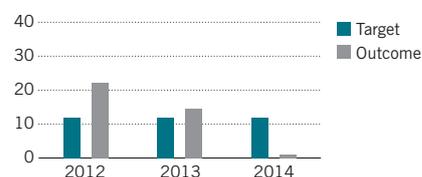


State ownership 100%

#### GENDER DISTRIBUTION, %



#### RETURN ON EQUITY, %





Metria AB was founded on 1 May 2011 in connection with the incorporation of a division of the National Land Survey. Metria's focus and business concept is to provide services and products in the collection, processing and application of geographic information and property data. The Riksdag's reasons for the incorporation were mainly to enhance conditions for competition neutrality, to provide favourable conditions for building an efficient company and to help establish clear rules of play in the market.

#### OPERATIONS

Metria is operated with the objective of generating a return in line with the market and shall maintain an operating margin in line with the rest of the sector. Metria supplies everything from major infrastructure projects – such as surveying the Bothnia Line – to developing and operating technical systems for geographical IT, such as the Environmental Protection Agency's administration system. In addition to municipalities and other public bodies, customers operate in the fields of banking and insurance, telecommunications, energy, infrastructure, forestry and defence. Metria has about 250 employees and is represented in some 20 locations throughout Sweden. Its headquarters are located in Gävle.

#### 2014

- A favourable profit trend can be seen in all business areas.
- The action programme implemented in 2013 is the foremost reason for the improvement in profitability for the year.
- Projects have been initiated that aim, among other things, to increase sales and improve internal governance and control.

The lower turnover for the year is due to lower sales of less refined data. Profitability improved in all business areas compared with the previous year. The improvement is mainly due to the reduction in the total cost mass, which was an effect of the 2013 action programme. In 2014, a project called *Raka Spåret! (The Direct Line)* was launched with the aim of simplifying, streamlining and standardising methods and processes, as well as improving internal governance and control.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Eva Gidlöf



CEO: Urban Lindskog (appointed in October 2014 when Karin Annerwall Parö left as CEO)

**Chair:** Eva Gidlöf (was elected at the 2015 Annual General Meeting when Christina Rogestam left the board) **Board:** Katarina Axelsson Lindgren, Börje Bengtsson, Katarina Burton, Pia Gideon, Lotta Jarleryd, Michael Thorén (Urban Lindskog left the board as a member in October 2014) **Employee reps:** Per-Åke Jureskog, Erik Nilsson **Deputy employee reps:** Lars-Erik Johansson, Mats Rosengren **Auditor:** Jennifer Rock Baley, EY

Remuneration to the Chairman of the Board is SEK 175,000 (175,000). Remuneration to board members elected by the Annual General Meeting is SEK 88,000 (88,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

#### PERFORMANCE REVIEW

Metria enjoyed a favourable profitability trend in 2014. In 2014, work continued to develop the company's complete financial targets, and this was an important prerequisite for the business plan that was adopted in the autumn of 2014. The 2015 Annual General Meeting adopted financial targets addressing both profitability (EBITA margin of at least 10 per cent) and capital structure (equity/assets ratio of at least 30 per cent) and the dividend policy (at least 30 per cent of net profit for the year).

Regarding the sustainability targets, the company's outcome was: Compared to 2013, travel by car decreased somewhat in 2014 in terms of the total distance driven. The proportion of employees under the age of 30, decreased marginally over the year. The company has taken six individuals on as permanent employees, only one of whom is under 30. In 2015, Metria has approved new sustainability targets: Reduced environmental impact from travel, increased age diversity, increased income from products and services that have a positive environmental impact, and being an attractive employer.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	415	431
Operating profit/loss	12	-28
Profit before tax	12	-27
Net profit/loss	10	-20
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	198	202
Fixed assets	71	85
Equity	96	86
– of which, minority interests	0	0
Net debt	-19	-7
Operating capital	77	79

KEY RATIOS	2014	2013
Operating margin, %	2.8	neg
Return on equity (average), %	10.6	neg
Return on operating capital (average), %	15.2	neg
Net debt/equity ratio, multiple	0.0	0.0
Equity/assets ratio, %	48.3	42.6
Gross investments, SEKm	6	6
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	259	301

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: 8 per cent operating margin (EBITA).
- Targets in 2014. Additional financial targets were adopted by the 2015 Annual General Meeting.*

##### STRATEGIC SUSTAINABILITY TARGETS

- Decreased fuel consumption for journeys by car.
- Increased proportion of younger employees.

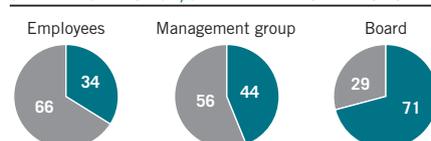
##### PUBLIC POLICY TARGET

- Has no specifically adopted public policy assignment.

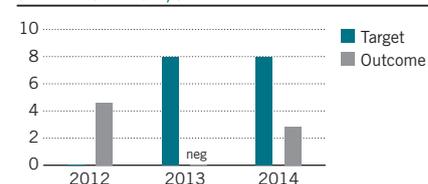
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### OPERATING MARGIN, %



# Miljömärkning Sverige

Miljömärkning Sverige Aktiebolag (Ecolabelling Sweden) was formed in 1998 and administers the Nordic Swan eco-label and the EU's EU Ecolabel (Flower) eco-labelling system on behalf of the Swedish government. The purpose of both the Swan and the EU Ecolabel is to offer consumers the possibility of choosing environmentally adapted products and to stimulate product development that takes the environment into account.

## OPERATIONS

The company is tasked with administering the voluntary Swan and EU Ecolabel eco-labelling systems and contributing to achieving the objectives of consumer and environmental policy. Eco-labelling has bearing on a number of environmental targets, including climate, non-toxic environment, biodiversity and resource utilisation. Operations involve developing criteria, information and marketing of the two labelling systems and product control by licensing. The operations serve to facilitate environmentally sound choices by consumers and to help producers environmentally adapt their products and services. Activities are mainly financed through fees from companies holding eco-labelling licenses, but also through a state appropriation, which accounted for 9 per cent of income in 2014. The state appropriation is to be used to partly to finance work on criteria for both eco-labelling systems and to make the EU system better known in the Swedish market.

## 2014

- New Nordic association organisation and Nordic customer management.
- Eco-labelling continues to grow in services and construction.

In 2014, a new and revised product group was adopted within the EU Ecolabel and revised criteria were introduced for ten product groups within the Swan. New and revised criteria for both labelling systems are being developed and, during the year, the Swan will develop criteria for the eco-labelling of mutual funds. The considerable interest in eco-labelling in the housing market and in services, including cleaning services and vehicle washes, persisted. The network of companies seeking to purchase eco-labelled products grew and now consists of 264 companies, of which 17 are state-owned. A customer satisfaction survey was performed with good results. As a step in building an ever more cohesive Nordic organisation, the Nordic Eco-labelling association was formed, with the company's CEO as chairman. During the year, new premises were also

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Christina Lindbäck CEO: Ragnar Unge

Chair: Christina Lindbäck Board: Marita Axelsson, Svante L. Axelsson, Jan Peter Bergkvist, Anita Falkenek, Gunilla Jarlbro (Anita Falkenek was elected at the 2015 Annual General Meeting when Yvonne Ingman left the board) Employee reps: Ulla Sahlberg, Maria Sundesten Auditor: Thomas Lönnström, EY

Remuneration to the Chairman of the Board is SEK 126,000 (126,000). Remuneration to board members elected by the Annual General Meeting is SEK 30,000 (30,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

inaugurated. At the end of the year, there were 1,075 active Swan licenses in Sweden within 58 product areas. The decline in the number of licenses is mainly due to stricter new criteria for print works and hotels, meaning that a large group of licensees must meet the new requirements and re-apply for their licenses. For the EU Ecolabel, 43 licenses were recorded in 34 product groups.

Extensive work was carried out ahead of a major brand campaign that began in January 2015 under the slogan "Save the world a little bit, every day."

## PERFORMANCE REVIEW

Through its work, Ecolabelling Sweden contributes significantly to the objective of consumer policy; "Consumers have the power and ability to make active choices." By providing opportunities for, and encouraging the development and use of products that cause less of an environmental burden, the company contributes to more sustainable consumption and thus to efforts for a sustainable society.

In 2014, the company worked for the continued success of both eco-labelling systems in accordance with the owner's directives. The sustainability goals are deemed achievable by 2016, although the milestones were not achieved during the year. The Swan is one of Sweden's strongest brands with a public awareness of 96 per cent (17 per cent for the EU Ecolabel).



INCOME STATEMENT, SEKm	2014	2013
Net turnover	47	47
Operating profit/loss	-3	0
Profit before tax	0	1
Net profit/loss	0	1
- of which attributable to minority interests	0	0
<b>BALANCE SHEET, SEKm</b>	<b>2014</b>	<b>2013</b>
Total assets	34	28
Fixed assets	22	18
Equity	22	21
- of which, minority interests	0	0
Net debt	-4	-3
Operating capital	26	25
<b>KEY RATIOS</b>	<b>2014</b>	<b>2013</b>
Operating margin, %	neg	0,4
Return on equity (average), %	neg	4,4
Return on operating capital (average), %	neg	0,8
Net debt/equity ratio, multiple		-0,2
Equity/assets ratio, %	63	76
Gross investments, SEKm	2	1
Appropriation, SEKm	4	4
Dividend, SEKm	0	0
Average no. of employees	60	59

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

## TARGETS

### FINANCIAL TARGETS

- The operations are not intended to make a profit for shareholders.

### STRATEGIC SUSTAINABILITY TARGETS (2014-2016)

- The business: Income from eco-labelling licences, which reflect sales of eco-labelled products, shall increase by 10 per cent. By 2016, the company shall have equity equivalent to 33 per cent of total turnover.
- The planet: One thousand licenses (companies) meet the EU Ecolabel or Swan's revised and more stringent requirements and are monitored against those.
- The people: Social requirements (beyond legislation) are introduced into the company's eco-label criteria for at least 10 product groups (sectors).

### PUBLIC POLICY TARGET

- Has a specifically adopted public policy assignment. Operations within the framework of the public policy assignment funded through state appropriations are followed up. Targets have not yet been developed in accordance with the process for public policy target.

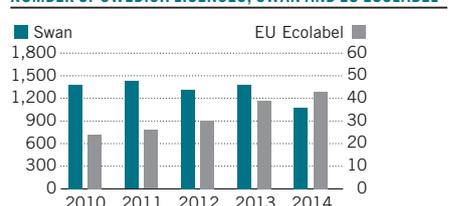
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## NUMBER OF SWEDISH LICENSES, SWAN AND EU ECOLABEL





Since it was founded by King Gustaf II, Kungliga Operan (the Royal Swedish Opera) has had close ties with the state and in 1975 it became a state-owned limited liability company. As a national stage, the objective is for Operan to be Sweden's leading institution in opera and ballet.

#### OPERATIONS

Kungliga Operan is to be Sweden's leading institution for opera and ballet and, as a national stage, it shall maintain the highest standards in terms of development, renewal, artistic quality and craftsmanship in its studios and workshops. Operan is to operate in an international operatic and dance context, initiating partnerships and promoting intercultural exchange.

Operan's opera and ballet repertoire shall include both innovation and breadth. Operan shall offer a varied repertoire with a good balance between traditional works, innovative interpretations and modern works that transcend genre boundaries. Operan shall also support innovative Swedish opera and ballet art by commissioning and performing new works by Swedish and international composers, librettists and choreographers.

Operan is to reach the widest and largest audience possible, targeting adults as well as children and young people. At the same time, Operan shall be of interest for a nationwide audience in Sweden. Operan shall strive to reach new audience groups and to enhance its accessibility in different ways.

#### 2014

- Positive earnings with a maintained level of equity.
- Fewer performances due to renovation.

The number of performances decreased due to the performance season being shorter since Operan closed for renovation of its theatre machinery. Average attendance for both opera

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Kristina Rennerstedt CEO: Birgitta Svendén

Chair: Kristina Rennerstedt Board: Anna-Karin Celsing, Michael Christiansen, Baker Karim, Lotta Lekvall, Mira Helenius Martinsson, Örjan Wikforss (Baker Karim and Örjan Wikforss were elected at the 2015 Annual General Meeting when Dag Hallberg, Leif Jakobsson and Lennart Läftman left the board) Employee reps: Johan Edholm, Pierre Gylbert, Thomas Nylander Deputy employee reps: Gunilla Markström, Daniel Norgren-Jensen Auditor: Kerstin Sundberg, Deloitte

Remuneration to the Chairman of the Board is SEK 60,000 (60,000). Remuneration to board members elected by the Annual General Meeting is SEK 30,000 (30,000).

and ballet fell compared with the very high numbers in 2013.

The state appropriation for 2014 amounted to SEK 446.5 million. Profit for the year was SEK 0.7 million and equity amounted to SEK 33.3 million.

#### PERFORMANCE REVIEW

In 2014, Operan's repertoire was varied and included more modern works than in previous years.

Operan gave a total of 318 performances that were attended by 188,761 people. Operan works actively and through various partnerships to reach children and young people with its activities. This involves not only performances but also by arranging open houses and special tours for schools and teachers.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	523	507
Operating profit/loss	0	4
Profit before tax	1	6
Net profit/loss	1	6
- of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	229	203
Fixed assets	135	49
Equity	33	33
- of which, minority interests	0	0
Net debt	-41	-113
Operating capital	-8	-80

KEY RATIOS	2014	2013
Operating margin, %	0.0	0.8
Return on equity (average), %	3.0	20.0
Return on operating capital (average), %	0.0	neg
Net debt/equity ratio, multiple	-1.2	-3.4
Equity/assets ratio, %	14.4	16.3
Gross investments, SEKm	-93	-31
Appropriation, SEKm	447	428
Dividend, SEKm	0	0
Average no. of employees	528	536

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

## TARGETS

#### FINANCIAL TARGETS

- Equity shall provide a solid financial foundation for the operations.

#### STRATEGIC SUSTAINABILITY TARGETS

- Foster human needs including creativity, identity and artistic expression, as well as favourable working conditions and methods that afford employees the conditions in which they can develop.
- Strive towards a modern resource-based approach and ethical responsibility for people and the environment.
- Be open towards society as a whole and to all ages. Foster diversity and equality.
- Safeguarding cultural heritage, engage with external society, and reflecting society's challenges.

Read the targets in full in the company's annual report.

#### PUBLIC POLICY TARGET

- Has a specifically adopted public policy assignment. Operations within the framework of the public policy assignment funded through state appropriations are followed up. Targets have not yet been developed in accordance with the process for public policy target.

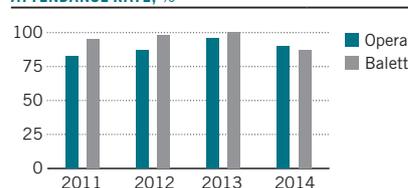
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### ATTENDANCE RATE, %





Orio AB, formerly Saab Automobile Parts AB, supplies spare parts for motor vehicles and has been wholly owned by the Swedish state since December 2012. The company was established in 2009 when Saab Automobile AB filed for a loan from the European Investment Bank (EIB), with the Swedish state guaranteeing the loan. The subsidiary Saab Automobile Parts AB was pledged as collateral for this loan, and the Swedish state assumed control of the company from the liquidator a year after the company was declared bankrupt.

#### OPERATIONS

Orio's operations include developing, producing, acquiring and selling parts and accessories for motor vehicles, and developing and selling logistics and technical services.

Today, the company's principal business is Saab Genuine Parts for the 1.5 million Saab cars in use in more than 60 markets. The US, Sweden and the UK are markets with large Saab fleets and combined account for about 70 per cent of the company's sales of spare parts and related products.

The company's strategy involves developing its existing operations by broadening the customer base and also including e-commerce and independent workshops, broadening the product range with parts equivalent in quality to original parts alongside continued delivery of Saab Genuine Parts, and by providing technical and logistics services.

Orio has subsidiaries in nine of the largest markets and in others the company is represented by importers.

#### 2014

- Lower operating income is mainly explained by lower gross profit and higher costs for restructuring measures.
- The focus on restructuring efforts has resulted in a provision for non-recurring costs burdening profits by SEK 38 million.
- Net turnover decreased, largely due to increased competition in certain markets.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Håkan Erixon



CEO: Jonas Tegström

**Chair:** Håkan Erixon **Board:** Johan Formgren, Charlotte Hansson, Hans Krondahl, Monica Lingegård, Michael Thorén (Helene Vibbleus left the board at the 2015 Annual General Meeting) **Employee reps:** Jan Jakobsen, Ingemar Sandberg **Auditors:** Martin Johansson, PwC

Remuneration to the Chairman of the Board is SEK 200,000 (200,000). Remuneration to board members elected by the Annual General Meeting is SEK 100,000 (100,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

For 2014, net turnover decreased by 5 per cent compared with the preceding year. The ongoing work to develop new web-based sales tools and product ranges has taken longer than expected. This, combined with tough competition, has significantly affected the growth rate in Orio's main markets.

The decrease in operating income compared with the preceding year is mainly explained by weaker gross profit and higher costs for restructuring measures. The operating margin for the period was 8 (14) per cent.

The decrease in net profit for the year is largely explained by the positive non-recurring effect resulting from the decisions on the income that the parent company received from the Swedish Tax Agency in 2013, which totalled to SEK 103 million.

#### PERFORMANCE REVIEW

The delay in the development of new sales tools and product ranges contributed to the company not achieving its growth target in 2014. The objective for 80 per cent of the company's total turnover in 2020 to derive from new business initiatives is long-term and a review of this target would not currently be meaningful.

In 2014, the decrease in emissions from transports procured by the company was 14 per cent compared with 2013.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	994	1,044
<b>Operating profit/loss</b>	<b>84</b>	<b>144</b>
<b>Profit before tax</b>	<b>89</b>	<b>144</b>
<b>Net profit/loss</b>	<b>70</b>	<b>182</b>
– of which attributable to minority interests	0	0
<b>BALANCE SHEET, SEKm</b>	<b>2014</b>	<b>2013</b>
<b>Total assets</b>	<b>930</b>	<b>891</b>
Fixed assets	182	116
<b>Equity</b>	<b>735</b>	<b>719</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>-111</b>	<b>-104</b>
<b>Operating capital</b>	<b>624</b>	<b>615</b>
<b>KEY RATIOS</b>	<b>2014</b>	<b>2013</b>
Operating margin, %	8.5	13.8
Return on equity (average), %	9.6	28.5
Return on operating capital (average), %	12.5	24.5
Net debt/equity ratio, multiple	-0.2	-0.1
Equity/assets ratio, %	79.0	80.7
Gross investments, SEKm	63	5
Appropriation, SEKm	0	0
Dividend, SEKm	0	55
Average no. of employees	347	364

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- No financial targets have been determined by the owner.

##### STRATEGIC SUSTAINABILITY TARGETS

- The company's total carbon dioxide emissions from procured transport are to be cut by 20 per cent by 2020 compared with 2013.
- By 2020, Orio shall have an annual growth of 6 per cent.
- By 2020, 80 per cent of the company's total turnover will derive from new business initiatives.

##### PUBLIC POLICY TARGET

- Has no specifically adopted public policy assignment.

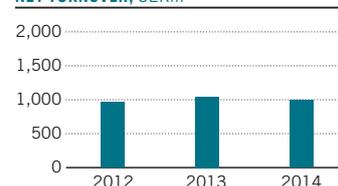
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### NET TURNOVER, SEKm



# postnord

PostNord AB was formed through the merger of Post Danmark A/S and Posten AB in 2009. The group offers communications and logistics solutions to, from and within the Nordic region, with a net turnover of almost SEK 40 billion and 39,000 employees. The parent company, PostNord AB, which owns the subsidiaries Post Danmark A/S and PostNord Group AB, is a Swedish public limited company owned 39.3 per cent by the Danish state and 60.7 per cent by the Swedish state. Votes are allocated 50/50 between the owners.

## OPERATIONS

Through the merger of Posten AB and Post Danmark A/S in 2009, PostNord AB became the Nordic region's largest company in communications and logistics services. Markets range from flows of physical letters and parcels to partially or fully electronic services. PostNord provides nationwide postal service to millions of households and businesses in Sweden and Denmark. PostNord handles some 27 million dispatches every day and is a world leader in terms of quality of delivery. Corporate customers account for more than 90 per cent of turnover. Via its network of subsidiaries and partners, PostNord delivers letters and parcels to the other Nordic countries and the rest of the world.

## 2014

- Increasing parcel volumes are partly offsetting the continued sharp decline in letter volumes.
- Extensive realignment work to secure long-term profitability burdened the net profit for the year.
- New integrated organisation was introduced under the shared PostNord brand.

The volumes in the letter operations continued to decline over the year. Letter volumes fell by a total of 5 per cent, 4 per cent in Sweden and 12 per cent in Denmark. Parcel volumes devel-

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Jens Moberg



CEO: Håkan Ericsson

**Chair:** Jens Moberg **Board:** Mats Abrahamsson, Gunnell Duveblad, Christian Ellegaard, Sisse Fjeldstad Rasmussen, Torben Janholt, Magnus Skåniger, Anitra Steen **Employee reps:** Lars Chemnitz, Ann-Christin Fällén, Johan Lindholm **Deputy employee reps:** Peder Madsen, Ulf Sjödin, Sandra Svensk **Auditor:** Helene Willberg, KPMG

Remuneration to the Chairman of the Board is SEK 600,000 (600,000). Remuneration to board members elected by the Annual General Meeting is SEK 250,000 (250,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

oped favourably, mainly through strong growth in e-commerce. An extensive realignment process was conducted over the year, with the restructuring costs burdening profit. To meet the market trend and improve profitability, the company implemented a new, integrated organisation, enabling a coordinated offering of letter and logistics services in the Nordic region.

## PERFORMANCE REVIEW

PostNord was assigned new financial targets at the 2014 Annual General Meeting. The targets are to be achieved long term over a business cycle. The profitability target was not achieved during the year, although the net debt/equity ratio remained within the target range. PostNord paid no dividend for 2014. Of its strategic sustainability targets, the company estimates that the CO<sub>2</sub> target will be achieved by 2020. However, the target for women in management positions will not be reached. The target for quality of delivery for first-class letters was achieved during the year.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	39,950	39,533
<b>Operating profit/loss</b>	<b>351</b>	<b>662</b>
<b>Profit before tax</b>	<b>245</b>	<b>454</b>
<b>Net profit/loss</b>	<b>176</b>	<b>306</b>
– of which attributable to minority interests	3	3

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>25,464</b>	<b>25,716</b>
Fixed assets	16,407	16,139
<b>Equity</b>	<b>7,991</b>	<b>9,034</b>
– of which, minority interests	4	4
<b>Net debt</b>	<b>5,127</b>	<b>4,228</b>
<b>Operating capital</b>	<b>13,118</b>	<b>13,262</b>

KEY RATIOS	2014	2013
Operating margin, %	0.9	1.7
Return on equity (average), %	2.1	3.7
Return on operating capital (average), %	2.7	5.3
Net debt/equity ratio, multiple	0.6	0.5
Equity/assets ratio, %	31.4	35.1
Gross investments, SEKm	1,846	2,591
Appropriation, SEKm	0	0
Dividend, SEKm	0	129
Average no. of employees	37,976	39,305

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- Profitability: Return on operating capital of 10.5 per cent.
- Capital structure: The net debt/equity ratio should be 10–50 per cent.
- Dividend: 40–60 per cent of net profit for the year.

### STRATEGIC SUSTAINABILITY TARGETS

- The group has a long-term target of reducing carbon dioxide emissions by 40 per cent by 2020, with 2009 as the base year.
- The group targets having 40 per cent women in managerial positions by 2015.

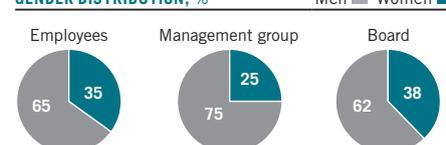
### PUBLIC POLICY TARGET

- Has no specifically adopted public policy assignment. Associated with its permit to conduct postal operations, the company is assigned with providing a postal service for all areas of society. The requirement for delivery quality is that 85 per cent of first-class letters should be delivered the following working day and 97 per cent within three days.

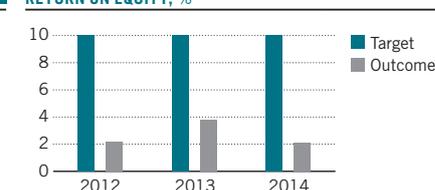
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## RETURN ON EQUITY, %





RISE Research Institutes of Sweden AB (RISE) is a wholly state-owned company tasked with promoting a coherent Swedish institute sector and cross-sector cooperation between the industrial research institutes under RISE. The company was formed in 2009 with the purpose of bringing together the state's ownership of the institutes under a common brand. RISE belongs to the group of state-owned companies with public policy assignments specifically adopted by the Riksdag.

#### OPERATIONS

RISE's assignment is to gather the Swedish institute sector and strengthen its role in the innovation system through efficient governance and work on matters of structure, effect and financing. The overall objective of the institutes in the RISE group is for them to be internationally competitive and to promote sustainable growth in Sweden by strengthening industrial competitiveness and renewal.

Through research and innovation, the RISE group generates benefit, growth and competitiveness in coordination with higher education, the business sector and society. The Group includes subsidiaries SP Sveriges Tekniska Forskningsinstitut AB (100 per cent) and Swedish ICT Research AB (60 per cent) and the associated companies Swerea AB (42.8 per cent) and Innventia AB (29 per cent). The joint ventures are owned jointly with the business sector. When all of the companies are reported in their entirety, regardless of ownership interests, they are referred to as the RISE Group. RISE works to promote an expedient structure for the institutes under a common brand. The state provides RISE with annual funding for strategic skills development, to be invested in all companies in the RISE Group, that is, SP, Swedish ICT, Swerea and Innventia. The funds are invested based on the same investment criteria, regardless of the state's ownership.

The 2012 research bill (bill 2012/13:30) tasked RISE with promoting a more cohesive group of institutions with a common, internationally strong brand, increased visibility, a clearer customer offering and an efficient organisation that could better respond to industry's need for research and innovation. A coherent institute sector is also deemed to have better conditions to meet the needs of small and medium-sized companies in the area. In its 2015 Budget Bill, the Government made the assessment that RISE, in dialogue with other shareholders in the sub-institutions within the RISE group, should identify an organisational

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Pia Sandvik



CEO: Olof Sandén

**Chair:** Pia Sandvik **Board:** Anna Hultin Stigenberg, Hasse Johansson, Richard Reinius, Ulf Säter, Marie Westrin, Fredrik Winberg, Sven Wird (Hasse Johansson, Fredrik Winberg and Sven Wird were elected at the 2015 Annual General Meeting when Thomas Johannesson left the board) **Auditor:** Olof Enerbäck, PwC

Remuneration to the Chairman of the Board is SEK 120,000 (120,000). Remuneration to board members elected by the Annual General Meeting is SEK 60,000 (60,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

and ownership solution that enables a consolidation of the four sub-institutes.

#### 2014

- Continued good growth in SP.
- Increased cooperation between the subsidiaries.
- Strategy project within the group initiated.

The RISE Group's turnover (Group and associated companies) has risen 5–6 per cent annually over the past five years. Growth has been driven primarily by the largest institute, SP, which has grown about 10 per cent annually over the same period. The considerable increase in wholly-owned SP's income, entailed a greater consolidated increase in turnover than in the group of companies. Strategic skills development funds amounted to approximately 18 (18) per cent of the RISE Group's turnover. The group's overall financial position remains satisfactory with an equity/assets ratio of 45 per cent, although this has gradually declined as growth has led to an increasing amount of capital being tied up.

RISE exercised active corporate governance over the group in accordance with a corporate governance model approved by the board. The company has continued to work on increasing the cooperation and coordination between the four institutes within the group. The strategy process initiated in the summer of 2014 and involving all of the shareholders in the institutions has progressed, albeit without Swerea whose shareholders other than RISE chose not to participate in this process. Before Christmas, the first phase was concluded, outlining the current situation across the institutes and a number of areas for improvement. These will be addressed in the spring of 2015 with efforts focusing on goals and strategies.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	1,977	1,807
Operating profit/loss	51	32
Profit before tax	58	41
Net profit/loss	48	30
– of which attributable to minority interests	9	–9

BALANCE SHEET, SEKm	2014	2013
Total assets	2,046	1,807
Fixed assets	942	793
Equity	927	875
– of which, minority interests	80	65
Net debt	252	155
Operating capital	1,179	1,030

KEY RATIOS	2014	2013
Operating margin, %	2.6	1.8
Return on equity (average), %	5.3	3.6
Return on operating capital (average), %	4.6	3.5
Net debt/equity ratio, multiple	0.3	0.2
Equity/assets ratio, %	45.3	48.4
Gross investments, SEKm	227	306
Appropriation, SEKm	361	308
Dividend, SEKm	0	0
Average no. of employees	1,673	1,586

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- RISE is not profit-driven and does not pay dividends. The institutes within the RISE Group (subsidiaries and associates) are profit-driven but do not pay dividends.

##### STRATEGIC SUSTAINABILITY TARGETS

- The RISE group's research and innovation generate value, meeting needs and demands from the business sector and society.
- The RISE group strives to contribute to sustainable growth, to use its resources responsibly and to contribute to solutions to the major global challenges.
- The RISE group is an employer able to both recruit and retain employees while actively contributing to the supply of knowledge and expertise in the business sector.

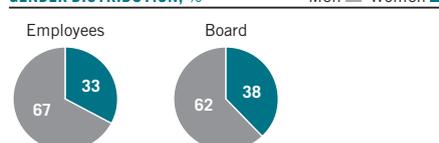
##### PUBLIC POLICY TARGET

- Has a specifically adopted public policy assignment. Operations within the framework of the public policy assignment funded through state appropriations are followed up. Targets have not yet been developed in accordance with the process for public policy target.

#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### RISE GROUP'S TURNOVER IN 2014, %



# samhall

In 1992 the Riksdag resolved that the then Samhall foundation should be re-organised as a limited liability company. As part of Swedish labour market policy, Samhall Aktiebolag's assignment is to produce goods and services, thereby providing meaningful and developing jobs for people with disabilities that entail diminished work capacity. With a strong focus on the individual, combined with a profitable business structure, Samhall shall offer a varied range of tasks. In this way, the company can overcome social exclusion and contribute to a sustainable society.

## OPERATIONS

Today, Samhall holds a leading position in Sweden when it comes to work-based development for people with disabilities. The company has some 23,000 employees at about 200 locations in Sweden. In accordance with its assignment, Samhall generates jobs by matching the right individual with the right job in customer assignments that are exposed to competition. The company has offerings in areas including workplace and property service, warehousing and logistics, cleaning and laundry, manufacturing and services for the elderly. The largest private customers include Ikea, Permobil, Lernia, Ica, Max, Swedbank and Volvo.

Samhall is also engaged by many municipalities, from Malmö in the south to Gällivare in the north.

At the 2015 Annual General Meeting, an owner's manual was adopted regarding the following:

- at least 29.4 million payroll hours are to be offered to people with disabilities,
- at least 40 per cent of those recruited shall be from prioritised groups,
- of the employees with disabilities, 1,100 persons should leave the company to work for another employer,
- In its core assignment, Samhall should avoid terminating employees with disabilities due to redundancy, and
- If possible, Samhall should take regional policy into account, avoiding closing operations in areas where the labour market is weak.

During 2015, Samhall is tasked with offering development positions for at least 1,000 individuals with disabilities who are in the employment phase.

## 2014

- Good growth in the areas of Services and Manned Solutions.
- Surpassed the goal for the number of transitions to other employment.
- Organisational changes that increase opportunities for employees in gainful employment.

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Erik Strand



CEO: Monica Lingegård

**Chair:** Erik Strand **Board:** Bertil Carlsén, Helen Fasth Gillstedt, Angelica Frithiof, Kenneth Johansson, Maria Nilsson, Leif Ljungqvist (Angelica Frithiof were elected at the 2015 Annual General Meeting when Hans Kilsved and Gunnell Tolfes left the board. Leif Ljungqvist was elected in November when Magnus Skåniger left the board) **Employee reps:** Hans Abrahamsson, Ann-Christin Andersson, Pia Litbo **Deputy employee reps:** Kristina Jakobsson, Hans Janeman **Auditor:** Peter Ekberg, Deloitte

Remuneration to the Chairman of the Board is SEK 310,000 (310,000). Remuneration to board members elected by the Annual General Meeting is SEK 130,000 (130,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

Over the year, Samhall's total income rose by approximately SEK 140 million, or about 2 per cent. The business areas Services and Manned Solutions increased in line with the business strategy, while Industrial Manufacturing and Packaging/Logistics declined over the year. The company's gross profit continued to improve. Operating profit for the 2014 full-year was affected positively by non-recurring items while, however, underlying profit deteriorated somewhat. Increased wage costs combined with unchanged compensation from the state for additional costs contributed to this.

## PERFORMANCE REVIEW

2014 Samhall fulfilled all of the owner's public policy target, including 1,100 as the number of employees transitioning to other employment. In 2014, the company employed 1,298 people within the framework of development positions. The number of payroll hours amounted to 29.4 (29.5) million and the recruitment of priority groups was 44 per cent (43). In 2014, Samhall's return on equity amounted to 5 per cent and its equity/assets ratio was 47 per cent. Over a business cycle, the company has fallen slightly short of the return target.

The self-financing ratio rose from 28 per cent to 30 per cent, which was also the target for 2014. However, the target to increase the proportion of employees working on paid customer contracts was not met. The commitment index remained unchanged at 76 per cent. The number of green cars in the company's fleet rose from 9.0 per cent to 11.4 per cent, meeting the target of an increase of 2 percentage points.

INCOME STATEMENT, SEKm		
	2014	2013
Net turnover	6,903	6,955
Operating profit/loss	0	-40
Profit before tax	92	21
Net profit/loss	81	15
- of which attributable to minority interests	0	0
BALANCE SHEET, SEKm		
	2014	2013
Total assets	3,522	3,360
Fixed assets	154	146
Equity	1,656	1,575
- of which, minority interests	0	0
Net debt	-2,743	-2,524
Operating capital	-1,087	-949
KEY RATIOS		
	2014	2013
Operating margin, %	0.0	neg
Return on equity (average), %	5.0	1.0
Return on operating capital (average), %	0.0	4.6
Net debt/equity ratio, multiple	-1.7	-1.6
Equity/assets ratio, %	47.0	46.9
Gross investments, SEKm	40	35
Appropriation, SEKm	4,405	4,405
Dividend, SEKm	0	0
Average no. of employees	17,908	17,401

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

## TARGETS

### FINANCIAL TARGETS

- Profitability: Return on equity 7 per cent.
- Capital structure: Equity/assets ratio at least 30 per cent.
- Dividend: None. Any profits generated are to be carried forward to a new account for the benefit of the company's continued operations.

### STRATEGIC SUSTAINABILITY TARGETS

- Employees in work.
- Committed employees.
- Increased degree of self-financing.
- Environmental target – Reduced carbon dioxide emissions.

Read more about the sustainability targets in the company's annual report.

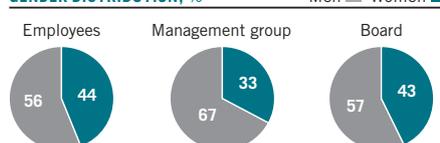
### PUBLIC POLICY TARGET

- Has a specifically adopted public policy assignment. Operations within the framework of the public policy assignment funded through state appropriations are followed up.

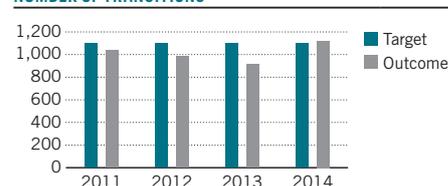
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## NUMBER OF TRANSITIONS





SAS Group

SAS AB was formed in 1946 when the national airlines of Sweden, Norway and Denmark agreed to operate as a consortium. In order to operate under the same conditions as other airlines in the international market, the ownership structure was changed in 2001. Shares in the national companies were exchanged for shares in a new, integrated parent company, SAS AB. Since then, the Swedish state has owned 21.4 per cent of the shares in SAS.

#### OPERATIONS

During the financial year 2013/2014, SAS transported 29.4 million passengers, including charter flights. Scandinavian Airlines is the Nordic region's largest airline in terms of destinations, passengers and flights. In 2013/2014, the airline flew to 125 destinations, with 807 daily flights. Beyond that, Scandinavian Airlines offered a larger network through its partners and the Star Alliance. Scandinavian Airlines also includes SAS Cargo and SAS Ground Handling (90 per cent). SAS is publicly traded on the Stockholm, Copenhagen and Oslo exchanges.

#### 2013/2014 <sup>1)</sup>

- Issue of preferred shares and convertible loans strengthened the company's financial preparedness.
- New savings programme of SEK 2.1 billion launched with full effect from 2017.
- Further steps towards simplification of the production platform through the streamlining of the aircraft fleet.

The 2013/2014 financial year was pervaded by strong price pressure in the market and the reshaping of the European airline industry with external production models, the formation of proprietary own low-cost airlines and the increased use of staffing companies. The company has successfully implemented the savings programme launched in 2012 (4XNG) and launched a further cost savings programme of SEK 2.1 billion in the financial year 2013/2014, with full effect from 2017. At the same time, the company's production platform is being streamlined through a reduction in the number of aircraft models used in operations. The company is also investing in a renewed aircraft fleet and will, over the next few years, receive its first deliveries of new long-haul aircraft (Airbus A330E). The customer offering

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Fritz H. Schur

CEO: Rickard Gustafson

**Chair:** Fritz H. Schur **Board:** Monica Caneman, Carsten Dilling, Lars-Johan Jarnheimer, Birger Magnus, Dag Mejdell, Sanna Suvanto-Harsaae, Jacob Wallenberg  
**Employee reps:** Sven Cahler, Jens Lippestad, Bo Nielsen **Deputy employee reps:** Erik Bohlin, Kim Kalsås-Carlsen, Janne Wegeberg **Auditors:** Bo Hjalmarsson, Eva Medbrant, PwC

Remuneration to the Chairman of the Board is SEK 410,000 (410,000) and to the first and second Vice Chairmen SEK 242,000 (242,000). Remuneration to board members elected by the Annual General Meeting is SEK 207,000 (207,000).

was strengthened through upgrades and improvements to the EuroBonus loyalty programme. The net loss for the year after tax was SEK 710 (profit 1,358) million. The outcome includes a restructuring provision of SEK 1.1 billion and a positive impact from changes in pension provisions of SEK 1 billion. Given increasingly intense competition, SAS has initiated discussions with the unions on how to meet the new realities of the industry.

#### PERFORMANCE REVIEW

In the 2013/2014 financial year, SAS achieved its target for financial preparedness, but not its profitability target or target equity/assets ratio. Targets for profitability (operating margin) and the equity/assets ratio will be reviewed in 2014/2015.

The reduction of emissions from flight operations compared with 2005 amounted to 19 per cent for the financial year. Energy consumption was reduced by 37 per cent and fuel consumption by 35 per cent during the year compared with 2010. Noise was cut 18 per cent compared with 2010.

1) Split financial year, November 2013–October 2014.

INCOME STATEMENT, SEKm	2014 <sup>1)</sup>	2013 <sup>1)</sup>
Net turnover	38,006	42,182
<b>Operating profit/loss</b>	<b>153</b>	<b>2,596</b>
<b>Profit before tax</b>	<b>-918</b>	<b>1,648</b>
<b>Net profit/loss</b>	<b>-719</b>	<b>1,358</b>
– of which attributable to minority interests	17	1
<b>BALANCE SHEET, SEKm</b>	<b>2014<sup>1)</sup></b>	<b>2013<sup>1)</sup></b>
<b>Total assets</b>	<b>29,325</b>	<b>26,813</b>
Fixed assets	18,291	18,600
<b>Equity</b>	<b>4,907</b>	<b>3,226</b>
– of which, minority interests	27	16
<b>Net debt</b>	<b>-2,676</b>	<b>1,139</b>
<b>Operating capital</b>	<b>2,231</b>	<b>4,365</b>
<b>KEY RATIOS</b>	<b>2014<sup>1)</sup></b>	<b>2013<sup>1)</sup></b>
Operating margin, %	0.4	6.2
Return on equity (average), %	neg	18.9
Return on operating capital (average), %	4.6	52.8
Net debt/equity ratio, multiple	-0.5	0.4
Equity/assets ratio, %	16.7	12.0
Gross investments, SEKm	2,113	1,877
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	12,329	14,127

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

1) Split financial year, November 2013–October 2014

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Operating margin at least 8 per cent.
- Capital structure: The equity/assets ratio shall exceed 35 per cent. The target for financial preparedness is for cash and cash equivalents and unutilised credit facilities to exceed 20 per cent of fixed costs.
- Dividend: 30–40 per cent of consolidated profit after standard tax. To safeguard the group's financial position, no dividend is normally paid when earnings are negative.

##### STRATEGIC SUSTAINABILITY TARGETS

- Reduce emissions from flight operations by 20 per cent in 2015 compared with 2005.
- Reduce energy consumption in buildings by 15 per cent in 2015 compared with 2010.
- Reduce fossil fuel consumption by land vehicles by 10 per cent at SAS's major airports in Scandinavia in 2015 compared with 2010.
- Reduce noise at take-off by 15 per cent compared with 2010.

##### PUBLIC POLICY TARGET

- Has no specifically adopted public policy assignment.

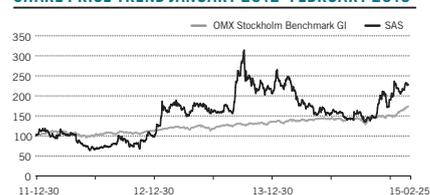
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### SHARE PRICE TREND JANUARY 2012–FEBRUARY 2015



# SBAB!

SBAB was formed in 1985 with the purpose of financing residential mortgages from the state. In 1989, SBAB took over the management of the state's residential mortgages from the National Housing Board. Following the approval of the 2009 Annual General Meeting, the company applied to Finansinspektionen (Swedish Financial Supervisory Authority) for a permit to conduct banking operations, and the product range has been expanded to include more than mortgages.

## OPERATIONS

SBAB offers savings and loans for private individuals, tenant-owner associations and property companies. Its operations are organised into two business areas: Retail Market, and Corporate Clients and Tenant-owner Associations. Retail Market offers residential mortgages, personal loans, deposits, insurance and mortgage brokering through partners in the form of banks and real estate agents. Corporate Clients and Tenant-owner Associations provides housing financing for property companies and tenant-owner housing associations, and corporate deposits.

## 2014

- New CEO and new approach to mortgage lending as core product.
- SBAB paid a dividend for the first time since 2004.
- Both lending and deposit volumes reached new record levels for SBAB.

During 2014, SBAB changed its CEO and strategy, and merged two former business areas, Retail Market and Partner Transactions. The company's strategy is now to focus on its core product, mortgages, and consequently, in 2014, SBAB sold its mutual funds and discontinued an earlier development project, the objective of which was to become a full-service bank, resulting in certain impairments that affected net profit for the year.

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Bo Magnusson CEO: Klas Danielsson

Chair: Bo Magnusson Vice Chair: Jakob Grinbaum Board: Carl-Henrik Borg, Lars Börjesson, Kristina Ekengren, Ebba Lindsö, Jane Lundgren Ericsson, Karin Moberg (Carl-Henrik Borg was elected at the 2015 Annual General Meeting when Per-Anders Fasth left the board)

Employee reps: Helen Vallin, Anders Heder Auditor: Hans Åkervall, KPMG

Remuneration to the Chairman of the Board is SEK 430,000 (350,000). Remuneration to board members elected by the Annual General Meeting is SEK 215,000 (175,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

The board has also approved a cost-efficiency programme that, alongside increased volumes and improved margins, has enhanced profitability and contributed to the company being able to pay a dividend to the owner for 2014.

## PERFORMANCE REVIEW

SBAB's targets are designed to ensure that the bank is financially stable and profitable over the long term. SBAB met or exceeded all of its financial targets for 2014.

At the 2015 Annual General Meeting, a decision was taken on an adjusted capital structure target to align the level with the regulatory changes implemented since 2013 when the current targets were adopted. Effective from the Annual General Meeting, the core Tier I capital ratio should be at least 22 per cent.

SBAB's objective to maintain sound finances is followed up by means of the core Tier I capital ratio, which exceeded the target for 2014. The Employee Satisfaction Index decreased in 2014, probably due in part to the reorganisation, and failed to reach the target. The bank is working to develop new products that support customers' investment in sustainable housing, with the first product offered being offered first from 2015.

INCOME STATEMENT, SEKm	2014	2013
Net interest income	2,111	1,963
Net commission	-110	-109
Net profit from financial items	620	39
Other operating income	0	0
<b>Total income</b>	<b>2,621</b>	<b>1,893</b>
<b>Operating profit/loss</b>	<b>1,644</b>	<b>1,085</b>
<b>Profit before tax</b>	<b>1,644</b>	<b>1,085</b>
<b>Net profit/loss</b>	<b>1,256</b>	<b>873</b>

– of which attributable to minority interests

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>338,985</b>	<b>335,058</b>
Lending to the public	268,882	279,006
<b>Equity</b>	<b>11,001</b>	<b>9,681</b>
– of which, minority interests	0	0

KEY RATIOS	2014	2013
Loan loss level, %	0.0	0.0
Return on equity (average), %	12.1	9.5
Core Tier I capital ratio, %	36.8	30.6
Capital adequacy ratio, %	44.7	35.6
Dividend, SEKm	502	0
Average no. of employees	437	449

Reported in compliance with GRI guidelines	Yes
Ethics policy	Yes
Equality policy	Yes
Environmental policy	Yes
Environmental management system	No
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- Profitability: Return on equity of at least 10 per cent.
- Capital structure: Core Tier I capital ratio, 18–20 per cent.
- Dividend: At least 40 per cent of net profit for the year.

### STRATEGIC SUSTAINABILITY TARGETS

- Sound finances: Agree with the financial targets set by the Annual General Meeting.
- Responsibility and transparency: Responsibility and transparency in sales and marketing; responsibility as an employer.
- Sustainable housing: Financing of new housing production, social commitment in relation to housing, the use of energy in Swedish homes.

### PUBLIC POLICY TARGET

- Has no specifically adopted public policy assignment.

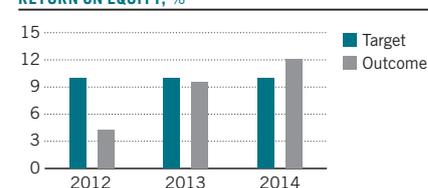
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## RETURN ON EQUITY, %



# SEK

Aktiebolaget Svensk Exportkredit (SEK) was established by the state and the commercial banks in 1962 to give Swedish industry better access to long-term financing and to increase its competitiveness. Since 2003, the state has been the sole owner. SEK's assignment is to secure access on commercial grounds to sustainable financial solutions for the Swedish export industry.

## OPERATIONS

The purpose of SEK's operations is to promote Swedish export industry by offering financing solutions on a commercial and sustainable basis to directly or indirectly promote Swedish exports. SEK fulfils a role that complements the market and that should be seen as supplementary to financing by the banks and capital markets for exporters seeking different sources of funding. SEK cooperates with Swedish and international banks and export promoters to achieve the best possible financing solutions for its customers. SEK secures funding on the international capital markets and offers customers various financing solutions in the form of retail financing and direct lending. On behalf of the Swedish government, SEK also administers the Swedish system of state-supported export credits (the CIRR system).

## 2014

- Continued high level of new lending to the Swedish export industry of SEK 57.1 (55.7) billion.
- Stable net interest income with lower borrowing costs.
- Higher net profit from financial transactions.

SEK's new lending to Swedish export companies and their customers remained high despite otherwise good access to capital, the economic trend having suffered setbacks, and the EU economies, which account for 60 per cent of Swedish exports, having lost impetus. There has been a need for long-term export financing, whereby financing for export companies' customers amounted to SEK 33.9 billion and financing directly to export companies amounted to SEK 23.2 billion. Net interest income was stable with average volumes and margins in the lending portfolio increasing while funding costs were lower. SEK's long-term debt rating is AA+ from Standard & Poor's and Aa1 from Moody's. In 2014, SEK had a loan framework of SEK 80 billion at the Swedish National Debt Office to be used exclusively for the system of state-supported export credits and the possibility of purchasing government guarantees on commercial terms for new lending of up to SEK 250 billion. SEK has not utilised these facilities and the Riksdag has resolved not to extend the credit framework for 2015.

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Lars Linder-Aronson CEO: Catrin Fransson

Chair: Lars Linder-Aronson Board: Cecilia Ardröm, Jan Belfrage, Susanne Lithander, Lotta Mellström, Ulla Nilsson, Jan Roxendal, Teppo Tauriainen (Teppo Tauriainen was elected at an Extraordinary General Meeting in October 2014 when Eva Walder left the board. Susanne Lithander was elected at an Extraordinary General Meeting in January 2015) Auditor: Erik Åström, EY

Remuneration to the Chairman of the Board is SEK 400,000 (380,000). Remuneration to board members elected by the Annual General Meeting is SEK 180,000 (155,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

## PERFORMANCE REVIEW

The profitability target, measured as return on equity, corresponded to 8.0 per cent and the outcome was 8.1 per cent. The capital target, measured as the Common Equity Tier I capital ratio was exceeded, and amounted to 16.9 per cent. A dividend of SEK 378 million was paid for 2014, which is in accordance with the dividend policy.

The 2015 Annual General Meeting adopted new financial targets according to which the return on equity should amount to at least 6 per cent, the core Tier I capital ratio should be 16 per cent, but not less than 14 per cent, and the ordinary dividend should amount to 30 per cent of earnings, taking the targets for capital structure, future capital needs and investment into account.

The proportion of customers who perceive SEK as including sustainability aspects in connection with credit decisions was 81 per cent. For 2015 and 2016, the target for sustainable financing was sharpened to 100 per cent. Among customers and sub-suppliers, 23 per cent have undertaken to comply with SEK's anti-corruption guidelines. Work began in late 2013, with information being distributed to suppliers, and is continuing in 2015 with information being distributed to customers. The gender distribution among management positions was 41 per cent women and 59 per cent men, and the proportion of employees with foreign backgrounds was 29 per cent.

The public policy target were adopted at the 2015 Annual General Meeting.

INCOME STATEMENT, SEKm	2014	2013
Net interest income	1,578	1,555
Net commission	-6	-5
Net profit from financial items	506	408
Other operating income	0	0
<b>Total income</b>	<b>2,078</b>	<b>1,958</b>
<b>Operating profit/loss</b>	<b>1,629</b>	<b>1,408</b>
<b>Profit before tax</b>	<b>1,629</b>	<b>1,408</b>
<b>Net profit/loss</b>	<b>1,260</b>	<b>1,090</b>
- of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>325,166</b>	<b>306,554</b>
Lending to the public	227,890	211,330
<b>Equity</b>	<b>16,157</b>	<b>14,990</b>
- of which, minority interests	0	0

KEY RATIOS	2014	2013
Loan loss level, %	0.0	0.0
Return on equity (average), %	8.1	7.4
Tier 1 capital ratio, %	16.9	19.5
capital adequacy ratio, %	19.2	21.8
Dividend, SEKm	378	327
Average no. of employees	243	243

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- Profitability: In the long term, return on equity shall correspond to the risk-free interest plus 5 percentage points.
- Capital structure: Core Tier I capital ratio 16 per cent, but not less than 12 per cent.
- Dividend: 30 per cent of profit for the year, taking the target for capital structure, future capital requirements and investments into account.

Targets in 2014. New targets were adopted by the 2015 Annual General Meeting.

### STRATEGIC SUSTAINABILITY TARGETS

- Sustainable financing: More than 80 per cent of customers should perceive that sustainability demands are imposed in connection with lending.
- Business ethics: By 2015, 100 per cent of SEK's customers and sub-suppliers shall have undertaken to comply with SEK's anti-corruption guidelines.
- Equality and diversity: There should be 40-60 per cent women/men in managerial positions and the number of employees with foreign backgrounds should exceed 25 per cent.

### PUBLIC POLICY TARGET

SEK is to administer the Swedish system for state-supported export credits, CIRR credits, and endeavour to make it as competitive as the corresponding systems in the principal competing countries.

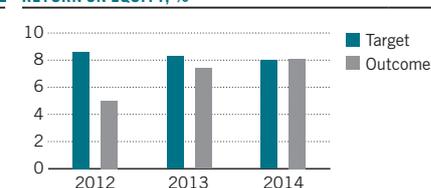
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## RETURN ON EQUITY, %





SJ AB, which is wholly owned by the Swedish state, was formed in 2001 in conjunction with the incorporation of the Swedish State Railways state enterprise. On incorporation, SJ took over all of state enterprise's passenger rail services and has since then operated on a commercial basis in competition with other train operators and with car, airline and bus transport. SJ is a modern, customer-oriented transport company, focused on punctuality.

#### OPERATIONS

SJ is the largest operator of passenger rail services in Sweden. The group's rail services are operated primarily by the parent company SJ AB and its subsidiaries Stockholmståg, SJ Norrlandståg and SJ Götalandståg. The operations of the other subsidiaries and associated companies are closely related to the core business.

SJ operates mainly in the market for inter-regional and long-distance travel. The company operates two types of services, commercial services and contract services (which is competitively procured by the Swedish Transport Administration or by regional transport authorities). SJ operates both commercial services and contract services on a commercial basis in competition with other train operators and with car, airline and bus transport.

Sustainable business is a natural and integral part of SJ's business model. Based on the company's vision, business concept and values, social, environmental and financial responsibility are safeguarded by measuring and following up six control areas. Working to improve punctuality is one of the targets. Despite substantial traffic disruption during the spring and summer, SJ's punctuality on long-distance trains improved by three percentage points to 81 per cent while punctuality for regional trains was 89 per cent, equivalent to the outcome in 2013.

#### 2014

- Travel by SJ increased by 2 per cent.
- An improvement programme was initiated, which should lower costs by SEK 1 billion over three years. As a consequence, 18 of SJ's travel agencies were closed and notice of termination was served concerning 400 individuals, of whom 237 were administrative personnel.
- 75 per cent of the holdings in SJ's subsidiary Linkon AB was divested at the end of the year.

Consolidated net turnover for the full year amounted to SEK 9,065 (9,023) million, representing a marginal increase. Operating profit rose by SEK 270 million to SEK 568

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Jan Sundling



CEO: Crister Fritzson

**Chair:** Jan Sundling **Board:** Ulrika Dellby, Mikael Staffas, Mikael Stöhr, Siv Svensson, Michael Thorén, Gunilla Wikman (Lena Olving left the board at the 2015 Annual General Meeting) **Employee reps:** Per Hammarqvist, Erik Johannesson, Hans Pilgard **Auditors:** Hans Wärén, Deloitte

Remuneration to the Chairman of the Board is SEK 400,000 (400,000). Remuneration to board members elected by the Annual General Meeting is SEK 150,000 (150,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

(298) million. Over the year SJ's focus on active cost and resource management also contributed SEK 503 (347) million to improved underlying performance for 2014. The positive profit trend allows SJ to continue to invest and to develop into a more competitive company.

#### PERFORMANCE REVIEW

In connection with the Annual General Meeting on 28 April 2014, new long-term financial targets for SJ were adopted. SJ achieved its target return on operating capital while the net debt/equity ratio was lower than the specified target range. As per December, return on operating capital amounted to 11.5 per cent, which meant that the target was achieved. The size of the Group's operating capital decreased by SEK 300 million over the past year as a result of changes in working capital and the divestment of the subsidiary Linkon AB, among other factors. Operating capital is funded exclusively through equity, which is reflected by the net debt/equity ratio measure amounting to -0.07, corresponding to a net cash position of SEK 396 million in the SJ Group.

Efforts to improve punctuality are continuing, with those elements of the problem for which SJ is responsible decreasing while infrastructure-related causes are increasing. For long-distance trains, punctuality was 81 per cent and for regional trains it was 89 per cent. For completed supplier and partnership assessments, the outcome was 20 per cent. The SJ Volunteer programme was launched in the first quarter of 2015 and is an opportunity for the company's employees to engage in volunteer work during working hours equivalent to one working day per year. No review has yet been performed.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	9,065	9,024
Operating profit/loss	568	298
Profit before tax	578	288
Net profit/loss	460	220
- of which attributable to minority interests	0	0
BALANCE SHEET, SEKm	2014	2013
Total assets	8,870	9,312
Fixed assets	7,082	7,231
Equity	5,335	4,961
- of which, minority interests	0	0
Net debt	326	670
Operating capital	5,661	5,631
KEY RATIOS	2014	2013
Operating margin, %	6.3	3.3
Return on equity (average), %	8.9	4.5
Return on operating capital (average), %	10.1	3.8
Net debt/equity ratio, multiple	0.1	0.1
Equity/assets ratio, %	60.1	53.3
Gross investments, SEKm	828	527
Appropriation, SEKm	0	0
Dividend, SEKm	230	73
Average no. of employees	4,541	4,953

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Return on operating capital should average at least 7 per cent.
- Capital structure: net debt/equity ratio of a multiple of 0.5-1.0 in the long term
- Dividend: Over the long term, the dividend should amount to between 30 and 50 per cent

##### STRATEGIC SUSTAINABILITY TARGETS

- Punctuality: Long distance trains, 5 minutes (95 per cent).
- Proportion of annually completed supplier and partnership assessments.
- SJ Volunteer – an opportunity for employees to engage in voluntary work during working hours.

##### PUBLIC POLICY TARGET

- Has no specifically adopted public policy assignment.

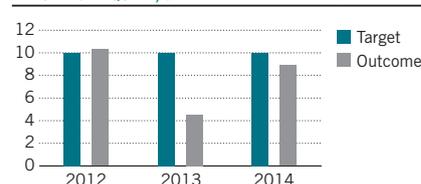
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### RETURN ON EQUITY, %





SOS Alarm Sverige AB was formed in 1974 and is owned 50 per cent by the Swedish state and 50 per cent by the Swedish Association of Local Authorities and Regions. SOS Alarm's principal task is to be responsible, on assignment from the state, for the emergency response service in Sweden by receiving and mediating calls via the emergency number 112 and offering municipalities and county councils routing and prioritisation of ambulance and fire services for example. SOS Alarm also receives and responds to alarms from automatic alarm systems.

#### OPERATIONS

SOS Alarm's business concept is to develop, provide and perform services for a safer society. The company's central role in emergencies makes SOS Alarm a vital link in society's emergency preparedness. The company is responsible for the emergency number 112 in Sweden and operations are regulated by a contract with the state. Through a number of SOS centres in Sweden, the company manages incoming alarms, directs response measures in cooperation with ambulance services, municipal fire and rescue services, the police, sea, air and mountain rescue services, and others. In 2014, SOS Alarm received more than 3.6 million emergency calls. The number of calls requiring immediate assistance was about 2.0 million urgent calls. Most emergency calls are requests for medical assistance in cases of sudden illnesses and accidents (871,519), or for police response in connection with crimes in progress (660,856), for example. The need for response by municipal emergency services often involves large events, although the number of calls is not as great (106,286). In 2014, more than 111,712 calls were diverted to on-call clergy.

SOS Alarm is responsible for prioritising and routing most of the country's emergency ambulances. Besides this, also offers other security and emergency services that can be combined with the SOS service, including the reception and processing of automatic alarms, personal alarms and mediation of calls to on-call services. The 112 emergency number, crisis preparedness and rescue and medical services account for around 70 per cent of turnover, and security and alarm services for the remainder.

#### 2014

- Improved profits due to increased income and recruitment backlog.
- For 2014, the reversal of a provision for future losses on customer contracts amounted to SEK 12.8 million, the same amount as in 2013.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Eva Fernvall

CEO: Johan Hedensjö

**Chair:** Eva Fernvall (was elected at the 2015 Annual General Meeting when Johnny Magnusson left the board as Chairman) **Board:** Johan Hallberg, Alf Jönsson, Maria Khorsand, Ingrid Lennerwald, Johnny Magnusson, Maria Nilsson, Ewa Ståldal, Håkan Sörman (Johan Hallberg and Alf Jönsson were elected at the 2015 Annual General Meeting when Bo Anderson, Tommy Bernevång Forsberg and Lars Erik Fredriksson left the board)

**Employee reps:** Mats Lundgren, Bengt Norberg **Deputy employee reps:** Maria Olsson, Johan Magnusson **Auditor:** Magnus Fagerstedt, EY

Remuneration to the Chairman of the Board is SEK 125,000 (100,000). Remuneration to board members elected by the Annual General Meeting is SEK 75,000 (60,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

- Additional compensation of SEK 20 million to achieve cost coverage for the 112 emergency number assignment.

The increase in turnover is primarily attributable to an expanded assignment for Stockholm County Council, as well as temporary and fixed-term contracts with "Fyrklövern" for the prioritisation and routing of ambulances, as well as the additional compensation of SEK 20 million received for the 112 assignment. Operating profit improved due to measures implemented in the ongoing efficiency programme, which led to transition costs of SEK 30 million in 2012, but also due to reduced personnel costs due to vacancies. Operating profit for 2014 was affected in part by costs for restructuring and in part by job vacancies, particularly early in the year.

#### PERFORMANCE REVIEW

The financial targets were not achieved. The equity/assets ratio was 26 (23) per cent and return on equity was 19.5 (7.4) per cent. Implemented measures have begun to have an effect.

According to its contract with the state, SOS Alarm shall respond to 112 calls within an average eight seconds, and no more than 8 per cent of 112 calls should have an average response time exceeding 15 seconds. No one calling the common emergency number should normally have to wait longer than 30 seconds for a response. Each year, a report shall be delivered to the Ministry of Justice regarding the quality of the 112 service. The average response time in 2014 was 15.3 (11.5) seconds, meaning that the target of eight seconds was not achieved.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	953	869
Operating profit/loss	30	11
Profit before tax	33	13
Net profit/loss	29	9
– of which attributable to minority interests	0	0
<b>BALANCE SHEET, SEKm</b>	<b>2014</b>	<b>2013</b>
Total assets	618	570
Fixed assets	228	244
Equity	162	133
– of which, minority interests	7	6
Net debt	-128	-82
Operating capital	34	51
<b>KEY RATIOS</b>	<b>2014</b>	<b>2013</b>
Operating margin, %	3.2	1.3
Return on equity (average), %	19.5	6.7
Return on operating capital (average), %	70.3	15.2
Net debt/equity ratio, multiple	-0.8	-0.6
Equity/assets ratio, %	26.2	23.4
Gross investments, SEKm	52	49
Appropriation, SEKm	214	194
Dividend, SEKm	0	0
Average no. of employees	848	819

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Return on equity 8 per cent over a rolling five-year period.
- Capital structure: Equity/assets ratio of at least 40–50 per cent, adjusted to at least 30 per cent due to a change in accounting principle.
- Dividend: 5 per cent of equity, taking external changes, operating conditions and capital structure into account.

##### STRATEGIC SUSTAINABILITY TARGETS

- Employee target (employee satisfaction index).
- Trade mark target (confidence/awareness).
- Turnover target.
- Profitability target.

##### PUBLIC POLICY TARGET

- Has a specifically adopted public policy assignment. Operations within the framework of the public policy assignment funded through state appropriations are followed up. Targets have been set for response times.

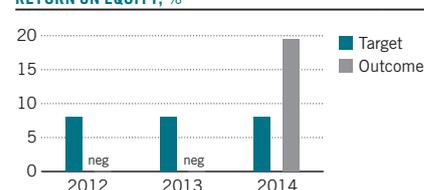
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### RETURN ON EQUITY, %





Specialfastigheter Sverige Aktiebolag was formed in 1997. Specialfastigheter was established to separate the state's property management operations from the utilisation of premises and land. This was also intended to give a fairer picture of costs for land and premises in the state budget, both in terms of the property management operations' income statements and balance sheets, as well as in the costs of the authorities or clients using such land and/or premises. Property management is to be conducted with a market return.

#### OPERATIONS

Specialfastigheter shall own, develop and manage, in the long term and on a commercial basis, properties in Sweden with strict security requirements and for which there is a national security interest. In these operations, the focus on minimising the state's overall cost should be the guiding principle. In a competitive market, Specialfastigheter may also own, develop and manage properties subject to security interests in other regards. Based on principles of sustainable business, Specialfastigheter owns and manages properties built for specific purposes, such as correctional facilities, courts and police buildings, and juvenile institutions. Operations are conducted in three business areas: correctional services, defence and judiciary, institutional care and other special operations. The three largest tenants are the Prison and Probation Service, the National Police Board and the National Board of Institutional Care (SiS).

#### 2014

- Stable rental income and earnings.
- The market value of the properties rose by 4 per cent to SEK 20,271 million.
- Extraordinary dividend of SEK 2,565 billion paid to adapt the capital structure to the target equity/assets ratio.

2014 can be summarised as a stable year. Specialfastigheter's operations are characterised by long-term contracts, which generates stable financial outcome. Over the year, properties without pronounced security requirements were sold for a total of SEK 196 million. These have included special schools, school accommodation and outmoded, empty premises. Only a small number of smaller such properties remain and these will be sold during 2015.

During the year, the major investment in new offices for the Swedish Security Service in Solna was completed, several renovations and extensions were carried out for SiS and the Asptuna institution facility was completed for the Prison and Probation Service. At the end of

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Bo Lundgren



CEO: Åsa Hedenberg

Chair: Bo Lundgren Board: Jan Berg, Carin Götblad, Eva Landén, Nina Linander, Mikael Lundström, Lotta Mellström Employee reps: Masoomeh Antonsson, Roger Törngren Deputy employee reps: Tomas Edström, Lena Nibell Auditor: Clas Tegedius, EY

Remuneration to the Chairman of the Board is SEK 240,000 (240,000). Remuneration to board members elected by the Annual General Meeting is SEK 120,000 (120,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

the year, further projects were in progress, albeit at significantly lower investment volumes. However, a number of projects were at the planning stage and have progressed to implementation in 2015, including the new district court in Lund and the continuing projects at Kronoberg and the Kumla prison. S&P affirmed the company's AA+ rating at the end of the year.

#### PERFORMANCE REVIEW

The return and the equity/assets ratio for 2014 exceeded the long-term targets, which are to be implemented over time. In addition to the ordinary dividend of SEK 435 million, in accordance with the dividend policy, an extraordinary dividend of SEK 494 million was paid and share capital of SEK 2,071 billion was repaid to achieve an equity/assets ratio of around 30 per cent.

In 2014, work continued with ongoing improvements and sustainability work, focusing primarily on the environment and climate. In late 2013, the company launched its Code of Responsibility for suppliers, which will gradually be implemented in all partnership agreements. No cases of corruption, or the giving or accepting of bribes have occurred. During the year, several green leases were signed and a total of 32 per cent had green appendices. All properties leased by SiS now have green leases. Agreement loyalty amounted to 78 per cent. A conscious and systematic process is underway to reduce each property's energy consumption and in 2014 it amounted to 213 (222) kWh/m<sup>2</sup>. The proportion of women in senior positions increased to 21 per cent (17). In the area of diversity, some development is still necessary and concrete targets will be developed during 2015.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	1,872	1,858
Changes in value	669	435
Operating profit/loss	2,064	1,921
Profit before tax	1,782	1,673
Net profit/loss	1,390	1,301
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	20,571	19,857
Fixed assets	20,391	19,511
Equity	8,475	7,564
– of which, minority interests	0	0
Net debt	8,985	9,415
Operating capital	17,460	16,979

KEY RATIOS	2014	2013
Surplus rate, %	77.6	78.0
Operating margin, %	110.3	103.4
Return on equity (average), % (in acc. with defined financial target)	11.9	14.9
Return on operating capital (average), %	12.0	11.5
Net debt/equity ratio, multiple	1.1	1.2
Equity/assets ratio, %	41.2	38.1
Gross investments, SEKm	374	497
Appropriation, SEKm	0	0
Dividend, SEKm	3,000	481
Average no. of employees	121	122

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

#### FINANCIAL TARGETS

- Profitability: 8 per cent return on equity, based on net profit after adding back changes in value and deferred tax.
- Capital structure: Equity/assets ratio 25–35 per cent.
- Dividend: 50 per cent of net profit for the year, after adding back the year's changes in value and associated deferred tax, taking future investment needs and financial position into account.

#### STRATEGIC SUSTAINABILITY TARGETS

- All leases should have green annexes.
- No (0) instances of corruption, or the giving or accepting of bribes.
- At least 90 per cent of our purchases shall be made from partners with whom we have signed agreements.
- Improve energy efficiency – by 2018, consumption should be no more than 170 kWh/m<sup>2</sup> for electricity used in premises, electricity used for operations, heating, comfort cooling and hot water.
- At least 30 per cent of managers should be women.

#### PUBLIC POLICY TARGET

- Has no specifically adopted public policy assignment.

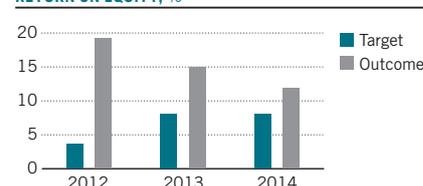
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### RETURN ON EQUITY, %





The Swedish Space Corporation (SSC) is responsible for the operation of the Esrange Space Center, providing advanced space services to the global space market, conducting technological development in the field of space operations and managing the operation and development of testing at the Vidsel test site. The company was founded in 1972 and is wholly owned by the Swedish state.

#### OPERATIONS

SSC is a group that operates globally and that has some 540 employees in ten countries, about half of whom are in Sweden. Operations are conducted in four divisions:

##### Science Services

The Esrange Space Center, north of Kiruna, is used for rocket launches and the release of balloons by the Science Services division. The base has an internationally unique position as a civilian space centre through its extensive infrastructure, access to a large rocket landing area and restricted airspace for rocket launches and balloon flights. Science Services also develops advanced experimental equipment for rockets and balloons.

##### Satellite Management Services (SaMS)

The division provides ground station services for communications with satellites and, in addition to the Swedish operations, also includes the wholly owned subsidiaries, Universal Space Network Inc. in the US, SSC Chile SA in Chile, SCC Space Corporation in Canada and SSC Space Australia Pty Ltd in Australia.

##### Engineering Services

The division works with engineering services for the planning and development of satellite missions, satellite control and ground station services with operations in Sweden, Germany, the Netherlands and the Spain. Operations include the wholly owned subsidiaries LSE Aerospace GmbH and Aurora Technology BV

##### Technology

Technology encompasses Aerospace Test Systems, which manages the operation and development of test operations at the Vidsel test site. The division also includes the subsidiaries ECAPS AB and NanoSpace AB. The operations within Airborne Systems were divested in 2014.

#### 2014

- Strongest operating profit in 12 years.
- Increased focus on advanced space services for the global space market.

Sales rose by 3 per cent adjusted for discontinued operations. The focus remained on advanced

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Hans Karlander

CEO: Stefan Gardefjord

**Chair:** Hans Karlander **Board:** Fredrik Brunell, Anne Gynnerstedt, Åsa Hedin, Hanna Lagercrantz, Lars Leijonborg, John Stuart, Håkan Syrén, Fredrik Wilhelmsson (Anne Gynnerstedt were elected at the 2015 Annual General Meeting) **Employee reps:** Ylva Houltz, Lennart Jonasson **Deputy employee reps:** Mattias Abrahamsson, Britt-Marie Åslund **Auditor:** Camilla Samuelsson, PwC

Remuneration to the Chairman of the Board is SEK 240,000 (230,000). Remuneration to board members elected by the Annual General Meeting is SEK 120,000 (115,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

space services for the global space market and the development of operations at the Esrange Space Center. SSC aims to develop the unique asset that the Esrange Space Center constitutes, creating a more modern facility with new services for space research and new and improved services for access to space. The aim is for the Esrange Space Center to be a "green" launch site for rockets and small satellites and to continue to play a central role in European space research and to strengthen Sweden's position in European space collaboration.

#### PERFORMANCE REVIEW

The return target for 2014 was achieved and SSC paid a normal dividend to the owner.

The company's sustainability target included two parts: to implement sustainability in an initial stage by informing all employees and by conducting dialogues with stakeholders to ensure that the company's technical and operational capacity meets future requirements. The first target was achieved by conducting dialogue seminars with 70 per cent of the company's employees globally and by introducing a sustainability policy and appropriate methods and tools for sustainability work in the line organisation. Extensive work has been initiated by means of dialogues with authorities and customers regarding the specific areas covered by the stakeholder dialogue target. Method development and stakeholder analysis have been carried out. The target has been reached by about 70 per cent. With regard to SSC's assignment objective, the quality target was achieved in 2014 with 85 per cent satisfied customers. The capacity target was not achieved because of an order grounding a rocket engine from an external supplier. Consequently, utilisation amounted to only 25 per cent.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	842	863
<b>Operating profit/loss</b>	<b>31</b>	<b>30</b>
<b>Profit before tax</b>	<b>41</b>	<b>22</b>
<b>Net profit/loss</b>	<b>34</b>	<b>11</b>
– of which attributable to minority interests	0	0
<b>BALANCE SHEET, SEKm</b>	<b>2014</b>	<b>2013</b>
<b>Total assets</b>	<b>1,005</b>	<b>898</b>
Fixed assets	658	528
<b>Equity</b>	<b>503</b>	<b>446</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>72</b>	<b>-37</b>
<b>Operating capital</b>	<b>575</b>	<b>410</b>
<b>KEY RATIOS</b>	<b>2014</b>	<b>2013</b>
Operating margin, %	3.6	3.5
Return on equity (average), %	7.1	2.4
Return on operating capital (average), %	6.2	7.2
Net debt/equity ratio, multiple	0.1	-0.1
Equity/assets ratio, %	50.1	49.7
Gross investments, SEKm	158	71
Appropriation, SEKm	0	0
Dividend, SEKm	10	3
Average no. of employees	533	577

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Return on operating capital of at least 6 per cent.
- Dividend: At least 30 per cent of net profit.

##### STRATEGIC SUSTAINABILITY TARGETS

- All SSC employees are trained in, understand and work according to the ethical and environmental standards established by the company.

##### PUBLIC POLICY TARGET

- For Science Services:
  - 1) utilisation rate of at least 70 per cent at the Esrange Space Center, and
  - 2) quality index of at least 80 per cent for the Esrange Space Center, related services and customer satisfaction.
- For SSC:
 

By means of a special stakeholder dialogue, the company shall ensure that activities designed to promote Swedish interests in the best way possible.

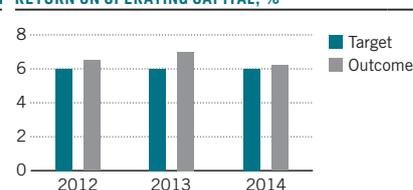
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### RETURN ON OPERATING CAPITAL, %



# Sbo

## Statens Bostadsomvandling AB



Statens Bostadsomvandling AB, Sbo, is a wholly state-owned company that was established in 2004. The company has a public policy assignment to participate practically in bringing balance to the housing market in communities where the population is declining. Sbo acquires, owns, manages, develops and liquidates properties taken over from municipalities or municipal housing companies. Restructuring through the remodelling of existing housing holdings provides conditions for a better functioning housing market.

### OPERATIONS

The government's housing policy objectives include long-term well-functioning housing markets with a range of homes that meet needs and consumer demand. The company's operations focus on assisting the restructuring process needed to achieve balance in the housing market in communities where the population is declining. In these communities, there is often considerable need for housing that is accessible for elderly people and adapted to their needs. These homes are also workplaces for home-help, home healthcare and management personnel. Well-adapted homes for the elderly enhance residents' well-being while also providing a good working environment. The restructuring process generates chains of people moving home within the housing market. Once a balance has been achieved in the local housing market, the company divests the properties it has developed on the open market. The public policy assignment is followed up through analyses of home moving chains in connection with investments, of the number of flats repurposed by the company, and the number of flats adapted for the elderly in terms of accessibility and improved standard. The remodelled, adapted and modern properties are attractive and easily leased.

### 2014

- Redevelopment of properties with about 100 new apartments by the end of 2014.
- Selling real estate in Grythyttan and Hällefors.
- The merger of the subsidiaries.

The company's income and profits are mainly influenced by the number of properties leased per year on completion of remodelling and adaptation, as well as by property sales. During 2014, the company's operations

### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Christel Wiman

CEO: Ann Eriksson

**Chair:** Christel Wiman (was elected at the 2015 Annual General Meeting when Rolf Åbjörnsson left the board) **Board:** Leif Ljungqvist, Brita Saxton, Håkan Steinbüchel, Björn Sundström (Leif Ljungqvist and Håkan Steinbüchel were elected at the 2015 Annual General Meeting when Sophie Ahlstrand and Cathrine Holgersson left the board) **Auditor:** Lars Magnusson, Deloitte

Remuneration to the Chairman of the Board is SEK 70,000 (70,000). Remuneration to board members elected by the Annual General Meeting is SEK 35,000 (35,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

focused largely on meeting demand for accessibility-adapted modern homes for the elderly in cooperation with the active municipality. This creates positive home moving chains in the municipality. Sbo assumed control of the subsidiaries Norecic AB and Studentbostäder i Grythyttan Hällefors AB through a merger that was carried out on 1 July 2014.

Net turnover, which mainly comprises rental income was at the same level as in the preceding year. Sales of properties in Grythyttan and Hällefors during the year resulted in a book profit of SEK 9.9 million, which partly offset previous years' accumulated losses for the property portfolio in Grythyttan and Hällefors. During 2014, SEK 41 million was invested in ongoing development projects.

### PERFORMANCE REVIEW

Until 2014, the company's operations involved properties in about 30 locations, comprising some 870 flats, as well as premises. Redevelopment of properties with about 100 new flats plus premises at the end of 2014. At the end of 2014/start of 2015, there were 415 (490) rentable flats.

The assessment for 2014 is that approximately 60 per cent of the project costs (including impairment) have been recovered. Most of the properties currently owned and managed by Sbo were acquired in 2007 or later. Between 2010 and 2014, Sbo sold 17 properties in six locations. All sustainability targets for 2014 were achieved.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	17	18
Operating profit/loss	-16	-17
Profit before tax	-5	-5
Net profit/loss	-9	-7
- of which attributable to minority interests	0	0
BALANCE SHEET, SEKm	2014	2013
Total assets	541	551
Fixed assets	216	211
Equity	509	534
- of which, minority interests	0	0
Net debt	-313	-334
Operating capital	196	200
KEY RATIOS	2014	2013
Operating margin, %	neg	neg
Return on equity (average), %	neg	neg
Return on operating capital (average), %	neg	neg
Net debt/equity ratio, multiple	-0.6	-0.6
Equity/assets ratio, %	94.1	96.9
Gross investments, SEKm	42	61
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	3	5

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

## TARGETS

### FINANCIAL TARGETS

- At least 37 per cent of the combined project costs shall have been recovered when the projects are completed.
- For at least 80 per cent of the projects, to implement the restructuring of the properties and to sell them on the open market and on market terms within eight years.

### STRATEGIC SUSTAINABILITY TARGETS (A SELECTION)

- For 100 per cent of developed properties to be leased on completion.
- For at least 80 per cent of the apartments in buildings adapted to the needs of seniors to have been leased.
- For 100 per cent of the flats and common areas in the properties to be accessible using, for example, a walking frame or wheelchair.

Read the targets in full in the company's annual report.

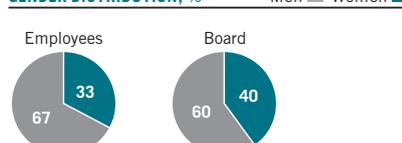
### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Targets have not yet been developed in accordance with the process for public policy targets.

### STATE OWNERSHIP, %



### GENDER DISTRIBUTION, %



### MOVING CHAINS

- accommodation prior to transition into sheltered housing, %



# SVEASKOG

Sveaskog AB has its origins in the incorporation of Domänverket (Swedish Forestry Service) in 1992. Today, the company is Sweden's largest forest owner, managing a total of 4.1 million hectares of land. Sveaskog is to act as an independent player in the timber market with forestry as its core operations. The operations are to be conducted on a commercial basis.

## OPERATIONS

Sveaskog manages 3.1 million hectares of productive forest land, which constitutes 14 per cent of Sweden's forest land. The company's forest holdings are spread throughout Sweden but are concentrated in the northern part of the country. The forest plays an important role in providing raw materials for the forest industry and generating employment and recreational opportunities. Sveaskog primarily sells timber, pulpwood and biofuel to customers. The company conducts long-term sustainable forestry by, for example, setting aside 20 per cent of its productive forest land for nature conservation and the establishment of a total 36 ecoparks. A programme of land sales is also in progress in which the company is selling forest land to individuals to facilitate purchasing and reparable opportunities, particularly in sparsely populated areas. In the long term, the aim of Sveaskog's land sales programme is to sell 10 per cent of the company's proprietary landholdings (based on the holdings in 2002) to private individuals.

## 2014

- Increased turnover due to higher prices.
- Increased proportion of deliveries from the company's own forests increased profitability.
- Positive changes in the value of the forest holdings.

Income for 2014 rose by 3 per cent as a result of higher prices for forest products, while delivery volumes were largely unchanged. Prices for forest raw materials rose by an average 3 per cent. Operating profit rose by 28 per cent to SEK 1,254 (978) million. The improvement is explained by 5 per cent higher

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Göran Persson

CEO: Per Olof Wedin

**Chair:** Göran Persson **Board:** Helene Biström, Eva Färnstrand, Thomas Hahn, Johan Hallberg, Birgitta Johansson-Hedberg, Anna-Stina Nordmark-Nilsson (Mats Ringesten left the board at the 2015 Annual General Meeting) **Employee reps:** Eva-Lisa Lindvall, Sture Persson **Deputy employee reps:** Lars Djerf, Per Eriksson **Auditor:** Martin Johansson, PwC

Remuneration paid to the Chairman of the Board amounts to SEK 400,000 (400,000). Remuneration to board members elected by the Annual General Meeting is SEK 150,000 (150,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

delivery volumes from the company's own forests, higher prices and efficiency improvements.

## PERFORMANCE REVIEW

The 2014 Annual General Meeting adopted new financial targets for the company. In 2014, direct return rose to 5.0 per cent, exceeding the long-term targets. The net debt/equity ratio was 0.44, which is close to the middle of the range specified in the financial targets. In line with policy, the Board has proposed a dividend of SEK 800 million for the 2014 financial year. Within its land sales programme, the company sold 5,629 hectares of land in 2014. Sveaskog has now sold a total of 7.57 per cent of its forest holdings under its land sales programme.

Sveaskog's sustainability target of being its customers' foremost partner has shown improved figures over the year, while the target of becoming the first choice for employees and entrepreneurs shows a differentiated picture with an unchanged share of women, a lower but still high level on the leadership index and higher satisfaction among entrepreneurs. The company reported a positive climate impact.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	6,232	6,056
<b>Changes in value</b>	<b>1,032</b>	<b>1,046</b>
<b>Operating profit/loss</b>	<b>2,418</b>	<b>2,214</b>
<b>Profit before tax</b>	<b>2,157</b>	<b>1,941</b>
<b>Net profit/loss</b>	<b>1,691</b>	<b>1,475</b>
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>37,203</b>	<b>35,828</b>
Fixed assets	33,557	32,488
<b>Equity</b>	<b>18,463</b>	<b>17,396</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>9,552</b>	<b>9,689</b>
<b>Operating capital</b>	<b>28,015</b>	<b>27,085</b>

KEY RATIOS	2014	2013
Operating margin, %	38.8	36.6
Return on equity (average), %	9.4	8.8
Return on operating capital (average), %	8.8	8.3
Net debt/equity ratio, multiple	0.5	0.6
Equity/assets ratio, %	49.6	48.6
Gross investments, SEKm	133	212
Appropriation, SEKm	0	0
Dividend, SEKm	800	450
Average no. of employees	877	899

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- Profitability: Dividend yield in excess of 4.5 per cent.
- Capital structure: Net debt/equity ratio of a multiple of 0.3–0.6
- Dividend: 65–90 per cent.

### STRATEGIC SUSTAINABILITY TARGETS

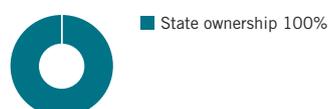
- Increased profitability.
- Customers' foremost partner.
- A leader in innovation.
- A leader in sustainable forestry.
- Attractive employer.

Read the targets in full in the company's annual report.

### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment regarding the land sale programme, although the target has not been developed in accordance with the process for public policy targets.

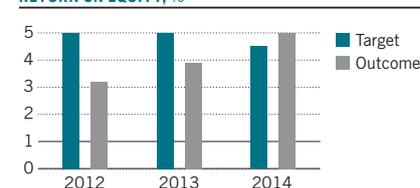
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## RETURN ON EQUITY, %



# SVEDAB

Through its holding in Öresunds-brokonstortiet (the Öresund Bridge Consortium), Svedab Aktiebolag (the Swedish-Danish Bridge Link) owns and manages the Swedish 50-per cent ownership share of the Öresund Bridge. The consortium owns the 16 km toll-financed coast-to-coast link, including both road and rail traffic. Svedab also owns and manages the land connections to the bridge on the Swedish side. The company was set up by the Swedish state in 1992 prior to the building of the bridge.

## OPERATIONS

The Öresund Bridge helps strengthen the Öresund region by facilitating the transit of labour, leisure travel and goods across the border. Svedab operations essentially focus on the management of assets in the form of roads and railways as well as the holdings in Öresundsbrokonstortiet. The consortium is responsible for the financing, pricing, operations and maintenance, customer service, and marketing of the facility. Through its participation in the Consortium, Svedab shall actively work for the sound and commercial development of the Öresund Bridge. Svedab shall ensure that the operation and maintenance of the Swedish land connections are cost-efficient and achieved subject to the same environmental and safety requirements that apply to the rest of Sweden's infrastructure.

The costs for the building and operation of the Öresund link are to be covered by tolls paid by road users and fees paid by the railways. The fees paid by the railways are regulated by an indexed fixed-price contract, in accordance with an agreement between the Swedish and the Danish states. Svedab finances its operations through loans from the Swedish National Debt Office, while the consortium borrows on the open market.

The Riksdag's target is for Svedab to have repaid its loans by 2040. The operation of the fixed road and rail link between Malmö and Copenhagen is to provide both private travellers and the business sector with good accessibility and safe and environmentally friendly transport.

## 2014

- Net profit for the year grew strongly due to a positive earnings trend in Öresundsbrokonstortiet.
- During the year, Svedab changed one of its accounting principles. The change entails the participation in the consortium being reported in accordance with the equity method.

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Lena Erixon

CEO: Ulf Lundin

**Chair:** Lena Erixon **Board:** Lars Erik Fredriksson, Kerstin Hessius, Jan Olson (Lars Erik Fredriksson was elected at the 2015 Annual General Meeting when Hans Brändström left the board)

**Auditor:** Mats Åkerlund, PwC

Remuneration to the Chairman of the Board is SEK 132,000 (132,000). Remuneration to board members elected by the Annual General Meeting is SEK 66,000 (66,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

- In a decision, the European Commission confirmed that the state funding received by the company was in line with EU regulations.

Income and operating profit rose compared with 2013, primarily due to the participation in the improved profits of the consortium. Net financial items were somewhat better due to low interest rates. Öresundsbrokonstortiet enjoyed a strong profit trend, which was attributable to higher income, partly because road traffic increased, partly because of lower interest rates and partly due to the stronger DKK.

During the year, Svedab switched its accounting policy to K3, a regulatory framework which is, in many respects, similar to IFRS. The change means that Svedab recognises its participation in the consortium according to the equity method, which had previously not been possible.

## PERFORMANCE REVIEW

Following the financial crisis, the traffic trend has been stagnant. Commuter traffic in particular has declined. Heavy goods vehicle traffic, on the other hand, has continued to increase. Leisure travel also increased. The projections show that the consortium's loans are expected to be repaid before 2035 and Svedab's loans before by 2040.

For the first time, Svedab reported surplus equity, meaning that the capital guarantee will probably not be utilised in the future.

Work in the area of sustainability has been developed with clear measures.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	6	5
<b>Operating profit/loss</b>	<b>452</b>	<b>346</b>
<b>Profit before tax</b>	<b>393</b>	<b>282</b>
<b>Net profit/loss</b>	<b>306</b>	<b>220</b>
– of which attributable to minority interests	0	0
<b>BALANCE SHEET, SEKm</b>	<b>2014</b>	<b>2013</b>
<b>Total assets</b>	<b>5,509</b>	<b>5,211</b>
Fixed assets	5,420	5,155
<b>Equity</b>	<b>131</b>	<b>-349</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>2,972</b>	<b>3,085</b>
<b>Operating capital</b>	<b>3,103</b>	<b>2,736</b>
<b>KEY RATIOS</b>	<b>2014</b>	<b>2013</b>
Operating margin, %	7,924.4	6,661.5
Return on equity (average), %	nm	nm
Return on operating capital (average), %	15.5	18.6
Net debt/equity ratio, multiple	22.7	-8.8
Equity/assets ratio, %	2.4	-6.7
Gross investments, SEKm	216	239
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	3	4

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

## TARGETS

### FINANCIAL TARGETS

- No financial targets have been determined by the owner.

### STRATEGIC SUSTAINABILITY TARGETS

- Environmental focus: Map environmental impacts and, based on the results, set short and long-term targets.
- Social focus: Implement social commitment locally by acting as an enabler, which means that the company shall facilitate growth in the Öresund region. The opportunities for social responsibility in the supply chain should be mapped.

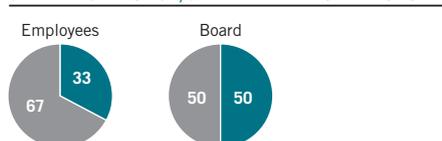
### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Targets have not yet been developed in accordance with the process for public policy targets.

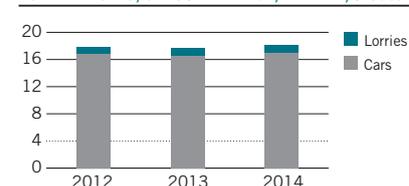
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## ROAD VEHICLES, ÖRESUND BRIDGE, PER DAY, thousands



## SVENSKA SKEPPSHYPOTEK

Svenska Skeppshypotekskassan (The Swedish Ships Mortgage Bank) was established in 1929 with the task of making financing easier for Swedish shipping companies and to assist in the rejuvenation of the Swedish merchant fleet.

Svenska Skeppshypotekskassan is not a limited company but a unique form of association under public law. The government appoints the board and auditors and discharges the board from liability.

### OPERATIONS

Svenska Skeppshypotekskassan is assigned with assisting in the rejuvenation and modernisation of the Swedish merchant fleet. Svenska Skeppshypotekskassan finances Swedish-owned shipping operations, or foreign-owned shipping operations with substantial Swedish interests, and mainly provides long-term loans solely against collateral in Swedish or foreign vessels. Operations are conducted on commercial terms and in competition with other credit institutions. On behalf of the Swedish Transport Administration, Svenska Skeppshypotekskassan also administers the Board for Shipping Support. The operations of Svenska Skeppshypotekskassan are governed by the Swedish Ships Mortgage Bank Act (1980:1097). According to the Capital Adequacy and Large Exposures Act (2006:1371) for credit institutions and securities companies, Svenska Skeppshypotekskassan is exempt from the regulations limiting large exposures, but is subject to the regulations on capital adequacy.

### 2014

- Net lending increased during the year.
- Customers' finances strengthened and transactions are again being made.
- At the end of the year, Svenska skeppshypotekskassan had no doubtful receivables.

### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Michael Zell

CEO: Lars Johanson

**Chair:** Michael Zell **Vice Chair:** Lars Höglund **Board:** Tomas Abrahamsson, Anna Fröhländer-Öberg, Elizabeth Kihlbom, Anders Källsson, Jan-Eric Nilsson  
**Deputies:** Karin Barth, Rolf Mählkvist, Ann-Catrine Zetterdahl **Auditors:** Harald Jagner and Henrik Nilsson, Deloitte

Remuneration to the Chairman of the Board is SEK 120,000 (120,000). Remuneration to elected board members is SEK 48,000 (48,000).

The weaker profitability was due to increased provisions for pension liabilities, decreased reversals of provisions for credit losses and lower interest rates in Sweden.

Over the year, Svenska Skeppshypotekskassan disbursed loans amounting to SEK 469 million and, at the end of the year, loans approved the board but not yet disbursed amounted to approximately SEK 1,243 million.

According to the Basel III regulations, Svenska Skeppshypotekskassan's capital requirement amounted to SEK 504 (474) million and the total capital ratio was 27.7 (27.9) per cent.

### PERFORMANCE REVIEW

There are no financial targets or public policy targets established by the owner, and there are consequently none requiring assessment.

With regard to its sustainability targets, during the year, Svenska Skeppshypotekskassan explored the possibilities for expanding the company's funding base, thereby safeguarding the long-term financing of vessels that it offers. The company has also participated actively in the environmental debate in the Swedish maritime cluster and climate compensates the CO<sub>2</sub> emissions its operations generate through travel.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	148	148
<b>Operating profit/loss</b>	<b>73</b>	<b>87</b>
<b>Profit before tax</b>	<b>73</b>	<b>87</b>
<b>Net profit/loss</b>	<b>73</b>	<b>87</b>
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>6,605</b>	<b>6,234</b>
Fixed assets	6,095	5,672
<b>Equity</b>	<b>1,816</b>	<b>1,743</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>–1,806</b>	<b>–1,723</b>
<b>Operating capital</b>	<b>10</b>	<b>20</b>

KEY RATIOS	2014	2013
Operating margin, %	49.7	59.1
Return on equity (average), %	4.1	5.1
Return on operating capital (average), %	502.1	521.8
Net debt/equity ratio, multiple	–1.0	–1.0
Equity/assets ratio, %	27.5	28.0
Gross investments, SEKm	0	2
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	8	8

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

### TARGETS

#### FINANCIAL TARGETS

- Operations are governed by the Swedish Ships Mortgage Bank Act (1980:1097) and therefore have no financial targets.

#### STRATEGIC SUSTAINABILITY TARGETS

- Ship financing.
- Business ethics.
- Environment.

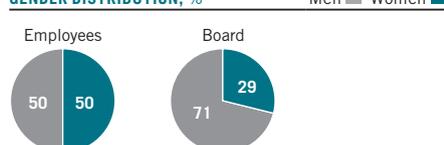
#### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

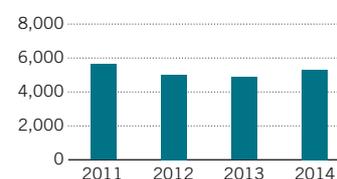
### STATE OWNERSHIP, %



### GENDER DISTRIBUTION, %



### LENDING TO SHIPPING COMPANIES, SEKm





## SVENSKA SPEL

Svenska Spel was formed in 1997 following the merger of AB Tiptjänst and Svenska Penninglotteriet AB. The company's assignment is, on license from the Government, to arrange gaming and lotteries in a socially responsible manner.

### OPERATIONS

Svenska Spel's operations are based on four permits issued by the Government for: lotteries and betting on sporting events, slot machines, casino games, and online poker. The public policy assignment involves fostering social protective interests and meeting demand for gaming in controlled formats – in other words, promoting a sound and secure gaming market. Concern for the customer and the endeavour to minimise the negative effects of gambling are always ascribed greater importance than the motive of making a profit. The company's market share is about 44 (48) per cent of the total known Swedish gaming market, with the trend being a continued decline in this market share. The group is organised into the Customer Meeting division and Casino Cosmopol.

Svenska Spel is certified in accordance with the European Lotteries (EL) and World Lottery Associations' (WLA) standards for responsible gaming.

### 2014

- Operating profit decreased by SEK 505 million compared with 2013 due to powerful investments in responsible gaming and reduced market share
- Net turnover from gaming decreased by 8.1 per cent.

The year 2014 was pervaded by the company's investments in the area of responsible gaming, with the introduction, in June 2014, of mandatory registration being the most important measure. The company has previously implemented measures including the elimination of bonuses and discounts. The gaming market is growing in the online area in particular, which is where Svenska Spel's market share is decreasing most. Competition derives from unregulated operators and the transition to online gaming is progressing faster than the company had expected. In 2014, market players' total investments in marketing rose by SEK 1.2 billion to SEK 3.6 billion, with the non-regulated players accounted for most of the advertising. Online casino alone accounted for SEK 1 billion of total investments in marketing. Svenska Spel currently holds no license for online casino. However, given the company's channelisation assignment and sharply increased online casino gaming through unregulated

### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Anitra Steen



CEO: Lennart Käll

**Chair:** Anitra Steen **Board:** Hans Bergenheim, Catarina Fritz, Eva-Britt Gustafsson, Hélène Westholm, Christer Åberg, Frank Åkerman (Hélène Westholm was elected at an Extraordinary Annual General Meeting in November when Michael Thorén left the board. Cecilia Marlow left the board at the 2015 Annual General Meeting) **Employee reps:** Patrik Lindell, Jonas Ringqvist, Martina Ravn **Deputy employee reps:** Yvonne Lovén, Per Dahln, Henrik Laigård **Auditor:** Jan Palmkvist, Deloitte

Remuneration to the Chairman of the Board is SEK 290,000 (280,000). Remuneration to board members elected by the Annual General Meeting is SEK 130,000 (120,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

operators, the company submitted a license application during the year. However, no response has yet been received regarding the license for online casino.

### PERFORMANCE REVIEW

The operating margin for 2014 amounted to 22.2 (22.6) per cent, which is in line with the company's goals.

In the allocation of the company's profits, SEK 4,762 million was allocated to the state and SEK 125,000 was allocated for cultural purposes<sup>1)</sup>.

Svenska Spel follows up its sustainability targets through assessments of its responsible gaming image, customer health and customer satisfaction index. The company's responsible gaming image is assessed quarterly, and the company is ranked number one among gaming companies in Sweden, with 55 per cent of Swedes considering Svenska Spel to be the leader in responsible gaming, which is an improvement on the previous 51 per cent and far ahead of the runner-up at 3 per cent. Assessments of customer health began in 2014 and show the average level of customers experiencing issues to be lower for Svenska Spel than for its competitors. In 2014, the customer satisfaction index rose from 62 per cent to 72 per cent.

1) Disbursements for cultural purposes were equivalent to 1/26 of the company's surplus from Nya Penninglotten (Bill 2014/15:1 U017).

INCOME STATEMENT, SEKm	2014	2013
Net turnover	7,541	8,067
<b>Operating profit/loss</b>	<b>4,705</b>	<b>5,202</b>
<b>Profit before tax</b>	<b>4,760</b>	<b>5,268</b>
<b>Net profit/loss</b>	<b>4,763</b>	<b>5,268</b>
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>8,328</b>	<b>8,574</b>
Fixed assets	3,025	3,081
<b>Equity</b>	<b>4,763</b>	<b>5,269</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>–256</b>	<b>–339</b>
<b>Operating capital</b>	<b>4,507</b>	<b>4,930</b>

KEY RATIOS	2014	2013
Operating margin, %	22.2	22.6
Return on equity (average), %	94.9	101.2
Return on operating capital (average), %	99.7	130.0
Net debt/equity ratio, multiple	–0.1	–0.1
Equity/assets ratio, %	57.2	61.5
Gross investments, SEKm	466	3,163
Appropriation, SEKm	0	0
Dividend, SEKm	4,763	5,269
Average no. of employees	1,580	1,582

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- Profitability: Operating margin at least 22 per cent. (Operating margin is calculated as operating profit in relation to all income, i.e. gross gaming income and other operating income).

### STRATEGIC SUSTAINABILITY TARGETS

- A leader in responsible gaming.
- A substantial impact on problem gambling.
- Appreciated responsibility measures.

### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Targets have not yet been developed in accordance with the process for public policy targets.

### STATE OWNERSHIP, %



### GENDER DISTRIBUTION, %



### NET GAMING INCOME PER BUSINESS AREA, 2014, %



# SVEVIA

Svevia was formed in 2009 in connection with the incorporation of the former Swedish Road Administration's production unit, and has since then been a state-owned company. The Riksdag's reasons for the incorporation were mainly to enhance conditions for competition neutrality, to eliminate the basis for suspicions of cross-subsidisation and to increase productivity in the market. Svevia's business concept is to build and operate Sweden's roads and infrastructure.

## OPERATIONS

In 2014, the Swedish civil engineering market was valued at about SEK 115 billion, with new building and renovation accounting for about SEK 84 billion while the remainder consists of repairs, maintenance and operation. Half the market is private, while public investment accounts for the other half.

In the operation and maintenance of roads, Svevia is the market leader in Sweden with a market share of slightly less than 30 per cent of the country's road network. In civil engineering (new building and rebuilding of roads), Svevia is number four in the market, behind Skanska, Peab and NCC. The Swedish Transport Administration is Svevia's largest customer by a broad margin, accounting for 60 per cent of turnover. It is followed by Sweden's municipalities, which account for 14 per cent of turnover.

## 2014

- Continued profitable change process.
- Clearer governance and more stringent reporting.
- Improved earnings in all areas of operations.

Net turnover declined somewhat. The decrease is attributable to the Civil Engineering division, which was affected by a smaller selection of projects and a more selective bidding procedure. Operating profit improved by SEK 167 million, primarily due to lower project impairment in the area of civil engineering and savings at the group staff units. At the same time, all four business divisions showed improved profitability.

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Olof Ehrlén

CEO: Torbjörn Torell

**Chair:** Olof Ehrlén **Board:** Börje Bengtsson, Pia Gideon, Marie Hallander Larsson, Ola Salmén, Michael Thorén, Johan Trouvé, Ann-Catrine Zetterdahl (Michael Thorén was elected at the 2015 Annual General Meeting when Richard Reinius left the board) **Employee rep:** Christer Dahlberg **Deputy employee rep:** Moody Israelsson **Auditor:** Peter Ekberg, Deloitte

Remuneration to the Chairman of the Board is SEK 400,000 (400,000). Remuneration to board members elected by the Annual General Meeting is SEK 200,000 (200,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

Order intake for the year amounted to approximately SEK 6.4 billion, a decrease of 22 per cent. The decrease was due to the Civil Engineering division having won several major contracts during the preceding year and that the Operations division won several of the areas of operations procured by the Swedish Transport Administration in 2013. At the end of the year, the order backlog had declined by 7 per cent to just over SEK 6.8 billion.

## PERFORMANCE REVIEW

Considerable performance improvements have been implemented in recent years. This meant that 2014 was the first time since the company's inception that it achieved its financial targets. Accordingly, a dividend equivalent to 63 per cent of net income was paid, which is in accordance with policy (50–75 per cent). Sustainability targets were adopted in 2013 and began being measured and assessed in 2014. For two of the targets, frequency of workplace injuries and contract loyalty, the targets set for 2014 were achieved, while the outcome for CO<sub>2</sub> was lower than targeted. The reason was that the company opened a new asphalt plant, which impacted the outcome negatively. During 2015, the company intends to revise its target for CO<sub>2</sub> emissions so that the measurement outcome becomes comparable between years.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	6,933	7,180
<b>Operating profit/loss</b>	<b>202</b>	<b>35</b>
<b>Profit before tax</b>	<b>240</b>	<b>75</b>
<b>Net profit/loss</b>	<b>188</b>	<b>57</b>
– of which attributable to minority interests	0	0
<b>BALANCE SHEET, SEKm</b>	<b>2014</b>	<b>2013</b>
<b>Total assets</b>	<b>3,922</b>	<b>3,860</b>
Fixed assets	2,189	2,128
<b>Equity</b>	<b>1,176</b>	<b>985</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>–1,367</b>	<b>–1,260</b>
<b>Operating capital</b>	<b>–191</b>	<b>–275</b>
<b>KEY RATIOS</b>	<b>2014</b>	<b>2013</b>
Operating margin, %	2.9	0.5
Return on equity (average), %	17.4	6.0
Return on operating capital (average), %	neg	neg
Net debt/equity ratio, multiple	–1.2	–1.3
Equity/assets ratio, %	30.0	25.5
Gross investments, SEKm	544	1,426
Appropriation, SEKm	0	0
Dividend, SEKm	120	0
Average no. of employees	1,918	2,113

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

### FINANCIAL TARGETS

- Profitability: Return on equity 13 per cent.
- Capital structure: Equity/assets ratio at least 30 per cent.
- Dividend: 50–75 per cent of net profit, taking the target equity/assets ratio in to account.

### STRATEGIC SUSTAINABILITY TARGETS

- Safety: No work-related injuries in the workplace.
  - Long-term: No injuries.
  - Short-term: The workplace injury rate should fall by 1 unit per year.
- Reduced environmental impact: Continuously reduce CO<sub>2</sub> emissions.
  - Long-term: Reduce CO<sub>2</sub> by 10 per cent by 2020.
  - Short-term: Reduce CO<sub>2</sub> from proprietary equipment and asphalt plants by 1.7 per cent per year until 2020.
- Corruption: Reduce the risk of corruption by increasing the proportion of purchases made through central contracts.
  - Long-term: 100-per cent compliance with agreements in selected areas, unless otherwise authorised centrally by the purchasing function.
  - Short-term: 2014: 80 per cent. 2015: 90 per cent. 2016: 100 per cent.

### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

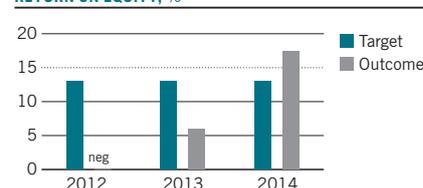
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## RETURN ON EQUITY, %





Swedavia AB, which is wholly owned by the Swedish state, owns, operates and develops airports in Sweden. In addition, Swedavia is assigned with participating actively and on commercial terms in the development of the Swedish transport sector and contributing to the transport policy objectives adopted by the Riksdag. Swedavia was formed in the spring of 2010, and today operations are divided into an airport segment and a property segment.

#### OPERATIONS

Swedavia owns, operates and develops ten airports across Sweden – these ten airports have been determined by the Government to constitute Sweden's core airport offering. These are Bromma Stockholm Airport, Gothenburg Landvetter Airport, Kiruna Airport, Luleå Airport, Malmö Airport, Ronneby Airport, Stockholm Arlanda Airport, Umeå Airport, Visby Airport and Åre Östersund Airport. In addition, Swedavia owns the property at Gothenburg City Airport and the company that operates that airport. In addition to its airport operations, Swedavia is also involved in property operations whose task is to own, manage and develop properties and exploitable land at and around the airports. Customer focus, sustainable development and security are the starting point for Swedavia's activities, both in its own operations and in society in general. Swedavia is a world leader in the development of airports with the least possible environmental impact. All ten airports are certified in accordance with the highest level of Airport Carbon Accreditation (ACA).

#### 2014

- Improved profit due to the sale of properties and increased traveller numbers.
- Continued positive trend in terms of destinations and traveller satisfaction.
- Ruling by the Land and Environmental Court of Appeal regarding an environmental permit for Stockholm Arlanda Airport, which enables growth.

In 2014, Swedavia's net turnover rose by 5.8 per cent, while operating profit rose to SEK 1,405 million. Development was mainly driven by an increase in passenger numbers of more than two million, representing an increase of 6.4 per cent compared with the previous year. The profit trend can also be attributed to the sale of a hotel property at Stockholm Arlanda Airport, which resulted in a capital gain of SEK 347 million. Swedavia has also initiated a significant investment programme.

In June, Swedavia acquired the outstanding shares in Arlanda Schiphol Development Company AB and on 1 November Swedavia assumed

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Ingemar Skogö



CEO: Torborg Chetkovich

**Chair:** Ingemar Skogö **Board:** Karin Apelman, Adine Grate Axén, Lars Backemar, Anna Elgh, Lottie Knutsson, Lotta Mellström, Lars Mydland, Lottie Svedenstedt (Lottie Knutsson and Lotta Mellström were elected at the 2015 Annual General Meeting when Hans Jeppsson and Jenny Lahrin left the board)  
**Employee rep:** Lars Andersson, Robert Olsson **Deputy employee rep:** Mats Abrahamsson, Agne Lindbom  
**Auditor:** Magnus Fagerstedt, EY

Remuneration to the Chairman of the Board is SEK 440,000 (440,000). Remuneration to board members elected by the Annual General Meeting is SEK 220,000 (220,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

control of handling services at five regional airports from SAS Ground Handling (SGH). In December, Swedavia exercised its option to acquire the remaining shares in the company Cityflygplatsen Göteborg AB, which operates Säve airport, and thus gained a controlling influence over the company, which was consolidated as of 18 December 2014. Following the end of the period, plans for the future of Säve airport were announced, entailing the commencement of a gradual phasing out of the facility.

#### PERFORMANCE REVIEW

The 2014 Annual General Meeting adopted new financial targets. The Annual General Meeting also adopted public policy targets within the framework of the functional and health, environment and safety objectives of the national transport policy.

With a return on operating capital of 10.3 per cent, the profitability target was achieved in 2014. At the same time, the debt/equity ratio amounted to a multiple of 1.4, which entailed the Board proposing that the Annual General Meeting approve the payment of a dividend to the owner. In addition to financial targets, control of Swedavia involves a further three targets that combined ensure that the company is developed sustainably. During 2014, traveller satisfaction rose to 75 per cent (73) and the target for employee satisfaction was exceeded with an outcome of 85 per cent (80). To date, progress towards zero emissions of fossil carbon dioxide has surpassed the established plan. In 2014, the sustainability targets were updated to 85 per cent traveller and employee satisfaction by 2020, while the zero target for fossil carbon dioxide was kept in place.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	5,538	5,233
<b>Operating profit/loss</b>	<b>1,405</b>	<b>954</b>
<b>Profit before tax</b>	<b>1,162</b>	<b>686</b>
<b>Net profit/loss</b>	<b>926</b>	<b>501</b>
– of which attributable to minority interests	0	10

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>15,265</b>	<b>16,133</b>
Fixed assets	14,380	15,122
<b>Equity</b>	<b>5,571</b>	<b>4,915</b>
– of which, minority interests	0	11
<b>Net debt</b>	<b>7,603</b>	<b>9,221</b>
<b>Operating capital</b>	<b>13,174</b>	<b>14,136</b>

KEY RATIOS	2014	2013
Operating margin, %	25.4	18.2
Return on equity (average), %	17.7	10.9
Return on operating capital (average), %	10.3	7.1
Net debt/equity ratio, multiple	1.4	1.9
Equity/assets ratio, %	36.5	30.5
Gross investments, SEKm	924	2,413
Appropriation, SEKm	0	0
Dividend, SEKm	230	0
Average no. of employees	2,460	2,380

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: 7 per cent return on operating capital.
- Capital structure: debt/equity ratio, multiple of 1.0–1.5.
- Dividend: 30–50 per cent of profit for the year, taking the capital structure target into account.

##### STRATEGIC SUSTAINABILITY TARGETS

- 80 per cent satisfied customers (ASQ) 2014.
- 80 per cent employee satisfaction (ESI) 2014.
- 0 fossil carbon emissions from proprietary operations by 2020.

##### PUBLIC POLICY TARGETS

- Functional objectives: Customer satisfaction among travellers, passenger numbers, number of international destinations with direct connections.
- Health, environment and safety objectives: Number of accidents and serious incidents, carbon dioxide footprint.

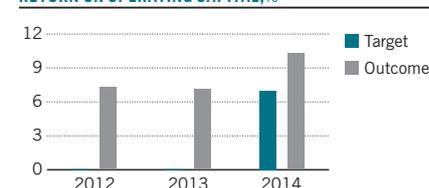
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### RETURN ON OPERATING CAPITAL, %





Swedesurvey Aktiebolag provides expertise and experience in land administration and geographic information in the international market, in close collaboration with Lantmäteriet. The company shall foster sustainable development and the fight against poverty, while stimulating economic growth. Operations commenced in the 1980s and were incorporated in 1993 as a wholly state-owned company to promote Lantmäteriet's services abroad.

#### OPERATIONS

Swedesurvey mainly works with public sector organisations in developing countries and most of its projects seek to support the development of their capacity through advisory services and training. Operations encompass issues of fundamental political and legal conditions, the development of systems, etc. for land parceling, land administration, records, valuation and geodesic surveying. Services are provided on commercial terms with financing directly from the customer or through international financial institutions and aid agencies. These operations are to be conducted with financial efficiency, continuously striving towards improved productivity.

#### 2014

- The profit of SEK 1.5 million was the strongest since 2006.
- A comprehensive process of change has produced results.
- Positive outcome of the completed land administration project in Greece.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Bengt Kjellson



CEO: Fredrik Zetterquist

Chair: Bengt Kjellson Board: Lars Jansson, Monica Lagerqvist Nilsson Auditor: Pär Månsson, PwC

Remuneration to the Chairman of the Board is SEK 60,000 (60,000). Remuneration to board members elected by the Annual General Meeting is SEK 35,000 (35,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

The project in Greece, which was completed in the fourth quarter, resulted in income and profit for the year being better than expected. The high non-recurring costs that were charged against profits for 2013 did not affect 2014. During the year, new contracts were signed in countries including Albania, Azerbaijan, China, Croatia, Latvia and Moldova. The order backlog developed favourably over the year.

#### PERFORMANCE REVIEW

From a financial perspective, 2014 was the strongest year since 2006. The company has a weak balance sheet and is highly dependent on individual projects.

Work to develop strategic sustainability targets is continuing and is being implemented in operations.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	12	8
Operating profit/loss	1	-8
Profit before tax	2	-8
Net profit/loss	2	-8
- of which attributable to minority interests	0	0
BALANCE SHEET, SEKm	2014	2013
Total assets	22	24
Fixed assets	1	1
Equity	7	6
- of which, minority interests	0	0
Net debt	-18	-18
Operating capital	-11	-13
KEY RATIOS	2014	2013
Operating margin, %	11.3	neg
Return on equity (average), %	24.0	neg
Return on operating capital (average), %	neg	164.4
Net debt/equity ratio, multiple	-2.7	-3.2
Equity/assets ratio, %	31.2	23.6
Gross investments, SEKm	0	0
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	5	6
Reported in compliance with GRI guidelines	Yes	
Externally assured GRI report	Yes	
Reports in compliance with IFRS	No	

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: The operating margin should be sustainably positive.
- Capital structure: The equity/assets ratio should amount to at least 30 per cent.

##### STRATEGIC SUSTAINABILITY TARGETS

- Anti-corruption: Responsibility to behave in accordance with business ethics in proprietary operations and to impose the same demands on suppliers and counterparties. Contribute to long-term measures to counter corruption in the recipient country.
- Risk hedging: Risk management shall be a prioritised and integrated part of the operations, thereby safeguarding profits and preventing unfinished transactions.
- Transfer of expertise: In addition to the customer's delivery requirements being met, the company's consulting activities in developing countries shall be characterised by a transfer of expertise being ensured. Consequently, the results achieved are made sustainable for the long term and can be owned and further developed by the recipient of the services.

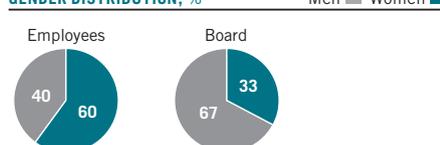
##### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

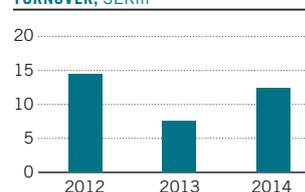
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### TURNOVER, SEKm





Swedfund International AB is a wholly state-owned company that funds development and plays a role in aid operations. The company contributes venture capital, start-up support and expertise for investments in low and middle-income countries. Since its formation in 1979, the company has participated to the reduction of poverty through sustainable enterprise. Investments shall be economically, environmentally and socially sustainable and contribute to achieving the objectives of the Swedish Policy for Global Development (PGD) and Sweden's international development assistance.

**OPERATIONS**

Together with its strategic partners, Swedfund is to establish viable and commercially operated companies, primarily through direct investment in the form of equity or loans, but also through indirect investments in funds. Investments are to be made in countries qualifying for development financing according to the OECD/DAC's definition. It focuses on the poorest countries and post-conflict countries, particularly in sub-Saharan Africa. It should not be possible to achieve these commitments with commercial financing alone. The results of the investments, in terms of development results, are followed up according to three fundamentals: social development, sustainability and financial viability.

At the end of 2014, Swedfund had 65 investments in companies and funds in 25 countries, half of them in Africa. Approximately 33.5 per cent of the portfolio consists of direct equity investments, 42.7 per cent of loans and guarantees, and 23.8 per cent of fund investments.

Since 2009, Swedfund has been responsible for Swedpartnership, which provides start-up support through depreciation loans for small and medium-sized Swedish companies for ventures in countries where Swedfund operates. Operations are funded through an annual appropriation.

**2014**

- A small number of large-scale impairments amounting to SEK 156.7 million impacted earnings negatively.
- Capital gains of SEK 37.5 million from 18 divestments.
- Shareholders' contribution of SEK 400 million.

During the year, Swedfund received a capital injection of SEK 400 (400) million to enable continued expansion of its investment activities. Profit levels for companies engaged in development financing varies greatly from year to year depending on the achievement of certain sales

**BOARD AND AUDITORS ELECTED FOR 2015/2016**



**Chair:** Claes Ekström **CEO:** Anna Ryott

**Chair:** Claes Ekström **Board:** Renée Andersson, Pernilla Bard, Björn Börjesson, Stefan Isaksson, Bengt Kvarnbäck, Hanna Lagercrantz, Charlotte Salford (Hanna Lagercrantz was elected at the 2015 Annual General Meeting when Lotta Mellström and Per Östensson left the board) **Auditor:** Peter Nilsson, PwC

Remuneration to the Chairman of the Board is SEK 180,000 (0). Remuneration to board members elected by the Annual General Meeting is SEK 90,000 (90,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

results and the investment phase at which company finds itself. New investments in shares are not expected to yield returns until in about six to ten years' time.

Due to impairments in a small number of portfolio companies, the company has operated at a loss in recent years. The operating loss amounted to SEK 86.6 (17.1) million, although, when adjusted for revaluations and impairment, the company made an operating profit of SEK 29.0 (loss 30.1) million.

In 2014, assistance totalling SEK 26.3 million was granted to small and medium-sized companies through Swedpartnership.

**PERFORMANCE REVIEW**

For the past six years, the company has reported a negative financial result and has not achieved its target return. Over the past seven year period, the average return has been a negative 2.36 per cent compared to a target of a positive 1.29 per cent. The losses are mainly attributable to sizeable impairments in the investment portfolio with an emphasis on one particular investment.

Average job growth was 1.5 per cent and the proportion of women employed was 25 per cent. Aggregate tax paid by portfolio companies amounted to SEK 347 million. Swedfund's sustainability policy has been updated regarding human rights and the principles of the Rights of the Child. The company's internal routines for combating corruption and conflicts of interest have been improved. The proportion of portfolio companies with management systems for anti-corruption amounted to 64 per cent and 87 per cent of the companies had established anti-corruption policies. Of the portfolio companies, 41 per cent have implemented management systems for sustainability issues, and 78 per cent have sustainability and environmental policies, while 74 per cent have appointed an ESG manager in company management.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	149	81
Changes in value	-116	-87
Operating profit/loss	-87	-117
Profit before tax	-63	-93
Net profit/loss	-63	-93
- of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	4,529	4,014
Fixed assets	38	37
Equity	3,785	3,448
- of which, minority interests	0	0
Net debt	-2,121	-1,831
Operating capital	1,664	1,617

KEY RATIOS	2014	2013
Operating margin, %	neg	neg
Return on equity (average), %	neg	neg
Return on operating capital (average), %	neg	neg
Net debt/equity ratio, multiple	-0.6	-0.5
Equity/assets ratio, %	83.6	85.9
Gross investments, SEKm	0	0
Appropriation, SEKm <sup>1)</sup>	34	34
Dividend, SEKm	0	0
Average no. of employees	39	34

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

1) Allocation for the Legal, Financial and Administrative Services Agency intended for Swedpartnership's operations.

**TARGETS**

**FINANCIAL TARGETS**

- Profitability: The return on equity before tax shall exceed the average interest on one-year government bonds. Return is to be measured over rolling seven-year periods.

**STRATEGIC SUSTAINABILITY TARGETS**

- Societal development: Compliance with the ILO's core conventions by each portfolio company within a period of three years from the time of financing. The number of jobs shall increase each year, calculated as an average for all investments.
- Sustainability: Implementation of a management system for sustainability issues in Swedfund and all portfolio companies within a period of three years from the time of financing.
- Anti-corruption: Implementation of a management system for corruption issues in Swedfund during 2014, and within a period of three years from three years from the time of financing for the portfolio companies.

**PUBLIC POLICY TARGETS**

- Has a specifically adopted public policy assignment. Targets have not yet been developed in accordance with the process for public policy targets.

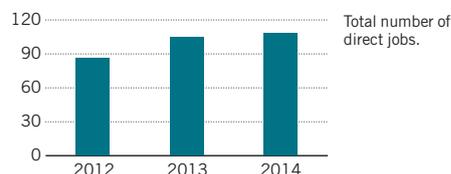
**STATE OWNERSHIP, %**



**GENDER DISTRIBUTION, %**



**EMPLOYEES IN PORTFOLIO COMPANIES (shares, loans, mutual funds), thousands**





Systembolaget Aktiebolag's principal assignment is, with exclusive rights, to conduct retail sales of alcoholic beverages to the public with the socio-political purpose of restricting access to alcohol. Systembolaget's national retail chain was established in 1955 with the merger of a number of local monopolies. Operations are regulated by the Swedish Alcohol Act, in an agreement between the company and the state as well as in an owner instruction.

#### OPERATIONS

According to the Alcohol Act (2010:1622), Systembolaget has exclusive rights for retail sales of spirits, wine and strong beer and other fermented alcoholic beverages. In 1997 the European Court of Justice of the day determined that a state retail monopoly for alcoholic beverages designed and adapted as is the case with Systembolaget in Sweden does not contravene EU law.

Systembolaget restricts access to alcohol by controlling shop openings and opening hours and by ensuring that alcoholic beverages are not dispensed to people below the age of 20, those who are noticeably under the influence of alcohol or those where there is cause to suspect unlawful redistribution. Systembolaget is to be a modern, efficient retail company that sells alcoholic beverages responsibly and promotes a sound drinking culture.

#### 2014

- Support for Systembolaget's exclusive right on retail sales of alcohol through shops is stronger than ever and amounted to 74 per cent.
- Income increased, mainly due to changes in the product mix and increased alcohol taxes.
- Pension costs for the year were lower, primarily as a consequence of the pension fund being over-consolidated.

Net turnover increased to SEK 26,431 (25,709) million, mainly due to changes in the product mix resulting in a higher average price per litre but also due to increased alcohol tax.

Pension costs for the year were significantly lower than in 2013 because the pension fund was over-consolidated. Increased sales have led to higher payroll expenses due to increased staffing.

During 2014, 470 (468) million litres of beverages were sold, an increase of 0.5 per cent. Sales volumes for non-alcoholic beverages rose by more than 13.9 per cent and for beer by 1.1 per cent. Sales volumes for wine fell by

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Kenneth Bengtsson CEO: Magdalena Gerger

Chair: Kenneth Bengtsson Board: Thord Andersson, Viveca Bergstedt Sten, Pia Fagerström, Crister Fritzon, Carl B Hamilton, Håkan Leifman, Mona Sahlén, Kerstin Wigzell Employee rep: Berit Morén Deputy employee reps: Karin Larsson, Jenny Svensson Auditors: Åsa Lundvall, EY

Remuneration to the Chairman of the Board is SEK 240,000 (230,000). Remuneration to board members elected by the Annual General Meeting is SEK 110,000 (100,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

0.1 per cent and for spirits by 2.9 per cent. Sales of organic products rose by 83 per cent.

#### PERFORMANCE REVIEW

The opinion index, which measures the support for Systembolaget's exclusive rights, rose to a record high of 74 per cent, a significant increase on 49 per cent when measurements commenced in 2001. The fact that Systembolaget also lived up well to customers' expectations was reflected in the Customer Satisfaction Index (CSI), which rose to 83, exceeding the year's target of 82. Age control was 97 per cent, two percentage points above target. The new strategic key figure, the Alcohol Index, which is a measure of people's attitudes to alcohol exceeded the target of 62, reaching 65.

The equity/assets ratio was 30.6 (31.5) per cent, the return on equity was 14.4 (18.0) per cent, the gross margin was 21.3 (21.2) per cent and the dividend was set at 100 per cent of profit for the year.

Effective from 1 January 2012, Systembolaget no longer submits consolidated accounts. Consequently, the financial targets were reviewed by the owner and the 2014 Annual General Meeting adopted amended targets. The financial targets were further reviewed in early 2015 and a new target for cost efficiency was adopted at the 2015 Annual General Meeting. Cost efficiency is to be measured by means of the ratio between total overheads and the quality sold. The targets are to be achieved long term over a business cycle.

The public policy targets were adopted at the 2015 Annual General Meeting.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	26,431	25,709
Operating profit/loss	370	168
Profit before tax	426	375
Net profit/loss	251	287
– of which attributable to minority interests	0	0
BALANCE SHEET, SEKm	2014	2013
Total assets	5,756	5,463
Fixed assets	2,520	2,259
Equity	1,574	1,609
– of which, minority interests	0	0
Net debt	–3,768	–3,355
Operating capital	–2,194	–1,746
KEY RATIOS	2014	2013
Operating margin, %	1.4	0.7
Return on adjusted equity (average), %	14.4	18.0
Return on operating capital (average), %	neg	neg
Net debt/equity ratio, multiple	–2.4	–2.1
Equity/assets ratio (JEK/total assets), %	30.6	31.5
Gross investments, SEKm	1,050	1,234
Appropriation, SEKm	0	0
Dividend, SEKm	251	287
Average no. of employees	3,347	3,280

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Return on equity shall correspond to the ten-year government bond rate plus 7 percentage points.
- Capital structure: Equity/assets ratio of approximately 20–30 per cent.
- Dividend: 80–100 per cent of profit for the year.

Targets in 2014. New targets were adopted by the 2015 Annual General Meeting.

##### STRATEGIC SUSTAINABILITY TARGETS

- Help reduce the harmful effects of alcohol in society.
- Reduced climate impact by 14,000 tonnes CO<sub>2</sub>e (Carbon dioxide equivalents) by 2020.

##### PUBLIC POLICY TARGETS

- Alcohol consumption in Sweden: Total consumption and the company's share of this.
- Over time, CSI should not be lower than 80.
- Over time, the alcohol index should show a positive trend.

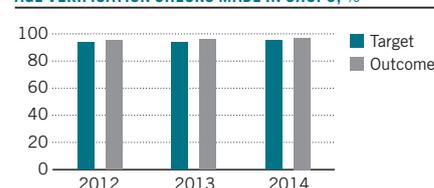
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### AGE VERIFICATION CHECKS MADE IN SHOPS, %





TeliaSonera Aktiebolag is a telecommunications company whose operations include fixed and mobile telephony, Internet and data communications. The company has its origins partly in the Swedish company Telia, which was formed in 1993 through the incorporation of the former Swedish Telecommunications Administration (Televerket), which was listed in 2000, and partly in the Finnish company Sonera. The Swedish state's ownership stake in Teliasonera is 37.3 per cent.

#### OPERATIONS

TeliaSonera is the leading telecommunications company in the Nordic region and the Baltic states, with strong positions in mobile communications in Eurasia. The Teliasonera Group has operations in 17 countries. At the end of the year, the group had 73 million subscriptions. Teliasonera has approximately 26,000 employees worldwide. The company's shares are listed on the stock exchanges in Stockholm and Helsinki.

#### 2014

- Stable margins despite somewhat lower revenues.
- Agreement with Telenor to merge the Danish operations.
- Acquisition of Tele2 Norway.

In 2014, growth in the telecom sector was modest. However, despite slightly lower revenues, Teliasonera reported an EBITDA margin of 34.9 per cent before non-recurring items which is in line with the previous year. The growth in income from mobile service improved by nearly 2 per cent, thanks to further increased data usage. The proportion of handsets with 4G functionality continued to increase and total 4G traffic exceeded 3G traffic.

The company continues to strengthen its core operations. In early December 2014 an agreement was signed with Telenor to merge

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Marie Ehrling

CEO: Johan Dannelind

**Chair:** Marie Ehrling **Board:** Mats Jansson, Olli-Pekka Kallasvuo, Mikko Kosonen, Nina Linander, Martin Lorentzon, Kersti Strandqvist, Per-Arne Sandström  
**Employee rep:** Agneta Ahlström, Stefan Carlsson, Peter Wiklund **Auditors:** Jan Palmqvist and Didrik Roos, Deloitte

Remuneration to the Chairman of the Board is SEK 1,550,000 (1,240,000) and to the Vice Chairman SEK 750,000 (750,000). Remuneration to board members elected by the Annual General Meeting is SEK 530,000 (470,000).

the Danish operations within a new, joint company. In July 2014, Teliasonera announced an agreement to acquire Tele2's Norwegian operations.

In connection with its capital market days, Teliasonera announced that it will increase its investments to enhance competitiveness and reduce costs and to hasten the build-out of the fibre-optic network in Sweden, new B2B offerings and the upgrading of the networks in Eurasia.

In March 2014, it was announced that the company was subject to investigation by Dutch and US authorities regarding transactions in Uzbekistan, on suspicion of bribery and money laundering, among other things. Over the year, the company strengthened its governance and processes to establish long-term sustainable operations.

#### PERFORMANCE REVIEW

Despite somewhat lower income, Teliasonera reported an EBITDA margin before non-recurring items of 34.9 per cent, which is in line with the preceding year and the company's expectations.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	101,060	101,870
<b>Operating profit/loss</b>	<b>22,680</b>	<b>24,462</b>
<b>Profit before tax</b>	<b>20,107</b>	<b>21,368</b>
<b>Net profit/loss</b>	<b>15,599</b>	<b>16,767</b>
– of which attributable to minority interests	1,097	1,797

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>272,066</b>	<b>252,828</b>
Fixed assets	210,422	193,866
<b>Equity</b>	<b>116,364</b>	<b>112,934</b>
– of which, minority interests	4,981	4,610
<b>Net debt</b>	<b>76,160</b>	<b>74,931</b>
<b>Operating capital</b>	<b>192,524</b>	<b>187,865</b>

KEY RATIOS	2014	2013
Operating margin, %	22.4	24.0
Return on equity (average), %	13.6	15.1
Return on operating capital (average), %	11.9	13.1
Net debt/equity ratio, multiple	0.7	0.7
Equity/assets ratio, %	42.8	44.7
Gross investments, SEKm	17,899	17,793
Appropriation, SEKm	0	0
Dividend, SEKm	13,000	13,000
Average no. of employees	24,951	25,321

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

## TARGETS

#### FINANCIAL TARGETS

- Capital structure: Solid long-term credit rating of (A– to BBB+).
- Dividend: At least 50 per cent of profit.

#### STRATEGIC SUSTAINABILITY TARGETS

Teliasonera has prioritised targets in the following areas:

- Freedom of expression
- Customer integrity
- Sustainability in the supply chain
- Environmental responsibility
- Work environment, health and safety

The company is working to further develop the targets. The board has yet to reach a decision regarding strategic sustainability targets for the company.

#### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

#### STATE OWNERSHIP, %



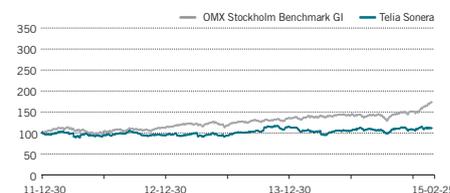
State ownership	37.3%
Finnish state	3.2%
Capital Group	3.2%
AMF	1.8%
BNY Mellon Investment Fund	1.4%
Other owners	53.1%

#### GENDER DISTRIBUTION, %

Men Women



#### PRICE TREND JANUARY 2012–FEBRUARY 2015



## TERACOM BOXER GROUP

Teracom Boxer Group AB is one of the Nordic region's leading radio and television operators, with operations in pay television, television and radio transmissions, connecting services, placement of equipment and service. The group maintains pay-television operations in Sweden and Denmark and owns and operates the digital terrestrial networks in these countries. Teracom was formed from the Swedish Telecommunications Administration (Televerket) in 1992.

### OPERATIONS

Teracom Boxer Group's four market companies distribute and sell radio and television to households in Sweden and Denmark. Customers are primarily consumers, but also companies such as television and radio broadcasters, telecom companies for placement of equipment in the group's networks and different connecting services. The group comprises the network companies Teracom Sverige (Sweden) and Teracom Danmark (Denmark) and the pay-television companies, Boxer Sverige, and Boxer Danmark. The operations cooperate closely to maximise the competitiveness of their offerings. The number of pay television subscribers totalled 867,000 at the end of 2014. The new group structure was formed in the spring of 2011, following a decision by the Swedish Parliament (Bill 2010/11:1, Committee Report 2010/11:NU1, Riksdag Communication 2010/11:132). During the year, the group changed its name to Teracom Boxer Group.

### 2014

- Digital media consumption is increasing, imposing demands on those operating in the media sector.
- Agreement signed for operation and maintenance of Rakel and Huawei's telephone networks.
- Increased investment in product development, reorganisation and phasing out of products increased consolidated expenses.

The essentially unchanged consolidated income level was affected positively by increased income in Boxer Danmark and lower income from Teracom in Sweden with the closure of Radiotidningar, fewer hostings of 3G equipment and the sale of the Hörby station, which resulted in a positive non-recurring item in 2013. During the year, Teracom Sweden signed an agreement for the operation and maintenance of the Rakel communication system, which will contribute to increased income from network activities effective from 2015.

Competition in the pay-television markets in Sweden and Denmark remains fierce. A drastic shift in customers' media consumption and

### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Kia Orback Pettersson CEO: Åsa Sundberg

**Chair:** Kia Orback Pettersson **Board:** Jeanette Almberg, Maria Curman, Håkan Dahlström, Kristina Ekengren, Fredrik Rystedt, Nils-Petter Tettie, Martin Tiveus (Håkan Dahlström, Kristina Ekengren and Martin Tiveus were elected at the 2015 Annual General Meeting when Johan Hallberg and Urban Lindskog left the board) **Employee reps:** John-Olof Blomkvist, Jan Ossfeldt **Deputy employee reps:** Stig-Arne Celin, Anna-Stina Strömbäck **Auditor:** Bo Hjalmarsson, PwC

Remuneration to the Chairman of the Board is SEK 250,000 (240,000). Remuneration to board members elected by the Annual General Meeting is SEK 125,000 (120,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

demands for greater freedom of choice are challenging the industry. The company continues to transform its product offering to meet new consumer behaviours and a shifting competitive situation with fibre-optic networks being built out. An example of this is the release of Boxer Play, an Internet television solution for receivers such as tablets and mobile phones. In the fourth quarter, Boxer Sweden continued to launch "Triple Play" services via fibre-optic networks.

Overall, operating profit was down 15 per cent on the preceding year, partly because of products being discontinued by the network companies, but also due to costs associated with reorganisation and increased investment in product development. The rapid clearing of the 700 MHz band also affected profit.

### PERFORMANCE REVIEW

Teracom Boxer Group's equity/assets ratio remained stable at 45 (45) per cent and the return on equity was 17 per cent (29). The board proposes a dividend of SEK 235 (290) million, which is in line with policy and reflects the group's capital structure and expected profit trend. The company's return on equity is in line with established targets.

The sustainability target of seeking to ensure that the company's suppliers comply with its Code of Conduct has resulted in suppliers representing 46 per cent of purchasing costs having been evaluated. The long-term diversity target has yet to be achieved and the company's environmental impact has decreased according to plan.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	3,824	3,837
<b>Operating profit/loss</b>	<b>542</b>	<b>638</b>
<b>Profit before tax</b>	<b>513</b>	<b>607</b>
<b>Net profit/loss</b>	<b>393</b>	<b>586</b>
– of which attributable to minority interests	0	0
<b>BALANCE SHEET, SEKm</b>	<b>2014</b>	<b>2013</b>
<b>Total assets</b>	<b>5,169</b>	<b>5,060</b>
Fixed assets	3,893	3,964
<b>Equity</b>	<b>2,329</b>	<b>2,259</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>560</b>	<b>943</b>
<b>Operating capital</b>	<b>2,889</b>	<b>3,202</b>
<b>KEY RATIOS</b>	<b>2014</b>	<b>2013</b>
Operating margin, %	14.2	16.6
Return on equity (average), %	17.1	29.4
Return on operating capital (average), %	17.8	19.4
Net debt/equity ratio, multiple	0.2	0.4
Equity/assets ratio, %	45.1	44.6
Gross investments, SEKm	284	348
Appropriation, SEKm	0	0
Dividend, SEKm	235	290
Average no. of employees	741	710

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

### TARGETS

#### FINANCIAL TARGETS

- Profitability: Return on equity 17 per cent.
- Capital structure: Equity/assets ratio 30 per cent.
- Dividend 40–60 per cent of net profit.

#### STRATEGIC SUSTAINABILITY TARGETS

- Work with sustainable suppliers: 80 per cent of purchasing volumes are delivered by suppliers who take Teracom's sustainability policy into account.
- Foster diversity: At least 40 per cent of each gender.
- Reduced environmental impact: –3 per cent annual decrease.

For further information on the sustainability targets, see the company's annual report.

#### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Targets have not yet been developed in accordance with the process for public policy targets.

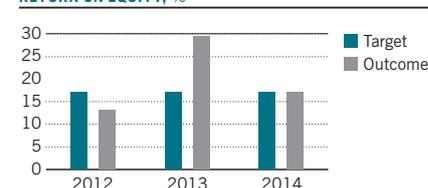
### STATE OWNERSHIP, %



### GENDER DISTRIBUTION, %



### RETURN ON EQUITY, %





Vasallen AB was established in 1997 to develop and improve closed regiments and other military real estate in cooperation with municipalities and local business – transforming them into attractive and vibrant neighbourhoods with new purposes – and ultimately divesting them. In 2009, the assignment was extended to include other types of properties to increase Vasallen's attractiveness on the market in preparation for future sales.

#### OPERATIONS

Vasallen is a property development company working with development projects in the following locations: Luleå, Kristinehamn, Sollefteå, Strängnäs and Vaxholm. Its headquarters are located in Örebro.

The company has acquired a total of 24 property holdings throughout Sweden. Of these, 20 have today been developed and sold. These include Campus Östersund, formerly the A4 regiment, the former I4/A1 in Linköping, which is now the Rättscentrum (legal centre) and the old Lv4 in Ystad which is now tenant-owned homes, a school, a cinema and much more.

Since May 2009, Vasallen has an extended assignment that, in brief, means the company has the opportunity to make complementary acquisitions of properties other than former defence-related properties for development (Bill 2008/09:172, Committee Report 2008/09:FiU41, Riksdag Communication 2008/09:263).

#### 2014

- Income from project development rose as a result of property sales.
- Rental income decreased, also as a result of property sales.

In 2014, a larger sales was conducted in Strängnäs. Following the divestment of large parts of the property holdings in 2012, development has focused on creating different types of housing in the communities where Vasallen remains.

The 2014 financial year resulted in profit after tax of SEK 93 million, due to income from project development. Income from project development amounted to SEK 460 (22) million and consisted predominantly of sales of completed buildings. Profit from project

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Charlotte Axelsson CEO: Leif Rytter

Chair: Charlotte Axelsson Board: Agneta Kores, Daniel Kristiansson, Biljana Pehrsson, Tomas Werngren  
Employee rep: Mats Sundqvist Auditor: Ingemar Rindstig, EY

Remuneration to the Chairman of the Board is SEK 138,000 (138,000). Remuneration to board members elected by the Annual General Meeting is SEK 69,000 (69,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

activities amounted SEK 38 (5) million. As per 31 December 2014, the value of Vasallen's property portfolio, excluding one property in Luleå, which was recognised as an associate holding, amounted to SEK 621 (827) million. The lower value compared with the preceding year is explained by the sale of completed buildings and developable land during the year. The remaining property portfolio increased in value by SEK 161 million compared with the preceding year, primarily due to investments made during the year.

#### PERFORMANCE REVIEW

For the past five years, the return has averaged 9.0 per cent, which is above the target. The return for 2014 was 10.2 per cent. The equity/assets ratio exceeded 50 per cent. The interest coverage ratio was greater than 2. The dividend of SEK 300 million exceeds the dividend target.

The customer satisfaction index was 87 (88) – above the target of 80. Absence due to sickness was 0.5 per cent, meaning the target was met by a good margin. Energy consumption for 2014 was 136 kWh per square metre, which was unchanged from the previous year. Consequently, the target of 100 kWh per square metre was not achieved. During 2011 and 2012, Vasallen divested a large proportion of the properties where development had been completed and that had good energy performance, which explains the relatively high energy consumption in the current portfolio. Energy declarations were issued for all building for which these are required.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	63	79
Changes in value	70	54
Operating profit/loss	75	64
Profit before tax	76	65
Net profit/loss	93	53
– of which attributable to minority interests	0	0

BALANCE SHEET, SEKm	2014	2013
Total assets	1,021	999
Fixed assets	639	845
Equity	907	914
– of which, minority interests	0	0
Net debt	-336	-122
Operating capital	571	792

KEY RATIOS	2014	2013
Operating margin, %	119.0	81.0
Return on equity (average), %	10.2	5.9
Return on operating capital (average), %	11.0	8.4
Net debt/equity ratio, multiple	-0.4	-0.1
Equity/assets ratio, %	88.8	91.5
Gross investments, SEKm	165	56
Appropriation, SEKm	0	0
Dividend, SEKm	300	100
Average no. of employees	18	17

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Return on equity should correspond to the risk-free interest plus 4 percentage points.
- Capital structure: Equity/assets ratio at least 50 per cent; interest coverage ratio shall exceed 2.
- Dividend: 30–50 per cent of net profit.

##### STRATEGIC SUSTAINABILITY TARGETS

- Customer satisfaction index (CSI) should be at least 80.
- Sickness absence shall not exceed 3 per cent.
- Energy consumption should be less than 100 kWh per square metre and year.

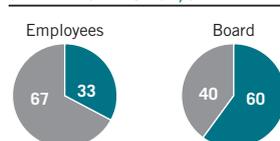
##### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

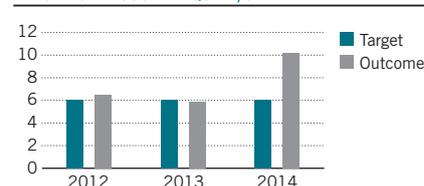
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### RETURN ON ADJUSTED EQUITY, %





Vattenfall AB, which is wholly owned by the Swedish state, was formed in 1992 in connection with the incorporation of Statens Vattenfallsverk (Swedish State Power Board). Vattenfall produces, distributes and sells electricity, heat and gas primarily in the Nordic region, Germany and the Netherlands. The Riksdag has resolved that Vattenfall shall generate market returns by conducting energy operations on commercial terms such that it is among the companies leading development in environmentally sustainable energy production. The government's objective is for Vattenfall to be a leader in the transition to a greater proportion of renewable energy.

#### OPERATIONS

Vattenfall is one of Europe's largest producers of electricity. The production mix consists of hydroelectric, nuclear, coal, natural gas, wind and biomass power. The company also conducts substantial activities in electricity distribution and district heating. In 2014, Vattenfall had 6.2 million electricity customers, 3.2 million electricity network customers and 1.9 million gas customers. Effective from 1 April 2015, Vattenfall has been organised into six cross-border business areas. Over the year, Vattenfall resolved, in line with its target of reducing its CO<sub>2</sub> exposure, to explore various strategic options for the German brown coal operations with the purpose of establishing a new, sustainable ownership structure.

#### 2014

- Net loss due to impairment and increased provisions.
- Successful cost savings.
- Reduced net debt.

As a result of continued adverse market conditions, impairment totalling SEK 23.8 billion was recognised in production assets and goodwill. Excluding impairment and increased provisions for the German nuclear power operations and other items affecting comparability, underlying operating profit amounted to SEK 24.1 (28.1) billion. Lower prices received and lower volumes were partially offset by cost savings. In 2014, annual operating expenses were reduced by a net SEK 2.4 billion, entailing a reduction in the cost base of 26 per cent compared with 2010. The investment programme for the two-year period 2015–2016 amounts to SEK 41 billion of which SEK 31 billion will be spent in the area of electricity and heat production. Of the growth investments

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Lars G Nordström

CEO: Magnus Hall (from October 2014)

**Chair:** Lars G Nordström **Board:** Fredrik Arp, Gunilla Berg, Viktoria Bergman, Håkan Buskhe, Håkan Erixon, Tomas Kåberger, Jenny Lahrin, Åsa Söderström Jerring (Viktoria Bergman and Tomas Kåberger were elected at the 2015 Annual General Meeting when Eli Arnstad left the board) **Employee reps:** Carl-Gustaf Angelin, Johnny Bernhardsson, Ronny Ekwall **Deputy employee reps:** Lennart Bengtsson, Christer Gustafsson, Jeanette Regin **Auditor:** Staffan Landén, EY

Remuneration to the Chairman of the Board is SEK 580,000 (580,000). Remuneration to board members elected by the Annual General Meeting is SEK 280,000 (280,000). No remuneration is payable to members who are employed by the Swedish Government Offices. Nor is remuneration payable to employee representatives.

in electricity and heat production, 82 per cent (SEK 9 billion) will be spent on wind power. During the year, DanTysk, a major offshore wind farm in Germany, and Hjuleberg, an onshore wind farm in Sweden, were completed. Decisions were made to build several new wind farms in Germany, an offshore wind farm, Sandbank, adjacent to DanTysk, and, in Sweden, the wind farms Juktan, Höge Våg and Högabjär-Kårsås. Together with Hjuleberg, these four Swedish plants are included in a partner financing model with Skandia.

#### PERFORMANCE REVIEW

In 2014, the debt/equity ratio target was achieved, but not the target for FFO in relation to the net debt/equity ratio. Due to the impairments, neither were the profitability or dividend targets achieved. The return on capital employed was negative in 2014, although based on underlying operating profit it amounted to 8.2 per cent. As a consequence of the net loss, no dividend was paid for 2014. Vattenfall's carbon dioxide exposure amounted to 82.3 million tonnes compared to 88.4 million tonnes in 2013. The decrease is mainly explained by the divestment of Vattenfall's holding in the Polish energy company Enea S.A. and the divestment of the Amager coal-fuelled power plant in Denmark. In 2014, Vattenfall's growth in renewable energy was 3.1 per cent. The target is to have a higher growth rate than the market. Data are not yet available for the reference countries. The improvement in energy efficiency amounted to 435 GWh, meaning that the target of 365 GWh was exceeded.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	165,945	172,253
<b>Operating profit/loss</b>	<b>-2,195</b>	<b>-6,218</b>
<b>Profit before tax</b>	<b>-8,240</b>	<b>-15,255</b>
<b>Net profit/loss</b>	<b>-8,284</b>	<b>-13,543</b>
- of which attributable to minority interests	-106	125

BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>496,433</b>	<b>485,484</b>
Fixed assets	368,062	372,281
<b>Equity</b>	<b>128,462</b>	<b>130,718</b>
- of which, minority interests	13,202	10,348
<b>Adjusted net debt</b>	<b>158,291</b>	<b>162,590</b>
<b>Capital employed, average</b>	<b>293,992</b>	<b>302,743</b>

KEY RATIOS	2014	2013
Operating margin, %	neg	neg
Return on equity (average), %	neg	neg
ROCE, return on capital employed (average), %	neg	neg
Debt/equity ratio, %	61.9	75.7
Equity/assets ratio, %	25.9	26.9
Gross investments, SEKm	29,032	27,761
Appropriation, SEKm	0	0
Dividend, SEKm	0	0
Average no. of employees	30,827	32,374

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	Yes

#### TARGETS

##### FINANCIAL TARGETS

- Profitability: Return on capital employed 9 per cent.
- Capital structure: Internally generated funds (FFO)/adjusted net debt 22–30 per cent, debt-equity ratio of 50–90 per cent.
- Dividend: 40–60 per cent of net profit for the year.

##### STRATEGIC SUSTAINABILITY TARGETS

- Reduce CO<sub>2</sub> exposure to 65 million tonnes by 2020.
- Have a higher growth rate than the market in newly-installed renewable capacity by 2020 thereby contributing to the transition to more sustainable energy systems.
- Increase energy efficiency. Short-term targets for 2014: Reduce energy consumption by an average 1 GWh per day through internal and external measures, totalling 365 GWh for 2014. Target for 2015: 440 GWh.

##### PUBLIC POLICY TARGETS

- Has no specifically adopted public policy assignment.

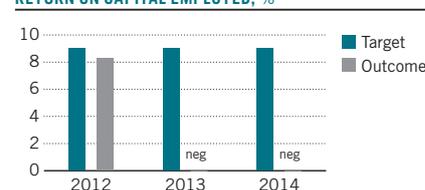
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### RETURN ON CAPITAL EMPLOYED, %





V.S. VisitSweden AB is a communications company responsible for marketing Sweden abroad as a tourist destination, as well as for Sweden as a brand and for Sweden's image. The tourism industry is of importance both socio-economically and in terms of growth policy and is an area of state involvement in most countries. VisitSweden AB is owned equally by the state and the tourism industry through Svensk Turism AB. The jointly owned company was formed in 1995 under the name Sveriges Rese- and Turistråd (Sweden's travel and tourism board). In 2006, the company changed its name to V.S. VisitSweden AB.

#### OPERATIONS

VisitSweden markets Sweden abroad as a brand and as a destination. Through marketing that is effective and instills curiosity more international travellers are reached and attracted to visit Sweden in tough competition with many other countries and destinations. Be means of an appropriation, the state funds the company's core operations and the overall marketing of Sweden as a brand, while the tourism industry funds targeted activities and product marketing.

The vision of the Swedish tourism industry is to double its turnover, employment and international exports between 2010 and 2020. By means of marketing measures, VisitSweden shall attract more visitors to Sweden and thereby help make this vision a reality. To achieve this doubling, one of the three areas of focus in the tourism industry's Vision2020 entails continued investment in international marketing.

The state issues annual guidelines for the company's operations. For 2014, the overall objective was: "Visit Sweden shall contribute to Sweden being highly attractive abroad as a tourist destination and maintaining a tourist industry that is competitive in the long-term, contributing to sustainable growth and generating employment across the country."

Over the year, Visit Sweden conducted some 100 major marketing campaigns. This has been an important factor contributing to more foreign visitors being interested in Sweden as a tourist destination and the number of guest nights rising to a record level in 2014.

#### 2014

- In 2014, VisitSweden conducted some 100 major campaigns.
- In the internationally recognised survey "Nation Brands Index" Sweden continued to defend its tenth-place ranking in 2014.

#### BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Elisabeth Gauffin CEO: Thomas Brühl

**Chair:** Elisabeth Gauffin **Board:** Peter Clason, Anders Eslander, Kristina Ekengren, Mats Forslund, Magnus Nilsson, Jari Virtanen, Eva Östling (Kristina Ekengren was elected at the 2015 Annual General Meeting when Inga Thoresson-Hallgren left the board) **Deputies:** Elisabet Jansson-Strömberg, Patric Sjöberg **Auditor:** Therese Kjellberg, Deloitte

Remuneration to the Chairman of the Board is SEK 110,000 (100,000). Remuneration to members elected by the Annual General Meeting is SEK 55,000 (50,000) and to deputy members elected by the Annual General Meeting SEK 24,000 (24,000). No remuneration is payable to members who are employed by the Swedish Government Offices.

- The company contributed to articles and broadcast items in international media with a value of SEK 1.6 billion.
- In 2014, VisitSweden's KloutScore, a value indicating the company's impact through social media, averaged 59 (56).

VisitSweden has invested considerable effort into achieving continued strong commitment from trade and industry. Over time, this has resulted in an increase from SEK 38 million in 2005 to SEK 119 million in 2014 in income from trade and industry and related sectors. Despite this, income from trade and industry was down 8 per cent in 2014 compared with 2013. The decrease is attributable to slightly lower income from partners. The decline is also partly attributable to the government funds paid to Visit Sweden having fallen by SEK 20 million since 2012, which has affected the company's efforts in marketing the Sweden brand.

In 2014, state appropriations amounted to SEK 120 million (basic appropriation of SEK 90 million/year and a two-year temporary investment of 30 million/year in 2013-2014). The company also received special funding of SEK 5.3 million for the Government's drive "Sweden – the new culinary nation".

#### PERFORMANCE REVIEW

The proportion of women in senior positions at VisitSweden amounted to 62 per cent. Performance interviews were conducted with 100 per cent of the company's employees. CO<sub>2</sub> emissions from proprietary operations decreased to 486.6 tonnes, which exceeded the target.

VisitSweden has conducted its operations in accordance with the direction determined by the owners.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	245	254
<b>Operating profit/loss</b>	<b>1</b>	<b>1</b>
<b>Profit before tax</b>	<b>1</b>	<b>0</b>
<b>Net profit/loss</b>	<b>1</b>	<b>0</b>
– of which attributable to minority interests	0	0
BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>83</b>	<b>67</b>
Fixed assets	5	5
<b>Equity</b>	<b>26</b>	<b>25</b>
– of which, minority interests	0	0
<b>Net debt</b>	<b>-28</b>	<b>0</b>
<b>Operating capital</b>	<b>-2</b>	<b>25</b>
KEY RATIOS	2014	2013
Operating margin, %	0.4	0.2
Return on equity (average), %	2.8	0.4
Return on operating capital (average), %	9.6	2.4
Net debt/equity ratio, multiple	-1.1	0.0
Equity/assets ratio, %	30.9	37.0
Gross investments, SEKm	3	1
Appropriation, SEKm	120	0
Dividend, SEKm	0	0
Average no. of employees	81	79
Reported in compliance with GRI guidelines	Yes	
Externally assured GRI report	Yes	
Reports in compliance with IFRS	No	

#### TARGETS

##### FINANCIAL TARGETS

- No financial targets have been determined by the owner.

##### STRATEGIC SUSTAINABILITY TARGETS

- Employees and equality: At least 40 per cent women in senior positions and 95 per cent implementation of development interviews in 2014.
- Environment: Reduce CO<sub>2</sub> emissions by 10 per cent compared with 2010 to 525 tonnes CO<sub>2</sub> in 2014.

##### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Operations within the framework of the public policy assignment funded through state appropriations are followed up. Targets have not yet been developed in accordance with the process for public policy targets.

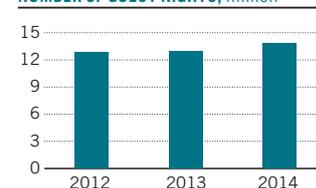
#### STATE OWNERSHIP, %



#### GENDER DISTRIBUTION, %



#### NUMBER OF GUEST NIGHTS, million



# Voksenåsen Oslo

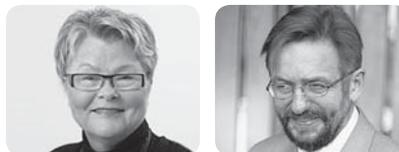
Voksenåsen AS, a course and conference centre in Oslo, is Norway's national gift to Sweden. The gift was presented in 1955 and the facility opened in 1960. Voksenåsen was managed by the Swedish-Norwegian Cooperation Fund until 1976 but, since its incorporation in 1977, it has been a Norwegian limited company (aksjeselskap) that is wholly owned by the Swedish state. Through its programme operations, Voksenåsen shall foster Swedish-Norwegian cooperation and reflect Sweden and Norway's international commitments.

## OPERATIONS

Through various forms of outreach activities, Voksenåsen shall strengthen the affinity between Swedes and Norwegians, increasing mutual understanding of the two countries' social life, language and culture. Voksenåsen is to be a natural meeting place and a well-used forum for debate on culture and society in Sweden and Norway and shall therefore hold a high proportion of events in partnership with agencies and organisations in both Sweden and Norway and have a varied programme. Several activities are aimed at young people and students, such as SommerAkademiet (the summer academy), which is arranged in partnership with universities in Oslo and Stockholm, language and cultural courses for students of education and journalism, and cultural courses for younger non-Nordic writers and other artists.

Voksenåsen shall offer its guests accommodation that measures up well in competition with similar facilities in the Oslo area, and achieve profitability while maintaining respect for Voksenåsen's fundamental purpose. Any surpluses are to be used for activities that promote Voksenåsen's purpose.

## BOARD AND AUDITORS ELECTED FOR 2015/2016



Chair: Eva Eriksson

CEO: Karl Einar Ellingsen

**Chair:** Eva Eriksson **Board:** Jan Andréasson, Azka Baig, Åsa Bergenheim, Thomas Fürth, Jørn Holme, Sverre Jervell, Christina Mattson, Ellen Marie Saethre-McGuirk  
**Auditor:** RSM Hasner Kjelstrup & Wiggen AS, Statsautorisert revisor Trine Angell-Hansen

Remuneration to the Chairman of the Board is SEK 44,000 (44,000). Remuneration to board members elected by the Annual General Meeting is SEK 10,000 (10,000).

## 2014

- Varied programme operations targeting both adults and youths.
- Increased occupancy, but continued commercial challenges in the hotel industry.

For 2014, the state appropriation from the Swedish state amounted to SEK 10.4 million. In addition, a contribution was made by the Norwegian state amounting to NOK 1.5 million. Voksenåsen reported a loss for 2014, which is explained by a decline in average prices and volumes, as well as extraordinary costs and operational disruptions associated with investments in geothermal heating and major renovations.

## PERFORMANCE REVIEW

Programme operations are varied and include themes relevant to both countries. The results of the commercial activities were generally good when compared with the closest competitors in the market.

INCOME STATEMENT, SEKm	2014	2013
Net turnover	43	45
<b>Operating profit/loss</b>	<b>-2</b>	<b>1</b>
<b>Profit before tax</b>	<b>-2</b>	<b>1</b>
<b>Net profit/loss</b>	<b>0</b>	<b>0</b>
- of which attributable to minority interests	0	0
BALANCE SHEET, SEKm	2014	2013
<b>Total assets</b>	<b>18</b>	<b>20</b>
Fixed assets	15	12
<b>Equity</b>	<b>8</b>	<b>10</b>
- of which, minority interests	0	0
<b>Net debt</b>	<b>2</b>	<b>4</b>
<b>Operating capital</b>	<b>10</b>	<b>13</b>
KEY RATIOS	2014	2013
Operating margin, %	neg	2.4
Return on equity (average), %	0.0	0.0
Return on operating capital (average), %	neg	8.3
Net debt/equity ratio, multiple	0.3	0.4
Equity/assets ratio, %	43.5	47.3
Gross investments, SEKm	3	1
Appropriation, SEKm	10	10
Dividend, SEKm	0	0
Average no. of employees	49	48

Reported in compliance with GRI guidelines	Yes
Externally assured GRI report	Yes
Reports in compliance with IFRS	No

## TARGETS

### FINANCIAL TARGETS

- No financial targets have been determined by the owner.

### STRATEGIC SUSTAINABILITY TARGETS

- Voksenåsen shall continue to be a leading Nordic course and conference centre, even when considered from an international perspective.
- The unique nature of Voksenåsen as an institution makes it particularly well suited as an arena for development, innovation, conflict resolution and other processes in the areas of culture, politics, business and social responsibility.

### PUBLIC POLICY TARGETS

- Has a specifically adopted public policy assignment. Operations within the framework of the public policy assignment funded through state appropriations are followed up. Targets have not yet been developed in accordance with the process for public policy targets.

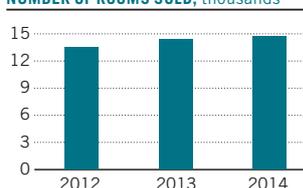
## STATE OWNERSHIP, %



## GENDER DISTRIBUTION, %



## NUMBER OF ROOMS SOLD, thousands



## Other companies and operations

Since 1 January 2015, the management organisation for the state-owned companies has taken over the management of the state's holdings in the European company EUROFIMA and for the Industrifonden and Norrlandsfonden foundations.

### **EUROFIMA EUROPEAN COMPANY FOR THE FINANCING OF RAILROAD ROLLING STOCK**

**CHE-107.738.053**

EUROFIMA was formed in 1956 as the result of an international treaty between a number of European states. The operations involve the financing of railroad rollingstock for the company's own shareholders. Originally, the organisation was intended to exist for 50 years, but in 1984 this was extended by an additional 50 years until 2056. The largest shareholders are Deutsche Bahn (22 per cent), SNCF (22 per cent) and Ferrovie dello Stato Italiane S.p.A. (13 per cent). The company has 26 shareholders and Sweden owns 2 per cent of the shares.

### **THE NORRLANDSFONDEN FOUNDATION**

**897000-3003**

The Norrlandsfonden Foundation was established in 1961. Fund capital is contributed by LKAB and the state. The purpose of the Norrlandsfonden Foundation is to promote the development of small and medium-sized enterprises in the counties of Gävleborg, Västernorrland, Jämtland, Västerbotten and Norrbotten by participating in their financing. Over the long term, the foundation's capital base shall remain nominally intact. The Norrlandsfonden Foundation offers loans, convertible debentures and various types of guarantees to enterprises in northern Sweden. Particular attention shall be paid Norrbotten County and the inland municipalities. In addition, Norrlandsfonden is part-owner in a number of companies with venture capital and incubator operations, such as Partnerinvest Övre Norrland, Norr Såd and Arctic Business Incubator. The foundation's capital base amounts to just over SEK 1 billion. Norrlandsfonden has 15 employees. At the end of 2014, Norrlandsfonden had a total commitment of SEK 891 million to a total of 405 customers. In 2014, 66 new customers were added.

### **THE INDUSTRIFONDEN FOUNDATION**

**802009-0083**

The Industrifonden Foundation was established by the state in 1979. The purpose of the Industrifonden Foundation is to promote industrial growth and renewal in Sweden by financing small and medium enterprises on commercial terms. The foundation's capital base shall be kept intact in real terms. All surpluses are used for new investments. Industrifonden invests risk capital in companies with a Swedish connection. The Foundation is an active minority investor seeking a holding of at least 15 and at most 50 per cent, and partnering with entrepreneurs and other investors. The investment horizon is generally five to ten years. Industrifonden's successful investments include Mycronic, Qliktech and Arcam. Industrifonden has some 30 employees. On 30 June 2014, the capital base was approximately SEK 3.8 billion, of which just under half was invested in some 90 companies. Over the 2013/14 financial year SEK 488 million was invested, including SEK 184 million in 12 new companies and SEK 304 million in follow-on investments in 39 existing portfolio companies. During 2014, Anders Slettengren was appointed as the new CEO.

## Liquidated companies

### APOTEKENS SERVICE AKTIEBOLAG

**556763-4748**

Apotekens Service Aktiebolag was formed in 2008 with the principal task of assuming responsibility for the infrastructure that all pharmacies need access to in the form of registers and databases. Since 26 March 2010, the company was owned directly by the state. In 2013, the Government submitted a bill proposing a new authority for health and care infrastructure (Bill 2012/13:128) to the Riksdag. In this bill, the Government made the assessment that a new agency should be formed and that the state should retain the authority to perform the tasks that previously comprised the operations of Apotekens Service Aktiebolag. The proposal entailed Apotekens Service Aktiebolag being liquidated. The Riksdag approved the Government's proposal (Report 2012/13: SoU26, Riksdag communication 2012/13:279). The eHealth Agency commenced its operations on 1 January 2014. An Extraordinary General Meeting in Apotekens Service Aktiebolag on 13 December 2013 resolved to enter the company into voluntary liquidation. Apotekens Service Aktiebolag was placed under the administration of an liquidator tasked with implementing the liquidation. The liquidation was concluded on 23 December 2014.

### ERSÄTTNINGSMARK I SVERIGE AB

**556820-8499**

On 23 June 2010, the Riksdag resolved, in accordance with the Government's proposal, that Sveaskog should transfer 100,000 hectares of productive forest land from Sveaskog to the state, to subsequently be used as substitute land in connection with state appropriations of other properties (Bill 2009/10:169, Report 2009/10:NU22, Riksdag communication 2009/10:384). This transfer was to take place through the distribution of properties or of shares in a subsidiary owned by Sveaskog AB. In April 2011, the Annual General Meeting in Sveaskog AB resolved to approve the Board's proposal for the distribution of shares in the company Ersättningsmark i Sverige AB. The company owned 100,000 hectares of productive forest land at a book value of SEK 59 million and received a shareholders contribution of SEK 100 million from Sveaskog AB. The distribution was executed on 29 April 2011. The Swedish Environmental Protection Agency was responsible for exchanging the productive forest land for forest land worthy of conservation. During 2012, Ersättningsmark i Sverige AB transferred the 100,000 hectares to the state (the Swedish Environmental Protection Agency) which took possession of the properties on 31 December 2012. The company had thereby fulfilled its assignment. The Riksdag authorised the Government to liquidate Ersättningsmark i Sverige AB by means authorised (Bill 2013/14:1, Report. 2013/14:NU1, Riksdag communication 2013/14:103). On 10 April 2014 the Annual General Meeting resolved to enter the company into voluntary liquidation. From 9 May 2014, Ersättningsmark i Sverige AB was placed under the administration of an liquidator tasked with implementing the liquidation. The liquidation was concluded on 10 March 2015.

## Companies under liquidation

### AKTIEBOLAGET SVENSKA MILJÖSTYRNINGSRÅDET

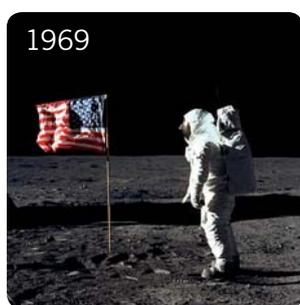
**556514-0794**

Miljöstyvningsrådet (the Swedish Environmental Management Council – SEMCo) was founded in 1995 to act as the Swedish principal and registration authority for the EU's Eco-Management and Audit Scheme (EMAS). The operations have subsequently been developed to also include the administration and development of the international Environmental Product Declaration system (EPD®), as well as systems for sustainable public procurement and other professional procurement (SEMCo's procurement criteria). In June 2014, the Riksdag authorised the

Government to transfer parts of the company's operations to the state and to liquidate Miljöstyvningsrådet at the appropriate juncture (Bill 2013/14:99, Rep. 2013/14:FiU:21, Riksd. comm. 2013/14:316). At a general meeting of Miljöstyvningsrådet on 11 September 2014 a decision was made to liquidate the company. Since 1 October 2014, Miljöstyvningsrådet has been under the administration of an liquidator with the task of implementing the liquidation.

## State ownership in modern times

Since 1969, the management of the state-owned companies has mainly been centralized within the Government Offices. The reasons for companies being set up or being under state ownership have changed over time. The review below briefly summarises the most important corporate events among the companies owned by the Swedish state.



1969

**1969** The Ministry of Industry is formed and the management of most state-owned companies is transferred to that ministry.

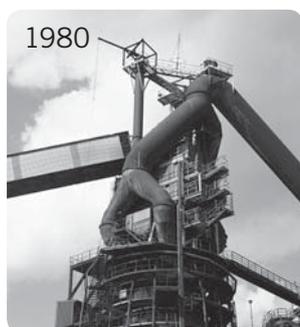
**1970** The Statsföretag organisation is formed to coordinate the major limited liability companies in the mining, steel, forestry and petrochemical sectors, among others. Apoteksbolaget is established.

**1974** PK-banken is formed through the merger of Postbanken and Sveriges Kreditbank.

**1977** Svenska Varv is formed in conjunction with the state taking over Salén-Invest's shares in Götaverken. The group also includes Arendal, Cityvarvet, Finnboda Varf, Karlskronavarvet, Uddevalvarvet and Öresundsvarvet. A comprehensive restructuring process commences.

**1978** SSAB, Scandinavia's leading steel producer is formed in the reorganisation of Sweden's three largest producers of commercial steel. The state and Statsföretag own 75 per cent of SSAB and Gränges 25 per cent.

**1979** Kockums is incorporated into Svenska Varv.



1980

**1980** Combined, SSAB and Statsföretag account for 20 per cent of the country's industrial investments.

**1981** The state transfers its half share in ASEA-ATOM to ASEA. The JAS industrial group is formed, with the government being a shareholder through Förenade Fabriksverken (FFV).

**1982** SvenskaVarv is reconstructed. Closures of the major shipyards continue.

**1984** Nokia acquires 70 per cent of satellite and television manufacturer Luxor, which had been taken over by the state five years previously.

**1985** Statsföretag changes name to Procordia. Procordia is restructured through divestments and acquisitions of companies.

**1986** The state-owned Sveriges Petroleum (SP) merges with the Swedish oil consumers' association (OK) to form OK Petroleum, with the Finnish state-owned company Neste as part owner. The first partial privatisation of SSAB is implemented through the acquisition of Gränges' shareholding and the sale of one-third of the shares in SSAB to a small number of institutions.

**1987** Procordia is listed on the stock exchange in conjunction with a new share issue. The state takes over Grängesbergs Gruvur from SSAB.

**1988** Statens Järnvägar (SJ), a state enterprise, is demerged. Banverket, the Swedish National Rail Administration, is made responsible for the railway network and SJ for train services.



1988

**1989** Procordia, Pharmacia and Volvo's food company Provendör merge to form the new Procordia group with Volvo and the Swedish state as the largest owners, each with 42.5 per cent of the votes. SSAB shares are listed on the A List of the Stockholm Stock Exchange.

**1990** PK-banken acquires Nordbanken. The holding company Fortia is formed.

**1991** The Riksdag resolves to wholly or partially privatise 35 companies and to liquidate Fortia. Celsius Industrier, formerly Svenska Varv reorganises as a defence group when merged with Telub and FFV, becoming a limited liability company, and acquires Bofors.



**1992** Domänverket becomes Domän AB. Statens Vattenfallsverk becomes Vattenfall AB, in conjunction with which the Swedish electricity grid and foreign connections are separated to form a new public enterprise, Svenska Kraftnät. A public offering is made of the state's shareholding in SSAB in the form of a rights issue combined with a government bond. Statens Bostadsfinansieringsaktiebolag (SBAB) is fully exposed to competition. SAS acquires 50 per cent of Linjeflyg to form a fully integrated domestic airline. Gota Bank is declared bankrupt and is acquired by the state. Securum is set up to deal with the problem loans incurred by Nordbanken as a consequence of the financial crisis.



**1993** The National Board of Public Buildings ceases to exist and government agencies and public enterprises are permitted to operate freely in the property market. Vasakronan takes over the state's commercial properties. Volvo and the Swedish Government agree to work to divide Procordia into two parts. The state becomes the majority shareholder in

Pharmacia AB, focusing on pharmaceuticals, and Volvo becomes the majority shareholder in AB Procordia, which operates in sectors including food and tobacco. The Government sells 75 per cent of the state's shares in the defence group Celsius but retains the majority of the voting rights and the shares are listed on the A List of the Stockholm Stock Exchange. Assi AB and Domän AB are merged into AssiDomän AB, which bids for NCB. Securum contributes SEK 10 billion to save Nordbanken. Televerket (the National Telecommunications Administration) is reorganised as Telia AB. The AMU group is incorporated.

**1994** A-Banan projekt AB is formed to build the Arlandabanan rail line. This is the first infrastructure project in Sweden to be co-financed by the state and the business sector. Posten (Swedish postal service) becomes a limited liability company. The state

divests its remaining shareholdings in SSAB, OKP and parts of AssiDomän AB and Pharmacia.

**1995** V&S Vin&Sprit's monopoly ends. Pharmacia and US pharmaceuticals company UpJohn merge.

**1996** The state injects SEK 600 million into AmuGruppen (later Lerna) to save the company from bankruptcy.



**1997** SBL Vaccins is sold to Active in Malmö. Svenska Penninglotteriet and Tiptjänst AB merge and change name to Svenska Spel AB. Merita and Nordbanken announce their intention to merge and form MeritaNordbanken.

**1998** The unit for state ownership is formed at the Ministry of Enterprise, Energy and Communications and assigned administration responsibility for a majority of the state-owned companies.

**1999** The remaining shareholding in Pharmacia & UpJohn is sold. Sveaskog AB is formed through the transfer of forest assets from AssiDomän. The state sells its shares in SAQ Kontroll (incorporated in 1995 from the Swedish Plant Inspectorate in connection with the abolition of the inspection monopoly) and Värdepapperscentralen (Swedish Securities Register).



**2000** Remaining shareholding in Celsius (25 per cent) is sold to defence group Saab. Telia is listed on the stock exchange. Vattenfall becomes one of Northern Europe's largest energy companies through the acquisition of the German energy companies VEAG and

LAUBAG for SEK 14 billion. Nordea Bank merges with UniDanmark of Denmark and Kreditkassen of Norway, becoming a

Nordic bank. The state's ownership in the bank decreases to 18.2 per cent. The Swedish State Railways state enterprise is divided into six different limited liability companies. The new SJ AB is responsible for passenger traffic. The other companies are EuroMaint, Green Cargo, Jernhusen TraffiCare and Unigrid.

**2001** Sveaskog acquires AssiDomän AB. Airline group SAS, which was previously owned by three separate national parent companies, gains a single newly-formed parent company, SAS AB, in which the former shareholders are given newly issued shares. The Swedish state subsequently owns 21.4 per cent of SAS.



**2002** Telia and the Finnish company Sonera merge to form TeliaSonera, becoming the leading telecommunications operator in the Nordic region. The state subsequently owns 46 per cent of TeliaSonera.

**2003** The state's shares in Svenska Skogsplantor are transferred to Sveaskog (also a wholly state-owned company). The state acquires ABB's holding of 35 per cent of Svensk Exportkredit (Swedish Export Credit Corporation, SEK) and becomes the sole owner of SEK following the acquisition.



**2005** The state injects SEK 600 million into Green Cargo. The Swedish Code for Corporate Governance (the Code), which is intended to contribute to improved governance of Swedish limited liability companies, starts to be applied by the Stockholm Stock Exchange and also forms part of the State's

Ownership Policy. Innovationsbron is formed with the task of investing in growth companies. The Riksdag is expanding SBAB's mission to include accepting deposits from the general public.

**2006** The Government sells its last share in SAKAB AB, a left-over from 1992 when the principal responsibility for the handling of hazardous waste was transferred to a private player.

**2007** The state decreases its holding in TeliaSonera, selling shares for SEK 18 billion. The Swedish state subsequently owns 37.3 per cent of TeliaSonera. The Riksdag resolves to grant the Government a mandate to divest some of the state-owned companies.



**2008** The state sells its holding in OMX to Borse Dubai, in Vin&Sprit to French Pernod Ricard and in Vasakronan to AP Fastigheter. These divestments provide income equivalent to SEK 81 billion. New capital is injected into SEK and Almi and, in connection with this, the shares in Venantius are

transferred to SEK. Fouriertransform is formed to invest in research and development in the automotive cluster. In November, through the Swedish National Debt Office, the state assumes ownership of Carnegie Investment Bank and Max Matthiessen. The takeover is conducted in accordance with the Act on Support for Banks in Crisis to foster the stability of the financial sector. The shares are divested in 2009.



**2009** Svevia and Vectura Consulting are formed from activities previously included in the National Rail Administration and the National Road Administration. The state participates in new share issues in Nordea Bank and SAS. The merger of Posten and Post Danmark is completed with a new company, PostNord, being formed. The pharmacy monopoly is discontinued and the companies Apoteksgruppen, APL and

Apotekens Service are spun off from Apoteket.

**2010** Divestments of 465 pharmacies are completed as a stage in the deregulation of the pharmacy market. In addition, 150 pharmacies are transferred to Apoteksgruppen. Infranord AB is formed from the operations of Banverket Produktion (Swedish Rail Administration's Production unit). The newly formed company Swedavia AB takes over airport operations for ten nationally strategic airports from the Swedish Civil Aviation Administration. The state participates in a new share issue in SAS. ESS AB is formed with the purpose of planning and building the European Spallation Source in Lund and a data processing centre in Copenhagen. Inlandsinnovation AB is formed with the purpose of conducting financing operations to promote innovation and entrepreneurship in inland northern Sweden.



**2011** The administration of the state-owned companies is transferred from the Ministry of Enterprise to the Ministry of Finance. The state sells 255 million shares in Nordea Bank for SEK 19 billion, reducing its ownership from 19.9 per cent to 13.5 per cent. Sveaskog distributes the shares in Ersättningsmark i Sverige AB to the state. The company owns 100,000 hectares of productive forest land that will be used as replacement land for high conservation value forests. Metria, which sells analyses, services and products based on geographical information is spun off from Lantmäteriet (National Land Survey of Sweden). Arbetslivsresurs AR AB (formed in 2005 from Samhall resurs and AMS Arbetslivstjänster) is sold for SEK 145 million.



**2012** SAS tackles major profitability problems and, to safeguard the company's liquidity, the Swedish state and the other major owners and a number of banks join to provide a credit facility of SEK 3.5 billion. Bilprovningen completes its partial divestment of the station network by splitting the company into two parts. The minority shareholders take over the network of stations that had been for sale, while the majority shareholder, the state, retains the remainder of Bilprovningen, becoming the 100-per cent owner of that company.



**2013** Almi and Innovationsbron merge with the purpose of creating a joint organisation for financing in the early stages of company formation. The management of Saab Automobile Parts (later Orio),

the parts manufacturer that the Swedish National Debt Office took as collateral for a loan to car manufacturer Saab, is transferred to the Ministry of Finance. The state liquidates its entire remaining shareholding in Nordea Bank (13.4 per cent) by selling

shares on two occasions during the year for a total of SEK 41 billion. The state sells Vectura Consulting to engineering consultancy Sweco for slightly less than SEK 1 billion.

**2014** Having improved its profitability and strengthened its financial position through a preferential rights issue on the capital market, SAS cancels the loan commitments provided through a credit facility from the state and others. Apotekens Service is de-corporatised following the transfer of responsibilities and functions to the new eHealth Agency that was formed on 1 January 2014. Ersättningsmark i Sverige and Svenska Miljöstylningsrådet are placed under liquidation. In May 2014, an Extraordinary General Meeting of Bostadsgaranti resolved to divest the subsidiary Försäkringsaktiebolaget Bostadsgaranti. The divestment represents part of the liquidation of Bostadsgaranti as a whole. The Riksdag authorised the Government to divest assets and liabilities in ESS to a consortium for European research infrastructures and to liquidate the company.



**2015** The management of the state-owned companies is transferred from the Ministry of Finance to the Ministry of Enterprise and Innovation and is assigned management responsibility for a further eight companies and two foundations. The liquidation of Ersättningsmark is concluded.

# Accounting principles

Companies included in the consolidated financial statements are those limited companies in which the state's shareholding is managed by the Government Offices plus the organisation Svenska Skeppshypotekskassan. The consolidated financial statements are a summary of the financial information issued by the companies themselves. The consolidated financial statements do not include limited companies managed by authorities other than the Government Offices or by state foundations. Companies in which the state has an ownership share of less than 20 per cent or are in the process of being liquidated are also not included in the consolidated financial statements. Subsidiaries are companies in which the state holds a stake equal to 50 per cent or more. Associated companies, that is, those in which the state holds less than 50 per cent, but more than 20 per cent, have been included according to percentage of participation in earnings.

As indicated, the consolidated financial statements are based on the financial information produced and reported by each company. These consolidated financial statements cannot be compared with ordinary consolidated financial statements. This is because the state-owned companies do not constitute a group and do not therefore produce consolidated statements in compliance with a formal regulatory framework. Accordingly, the compilation is intended, to provide, in the best possible way a coherent and clear picture of the administration of the state-owned companies in financial terms. To facilitate this without applying consolidation methods according to current regulatory framework, a description is provided below of the basis for the summary.

Reporting to the Government Offices from state-owned companies is based on the established form of presentation applicable in the business community. However, the income statement, balance sheet and cash flow statement have been condensed.

Certain adjustments, for which the Swedish Government Offices are responsible, have been made in the data reported for the consolidated financial statements (see below). The business descriptions presenting the various companies are primarily based on the companies' own information. Due to varying calculation methods, the key ratios reported in the consolidated financial statements may differ from the key ratios presented by the companies themselves (see definitions below).

The following is applicable to the consolidated financial statements.

- The companies included in the summary vary in character and size and apply, to some extent, differing regulatory frameworks when preparing their financial statements. Reporting to the Government Offices is based on a condensed presentation format with features of both IFRS and Swedish accounting principles, with the companies having reported in accordance with the principles adopted in their own case. To facilitate the consolidation in practical terms, a number of companies, including financial companies reporting in accordance with the Annual Accounts for Credit Institutions and Securities Act (1995:1559), adjust their reporting to the Government Office's reporting format. During 2014, some companies transitioned to applying BFNAR 2012:1 Annual and consolidated accounts (K3).
- According to the Government guidelines for external financial reporting of state-owned companies, financial statements should be prepared on the basis of the requirements imposed on publicly traded companies. As of 2005, publicly traded companies in the EU are required to prepare their consolidated financial statements in accordance with IFRS as adopted by the EU.
- Associated companies have been included in accordance with the equity method. This means that profit or loss after tax in an associated company corresponding to the share owned by the state has been included in the consolidated income statement on one line in operating profit or loss. Similarly, the owner's share of the associated company's equity has been included in the consolidated balance sheet.
- Subsidiaries in which there is a minority interest have been adjusted in the income statement and balance sheet. This adjustment entails that the minority owner's share of the subsidiary's profit or loss is shown as a deduction in connection with net profit or loss from shares in the associated companies. The minority owner's share of the subsidiary's equity is recognised as a separate item in shareholders' equity in the consolidated balance sheet.
- Transactions between the companies included in the table have not been eliminated. This is not consistent with customary consolidation methods for group-internal transactions. The reason for this, as explained initially, is that the companies do not constitute a corporate group. Accordingly, the basis required to enable such elimination is not available to the reporting companies either.
- Certain key ratios have not been calculated for the financial companies. The main reason for this is that the working capital of the financial companies is of a different character compared with most other companies.

Please refer to the annual report issued by the respective company for more information about the accounting principles applied in a particular company.

# Definitions and abbreviations

**Average number of employees** – Recalculated as full-time equivalent employees.

**Gross investments** – Sum total of the company's investments in property, plant and equipment, intangible assets and financial fixed as-sets.

**Funds From Operations (FFO)** – Internally injected funds

**Adjusted equity** – Equity plus any surplus value in, for example, properties and subsidiaries.

**Net debt** – Interest-bearing liabilities less interest-bearing assets.

**Net debt/equity ratio** – Interest-bearing net liability in relation to equity. In certain cases, the calculation is performed on the basis of adjusted equity, in which case this is specified.

**Operating capital** – Interest-bearing net liabilities plus equity.

**Return on equity (average)** – Net profit/loss attributable to shareholders in the parent company as a proportion of average equity attributable to shareholders in the parent company. In certain cases, the calculation is performed on the basis of adjusted equity, in which case this is specified.

**Return on operating capital (average)** – Operating profit/ loss in relation to average operating capital.

**Return on capital employed (average)** – Operating profit loss plus financial income in relation to average capital employed.

**Operating margin** – Operating profit/loss in relation to net turnover.

**Debt/equity ratio** – Interest-bearing liabilities in relation to equity.

**Equity/assets ratio** – Equity including minority share in relation to total assets. In certain cases, the calculation is performed on the basis of adjusted equity, in which case this is specified.

**Capital employed** – Interest-bearing liabilities plus equity.

**Dividend** -Dividend data refer to dividends approved by the subsequent Annual General Meeting.

## INDUSTRY-SPECIFIC KEY RATIOS

### Financial companies

**Capital adequacy ratio** – Capital base as a proportion of risk-weighted amount.

**Core Tier 1 capital ratio** – Tier 1 capital in relation to risk-weighted amount.

**Core Tier 1 capital** – Equity less certain deductible items, such as goodwill.

### Property companies

**Surplus ratio** – Net operating income in relation to rental income.

## ABBREVIATIONS

**EMAS** – EU Eco Management and audit scheme.

**EPD** – Environmental Product Declarations.

**GRI** – Global Reporting Initiative, international guidelines for sustainability reporting.

**IFRS** – International Financial Reporting Standards.

**(XX)** – Figures in parentheses after another figure refer to the preceding year.

# State-owned companies in figures

## SUMMARY TABLE FOR STATE-OWNED COMPANIES

	Income <sup>1)</sup> , SEKm		Operating profit, SEKm		Net profit/loss, SEKm		Return on equity, %		Dividend, SEKm		Number of employees	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
<b>Wholly owned, 100% ownership</b>												
Akademiska Hus	5,681	5,588	7,200	3,665	5,215	2,568	16.5	8.7	1,445	1,374	408	407
Almi Företagspartner	1,074	1,100	35	-27	120	75	1.7	1.1	-	-	436	454
APL (Apotek Produktion & Laboratorier)	1,183	1,174	15	28	9	19	4.4	9.3	-	3	512	537
Apoteket	18,668	18,972	343	355	371	364	8.2	8.3	158	150	3,474	3,899
Apoteksgruppen	254	181	-8	-7	-3	7	neg	1.8	-	4	59	80
Arlandabanan Infrastructure	68	67	-	-	-	-	0.0	0.0	-	-	1	1
Bilprovningen	720	787	61	24	63	31	24.3	8.4	48	290	646	731
Dramaten	289	274	3	2	5	3	14.8	9.9	-	-	317	310
Fouriertransform	6	24	-172	42	-91	131	neg	4.0	-	-	12	11
Green Cargo	4,167	4,161	-121	-368	-188	-382	neg	neg	-	-	2,002	2,125
Göta kanalbolag	73	71	0	0	-	0	0.0	0.2	-	-	40	39
Infranord	3,986	3,811	32	-190	17	-162	3.6	neg	-	-	2,184	2,581
Inlandsinnovation	8	4	-54	-51	-12	10	neg	0.5	100	-	7	6
Jernhusen	1,181	1,104	500	797	389	513	7.6	10.3	113	100	222	237
Lernia	2,657	2,659	111	185	85	146	15.9	27.8	235	58	4,163	3,828
LKAB	20,926	24,092	570	7,639	347	6,032	0.9	14.5	139	3,500	4,539	4,427
Metria	420	436	12	-28	10	-20	10.5	neg	3	-	259	301
Miljömärkning Sverige	47	47	-3	0	0	1	neg	4.4	0	0	60	59
Operan	523	507	-	4	1	6	3.0	18.2	-	-	528	536
Orio	994	1,044	84	144	70	182	9.6	25.3	35	55	347	364
RISE Research Institutes of Sweden	1,993	1,819	51	32	48	30	5.3	4.5	-	-	1,673	1,586
Samhall	7,452	7,316	-	-40	81	15	5.0	1.0	-	-	17,908	17,401
SBAB	2,621	1,893	1,644	1,085	1,256	873	12.1	9.0	502	-	437	449
SEK	2,078	1,958	1,629	1,408	1,260	1,090	8.1	7.4	378	327	243	243
SJ	9,207	9,160	568	298	460	220	8.9	4.4	230	73	4,541	4,953
Specialfastigheter	1,872	1,858	2,064	1,921	1,390	1,301	11.9	14.9	3,000	481	121	122
SSC (Svenska rymdaktiebolaget)	872	876	31	30	34	11	7.1	2.4	10	3	533	577
Statens Bostadsomvandling	27	18	-16	-17	-9	-7	neg	neg	-	-	3	5
Sveaskog	6,287	6,096	2,418	2,214	1,691	1,475	9.4	8.5	800	450	877	899
Svedab	6	5	452	346	306	220	nm	nm	-	-	3	4
Svenska Skeppshypotek	148	148	73	87	73	87	4.1	5.0	-	-	8	8
Svenska Spel	7,603	8,117	4,705	5,202	4,763	5,268	94.9	100.0	4,763	5,269	1,580	1,582
Svevia	6,933	7,180	202	35	188	57	17.4	5.8	120	-	1,918	2,113
Swedavia	5,885	5,233	1,405	954	926	501	17.7	10.0	230	-	2,460	2,380
Swedesurvey	13	9	2	-8	2	-7	28.8	neg	-	-	5	6
Swedfund International	149	81	-87	-117	-63	-93	neg	neg	-	-	39	34
Systembolaget	26,437	25,723	370	168	251	287	14.4	18.0	251	287	3,347	3,280
Teracom Boxer Group	3,849	3,875	542	638	393	586	17.1	25.9	235	290	741	710
Vasallen	63	79	75	64	93	53	10.2	5.8	300	100	18	17
Vattenfall	170,542	174,986	-2,195	-6,218	-8,284	-13,543	neg	neg	-	-	30,181	31,817
Voksenåsen	70	58	-2	1	-	-	0.0	0.0	-	-	49	48

1) Note that income relates to net income + other income.

## SUMMARY TABLE FOR STATE-OWNED COMPANIES

Partly owned companies (ownership in %)	Income, SEKm		Operating profit, SEKm		Net profit/loss, SEKm		Return on equity, %		Dividend, SEKm		Number of employees	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Bostadsgaranti (50)	6	8	-12	-4	263	51	76.0	14.4	275	18	1	12
ESS (European Spallation Source) (73)	11	7	-780	-534	-780	-533	neg	neg	-	-	246	166
PostNord (60)	40,582	39,766	351	662	176	306	2.1	3.3	-	129	37,976	39,305
SAS (21)	38,006	42,182	153	2,596	-719	1,358	neg	18.9	-	-	12,329	14,127
SOS Alarm (50)	953	870	30	11	29	9	19.5	6.4	-	-	848	819
TeliaSonera (37)	101,793	103,098	22,680	24,462	15,599	16,767	13.6	13.3	13,000	13,000	24,951	25,321
VisitSweden (50)	245	254	1	1	1	0	2.8	0.4	-	-	81	79

# List of Government Bills

## COMPANY / GOVERNMENT BILL

### Akademiska Hus

(Bill 1991/92:44, Rep. 1991/92:FiU8, Riksd. comm. 1991/92:107)  
 (Bill 1992/93:37, Rep. 1992/93:FiU8, Riksd. comm. 1992/93:123)  
 (Bill 1997/98:137, Rep. 1997/98:FiU25, Riksd. comm. 1997/98:252)  
 (Bill 2010/11:1 expenditure area 24, bet 2010/11:FiU2, Riksd. comm. 2010/11:139, 140)  
 (Bill 2013/14:1 expenditure area 24, Rep. 2013/14:NU1, Riksd. comm. 2013/14:103)

### Almi Företagspartner

(Bill 1993/94:40, Rep. 1993/94:NU11, Riksd. comm. 1993/94:80)  
 (Bill 2008/09:73, Rep. 2008/09:FiU17, Riksd. comm. 2008/09:47)  
 (Bill 2009/10:148, Rep. 2009/10:NU25, Riksd. comm. 2009/10:361)  
 (Bill 2011/12:99, Rep. 2011/12:FiU21, Riksd. comm. 2011/12:282)  
 (Bill 2012/13:1, Rep. 2012/13:NU1, Riksd. comm. 2012/13:104)

### APL, Apoteket, Apoteksgruppen

(Bill 1970:74, Rep. 1970:2LU, Riksd. comm. 1970:234)  
 (Bill 1984/85:170, Rep. 1984/85:SoU29, Riksd. comm. 1984/85:357)  
 (Bill 1995/96:141, Rep. 1995/96:NU26, Riksd. comm. 1995/96:302)  
 (Bill 1996/97:27, Rep. 1996/97:SoU5, Riksd. comm. 1996/97:58)  
 (Bill 2001/02:63, Rep. 2001/02:SoU10, Riksd. comm. 2001/02:194)  
 (Bill 2004/05:70, Rep. 2004/05:SoU13, Riksd. comm. 2004/05:217)  
 (Bill 2005/06:70, Rep. 2005/06:SoU15, Riksd. comm. 2005/06:198)  
 (Bill 2006/07:78, Rep. 2006/07:SoU12, 2006/07:153)  
 (Bill 2007/08:87, Rep. 2007/08:SoU 17, 2007/08:182)  
 (Bill 2007/08:142, Rep. 2007/08:SoU20, 2007/08:255)  
 (Bill 2008/09:145, Rep. 2008/09: SoU21, Riksd. comm. 2008/09:226)  
 (Bill 2008/09:190, Rep. 2008/09: SoU25, Riksd. comm. 2008/09:288)  
 (Bill 2009/10:96, Rep. 2009/10: SoU10, Riksd. comm. 2009/10:222)  
 (Bill 2009/10:138, Rep. 2009/10: SoU23, Riksd. comm. 2009/10:288)  
 (Bill 2012/13:128, Rep. 2012/13:SoU26, Riksd. comm. 2012/13:279)

### Arlandabanan Infrastructure

(Bill 1993/94:39, Rep. 1993/94:TU6, Riksd. comm. 1993/94:74)  
 (Bill 1993/94:213, Rep. 1993/94:TU36, Riksd. comm. 1993/94:436)  
 (Bill 2005/06:1, Rep. 2005/06:TU1, Riksd. comm. 2005/06:81)  
 (Bill 2006/07:1, Rep. 2006/07:TU1, Riksd. comm. 2006/07:35)  
 (Bill 2010/11:1, Rep. 2010/11:TU1, Riksd. comm. 2010/11:138)

### Bilprovingen

(Bill 1963:91, SU 1963:83, Rep. 3LU 1963:22, Riksd. comm. 1963:198)  
 (Bill 1991/92:69, Rep. 1991/92:NU10, Riksd. comm. 1991/92:92)  
 (Bill 1993/94:167, Rep. 1993/94:TU35, Riksd. comm. 1993/94:433)  
 (Bill 1994/95:69, Rep. 1994/95:TU8, Riksd. comm. 1994/95:137)  
 (Bill 1996/97:1 expenditure area 22, Rep. 1996/97:TU1, Riksd. comm. 1996/97:115)  
 (Bill 2009/10:32, Rep. 2009/10:TU8, Riksd. comm. 2009/10:161)  
 (Bill 2009/10:54, Rep. 2009/10:NU10, Riksd. comm. 2009/10:162)

### Bostadsgaranti

(Bill 1983/84:41, Rep. 1983/84:BoU8, Riksd. comm. 1983/84:64)  
 (Bill 2012/13:1, Rep. 2012/13:NU1, Riksd. comm. 2012/13:103)  
 (Bill 2013/14:125, Rep. 2013/14:CU25, Riksd. comm. 2013/14:212)

### Dom Shvetsii

(Bill 1994/95:78, Rep. 1994/95:FiU4, Riksd. comm. 1994/95:75)

### Dramaten

(Bill 1992/93:100, Rep. 1992/93:KrU20, Riksd. comm. 1992/93:315)  
 (Bill 1996/97:3, Rep. 1996/97:KrU1, Riksd. comm. 1996/97:129)  
 (Bill 2009/10:3, Rep. 2009/10:KrU5, Riksd. comm. 2009/10:145)

### ESS

(Bill 2008/09:50, Rep. 2008/09:UbU4, Riksd. comm. 2008/09:160)  
 (Bill 2009/10:1 expenditure area 16, Rep. 2009/10:UbU1, Riksd. comm. 2009/10:126)  
 (Bill 2012/13:190, Rep. 2012/13:UbU7, Riksd. comm. 2012/13:54)  
 (Bill 2014/15:1, Rep. 2014/15:UbU1, Riksd. comm. 2014/15:90)

### Fouriertransform

(Bill 2008/09:95, Rep. 2008/09:FiU19, Riksd. comm. 2008/09:144)  
 (Bill 2012/13:99, Rep. 2012/13:FiU21, Riksd. comm. 2012/13:287)  
 (Bill 2013/14:99, Rep. 2013/14:FiU21, Riksd. comm. 2013/14:316)

### Green Cargo

(Bill 1999/2000:78, Rep. 1999/2000:TU11, Riksd. comm. 1999/00:238)  
 (Bill 2003/04:127 Rep. 2003/04:NU15, Riksd. comm. 2003/04:286)

## COMPANY / GOVERNMENT BILL

### Göta kanalbolag

(Bill 1977/78:119, Rep. 1977/78:TU22, Riksd. comm. 1977/78:291)  
 (Bill 1991/92:134, Rep. 1991/92:NU33, Riksd. comm. 1991/92:351)  
 (Bill 1992/93:51, Rep. 1992/93:NU15, Riksd. comm. 1992/93:97)  
 (Bill 1993/94:100, Rep. 1993/94:NU16, Riksd. comm. 1993/94:224)

### Infranord

(Bill 2009/10:10, Rep. 2009/10:TU5, Riksd. comm. 2009/10:59)

### Inlandsinnovation

(Bill 2010/11:2, Rep. 2010/11:FiU11, Riksd. comm. 2010/11:75)  
 (Comm. 2010/11:74, Rep. 2010/11:NU16, Riksd. comm. 2010/11:252)  
 (Bill 2013/14:99, Rep. 2013/14:FiU21, Riksd. comm. 2013/14:316)

### Jernhusen

(Bill 1999/00:78, Rep. 1999/2000:TU11, Riksd. comm. 1999/2000:238)

### Lernia

(Bill 1992/93:152, Rep. 1992/93:AU6, Riksd. comm. 1992/93:175)  
 (Bill 1993/94:126, Rep. 1993/94:UbU10, Riksd. comm. 1993/94:341)  
 (Bill 1995/96:145, Rep. 1995/96:Ubu8, Riksd. comm. 1995/96:224)  
 (Bill 1996/97:55, Rep. 1996/97:AU6, Riksd. comm. 1996/97:108)  
 (Comm. 1996/97:95, Rep. 1996/97:AU10, Riksd. comm. 1996/97:188)  
 (Bill 2012/13:1, Rep. 2012/13:NU1, Riksd. comm. 2012/13:103)

### LKAB

(Bill 1883:18)  
 (Bill 1882:14)  
 (Bill 1907:107)  
 (Bill 1927:241)  
 (Bill 1934:270)  
 (Bill 1977/78:96, Rep. 1977/78:NU50, Riksd. comm. 1977/78:225)  
 (Bill 1978/79:87, Rep. 1978/79:NU30, Riksd. comm. 1978/79:240)  
 (Bill 1979/80:79, Rep. 1979/80:NU72, Riksd. comm. 1979/80:380)  
 (Bill 1981/82:32, Rep. 1981/82:TU7, Riksd. comm. 1981/82:116)  
 (Bill 1981/82:56, Rep. 1981/82:NU13, Riksd. comm. 1981/82:82)  
 (Bill 1980/81:128, Rep. 1980/81:NU48, Riksd. comm. 1980/81:301)  
 (Bill 1982/83:120, Rep. 1982/83:NU38, Riksd. comm. 1982/83:306)  
 (Bill 1991/92:69, Rep. 1991/92:NU10, Riksd. comm. 1991/92:92)

### Metria

(Bill 2010/11:53, Rep. 2010/11:CU10, Riksd. comm. 2010/11:188)

### Miljömärkning Sverige

(Bill 1997/98:1, Rep. 1997/98:NU1, Riksd. comm. 1997/98:131)  
 (Bill 2005/06:105, Rep. 2005/06:LU33, Riksd. comm. 2005/06:377)  
 (Bill 2011/12:99, Rep. 2011/12:FiU21)

### Miljöstyrningsrådet

(Bill 1994/95:101, Rep. 1994/95:JoU9, Riksd. comm. 1994/95:86)  
 (Bill 2003/04:1 expenditure area 20, Rep. 2003/04:MU1, Riksd. comm. 2003/04:103)  
 (Bill 2013/14:99, Rep. 2013/14:FiU21, Riksd. comm. 2013/14:316)

### Operan

(Bill 1992/93:100, Rep. 1992/93:KrU20, Riksd. comm. 1992/93:315)  
 (Bill 1996/97:3, Rep. 1996/97:KrU1, Riksd. comm. 1996/97:129)  
 (Bill 2009/10:3, Rep. 2009/10:KrU5, Riksd. comm. 2009/10:145)

### PostNord

(Bill 1992/93:132, Rep. 1992/93:TU11, Riksd. comm. 1992/93:152)  
 (Bill 1993/94:38, Rep. 1993/94:TU9, Riksd. comm. 1993/94:119)  
 (Bill 1995/96:218, Rep. 1996/97:TU6, Riksd. comm. 1996/97:34)  
 (Bill 1997/98:127, Rep. 1997/98:TU13, Riksd. comm. 1997/98:304)  
 (Bill 1998/99:95, Rep. 1998/99:TU11, Riksd. comm. 1998/99:237)  
 (Bill 2007/08:143, Rep. 2007/08:NU13, Riksd. comm. 2007/08:253)  
 (Bill 2009/10:216, Rep. 2009/10:TU19, Riksd. comm. 2009/10:378)  
 (Rep. 2010/11:NU7, Riksd. comm. 2010/11:190)

### RISE Research Institutes of Sweden

(Bill 1996/97:150, Rep. 1996/97:FiU20, Riksd. comm. 1996/97:284)  
 (Bill 2006/07:1, Rep. 2006/07:NU1, Riksd. comm. 2006/07:62)  
 (Bill 2008/09:50, Rep. 2008/09:UbU4, Riksd. comm. 2008/09:160)  
 (Bill 2012/13:30, Rep. 2012/13:UbU3, Riksd. comm. 2012/13:152)  
 (Bill 2012/13:99, Rep. 2012/13:FiU21, Riksd. comm. 2012/13:287)

### Samhall

(Bill 1977/78:30, Rep. 1977/78:AU16, Riksd. comm. 1977/78:74)  
 (Bill 1978/79:25 app. 9, 1 & 2, Rep. 1978/79:AU17, Riksd. comm. 1978/79:118) (Bill 1978/79:139, Rep. 1978/79:AU29, Riksd. comm. 1978/79:293)  
 (Bill 1982/83:149, Rep. 1982/83:AU25, Riksd. comm. 1982/83:153)  
 (Bill 1991/92:91, Rep. 1991/91:AU16, Riksd. comm. 1991/92:249)

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**SAS**

(Bill 1996/97:126, Rep. 1996/97:TU9, Riksd. comm. 1996/97:232)  
 (Bill 2000/01:124, Rep. 2000/01:TU17, Riksd. comm. 2000/01:253)  
 (Bill 2008/09:124, Rep. 2008/09:FiU40, Riksd. comm. 2008/09:192)  
 (Bill 2009/10:121, Rep. 2009/10:FiU35, Riksd. comm. 2009/10:220)  
 (Bill 2012/13:46, Rep. 2012/13:NU10, Riksd. comm. 2012/13:102)

**SBAB**

(Bill 1993/94:76, Rep. 1993/94:BoU06, Riksd. comm. 1993/94:115)  
 (Bill 1993/94:228, Rep. 1993/94:BoU20, Riksd. comm. 1993/94:374)  
 (Bill 1994/95:219, Rep. 1994/95:BoU20, Riksd. comm. 1994/95:417)  
 (Bill 2001/02:1 Appendix 6, expenditure area 2, Rep. 2001/02:FIU2, Riksd. comm. 2001/02:129)  
 (Bill 2005/06:1, Rep. 2005/06:FIU2, Riksd. comm. 2005/06:126-128)  
 (Bill 2006/07:57, Rep. 2006/07:NU16, Riksd. comm. 2006/07:217)  
 (Bill 2008/09:104, Rep. 2008/09:FiU39, Riksd. comm. 2008/09:217)  
 (rec. 2010/11:N1, Rep. 2010/11:NU7, Riksd. comm. 2010/11:190)

**SEK**

(Bill 1962:125, Rep. 1962:SU110, Rep. 1962:BaU22, Riksd. comm. 1962:272 & 275)  
 (Bill 1981/82:181, Rep. 1981/82:NU52, Riksd. comm. 1981/82:427)  
 (Bill 1995/96:141, Rep. 1995/96:NU26, Riksd. comm. 1995/96:302)  
 (Bill 2002/03:142, 2002/03:NU14, Riksd. comm. 2002/03:244)  
 (Bill 2008/09:73, Rep. 2008/09:FiU1, Riksd. comm. 2008/09:47)  
 (Bill 2008/09:86, Rep. 2008/09:NU12, Riksd. comm. 2008/09:125)

**SJ**

(Bill 1999/2000:78, Rep. 1999/2000:TU11, Riksd. comm. 1999/2000:238)  
 (Bill 2002/03:86, Rep. 2002/03:NU13, Riksd. comm. 2002/03:343)  
 (Bill 2005/06:160, Rep. 2005/06:TU5, Riksd. comm. 2005/06:308)  
 (Comm. 2001/02:141, Rep. 2001/02:TU14, Riksd. comm. 2001/02:281)  
 (Bill 2008/09:176, Rep. 2008/09:TU18, Riksd. comm. 2008/09:293)

**SOS Alarm**

(Bill 1972:129, Rep. 1972:TU20, Riksd. comm. 1972:329)  
 (Bill 1990/91:87, Rep. 1990/91:TU28, Riksd. comm. 1990/91:369)  
 (Bill 1992/93:132, Rep. 1992/93:TU11, Riksd. comm. 1992/93:152)  
 (Bill 1992/93:200, Rep. 1992/93:TU30, Riksd. comm. 1992/93:943)  
 (Bill 1993/94:150, Rep. 1993/94:TU38, Riksd. comm. 1993/94:432)

**Specialfastigheter**

(Bill 1991/92:44, Rep. 1991/92:FiU8, Riksd. comm. 1991/92:107)  
 (Bill 1992/93:37, Rep. 1992/93:FiU8, Riksd. comm. 1992/93:123)  
 (Bill 1997/98:137, Rep. 1997/98:FiU25, Riksd. comm. 1997/98:252)

**SSC (Svenska rymdaktiebolaget)**

(Bill 1972:48, Rep. 1972:NU37, Riksd. comm. 1972:216)  
 (Bill 1978/79:142, Rep. 1978/79:NU36, Riksd. comm. 1978/79:292)  
 (Bill 1985/86:127, Rep. 1985/86:NU21, Riksd. comm. 1985/86:305)

**Statens Bostadsomvandling**

(Bill 1997/98:119, Rep. 1997/98:BoU10, Riksd. comm. 1997/98:306)  
 (Bill 1997/98:150, Rep. 1997/98:FiU27, Riksd. comm. 1997/98:317)  
 (Bill 2001/02:4, Rep. 2001/02:NU4, Riksd. comm. 2001/02:118)  
 (Bill 2001/02:58, Rep. 2001/02:BoU4, Riksd. comm. 2001/02:160)  
 (Bill 2001/02:100, Rep. 2001/02:FiU21, Riksd. comm. 2001/02:326)  
 (Bill 2003/04:1, Rep. 2003/04:FIU11, Riksd. comm. 2003/04:49)

**Sveaskog**

(Bill 1998/99:1 expenditure area 24, Rep. 1998/99:NU1, Riksd. comm. 1998/99:108)  
 (Bill 1999/2000:1 expenditure area 24, Rep. 1999/2000:NU1, Riksd. comm. 1999/2000:111)  
 (Bill 2001/02:39, Rep. 2001/02:NU7, Riksd. comm. 2001/02:108)  
 (Bill 2002/03:24, Rep. 2002/03:NU4, Riksd. comm. 2002/03:107)  
 (Bill 2004/05:1 expenditure area 24, Rep. 2004/05:NU1, Riksd. comm. 2004/05:117)  
 (Bill 2009/10:169, Rep. 2009/10:NU22, Riksd. comm. 2009/10:384)

**Svedab**

(Bill 1990/91:158, Rep. 1990/91:TU31, Riksd. comm. 1990/91:379)  
 (Bill 1992/93:100 app. 7, Rep. 1994/95:TU2, Riksd. comm. 1994/95:50)  
 (Bill 1996/97:161, Rep. 1997/98:TU6, Riksd. comm. 1997/98:32)  
 (Bill 1999/2000:66, Rep. 1999/2000:TU10, Riksd. comm. 1999/2000:237)  
 (Bill 2001/02:20, Rep. 2001/02:TU2, Riksd. comm. 2001/02:126)  
 (Bill 2006/07:1, Rep. 2006/07:TU1, Riksd. comm. 2006/07:35)  
 (Bill 2009/10:1, Rep. 2009/10:TU1, Riksd. comm. 2009/10:117)  
 (Bill 2010/11:1, Rep. 2010/11:TU1, Riksd. comm. 2010/11:138)

## COMPANY / GOVERNMENT BILL

**Svenska Spel**

(Bill 1995/96:169, Rep. 1995/96:FiU14, Riksd. comm. 1995/96:248)  
 (Bill 2008/09:126, Rep. 2008/09:KrU8, Riksd. comm. 2008/09:243)

**Svevia**

(Bill 2008/09:23, Rep. 2008/09:TU4, Riksd. comm. 2008/09:76)

**Swedavia**

(Bill 2009/10:16, Rep. 2009/10:TU7, Riksd. comm. 2009/10:114)

**Swedesurvey**

(Bill 1992/93:100 app. 15, Rep. 1992/93:BoU14, Riksd. comm. 1992/93:217)

**Swedfund**

(Bill 1977/78:135, Rep. 1978/79:UU1, Riksd. comm. 1978/79:9)  
 (Bill 1991/92:100 app. 4, Rep. 1991/92:UU15, Riksd. comm. 1991/92:210)  
 (Bill 2008/09:52, Rep. 2008/09:UU9, Riksd. comm. 2008/09:74)

**Systembolaget**

(Bill 1976/77:108, Rep. 1976/77:SkU 40, Riksd. comm. 1976/77:231)  
 (Bill 1993/94:136, Rep. 1993/94:SoU22, Riksd. comm. 1993/94:249)  
 (Bill 1994/95:89, Rep. 1994/95:SoU9, Riksd. comm. 1994/95:106)  
 (Bill 1998/99:134, Rep. 1999/00:SoU4, Riksd. comm. 1999/00:42)  
 (Bill 2000/01:97, Rep. 2000/01:SoU19, Riksd. comm. 2000/01:260)  
 (Bill 2002/03:87, Rep. 2002/03:SoU16, Riksd. comm. 2002/03:152)  
 (Bill 2003/04:161, Rep. 2004/05:SoU6, Riksd. comm. 2004/05:38)  
 (Bill 2005/06:30, Rep. 2005/06:SoU12, Riksd. comm. 2005/06:157)  
 (Bill 2007/08:119, Rep. 2007/08:SoU19, Riksd. comm. 2007/08:209)  
 (Bill 2009/10:125, Rep. 2010/11:SoU4 Riksd. comm. 2010/11:36)

**TeliaSonera**

(Bill 1992/93:200, Rep. 1992/93:TU30, Riksd. comm. 1992/93:443)  
 (Bill 1997/98:121, Rep. 1997/98:NU14, Riksd. comm. 1997/98:308)  
 (Bill 1998/99:99, Rep. 1998/99:NU14, Riksd. comm. 1998/99:260)  
 (Bill 2006/07:57, Rep. 2006/07:NU16, Riksd. comm. 2006/07:217)  
 (Bill 1999/2000:84, Rep. 1999/2000:NU18, Riksd. comm. 1999/2000:204)  
 (Bill 2000/01:NU11, Riksd. comm. 2000/01:272)  
 (Bill 2010/11:NU7, Riksd. comm. 2010/11:190)

**Teracom Boxer Group**

(Bill 1991/92:140, Rep. 1991/92:KrU28, Riksd. comm. 1991/92:329)  
 (Bill 1996/97:67, Rep. 1996/97:KU17, Riksd. comm. 1996/97:178)  
 (Bill 1998/99:1, expenditure area 17, Rep. 1998/99:KrU1, Riksd. comm. 1998/99:55)  
 (Bill 2000/01:1, expenditure area 17, Rep. 2000/01:KrU1, Riksd. comm. 2000/01:59)  
 (Bill 2001/02:76, Rep. 2001/02:KrU7, Riksd. comm. 2001/02:149)  
 (Bill 2002/03:110, Rep. 2002/03:TU6, Riksd. comm. 2002/03:228)  
 (Bill 2002/03:64, Rep. 2002/03:KrU7, Riksd. comm. 2002/03:195)  
 (Bill 2002/03:72, Rep. 2002/03:KU33, Riksd. comm. 2002/03:196)  
 (Bill 2003/04:118, Rep. 2003/04:KU24, Riksd. comm. 2003/04:231)  
 (Bill 2005/06:1, expenditure area 24, Rep. 2005/06:NU1, Riksd. comm. 2005/06:121)  
 (Bill 2010/11:1, expenditure area 24, Rep. 2010/11:NU1, Riksd. comm. 2010/11:132)

**Vasallen**

(Bill 1996/97:4, Rep. 1996/97:FöU1, Riksd. comm. 1996/97:36)  
 (Bill 1996/97:150, Rep. 1996/97:FiU20, Riksd. comm. 1996/97:284)  
 (Bill 1999/2000:30, Rep. 1999/2000:FöU2, Riksd. comm. 1999/2000:168)  
 (Bill 2000/01:100, Rep. 2000/01:FiU20, Riksd. comm. 2000/01:288)  
 (Bill 2002/03:100, Rep. 2002/03:FiU21, Riksd. comm. 2002/03:235)  
 (Bill 2004/05:5, Rep. 2004/05:FöU4, FöU5, Riksd. comm. 2004/05:143)  
 (Bill 2008/09:172, bet 2008/09:FiU41, Riksd. comm. 2008/09:263)

**VisitSweden**

(Bill 1994/95:100 app. 13 and Bill 1994/95:177, Rep. 1994/95:KU28, Riksd. comm. 1994/95:395)  
 (Bill 2004/05:56, Rep. 2004/05:NU13, Riksd. comm. 2004/05:295)

**Vattenfall**

(Bill 1990/91:87, Rep. 1990/91:NU38, Riksd. comm. 1990/91:318)  
 (Bill 1991/92:49, Rep. 1991/92:NU10, Riksd. comm. 1991/92:92)  
 (Bill 1996/97:84, Rep. 1996/97:NU12, Riksd. comm. 1996/97:272)  
 (Bill 2009/10:179, Rep. 2009/10:NU23, Riksd. comm. 2009/10:325)

**Voksenåsen**

(Bill 1960:88, Rep. 1960:SU78, Riksd. comm. 1960:205)  
 (Bill 1976/77:25, Rep. 1976/77:KrU27, Riksd. comm. 1976/77:72)  
 (Bill 1997/98:1, Rep. 1997/98:KrU1, Riksd. comm. 1997/98:97)

# Changes in executive management

since 1 January 2014

## CHIEF EXECUTIVE OFFICERS

Company	Taking up appointment	Leaving
Apotekens Service		Stefan Jakas (Jan 2014)
Dramaten	Eirik Stubö (Jan 2015)	Marie-Louise Ekman (Jan 2015)
Inlandsinnovation	Peter Gullander (Oct 2014)	Håkan Berg, acting (Oct 2014)
LKAB	Jan Moström (Aug 2015)	Lars-Eric Aaro (Aug 2015)
Metria	Urban Lindskog (Oct 2014 acting, Mar 2015 permanent)	Karin Annerwall Parö (Oct 2014)
Orio	Jonas Tegström (Jun 2014)	Lennart Ståhl (Jun 2014)
RISE Research Institutes of Sweden	Olof Sandén (May 2014)	Cecilia Driving (May 2014)
SBAB	Klas Danielsson (Aug 2014)	Per-Anders Fasth, Acting (Aug 2014)
SBAB	Per-Anders Fasth, Acting (Jan 2014)	Carl-Viggo Östlund (Jan 2014)
SEK	Catrin Fransson (Apr 2014)	Peter Yngwe (Apr 2014)
Specialfastigheter	Åsa Hedenberg (Apr 2014)	Håkan Steinbüchel (Apr 2014)
Vattenfall	Magnus Hall (Oct 2014)	Øystein Løseth (Oct 2014)

# Changes in Boards

following the Annual General Meeting in the spring of 2015

## CHAIRMAN OF THE BOARD

Company	Taking up appointment <sup>1)</sup>	Leaving <sup>1)</sup>
Metria	Eva Gidlöf	Christina Rogestam
Inlandsinnovation	Eva Färnstrand	Wilhelm Geijer
SOS Alarm	Eva Fernvall	Johnny Magnusson
Statens Bostadsomvandling	Christel Wiman	Rolf Åbjörnsson
Sveaskog	Helene Biström (Jun 2015)	Göran Persson (Jun 2015)

## BOARD MEMBERS

Company	Taking up appointment <sup>1)</sup>	Leaving <sup>1)</sup>
Almi Företagspartner	Katarina Green	Inga Thoresson-Hallgren
APL (Apotek Produktion & Laboratorier)	Ulf Tossman	Gunilla Högbom
APL (Apotek Produktion & Laboratorier)	Malin Forkman	Wenche Rolfsen
Apoteket	Sussi Kvart	Elisabeth Wenzlaff
Apoteksgruppen	Gunilla Rittgård	Gunvor Engström
Apoteksgruppen	Richard Reinius	Lars Erik Fredriksson
Arlandabanan Infrastructure	Lars Erik Fredriksson	Hans Brändström
Bilprovningen	Hélène Westholm (Nov 2014)	Leif Ljungqvist (Nov 2014)
Bilprovningen	Kristina Patek	Cecilia Daun-Wennborg
Bostadsgaranti		Maurice Forslund
Dom Shvetsi	Lena Wedén	Leif Appelblom
Dramaten	Pontus Braunerhjelm	Chris Marschall
Dramaten	Tasso Stafilidis	Eric Sjöström
ESS (European Spallation Source)	Kim Graugaard (Oct 2014)	Lars Goldschmidt (Oct 2014)
Fouriertransform	Richard Reinius	Hanna Lagercrantz
Fouriertransform		Christina Åkerman
Green Cargo	Ingvar Nilsson	
Göta kanalbolag	Anna Ernestam	Renée Mohlkert
Göta kanalbolag	Göran Carlberg	Christer Berggren

1) The appointment/resignation occurred in connection with the Annual General Meeting in the spring of 2015 unless otherwise indicated.

## BOARD MEMBERS

Company	Taking up appointment <sup>1)</sup>	Leaving <sup>1)</sup>
Göta kanalbolag	Bengt-Olov Gunnarson	
Infranord	Magnus Jonasson	Ingemar Ziegler
Infranord	Per Westerberg	Sven Landelius
Inlandsinnovation	Anita Johansson (Jun 2014)	Yvonne Lif Lövbrand (Jun 2014)
Inlandsinnovation	Mats Gullbrandsson	Bengt-Erik Lindgren
Inlandsinnovation	Leif Boström	Elisabeth Norman
Inlandsinnovation	Katarina Green	Per Hollander
Lernia	Peter Lundahl	Sven-Runo Bergqvist
Lernia	Johan Hallberg	Kristina Ekengren
LKAB	Eva Hamilton	Maud Olofsson
LKAB	Leif Darner	
Metria		Urban Lindskog (Oct 2014)
Miljömärkning Sverige	Anita Falkenek	Yvonne Ingman
Operan	Baker Karim	Lennart Läftman
Operan	Örjan Wikforss	Dag Hallberg
Operan		Leif Jakobsson
Orio		Helene Vibbles
RISE Research Institutes of Sweden	Fredrik Winberg	Thomas Johannesson
RISE Research Institutes of Sweden	Sven Wird	
RISE Research Institutes of Sweden	Hasse Johansson	
Samhall	Leif Ljungqvist (Nov 2014)	Magnus Skåninger (Nov 2014)
Samhall	Angelica Frithiof	Gunnel Tolfes
Samhall		Hans Kilsved
SBAB	Per-Anders Fasth (Sep 2014)	
SBAB	Carl-Henrik Borg	Per-Anders Fasth
SEK	Teppo Tauriainen (Oct 2014)	Eva Walder (Oct 2014)
SEK	Susanne Lithander (Jan 2015)	
SJ		Lena Olving
SOS Alarm	Johnny Magnusson	Tommy Berneväng Forsberg
SOS Alarm	Alf Jönsson	Bo Andersson
SOS Alarm	Johan Hallberg	Lars Erik Fredriksson
SSC (Svenska rymdaktiebolaget)	Anne Gynnerstedt	
Statens Bostadsomvandling	Håkan Steinbüchel	Cathrine Holgersson
Statens Bostadsomvandling	Leif Ljungqvist	Sophie Ahlstrand
Sveaskog		Mats Ringsten
Svedab	Lars Erik Fredriksson	Hans Brändström
Svenska Spel	Hélène Westholm (Nov 2014)	Michael Thorén (Nov 2014)
Svenska Spel		Cecilia Marlow
Svevia	Michael Thorén	Richard Reinius
Swedavia	Lottie Knutson	Hans Jeppsson
Swedavia	Lotta Mellström	Jenny Lahrin
Swedfund International	Hanna Lagercrantz	Lotta Mellström
Swedfund International		Per Östensson
Teracom Boxer Group	Kristina Ekengren	Johan Hallberg
Teracom Boxer Group	Martin Tiveus	Urban Lindskog
Teracom Boxer Group	Håkan Dahlström	
Vattenfall	Tomas Kåberger	Eli Arnstad
Vattenfall	Viktoria Bergman	
VisitSweden	Kristina Ekengren	Inga Thoresson-Hallgren

1) The appointment/resignation occurred in connection with the Annual General Meeting in the spring of 2015 unless otherwise indicated.

# Board members elected by the Annual General Meeting

SURNAME	FIRST NAME	BORN	TITLE	BOARD OF DIRECTORS
Abrahamsson	Mats	1960	Professor of Logistics, Linköping University	PostNord (2009–)
Abrahamsson	Tomas	1952	Deputy Chairman, Union of Service and Communication Employees SEKO	Svenska Skeppshypotek (2002–)
Ahlstrand	Sophie	1977	Deputy director Ministry of Health and Social Affairs	Statens Bostadsomvandling (2012–2015)
Alestig Johnson	Margareta	1961	CFO Second AP Fund	Green Cargo (2010–)
Almberg	Jeanette	1964	Global Head Operation SEB	Teracom Boxer Group (2013–)
Anderson	Bo	1951	Senior Advisor	SOS Alarm (2006–2015)
Andersson	Renée	1947	Ethics and Environment Manager, Indiska Magasinet AB	Swedfund International (2012–)
Andersson	Thord	1961	Unit Manager, Örebro Regional Development Council	Systembolaget (2011–)
Andreasson	Jan	1958	Consulate General, Royal Norwegian Consulate General	Voksenåsen (2010–)
Antoni	Bo	1948	CEO, Swedish Construction Federation	Bostadsgaranti (2008–)
Apelman	Karin	1961	Director-General, Swedish Export Credit Board	Swedavia (2010–)
Appelblom	Leif	1949	Senior Advisor, Ministry for Foreign Affairs	Dom Shvetsii (2011–2015)
Ardström	Cecilia	1965	Director of Finance, Head of Asset Management, Länsförsäkringar AB	SEK (2011–)
Arnstad	Eli	1962	CEO, SpareBank 1 SMN	Vattenfall (2008–2015)
Arp	Fredrik	1953	Various board assignments	Vattenfall (2014–)
Asker	Gunilla	1963	CEO, Svenska Dagbladet	Göta kanalbolag (2013–)
Assarsson	Johan	1962	Regional Director, Västra Götaland	APL (Apotek Produktion & Laboratorier) (2012–) Chair.
Axelsson	Charlotte	1948	Various board assignments	Vasallen (2010–) Chair.
Axelsson	Marita	1962	Deputy director, Ministry of Finance	Miljömärkning Sverige (2012–)
Axelsson	Svante L.	1947	CEO, SA Trading AB	Miljömärkning Sverige (2007–)
Axelsson Lindgren	Katarina	1964	Various board assignments	Metria (2013–)
Backemar	Lars	1950	Consultant, Backemar Consulting AB	Swedavia (2010–)
Baig	Azka	1972	Journalist NRK	Voksenåsen (2011–)
Bard	Pernilla	1967	Head of Operations, Social Initiative	Swedfund International (2012–)
Belfrage	Jan	1944	Various board assignments	SEK (2010–)
Bengtsson	Börje	1947	Various board assignments	Metria (2014–)/Svevia (2013–)
Bengtsson	Jan	1954	CEO, Almi Invest	Fouriertransform (2014–)
Bengtsson	Kenneth	1961	Various board assignments	Systembolaget (2014–) Chair.
Berg	Gunilla	1960	CFO PostNord	Vattenfall (2012–)
Berg	Jan	1953	Self-employed consultant	Specialfastigheter (2009–)
Berg	Ulf	1951	Various board assignments	Fouriertransform (2014–)
Bergenheim	Hans	1960	CEO, Lateus AB	Svenska Spel (2010–)
Bergenheim	Åsa	1954	Vice-Chancellor, Karlstad University	Voksenåsen (2013–)
Berggren	Christer	1944	Former Deputy Director, Ministry of Finance	Göta kanalbolag (2011–2015)
Bergkvist	Jan Peter	1957	Sustainability Advisor	Miljömärkning Sverige (2013–)
Bergman	Viktoria	1965	Various board assignments	Vattenfall (2015–)
Bergqvist	Sven-Runo	1943	CEO, Stiftelsen Statshälsan	Lernia (2002–2015)
Bergstedt Sten	Viveca	1959	Various board assignments and author	Systembolaget (2014–)
Bernevang Forsberg	Tommy	1959	Local Government Advisor, Christian Democrat Party	SOS Alarm (2007–2015)
Biström	Helene	1962	Various board assignments	Sveaskog (2014–)
Biörck	Hans	1951	Various board assignments	LKAB (2012–)
Bjelke	Katarina	1965	Member of the Board of Trustees, Uppsala University	ESS (European Spallation Source) (2010–)
Borekull	Jan	1950	CA Fastigheter AB	Dom Shvetsii (2008–) Chair.
Borg	Carl-Henrik	1952	Proprietary business operations, investor and board member	SBAB (2015–)
Boström	Leif	1959	CEO, LKAB Minerals	Inlandsinnovation (2015–)
Braunerhjelm	Pontus	1953	Research leader, Professor	Dramaten (2015–)
Brorman	Carina	1958	Various board assignments	Dramaten (2008–)
Brunell	Fredrik	1959	SVP Head of Corporate Finance AB Volvo	SSC (Svenska rymdaktiebolaget) (2012–)
Brändström	Hans	1958	Director, Ministry of Enterprise and Innovation	Arlandabanan Infrastructure (2007–2015)/Svedab (2007–2015)
Burreau	Britta	1964	CEO, Nordea Liv & Pension	Akademiska Hus (2014–)
Burton	Katarina	1962	Consultant, Burton Consulting	Metria (2014–)
Buskhe	Håkan	1963	CEO, Saab AB	Vattenfall (2012–)
Byström	Anders	1958	Regional Director, Regional Development County, County of Jämtland	Almi Företagspartner (2013–)

SURNAME	FIRST NAME	BORN	TITLE	BOARD OF DIRECTORS
Böhlín	Birgitta	1948	Various board assignments	Almi Företagspartner (2013–) Chair./Apoteksgruppen (2008–) Chair./Lernia (2011–) Chair.
Börjesson	Björn	1951	Self-employed consultant	Swedfund International (2012–)
Börjesson	Lars	1957	Professor of Condensed Matter Physics	ESS (European Spallation Source) (2010–)
Börjesson	Lars	1964	CEO, Stena Technoworld	SBAB (2014–)
Caneman	Monica	1954	Various board assignments	SAS (2010–)
Carlberg	Göran	1964	Head of Construction Project Unit, City of Stockholm	Göta kanalbolag (2015–)
Carlsén	Bertil	1960	CFO Anticimex	Samhall (2010–)
Celsing	Anna-Karin	1962	Consultant, AKC AB	Operan (2012–)
Christiansen	Mikael	1945	Director	Operan (2009–)
Clason	Peter	1963	CEO, American Express Norden	VisitSweden (2007–)
Curman	Maria	1950	Various board assignments	Apoteket (2012–)/Teracom Boxer Group (2007–)
Dahlström	Håkan	1962	Executive Vice President Public, Healthcare & Welfare Tieto	Teracom Boxer Group (2015–)
Damne	Johan	1963	CA Fastigheter AB	Dom Shvetsii (2008–)
Danius	Sara	1962	Professor of Comparative Literature, University of Stockholm	Dramaten (2014–)
Darner	Leif	1952	Various board assignments	LKAB (2015–)
Daun-Wennborg	Cecilia	1963	Consultant, various board assignments	Bilprovingen (2013–2015)
Dellby	Ulrika	1966	Founder, Fagerberg & Dellby	SJ (2014–)
Dilling	Carsten	1962	President and CEO, TDC	SAS (2014–)
Duveblad	Gunnel	1955	Various board assignments	PostNord (2009–)
Ehrlén	Olof	1949	Former President and CEO, NCC	Akademiska Hus (2011–)/Svevia (2013–) Chair.
Ehrling	Marie	1955	Various board assignments	TeliaSonera (2013–) Chair.
Ekengren	Kristina	1969	Deputy director, Ministry of Enterprise and Innovation	Jernhusen (2012–)/Lernia (2010–2015)/SBAB (2013–)/Teracom Boxer Group (2015–)/VisitSweden (2015–)
Ekström	Claes	1958	Partner Altor Equity Partners	Swedfund International (2008–2012)/ Swedfund International (2012–) Chair.
Elgh	Anna	1963	CEO, Svenska Retursystem	Swedavia (2010–)
Ellegaard	Christian	1969	Managing Director, Berendsen	PostNord (2013–)
Engström	Gunvor	1950	Various board assignments	Apoteksgruppen (2008–2015)
Eriksson	Eva	1947	Various board assignments	Voksenåsen (2008–) Chair.
Eriksson	Per	1949	Vice-Chancellor, Lund University	ESS (European Spallation Source) (2010–)
Erixon	Håkan	1961	Various board assignments	Orio (2013–) Chair./Vattenfall (2011–)
Erixon	Lena	1960	Director-General, FMV	Svedab (2013–) Chair.
Ernestam	Anna	1962	CFO Swedish Red Cross	Göta kanalbolag (2015–)
Eslander	Anders	1956	Various board assignments	VisitSweden (2013–)
Fagerström	Pia	1966	Desk officer, Ministry of Health and Social Affairs	Systembolaget (2014–)
Falkenek	Anita	1964	Sustainability Manager, Åhléns AB	Miljömärkning Sverige (2015–)
Fasth	Per-Anders	1960	Various board assignments	SBAB (2014–2015)
Fasth Gillstedt	Helen	1962	Various board assignments	Samhall (2012–)
Fernvall	Eva	1953	Chief Communications Officer, Apoteket	SOS Alarm (2015–) Chair.
Fjeldsted Rasmussen	Sisse	1967	CFO, Scandinavian Tobacco Group	PostNord (2013–)
Forkman	Malin	1965	Communications Development Manager, Systembolaget	APL (Apotek Produktion & Laboratorier) (2015–)
Formgren	Johan	1962	Former Senior Vice President HR, Saab Automobile	Orio (2013–)
Forslund	Mats	1957	CEO, Jämtland Härjedalen Turism	VisitSweden (2013–)
Forslund	Maurice	1982	Desk officer, Ministry of Enterprise and Innovation	Bostadsgaranti (2013–2015)
Fredholm	Pether	1957	CEO, John Svensson Byggnadsfirma	Bostadsgaranti (2010–)
Fredriksson	Lars Erik	1964	Desk officer, Ministry of Enterprise and Innovation	Apoteksgruppen (2012–2015)/Arlandabanan Infrastructure (2015–)/SOS Alarm (2012–2015)/Svedab (2015–)
Friman	Maija-Liisa	1953	Various board assignments	LKAB (2008–)
Frithiof	Angelica	1961	Self-employed	Samhall (2015–)
Fritz	Catarina	1963	CFO, Keolis Sverige	Svenska Spel (2011–)
Fritzon	Crister	1961	SJ	Systembolaget (2012–)
Fürth	Thomas	1947	Head of Research, Kairos Future	Voksenåsen (2012–)
Färnstrand	Eva	1951	Various board assignments	Infranord (2012–) Chair./Inlandsinnovation (2015–) Chair./Sveaskog (2008–)
Gauffin	Elisabeth	1959	Deputy Chairman, Federation of Swedish Farmers (LRF)	VisitSweden (2013–) Chair.
Geijer	Wilhelm	1947	Various board assignments	Inlandsinnovation (2011–2015, of which, Chair. 2014–2015)
Gideon	Pia	1955	Partner, Gaia Leadership	Metria (2014–)/Svevia (2008–)
Gidlöf	Eva	1957	Various board assignments	Metria (2015–) Chair.
Grate-Axén	Adine	1961	Various board assignments	Swedavia (2010–)
Gauggaard	Kim	1961	Various board assignments	ESS (European Spallation Source) (2014–)

SURNAME	FIRST NAME	BORN	TITLE	BOARD OF DIRECTORS
Green	Katarina	1963	Desk officer, Ministry of Enterprise and Innovation	Almi Företagspartner (2015–)/Inlandsinnovation (2015–)
Grinbaum	Jakob	1949	Various board assignments	Jernhusen (2013–)/SBAB (2010–)
Grundberg	Lars	1944	Former ambassador	Dom Shvetsii (2011–)
Gullbrandsson	Mats	1966	CEO, Gallerix	Inlandsinnovation (2015–)
Gunnarson	Bengt-Olov	1951	Farmer	Göta kanalbolag (2015–)
Gustafsson	Eva-Britt	1950	CEO, Apoteksgruppen	Akademiska Hus (2007–) Chair./Svenska Spel (2008–)
Gustafsson	Lena	1949	Vice-Chancellor, Umeå University	ESS (European Spallation Source) (2010–)
Gynnerstedt	Anne	1957	Chief Legal Counsel, Vattenfall	SSC (Svenska rymdaktiebolaget) (2015–)
Götblad	Carin	1956	Regional Chief of Police	Specialfastigheter (2013–)
Hahn	Thomas	1964	Researcher, Stockholm University	Sveaskog (2007–)
Hallander Larsson	Marie	1961	Various board assignments	Svevia (2013–)
Hallberg	Dag	1942	Former Theatre Manager	Operan (2007–2015)
Hallberg	Johan	1974	Deputy director, Ministry of Enterprise and Innovation	Infranord (2012–)/Lernia (2015–)/SOS Alarm (2015–)/Sveaskog (2012–)/Teracom Boxer Group (2011–2015)
Hamilton	Carl B	1946	Member of Parliament, Swedish Liberal Party (Folkpartiet)	Systembolaget (2007–)
Hamilton	Eva	1954	Various board assignments	LKAB (2015–)
Hansson	Britt	1966	Project Manager, OK Ekonomiska Förening	APL (Apotek Produktion & Laboratorier) (2012–)
Hansson	Charlotte	1962	Various board assignments	Orio (2013–)
Hassbjer	Nicolas	1966	Various board assignments	Almi Företagspartner (2013–)
Hasslert	Kjell	1953	CEO, Brainpeople	Jernhusen (2013–) Chair.
Hedén	Åke	1950	Various board assignments	Almi Företagspartner (2013–)
Hedin	Åsa	1962	Various board assignments	SSC (Svenska rymdaktiebolaget) (2012–)
Helenius Martinsson	Mira	1971	Dance Manager, Norrdans	Operan (2011–)
Helgesson	Lars-Åke	1941	Various board assignments	LKAB (2000–)
Hessius	Kerstin	1958	CEO, Third AP Fund	Arlandabanan Infrastructure (2012–)/Svedab (2012–)
Hjelmquist	Sigrun	1956	Executive Partner, Facesso	Fouriertransform (2014–) Chair.
Holgersson	Cathrine	1969	CEO, AB Gävlegårdarna	Statens Bostadsomvandling (2010–2015)
Hollander	Per	1977	Desk officer, Ministry of Enterprise and Innovation	Inlandsinnovation (2013–2015)
Holme	Jörn	1959	Director-General, Directorate for Cultural Heritage	Voksenåsen (2013–)
Hultin Stigenberg	Anna	1963	Product Line Manager, Sandvik Machining Solutions	RISE Research Institutes of Sweden (2007–)
Hvitfeldt	Ann-Christine	1966	Various board assignments	Green Cargo (2011–)
Hägglund	Peter	1966	Senior Associate Effect Management	Lernia (2011–)
Högbom	Gunilla	1958	Head of Projects, AFA Fastigheter	APL (Apotek Produktion & Laboratorier) (2010–2015)
Höglund	Lars	1958	Shipowner	Svenska Skeppshypotek (2007–)
Ingman	Yvonne	1953	Vice CEO and Industry Director, Swedish Trade Federation	Miljömärkning Sverige (2006–2015)
Isaksson	Stefan	1963	Senior Advisor, Ministry for Foreign Affairs	Swedfund International (2013–)
Jakobsson	Leif	1953	Director, Swedish Cultural Foundation	Operan (2008–2015)
Jakobsson	Sten	1949	Various board assignments	LKAB (2014–) Chair.
Janholt	Torben	1948	Administrative Director, J Lauritzen A/S	PostNord (2009–)
Jansson	Christian W	1949	Various board assignments	Apoteket (2009–) Chair.
Jansson	Lars Olov	1947	Commission secretary, Government Offices	Swedesurvey (2009–)
Jansson	Mats	1951	Various board assignments	TeliaSonera (2013–)
Jansson-Strömberg	Elisabet	1964	CEO, SLAO	VisitSweden (2014–)
Jarlbro	Gunilla	1953	Professor of Media and Communication Studies, Lund University	Miljömärkning Sverige (2011–)
Jarleryd	Lotta	1966	Consultant	Metria (2012–)
Jarnheimer	Lars Johan	1960	Various board assignments	SAS (2013–)
Jeppsson	Hans	1956	Consultant	Swedavia (2010–2015)
Jervell	Sverre	1943	Diplomat	Voksenåsen (2008–)
Johannesson	Thomas	1943	Former CEO, Innventia	RISE Research Institutes of Sweden (2007–2015)
Johansson	Anita	1959	Area Manager, AFA Försäkring	Inlandsinnovation (2014–)
Johansson	Hasse	1949	Various board assignments	Fouriertransform (2009–)/RISE Research Institutes of Sweden (2015–)
Johansson	Kenneth	1956	County Governor, County of Värmland	Samhall (2004–)
Johansson-Hedberg	Birgitta	1947	Various board assignments	Sveaskog (2001–)
Jonasson	Magnus	1956	Various board assignments	Infranord (2015–)
Jönsson	Alf	1960	County Council Director, Kalmar County Council	SOS Alarm (2015–)
Kallasvuori	Olli-Pekka	1953	Various board assignments	TeliaSonera (2012–)
Karim	Baker	1974	Feature Film Consultant	Operan (2015–)
Karlander	Hans	1953	Part-owner, Karnell	SSC (Svenska rymdaktiebolaget) (2011–) Chair.
Karnberger	Gert	1943	Various board assignments	Apoteket (2009–)

SURNAME	FIRST NAME	BORN	TITLE	BOARD OF DIRECTORS
Khorsand	Maria	1957	CEO, SP Sveriges Tekniska Forskningsinstitut	SOS Alarm (2009–)
Kihlbom	Elizabeth	1954	Consultant	Svenska Skeppshypotek (2011–)
Kilsvéd	Hans	1955	Consultant	Samhall (2012–2015)
Kjellson	Bengt	1956	Director General, Lantmäteriet	Swedesurvey (2013–) Chair.
Klingspor	Anna	1959	Advisor	Lernia (2009–)
Knutson	Lottie	1964	Various board assignments	Swedavia (2015–)
Kores	Agneta	1960	CEO, Familjebostäder Göteborg	InfraNord (2009–)/Vasallen (2009–)
Kosonen	Mikko	1957	CEO, Sitra	TeliaSonera (2013–)
Kozelsky	Vladislav Vilorgovich	1976	Unit Manager, City of St Petersburg property committee	Dom Shvetsii (2012–)
Kristiansson	Daniel	1974	Desk officer, Ministry of Enterprise and Innovation	Green Cargo (2014–)/Vasallen (2012–)
Krondahl	Hans	1955	Various board assignments	Bilprovningen (2014–)/Orio (2013–)
Kronman	Gunvor	1963	CEO, Hanaholmen	Dramaten (2009–)
Kupsu	Anders	1962	CEO, Diligentia	Jernhusen (2013–)
Kvarnbäck	Bengt	1945	Industrial Advisor, Altor Equity Partners	Swedfund International (2012–)
Kvart	Sussi	1956	Senior Advisor/ professional board member	Apoteket (2015–)
Kåberger	Tomas	1961	Professor, Chalmers University of Technology	Vattenfall (2015–)
Källsson	Anders	1944	Shipowner	Svenska Skeppshypotek (2007–)
Lagercrantz	Hanna	1970	Deputy director, Ministry of Enterprise and Innovation	Fouriertransform (2013–2015)/LKAB (2010–)/SSC (Svenska rymdaktiebolaget) (2008–)/Swedfund International (2015–)
Lagerqvist Nilsson	Monica	1967	Deputy director, Ministry of the Environment	Swedesurvey (2004–)
Lahrin	Jenny	1971	Deputy director, Ministry of Enterprise and Innovation	Göta kanalbolag (2013–)/Swedavia (2012–2015)/Vattenfall (2013–)
Landelius	Sven	1946	Various board assignments	ESS (European Spallation Source) (2010–) Chair./Infranord (2009–2015)
Landén	Eva	1965	CEO, Corem Property Group AB	Specialfastigheter (2014–)
Larsson	Peder	1957	CEO, Hemtex	Apoteksgruppen (2008–)
Larsson	Ulf	1955	CEO, Junibacken	Göta kanalbolag (2011–)
Leifman	Håkan	1963	Director, Swedish Council for Information on Alcohol and Other Drugs (CAN)	Systembolaget (2014–)
Leijonborg	Lars	1949	Former Minister and party leader, Swedish Liberal Party (Folkpartiet)	SSC (Svenska rymdaktiebolaget) (2010–)
Lekvall	Lotta	1965	CEO, Nätverkstan i Göteborg	Operan (2013–)
Lennerwald	Ingrid	1948	Member, Executive Committee, Region Skåne	SOS Alarm (2007–)
Linander	Nina	1959	Self-employed, various board assignments	Specialfastigheter (2006–)/TeliaSonera (2013–)
Lindberg Göransson	Kerstin	1956	CEO, Akademiska Hus	Jernhusen (2014–)
Lindbäck	Christina	1963	Sustainability Manager, NCC	Miljömärkning Sverige (2010–) Chair.
Linder-Aronson	Lars	1953	Various board assignments	SEK (2011–) Chair.
Lindgren	Bengt-Erik	1950	Various board assignments	Inlandsinnovation (2012–2015)
Lindh	Ingela	1959	CEO, Stockholmshem	Akademiska Hus (2014–)
Lindskog	Urban	1965	CEO, Metria	Metria (2014–2014)/Teracom Boxer Group (2007–2015)
Lindö	Ebba	1955	Various board assignments	SBAB (2012–)
Lingegård	Monica	1962	CEO, Samhall AB	Orio (2013–)
Lithander	Susanne	1961	CFO, BillerudKorsnäs	SEK (2015–)
Ljungqvist	Leif	1971	Deputy director, Ministry of Enterprise and Innovation	Akademiska Hus (2012–)/Apoteket (2012–)/Samhall (2014–)/Statens Bostadsomvandling (2015–)
Lorentzon	Martin	1969	Founder, Tradedoubler, Spotify	TeliaSonera (2013–)
Lundahl	Peter	1966	Self-employed consultant, various board assignments	Lernia (2015–)
Lundgren	Bo	1947	Self-employed, various board assignments	Specialfastigheter (2013–) Chair.
Lundgren Ericsson	Jane	1966	Lending Manager, SEK	SBAB (2013–)
Lundström	Mikael	1961	CEO, NAI Svefa AB	Göta kanalbolag (2011–)/Specialfastigheter (2013–)
Låftman	Lennart	1945	Director	Operan (2006–2015)
Magnus	Birger	1955	Former Vice CEO, Schibsted	SAS (2013–)
Magnusson	Bo	1962	Various board assignments	SBAB (2013–) Chair.
Magnusson	Johnny	1952	County Director for the opposition, Västra Götaland	SOS Alarm (2015–)/ SOS Alarm (2007–2015) Chair.
Mahmood	Qaisar	1973	Cultural Heritage Manager, Swedish National Heritage Board	Dramaten (2013–)
Malm	Gunnar	1950	Former Director-General, Swedish Transport Administration	Bilprovningen (2013–)
Marlow	Cecilia	1960	Various board assignments	Svenska Spel (2012–2015)
Marschall	Chris	1952	Head of Protocol, Region Skåne	Dramaten (2012–2015)
Mattsson	Christina	1947	Director, Stiftelsen Nordiska Museet	Voksenåsen (2009–)
Mejdell	Dag	1957	CEO, Posten Norge AS	SAS (2008–)

SURNAME	FIRST NAME	BORN	TITLE	BOARD OF DIRECTORS
Mellström	Lotta	1970	Deputy director, Ministry of Enterprise and Innovation	SEK (2011–)/Specialfastigheter (2013–)/Swedavia (2015–)/Swedfund International (2014–2015)
Moberg	Jens	1962	Various board assignments	PostNord (2013–) Chair.
Moberg	Karin	1963	Various board assignments	SBAB (2009–)
Mohlkert	Renée	1960	Various board assignments	Göta kanalbolag (2006–2015)
Mydland	Lars	1954	Various board assignments	Swedavia (2014–)
Müller Pedersen	Hans	1958	Director General, Danish Ministry of Science, Innovation and Higher Education	ESS (European Spallation Source) (2012–)
Mårdsjö	Agneta	1959	Regional Business Coordinator, Västra Götaland Region	Almi Företagspartner (2013–)
Nilsson	Elisabeth	1953	County Governor, County of Östergötland	Göta kanalbolag (2011–) Chair.
Nilsson	Ingvar	1949	Various board assignments	Green Cargo (2015–)
Nilsson	Jan-Eric	1957	Director	Svenska Skeppshypotek (2012–)
Nilsson	Magnus	1961	Chairman of the Board, Svensk Turism AB	VisitSweden (2009–)
Nilsson	Maria	1957	CEO, 2Secure AB	Samhall (2009–)/SOS Alarm (2013–)
Nilsson	Ulla	1947	CEO, Swedish Chamber of Commerce, London	SEK (2011–)
Nilsson-Ehle	Anna	1951	Director, SAFER Vehicle and Traffic Safety Centre	Bilprovingen (2007–)
Nordmark-Nilsson	Anna-Stina	1956	Various board assignments	Sveaskog (2006–)
Nordström	Lars G	1943	Various board assignments	Vattenfall (2011–) Chair.
Norman	Elisabeth	1961	Entrepreneur	Inlandsinnovation (2011–2015)
Olofsson	Maud	1955	Various board assignments	LKAB (2012–2015)
Olson	Jan	1950	Various board assignments	Arlandabanan Infrastructure (2014–) Ordf./Svedab (2013–)
Olving	Lena	1956	CEO, Micronic Mydata	SJ (2011–2015)
Orback Pettersson	Kia	1959	Partner, Konceptverkstan AB	Teracom Boxer Group (2013–) Chair.
Patek	Kristina	1969	Industrial Advisor	Bilprovingen (2015–)
Paus	Annema	1955	Consultant, Wangensten Consulting AB	Apoteksgruppen (2014–)
Pehrsson	Biljana	1970	CEO, Kungsleden	Vasallen (2006–)
Persson	Göran	1949	Former Prime Minister	Sveaskog (2008–) Chair.
Pettersson	Lars	1954	Various board assignments	LKAB (2013–)
Pihl	Lennart	1950	Various board assignments	Green Cargo (2012–) Chair.
Reinius	Richard	1967	Senior Advisor, Ministry of Enterprise and Innovation	Apoteksgruppen (2015–)/Bostadsgaranti (2013–)/Fouriertransform (2015–)/RISE Research Institutes of Sweden (2013–)/Svevia (2013–2015)
Rennerstedt	Kristina	1952	Cultural Attaché, Washington DC	Operan (2009–) Chair.
Ringesten	Mats	1950	Partner, Neuman & Nydahl	Sveaskog (2009–2015)
Rittgård	Gunilla	1960	CEO, STS Student Travel Schools AB	Apoteksgruppen (2015–)
Rogestam	Christina	1943	Commissioner	Metria (2011–2015) Chair.
Rolfen	Wenche	1952	Various board assignments	APL (Apotek Produktion & Laboratorier) (2010–2015)/
Roxendal	Jan	1953	Various board assignments	SEK (2007–)
Rydin	Charlotte	1968	Chief of Staff, Swedish National Debt Office	Fouriertransform (2014–)
Rystedt	Fredrik	1963	CFO, SCA	Teracom Boxer Group (2013–)
Sachs	Daniel	1970	CEO, Proventus	Dramaten (2009–) Chair.
Saethre-McGuirk	Ellen Marie	1975	Head of Research, University of Nordland	Voksenåsen (2011–)
Sahlén	Mona	1957	Various assignments	Systembolaget (2012–)
Salford	Charlotte	1970	CEO, GrowthCap Ltd	Swedfund International (2014–)
Salmén	Ola	1954	Various board assignments	Lernia (2013–)/Svevia (2008–)
Sandström	Per Arne	1947	Various board assignments	TeliaSonera (2010–)
Sandvik	Pia	1964	CEO, Länsförsäkringar Jämtland	Akademiska Hus (2011–)/RISE Research Institutes of Sweden (2013–) Chair.
Saxton	Brita	1954	Director General, Transport Analysis	Statens Bostadsomvandling (2011–)
Schauman	Kristina	1965	Various board assignments	Apoteket (2009–)
Schur	Fritz H.	1951	Chairman, Fritz Schur Group	SAS (2008–) Chair.
Sen	Satish	1957	Consultant, Kaleidoscope	Apoteksgruppen (2014–)
Simonsson	Ingegerd	1960	Deputy CEO, NCC Construction Sweden	Jernhusen (2012–)
Sjöberg	Patric	1964	CEO, Stockholmsmässan	VisitSweden (2010–)
Sjöström	Eric	1966	Various board assignments	Dramaten (2013–2015)
Skoglund	Johan	1962	CEO, JM	Infranord (2012–)
Skogö	Ingemar	1949	Former County Governor, County of Västmanland	Swedavia (2010–) Chair.
Skåniger	Magnus	1971	Head of Division for State-owned Enterprises	PostNord (2014–)
Smith	Bo	1947	Chief Negotiator, Danish Ministry of Education	ESS (European Spallation Source) (2013–)
Spongh	Gunilla	1966	International Business Director, Mekonomen	Infranord (2009–)
Staffas	Mikael	1965	CFO, Boliden	SJ (2013–)
Stafilidis	Tasso	1971	Director of Operations, Göteborgs Kulturkalas	Dramaten (2015–)
Stalin	Lotta	1954	Various board assignments	Green Cargo (2012–)
Steen	Anitra	1949	Various board assignments	PostNord (2013–)/Svenska Spel (2011–) Chair.

SURNAME	FIRST NAME	BORN	TITLE	BOARD OF DIRECTORS
Steinbüchel	Håkan	1958	CEO, Steinbüchel & Partners	Statens Bostadsomvandling (2015–)
Steiner	Eugen	1954	Partner, Healthcap	APL (Apotek Produktion & Laboratorier) (2010–)
Sthen	Tryggve	1952	Various board assignments	Green Cargo (2008–)
Strand	Erik	1951	Various board assignments	Samhall (2011–) Chair.
Strandqvist	Kersti	1963	Sustainability Manager, SCA	TeliaSonera (2013–)
Strömberg	Karin	1956	Part-owner, PharmaRelations AB	Bilprovningen (2014–) Chair./Lernia (2010–)
Stuart	John	1947	Business Development Manager, COMDEV International	SSC (Svenska rymdaktiebolaget) (2013–)
Stålldal	Ewa	1949	Director General, Forte research council	SOS Alarm (2004–)
Stöhr	Mikael	1970	CEO, Coor Service Management Group	SJ (2014–)
Sundling	Jan	1947	Various board assignments	SJ (2011–) Chair.
Sundström	Björn	1946	Economist, Swedish Association of Local Authorities and Regions	Statens Bostadsomvandling (2004–)
Suvanto-Harsaee	Sanna	1966	Various board assignments	SAS (2013–)
Svedberg	Gunnar	1947	Various board assignments	Akademiska Hus (2009–)
Svedenstedt	Lottie	1957	Various board assignments	Swedavia (2010–)
Svenonius	Irene	1967	Various board assignments	Arlandabanan Infrastructure (2014–)
Svensson	Siv	1957	Various board assignments	Inlandsinnovation (2014–)/SJ (2012–)
Syrén	Håkan	1952	Former Swedish Commander-in-Chief	SSC (Svenska rymdaktiebolaget) (2013–)
Säther	Ulf	1959	Various board assignments	RISE Research Institutes of Sweden (2014–)
Söderblom	Anna	1963	Researcher, Stockholm School of Economics	Almi Företagspartner (2014–)
Söderström Jerring	Åsa	1957	Various board assignments	Vattenfall (2013–)
Sörman	Håkan	1953	CEO, SKL	SOS Alarm (2005–)
Tauriainen	Teppo	1961	Deputy Director General Foreign Affairs' Americas unit	SEK (2014–)
Tetlie	Nils Petter	1965	CEO, Fujifilm Sverige	Teracom Boxer Group (2011–)
Thorén	Michael	1969	Deputy director, Ministry of Enterprise and Innovation	Metria (2014–)/Orio (2013–)/SJ (2012–)/Svevia (2015–)
Thoreson-Hallgren	Inga	1958	Director, Ministry of Enterprise and Innovation	Almi Företagspartner (2011–2015)/VisitSweden (2011–2015)
Tiveus	Martin	1970	CEO, Avanza	Teracom Boxer Group (2015–)
Tolfes	Gunnel	1958	Partner, Facesso	Samhall (2010–2015)
Tossman	Ulf	1956	Senior Investment Manager, Swedfund International	APL (Apotek Produktion & Laboratorier) (2015–)
Trouvé	Johan	1960	CEO, West Sweden Chamber of Commerce	Svevia (2010–)
Wallenberg	Jacob	1956	Board Member, Investor AB, various board assignments	SAS (2001–)
Wedén	Lena	1957	Director, Head of division, Ministry for Foreign Affairs	Dom Shvetsii (2015–)
Wenzlaff	Elisabeth	1955	Senior advisor, Wenzlaff Partners	Apoteket (2009–2015)
Werngren	Tomas	1961	CEO, Kommuninvest	Vasallen (2007–)
Westerberg	Per	1951	Various board assignments	Infranord (2015–)
Westholm	Hélène	1971	Desk officer, Ministry of Enterprise and Innovation	Bilprovningen (2014–)/Svenska Spel (2014–)
Westrin	Marie	1958	Vice President Development, Ericsson AB	RISE Research Institutes of Sweden (2011–)
Vibbleus	Helene	1958	Audit Manager, Electa and Pertendo, various board assignments	Orio (2013–2015)
Wibom	Hans	1949	Executive Member, Foundation Administration Management	Bostadsgaranti (2008–) Chair.
Wigzell	Kerstin	1945	Various board assignments	Systembolaget (2009–)
Wikforss	Örjan	1950	Professor	Operan (2015–)
Wikman	Gunilla	1959	Communications Advisor	SJ (2011–)
Wilhelmsson	Fredrik	1963	Founder, Wilhelmsson Management AB	SSC (Svenska rymdaktiebolaget) (2009–)
Wiman	Christel	1950	Former CEO, Tågoperatörerna (Swedish train operators' association)	Jernhusen (2011–)/Statens Bostadsomvandling (2015–) Chair.
Winberg	Fredrik	1949	Consultant	RISE Research Institutes of Sweden (2015–)
Wird	Sven	1951	Consultant	RISE Research Institutes of Sweden (2015–)
Virtanen	Jari	1966	Executive Director of Travel, Onboard Sales and IT Stena Line	VisitSweden (2014–)
Zell	Michael	1950	Various board assignments	Svenska Skeppshypotek (2012–) Chair.
Zetterdahl	Ann-Cathrine	1962	Director General, Sjöfartsverket	Svevia (2012–)
Ziegler	Ingemar	1947	Various board assignments	Akademiska Hus (2007–)/Infranord (2009–2015)
Åberg	Christer	1966	CEO, Orkla Confectionary & Snacks	Svenska Spel (2011–)
Åbjörnsson	Rolf	1941	Lawyer	Statens Bostadsomvandling (2007–2015) Chair.
Åkerman	Christina	1961	CEO, ICHOM	Fouriertransform (2013–2015)
Åkerman	Frank	1952	Secretary General, Hela Människan	Svenska Spel (2012–)
Öberg	Anna	1963	Lawyer	Svenska Skeppshypotek (2013–)
Östensson	Per	1959	Senior Advisor, Ministry of Finance	Swedfund International (2010–2015)
Östling-Ollén	Eva	1954	CEO, Visita Swedish Hospitality Industry	VisitSweden (2012–)



Puccini's *Madame Butterfly* directed by Kirsten Harms was one of two opera premieres presented at Kungliga Operan in 2014.  
*Photo: Operan*

# Companies' reporting dates

COMPANY	ANNUAL GENERAL MEETING	INTERIM REPORT JAN-MAR	INTERIM REPORT JAN-JUN	INTERIM REPORT JAN-SEP	YEAR-END REPORT JAN-DEC
Akademiska Hus	28 Apr 2015	28 Apr 2015	15 Jul 2015	28 Oct 2015	
Almi Företagspartner	23 Apr 2015		2 Sep 2015	9 Nov 2015	20 Apr 2016
APL (Apotek Produktion & Laboratorier)	23 Apr 2015		15 Aug 2015		15 Feb 2016
Apoteket	14 Apr 2015	24 Apr 2015	17 Jul 2015	23 Oct 2015	
Apoteksgruppen	29 Apr 2015	29 Apr 2015	14 Aug 2015	30 Oct 2015	
Arlandabanan Infrastructure	28 Apr 2015		13 Aug 2015		
Bilprovningen	29 Apr 2015	29 Apr 2015	15 Aug 2015	30 Oct 2015	15 Feb 2016
Bostadsgaranti	27 Feb 2015				
Dramaten	22 Apr 2015		15 Sep 2015		1 Apr 2016
ESS (European Spallation Source)	28 Apr 2015	30 Apr 2015	15 Aug 2015	31 Oct 2015	15 Feb 2016
Fouriertransform	22 Apr 2015	23 Apr 2015	17 Jul 2015	29 Oct 2015	16 Feb 2016
Green Cargo	28 May 2015	29 Apr 2015	12 Aug 2015	28 Oct 2015	10 Oct 2015
Göta kanalbolag	20 Apr 2014				
Infranord	27 Apr 2015	27 Apr 2015	30 Jul 2015	22 Oct 2015	15 Feb 2016
Inlandsinnovation	28 Apr 2015	28 Apr 2015	17 Jul 2015	23 Oct 2015	15 Feb 2016
Jernhusen	27 Apr 2015	28 Apr 2015	14 Jul 2015	22 Oct 2015	3 Feb 2016
Lernia	28 Apr 2015	28 Apr 2015	17 Jul 2015	23 Oct 2015	11 Feb 2016
LKAB	28 Apr 2015	28 Apr 2015	14 Aug 2015	23 Oct 2015	15 Feb 2016
Metria	27 Apr 2015	28 Apr 2015	24 Jul 2015	30 Oct 2015	
Miljömärkning Sverige	27 Apr 2015				
Operan	24 Apr 2015		15 Sep 2015		1 Apr 2016
Orio	28 Apr 2015	30 Apr 2015	14 Aug 2015	28 Oct 2015	11 Feb 2016
PostNord	23 Apr 2015	30 Apr 2015	13 Aug 2015	28 Oct 2015	10 Feb 2016
RISE Research Institutes of Sweden	23 Apr 2015	30 Apr 2015	15 Aug 2015	30 Oct 2015	15 Feb 2016
Samhall	23 Apr 2015	23 Apr 2015	14 Aug 2015	23 Oct 2015	29 Feb 2016
SAS	19 Feb 2015	5 Mar 2015	18 Jun 2015	8 Sep 2015	16 Dec 2015
SBAB	22 Apr 2015	23 Apr 2015	17 Jul 2015	22 Oct 2015	5 Feb 2016
SEK	28 Apr 2015	28 Apr 2015	17 Jul 2015	22 Oct 2015	4 Feb 2016
SJ	29 Apr 2015	29 Apr 2015	12 Aug 2015	23 Oct 2015	
SOS Alarm	27 Apr 2015	30 Apr 2015	14 Aug 2015	29 Oct 2015	15 Feb 2016
Specialfastigheter	22 Apr 2015	23 Apr 2015	10 Jul 2015	23 Oct 2015	
SSC (Svenska rymdaktiebolaget)	24 Apr 2015	30 Apr 2015	14 Aug 2015	30 Oct 2015	15 Feb 2016
Statens Bostadsomvandling	21 Apr 2014	30 Apr 2015	14 Aug 2015	29 Oct 2015	15 Feb 2016
Sveaskog	23 Apr 2015	23 Apr 2015	16 Jul 2015	21 Oct 2015	
Svedab	28 Apr 2015	30 Apr 2015	14 Aug 2015	30 Oct 2015	
Swedavia	29 Apr 2015	30 Apr 2015	14 Aug 2015	30 Oct 2015	15 Feb 2016
Swedesurvey	24 Apr 2015				15 Feb 2016
Swedfund International	27 Apr 2015	31 Mar 2015	15 Aug 2015	30 Oct 2015	15 Feb 2015
Svenska Spel	22 Apr 2015	22 Apr 2015	20 Jul 2015	22 Oct 2015	31 Jan 2016
Svevia	29 Apr 2015	29 Apr 2015	14 Aug 2015	26 Oct 2015	
Systembolaget	23 Apr 2015	27 Apr 2015	14 Aug 2015	27 Oct 2015	15 Feb 2016
TeliaSonera	8 Apr 2015	21 Apr 2015	17 Jul 2015	20 Oct 2015	
Teracom Boxer Group	28 Apr 2015	28 Apr 2015	15 Aug 2015		
Vasallen	28 Apr 2015	29 Apr 2015	27 Aug 2015	29 Oct 2015	12 Feb 2016
Vattenfall	27 Apr 2015	28 Apr 2015	21 Jul 2015	27 Oct 2015	5 Feb 2015
VisitSweden	21 Apr 2015		31 Aug 2015		
Voksenåsen	8 May 2015	20 Apr 2015	20 Aug 2015	20 Oct 2015	1 Mar 2016

# The State's Ownership Policy 2015

State-owned companies are ultimately owned by the people of Sweden. On assignment from the Riksdag, the Government is required to actively manage the state's holdings in companies in order to ensure the best possible value performance and – where applicable – to ensure that specifically adopted public policy assignments are performed favourably. The Government considers it to be of the utmost importance that state-owned companies are proactively and professionally managed with value generation as an overriding objective. This implies that state-owned companies should act as long-term approach, be efficient and profitable, while being given the capacity to develop. State-owned companies should serve as role models in the area of sustainable business and, in other respects, conduct themselves in a manner that generates public confidence. The state-ownership policy constitutes a key document in clarifying the manner in which the Government considers that this should occur.

In its ownership policy, the Government presents its mandates and objectives, applicable frameworks and position on key fundamental issues relating to the governance of the state-owned companies. The state-ownership policy includes the Government's guidelines for external reporting and guidelines for terms of employment for senior executives. The state-ownership policy also requires that the Swedish Code of Corporate Governance be applied.

The state-ownership policy is applied in majority-owned state-owned companies. In respect of other companies in which the state is a part owner, the state engages in a dialogue with the other owners in an effort to ensure that the ownership policy is applied. Correspondingly, companies administered by public authorities other than the Government Offices shall apply the state's ownership policy.

## 1. FRAMEWORK FOR STATE OWNERSHIP

### 1.1 The Government's management mandate

The Government is required to actively manage the state's assets in the form of shares in state-owned companies in such a manner as to maximise the long-term value generation and, where appropriate, to ensure that specifically adopted public policy assignments are performed efficiently. According to Chapter 9, Section 8, of the Instrument of Government (IG), state assets are at the disposal of and to be managed by the Government, subject to certain exceptions. According to Chapter 9, Section 9 of IG, the Riksdag decides on the principles for managing and disposing over state assets. The provisions on acquisition and transfer of property, including shares and participation rights in companies, are contained in the Budget Act (2011:203). According to Chapter 8, Section 3, of the Budget Act, the Government may not acquire shares or participation rights or in any other way increase the state's share of the voting power or ownership in a company without a mandate from the Riksdag. Nor may the Government provide capital to a company without a mandate from the Riksdag. According to Chapter 8, Section 4, second paragraph of the Budget Act, the Government may not, by sale or other means, reduce the state's share of ownership in companies in which the state holds half or more than half of the votes for all shares without first obtaining a mandate from the Riksdag. In addition to these provisions, a mandate from the Riksdag is required for important changes in the object of the operations of companies. This constitutes the framework for the Government's mandate for the management of state-owned companies. A Riksdag decision is not required for the payment of dividends, for example, since these form part of the ongoing administration. By virtue of Chapter 7, Section 5 of IG, the prime minister may assign to a minister other than the particular head of ministry responsibility for issues concerning corporate ownership of state-owned companies requiring a unified ownership policy.

### 1.2 Legislation

Subject to the exceptions stated below, state-owned companies are governed by the same laws as those applying to privately owned companies: including the Companies Act, the Annual Accounts Act, the Competition Act, the Book-keeping Act and insider-related legislation. There are no special provisions for state-owned compa-

nies, except that the National Audit Office is entitled to appoint auditors for the companies over which the state has a determining influence and in companies whose operations are subject to statutory regulation. The articles of association stipulate the object of a particular company's operations, which is to be based on the mandate decided by the Riksdag.

Similar to privately owned companies that operate in a particular sector, the state-owned companies may also be subject to sector-specific legislation, such as the Postal Services Act (2010:1045) and the Electronic Communications Act (2003:389). The work within the Government Offices is divided so that the responsibility for such regulations is assigned to units other than the Ministry of Enterprise and Innovation's units – Division for State-owned Enterprises and Division for Corporate Governance and Analysis.

### 1.3 EU regulations on state subsidies

The EU's regulations concerning state subsidies apply to all subsidies granted by the state to both state-owned companies and privately owned companies. The purpose of the rules is to ensure that no member state can distort competition through subsidies that strengthen the competitiveness of domestic industry at the expense of companies in another member state. According to the EU's regulations, the MEIP (Market Economy Investor Principle) or MEO (Market Economy Operator) applies, among other things, to capital infusions in state-owned companies. The MEIP is usually met if capital infusions are provided subject to conditions and terms that would have been accepted by a private investor.

### 1.4 Reporting of public funds

Companies that achieve a certain level of annual net sales and that receive public funds or other public benefits are subject to special rules concerning the reporting of financial links. The rules are contained in the Transparency Directive<sup>1)</sup> and have been incorporated into the Swedish legislation in the Insight into Certain Financial Links and related matters Act (2005:590). The rules have been set up to facilitate the EU Commission's application of the competition

rules of the TFEU on cross-subsidisation, among other things. The funds contributed and the manner in which they are used are to be subject to open reporting. The operations of monopoly companies and other companies with similar special status are also subject to a requirement for separate reporting in cases where such companies also conduct operations that are exposed to competition.

### 1.5 Conflict resolution in competition-limiting public sales operations

State-owned companies in which the state has a direct or indirect controlling interest are subject to a regulation in the Competition Act (2008:579). In response to an action initiated by the Swedish Competition Authority, the Stockholm City Court may prohibit any such company from applying a particular procedure in a commercial or financial operation if it distorts the conditions required for effective competition or development of such competition. The same applies to companies owned by county councils and municipalities. However, this regulation extends beyond the legislation that applies to other companies under the Competition Act.

### 1.6 Public access to information and confidentiality

Since state-owned companies are managed by the Government Offices, which is a state agency, a document that is stored and considered, according to special rules, as received or prepared by the Government Offices, may be a public document. Under certain circumstances, the information in a public document may be regarded as confidential. The information may remain confidential to protect the financial interests of the public or of an individual. Some information may comprise sensitive business secrets and could therefore be damaging to the company should it be disclosed. This means that anyone wishing to view a document may request access to information; however, under the Public Access to Information and Secrecy Act (2009:400), the Government Offices must assess the potential damage before releasing any information. The information can usually be released if this is possible without causing damage to the state or the companies to which the information relates.

1) Commission Directive 80/723/EEC of 25 June 1980 on the transparency of financial relations between Member States and public undertakings as well as certain undertakings, as amended by Directive 2000/52/EC.

### 1.7 International cooperation and guidelines

Sweden has been an active participant in the development of the OECD Guidelines on Corporate Governance of State-Owned Enterprises. The guidelines, which are non-binding, were drafted in 2005 and provide effective support for developing the governance of the state-owned companies in various countries. The Swedish Government's principles of corporate governance largely comply with these guidelines. The guidelines can be found at [www.oecd.org](http://www.oecd.org).

## 2. CORPORATE GOVERNANCE AND THE RELATIONSHIP BETWEEN OWNER, BOARD AND MANAGEMENT

### 2.1 The application of the Swedish Code of Corporate Governance (the Code)

The Code is to be applied in the state-owned companies in which the state has a controlling interest. In the other companies, the state engages in a dialogue with the other owners to promote the application of the Code. The overall purpose of the Code is to contribute to improved governance of Swedish limited companies and it addresses the decision-making system through which the shareholders directly or indirectly control the company. Its rules focus on the organisation and operational processes of the particular company and the interplay between these areas. The Code should always be applied in accordance with the principle of "comply or explain". On certain issues, the Government has found reason to justify deviations from the Code, in accordance with the Code's principle of "comply or explain". The Government's justification of these deviations is presented below.

### 2.2 Annual General Meeting

The annual general meeting is the company's highest decision-making body and the forum in which the shareholders formally exercise their influence.

In addition to the provisions of the Companies Act and the Code, the following principles apply to the general meetings of state-owned companies. Members of the Riksdag are entitled to attend the annual general meetings of companies in which the state owns at least 50 per cent of the shares, provided that the company or an operating subsidiary has more than 50 employees. It is the responsibility of the board to ensure that the official notice of the time and location of the annual general meeting is sent to the central office of the Riksdag in conjunction with the issuance to shareholders of the official notice to attend the meeting. Members of the Riksdag who wish to attend the annual general meeting must pre-register their intent with the board and this pre-registration should be received by the board not later than one week prior to the annual general meeting.

The general public should be invited to attend the annual general meeting of state-owned companies. Advance notice of attendance must be received at least one week prior to the meeting. State-owned companies should organise some form of arrangement in conjunction with their annual general meetings enabling the public to put questions to the companies' management.

The annual general meeting of state-owned companies must take place before 30 April and any dividend is to be distributed no later than two weeks after the particular annual general meeting.

#### 2.2.1 Appointment of auditors

The auditors' assignment of independently examining the administration of the boards of

directors and CEOs, as well as company annual accounts and accounting records is a core concern of the state as owner. The responsibility for appointing auditors is always that of the owner and auditors are elected at the annual general meeting. As of 2011, auditors are appointed for a term of year. However, this does not apply to the National Audit Office's auditors, whose assignment is mandated by the Auditing of State Activities etc. Act (2002:1022). The National Audit Office is entitled to appoint one or more auditors in companies over which the state has a controlling influence. The Government Offices' officials monitor the process for the procurement of auditing services, which is conducted by the company, from procurement criteria to selection and evaluation. Should the reappointment of the auditors be considered, the auditors' work is always evaluated by the owner.

### 2.3 Articles of association

The owner establishes the object of the company's operations and certain stated frameworks through the articles of association. In state-owned companies, the objectives of the operations are based on the assignment resolved by the Riksdag. The Government Offices provide a template for the articles of association of state-owned companies. This template is based on rules contained in the Swedish Companies Act for listed companies, the Code and the state ownership policy.

### 2.4 Owner instructions

In state-owned companies, owner instructions are essentially only applied when the company has specifically adopted public policy assignments, receives government subsidies, is in the process of restructuring or re-regulation, or in the event of deregulations or other material changes. The content of owner instructions should be relevant, specific and clear and be formally adopted by decisions at the annual general meeting. Where an assignment is conveyed through owner instructions, these shall clearly state how the assignment is financed, reported and monitored.

### 2.5 Public policy targets for companies with specifically adopted public policy assignments

Certain state-owned companies have specifically adopted public policy assignments. When the Riksdag commissions a company to conduct operations serving to generate effects other than a financial return for the owner, this constitutes a specifically adopted public policy assignment. In certain cases, operations within the framework of a specifically adopted public policy assignment are financed partly through appropriations in the state budget. To assess and monitor how the specifically adopted public policy missions are performed, public policy targets are set where relevant. The purpose of setting public policy targets for the companies is to

- ensure that the specifically adopted public policy assignment are performed well,
- elucidate the cost of performing the specifically adopted public policy assignments,
- enable monitoring and reporting to the Riksdag and other stakeholders, and to
- elucidate the conditions for the financial targets.

The points of departure on which the public policy targets are determined include the purpose of the company's operations, that is, what the desirable effects of the Company's operations are.

Since a company's opportunities to perform a

specifically adopted public policy assignment and to generate returns are mutually dependent, public policy targets and financial targets are normally prepared as an integrated project. With an integrated project, the level of ambition regarding the public policy targets can be weighed against the cost in terms of the effects on risk and return implied by a certain level in the public policy targets.

Public policy targets are determined by the General Meeting through an owner instruction to the company. Follow-ups are performed by means of a dialogue between representatives of the owner and the chairman of the board, whereby the outcome in relation to the public policy targets and the board of directors' view of these are discussed, as are any measures planned for achieving the objectives. Follow-up is coordinated with the monitoring of the financial targets.

### 2.6 Financial targets in state-owned companies

The owner's purpose in setting financial targets is to

- safeguard the creation of value, with the board and management working towards long-term, ambitious and realistic goals,
- achieve capital efficiency by clarifying the cost of equity,
- keep the companies' financial risk at a reasonable level,
- ensure dividend yield for the owner through sustainable and predictable dividends that take the company's future capital requirements and financial position into account, and
- in a structured way to measure, monitor and evaluate profitability, efficiency and risk level.

The financial targets are defined primarily according to the following categories:

- Profitability targets (e.g. return on operating capital, return on equity or operating margin)
- Capital structure target (e.g. debt/equity ratio or equity/assets ratio)
- Dividend target (e.g. share of net profit)

An important basis for establishing the financial targets is the owner's cost of equity as this figure ultimately determines whether the state, in its capacity as owner, receives reasonable compensation at market level for the risk-taking involved in company ownership. The cost of equity serves as a floor for the profitability target, since a return that is systematically below the cost of capital entails the destruction of value for the state as owner. The cost of equity also affects the optimal capital structure since it depends on the relationship between the cost of equity and borrowed capital at different levels of debt. The cost of equity also indirectly affects the dividend, since this cost is a key component in assessments of a company's future investments. In turn, these investments and their contribution to value creation are of vital importance to determining the proportion of the generated profits that should be reinvested and thus for the size of the dividend that can be distributed.

Other key data used in determining targets include analyses of risks and opportunities within the seven areas of sustainable business defined in paragraph 3.1, analyses of the market in which the company operates, comparisons with other companies and analyses of the company's business plan and history. Finally, stress tests are conducted to assess the targets' sensitivity in terms of various external and internal factors.

The financial targets are approved by the annual general meeting and are to be documented directly in the minutes. The financial

targets adopted apply until new/changed targets are adopted at an annual general meeting. Monitoring is performed by means of a dialogue between representatives of the owner and the chairman of the board, whereby the outcome in relation to the financial targets and the board of directors' view of this are discussed, as are possible actions that may be planned to achieve the targets in a forward-looking perspective. Should external conditions, such as the interest-rate scenario and profitability at a sector level, change significantly and in a lasting manner, the need to revise the targets may be discussed.

## 2.7 Guidelines

### 2.7.1 External reporting

Key words for the governance of state-owned companies are: transparency, active ownership and good order and organisation. State-owned companies are ultimately owned by the Swedish people collectively, which calls for transparent and professional communication of information. In addition to accounting legislation and generally accepted accounting principles, each state-owned company must present – as applicable – an annual report, interim reports and a year-end report, in accordance with the rules that apply to public listed companies.

The Government adopted the current guidelines for the external reporting of state-owned companies on 29 November 2007. This reporting is to provide a comprehensive description of the state-owned companies' operations as well as basic data for ongoing monitoring and evaluation of the companies' operations and established goals. The guidelines include information disclosure relating to sustainability information; see section 3 below. The Government has highly ambitious targets in respect of external reporting.

These guidelines impose clear requirements on reporting and accounting of the company's work on sustainable business. The Government views the requirement for sustainability reporting as a tool for good transparency. In accordance with the guidelines, state-owned companies are subject to extended reporting requirements regarding sustainability and must, among other things, apply the GRI's international guidelines in the publication of their sustainability reports.

### 2.7.2 Remuneration of senior executives

The current Government guidelines on terms of employment for senior executives in state-owned companies were adopted on 20 April 2009. Reasonable remuneration is important for maintaining confidence in the business sector as a whole and, from the viewpoint of the Government, it constitutes a key component of corporate governance. The boards are responsible for determining remuneration for the CEO. It is important that the boards deal with issues concerning remuneration of senior executives in a deliberate, responsible and transparent manner and that the boards assure themselves that the total remuneration is reasonable and well-considered. It should also be competitive, capped and appropriate, while contributing to high ethical standards and a good corporate culture. Remuneration paid should not be wage-leading in relation to comparable companies but be characterised by moderation. The remuneration principles in the guidelines are also to serve as guidance for other employees.

## 2.8 About the Board of Directors

### 2.8.1 Responsibilities of the Board of Directors

The board is responsible for ensuring that the companies in which the state has a participating interest are managed in an exemplary manner within the framework provided by legislation, the

company's articles of association, any additional owner instructions and the state-ownership policy. Work aimed at ensuring public confidence in the operations includes establishing relevant policy documents for the operations, such as a code of conduct with such aims as assuring the economical use of all resources in the business and that the special status often enjoyed by state-owned companies is not abused, as well as annual assessments of applicable policy documents and associated follow-up and compliance processes.

### 2.8.2 Board nomination process

The Government's aim is for the boards to contain a high level of expertise that is well matched to the operations, situation and future challenges of their particular companies. Board members are expected to be persons of high integrity that match the demands for good judgment that may be expected of representatives of the state.

For state-owned companies that are not publicly listed, the following principles replace the Code rules pertaining to the preparation of decisions and the nomination of board members and auditors.

These companies are required to apply unified and common principles designed to ensure the achievement of a structured board nomination process. The purpose is to ensure the efficient provision of expertise to the companies' boards. In publicly listed companies in which the state has a significant participating interest, the Government appoints one member of each nomination committee. The nomination committee is primarily a preparatory body serving the annual general meeting in nomination issues.

The board nominating process is coordinated by the Ministry of Enterprise and Innovation at the Government Offices. For each company, the required expertise is analysed on the basis of the company's operations, situation and future challenges, and of the board's composition and the implemented evaluation of the board. Any recruitment requirement is then determined, and the recruitment process initiated.

### 2.8.3 Board composition

The starting point for any nomination of a board member must be the requirement of expertise relevant to the board. It is important that the board's composition be such that the board always possesses the industry knowledge or other expertise directly relevant to the company, even when the company is undergoing development and its business environment is changing. Since sustainable business is an important issue for the state as owner, it is essential that the board has the capacity to work strategically in this area. To be considered for a board position, the candidate must possess a high level of expertise relevant to current business operations, business development, industry affiliation, financial issues or other appropriate areas. Additional requirements include outstanding integrity and an ability to see to the company's best interests. Every board member must be able to independently assess the company's operations.

To ensure that the boards of directors are efficient, the number of board members should be between six and eight people. The Government's intention is to have only regular members on the boards of directors and no deputies. When necessary, a vice chairman may be elected by the annual general meeting. The composition of every board must also be such that balance is achieved in respect of background, area of expertise, experience and gender. Aspects of diversity, including ethnic and cultural background, are also to be considered in the composition of the boards. The Government is endeav-

ouring to achieve an even gender distribution, with the aim that the proportion of both women and men be at least 40 per cent.

The selection of members is made from a broad recruitment base with a view to making use of the expertise of women and men, as well as individuals with different backgrounds and experiences. Discrimination based on gender, cross-gender identity or expression, ethnic affiliation, religion or other belief, disability, sexual preference or age is not permissible. When the process has been completed, nominations are made public pursuant to the Code. Throughout the nomination process, quality is assured by a cohesive and systematic approach.

### 2.8.4 Board members' independence

As regards the independence of board members, it is a fundamental requirement, according to 2.8.3 above, that a board member possess a high level of integrity. A member is not permitted to be so dependent on the company or its management that such independence may be questioned. One deviation from the Code in terms of the independence of board members is that board members' independence in relation to the state as a major shareholder and in relation to the company and its management need not be reported. The Code is mainly aimed at companies with diverse ownership. In this regard, the requirements of the Code are mainly intended to protect minority shareholders. For wholly state-owned companies and partially state-owned companies with few shareholders, there is therefore no reason to report this form of independence. In publicly listed companies in which the state has a participating interest, elected board members' independence in relation to the state shareholder as well as the company is reported.

### 2.8.5 Chairman of the board

The chairman of the board is elected by the annual general meeting. The special role of the chairman of the board is dealt with in the Code and the Companies Act.

The special tasks that the chairman of the board has to perform when working on the board are stipulated in the formal work procedures of the board. One such special task is coordination responsibility. Whenever the company is faced with particularly important decisions, the board of directors shall, through its chairman, coordinate in writing its view with that of the representatives of the owner. It is incumbent upon the board to decide the cases in which such alignment via the chairman is required ahead of a particular board decision.

### 2.8.6 Board procedures

It is the responsibility of every board to assess the need to appoint special committees. Should a committee be appointed, its activities are to be guided by the principles of the Code. Other aspects of the board procedures are also to be guided by the principles of the Code. In state-owned companies, the right to sign for the company should, however, be exercised exclusively by two or more persons jointly, of whom at least one person is to be a board member or the CEO.

### 2.8.7 CEO

One of the principal tasks of the board is to appoint, evaluate and, when necessary, dismiss the CEO. According to the Code, the CEO may be a member of the board but may not be its chairman. Because the Government regards it as important that the roles of the board and the CEO be distinguished, the CEO must not be a member of the Board.

### 2.8.8 Evaluation of the boards

Board performance must be evaluated annually. According to the Code, it is the task of the chairman of the board to ensure that the evaluation is carried out and that the nomination committee is informed of the results of the evaluation.

In wholly state-owned companies, it is the Government Offices that is to be informed of the results of the evaluation. The Government Offices' involvement in the board nomination process also includes a separate and ongoing evaluation of the boards of all state-owned companies.

### 2.8.9 Board fees

Board members are compensated for their effort and for the responsibility that the board assignment entails. Fees paid to the board chairman, any vice chairman and other members are to be resolved by the annual general meeting. Fees to board members who participate in specially appointed committees within the board of directors are also to be resolved by the annual general meeting. For fees to be paid for service on a committee, the work involved must be of a significant extent. Fees paid for committee work may be adjusted in periods of high work load for a limited period. As a rule, employees of the Government Offices who are board members in state-owned companies are not paid board or committee fees by those companies. In exceptional cases, however, a fee may be paid to an employee of the Government Offices following a decision by the annual general meeting.

If the fee for work on the board or a committee is invoiced by a member within the framework of business activity conducted as part of a sole proprietorship with a corporate (F) tax card or through the member's own limited company, it should be stated in conjunction with the general meeting considering fees that statutory employer's social security contributions are to be paid to the board member's sole proprietorship or limited company in addition to the approved fee. Any agreement with a board member's sole proprietorship with a corporate (F) tax card or limited company regarding invoicing of board or committee fees shall be cost-neutral for the company paying those fees.

Situations are to be avoided whereby board members or their deputies are engaged as consultants to the company and thereby receive consultancy fees in addition to their board fees. If this nevertheless occurs, the assignment must be determined by the board in every individual case, be clearly discernible from ordinary work on the board, apply for a limited time and be governed by an agreement between the company and the board member. Principles for consultancy fees are to be subject to the annual general meeting's approval of the board's proposed guidelines for remuneration of senior executives.

In preparation for the annual general meeting's decision on board fees, an analysis is to be made whereby the level of fees is compared with the fees paid by other comparable companies. The fees must be competitive, but not market-leading. There is nothing to prevent the general meeting from approving remuneration to employee representatives. However, the principle among state-owned companies is that such compensation is not paid.

## 3 SUSTAINABLE BUSINESS

### 3.1 Purpose and definition

To promote long-term sustainable value growth in state-owned companies, sustainable business is integrated into corporate governance. State-

owned companies should act as role models within the area of sustainable business and should otherwise behave in a manner that instils public confidence.

The Government's work on sustainable business is based on the Brundtland Commission's original definition of sustainable development from 1987: *Sustainable development is development which meets the needs of current generations without compromising the ability of future generations to meet their own needs.* Sustainable business includes the areas of environment, human rights, working conditions, anti-corruption and business ethics as well as gender equality and diversity. Companies' acceptance of responsibility in the field of sustainable business contributes to their competitiveness. The integration of sustainability issues into operations is thus a self-evident component of a long-term business strategy and development. The companies' work on sustainable business is monitored integrated with other owner issues or by means of dialogue between representatives of the owner and the company.

### 3.2 Act as role models

#### 3.2.1 Introduction

The state-owned companies shall act as role models with regard to sustainable business, meaning, in particular, that they shall

- work strategically, integrating these issues into their business strategies and establishing strategic sustainability targets;
- act transparently in matters involving material risks and opportunities and pursue an active dialogue with the company's stakeholders in society;
- cooperate with other companies and relevant organisations,
- comply with international guidelines in the area.

The points above are elaborated further under 3.2.2-3.2.5.

The Government considers work on the environment and climate to be important and acts to ensure that the generation target and environmental quality targets approved by the Riksdag are achieved. State-owned companies are to act as role models within the area of environment, meaning, among other things that the companies should strive to reduce their environmental and climate impact through sustainable and non-toxic use of resources.

The overarching objective of the Government's work to foster diversity is to generate value for Swedish society by deriving benefit from competence and experience from all of society. No discrimination may occur based on gender, cross-gender identity or expression, ethnic affiliation, religion or other belief, disability, sexual preference or age in relation to employees, business partners, customers and suppliers, or others with whom the companies come into contact. State-owned companies shall take aspects of diversity into account in their operations and personnel policies.

State-owned companies should be role models in gender equality work. The Government regards it as an ongoing and urgent priority to derive benefit from the expertise and experience of both women and men. This applies in particular to companies managerial appointments. The Government places considerable importance on increasing the percentage of women in executive management positions. Just as the state in its capacity as owner promotes even gender representation on its boards of directors, it is essential that state-owned companies steer development

towards more balanced gender representation at senior management positions. State-owned companies shall, even in other regards, work actively on issues of equality throughout their operations.

One way of acting as a role model within the areas of anti-corruption and business ethics is to comply with the *Code regarding gifts, rewards and other benefits in business* established by the Swedish Anti-Corruption Institute.

#### 3.2.2 Working strategically

Based on the sectors and markets within which they operate, it is important that companies identify and manage risks and business opportunities in the area of sustainable business. State-owned companies should have a well-considered and broadly accepted policy and strategy, as well as established strategic targets in the area of sustainable business. The targets should be few in number, comprehensive and relevant to the company's business operations and sustainability challenges and, where applicable, relevant to the company's specifically adopted public policy assignment. The targets should also be long term, challenging and monitorable, while being distinct and easy to communicate. It is the responsibility of the board to establish targets and strategies for the company's work on sustainable business.

#### 3.2.3 Transparent behaviour

By maintaining an open and constructive dialogue with its major stakeholders the state-owned companies act transparently with regard to risks and opportunities in the area of sustainable business and how the companies are working to handle them. Furthermore, state-owned companies are to communicate their work on sustainable business both externally and internally. In the Government's guidelines for external reporting, adopted in 2007, clear requirements are set out for reporting and accounting for the companies' work on sustainable business.

#### 3.2.4 Cooperation

To promote exchange of knowledge and efficiency in work in the area of sustainable business, state-owned companies are expected to work actively in the area, both in their own operations and in cooperation with business partners, customers, suppliers and other stakeholders.

#### 3.2.5 Compliance with international guidelines

The state-owned companies shall work to foster compliance with international guidelines regarding environmental consideration, human rights, working conditions, anti-corruption and business ethics. The Government has identified the following international principles and policies that are essential for the state-owned companies to follow; the ten principles in the UN's Global Compact, the UN Guiding Principles for Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. These principles and guidelines are based on international conventions and agreements and have been formulated in collaboration between states, companies, labour organisations and other stakeholders with the purpose of providing the business sector guidance in the handling of risks and business opportunities in the area of sustainable business.

Appendix 1 Guidelines for external reporting

Appendix 2 Guidelines for terms of employment for senior executives

# Guidelines for external reporting

The Government adopted the following guidelines for external reporting by state-owned companies on 29 November 2007. These replace the previous guidelines adopted in 2002. The guidelines have been supplemented with expanded and clearer information requirements regarding sustainability. The state-owned companies are subject to the same laws as privately owned companies, inter alia, the Companies Act, the Bookkeeping Act and the Annual Accounts Act. These guidelines complement the current accounting legislation and generally accepted accounting principles. The companies must present their reports in accordance with these guidelines as of the fiscal year that began on 1 January 2008.

## INTRODUCTION

The state is a significant company owner in Sweden. The companies represent considerable values and are ultimately owned by the Swedish people collectively, which calls for transparent and professional communication of information.

## COMMUNICATION OF INFORMATION

Key words for the Government's administration of the companies are: transparency, active ownership and good order and organisation. The overarching governance objective is that these companies should create value and, where applicable, comply with the societal interests. The external reporting of the state-owned companies, which includes the annual report, interim reports, the corporate governance report, the statement on internal control and the sustainability report, are to be as transparent as the reporting of listed companies. This reporting is to provide a comprehensive description of the state-owned companies' operations as well as basic data for ongoing monitoring and evaluation of the companies' operations and established goals. The Government will assess compliance with the guidelines for external reporting for state-owned companies, which will be reported in the Government's annual report on state-owned companies to the Riksdag. A responsible and professional owner should, among other tasks, assume responsibility for issues relating to sustainable development, such as ethical issues, the environment, human rights, gender equality and diversity. All companies bear this responsibility, but the state-owned companies must set an example and be at the leading edge of this work. The Government is reinforcing its ambitious stance in this field and, through these guidelines, is imposing clearer demands for reporting and accounting. According to the state-ownership policy, the boards of the state-owned companies are responsible for matters relating to ethical issues, the environment, human rights, gender equality and diversity. That the companies have a well-considered strategy for these sustainability issues is an integral part of the Government's ownership policy. This work is to be communicated both internally and externally. Sustainability reports are a tool for driving sustainable development activities forward by working systematically with clear reporting and monitoring. The boards of the state-owned companies are responsible for ensuring that companies presenting sustainability reports in accordance with Global Reporting Initiative (GRI) guidelines which, together with other financial reports, form an integrated basis for assessment and monitoring. The GRI guidelines are international regulatory guidelines for sustainability reports.

## APPLICATION OF THE GUIDELINES

State-owned companies are required to apply these guidelines. In those cases where the state is one of a number of joint owners, the Government intends, in consultation with the company and the other owners, to endeavour for these

guidelines to also be applied in the jointly owned companies.

These guidelines are based on the principle of "comply or explain," which means that a company can deviate from the guidelines if a clear explanation and justification of this departure is provided. This design enables the guidelines to be applicable and relevant to all companies, regardless of size or industry, without having to abandon the main purpose of the accounting and reporting. The board is required to describe in the annual report how the guidelines have been applied during the past fiscal year and to comment on any deviations.

## RESPONSIBILITIES

The boards of the state-owned companies are responsible for ensuring that the companies' accounting and reporting comply with these adopted guidelines. The companies are to start reporting in accordance with the guidelines as soon as possible and not later than the fiscal year that began on 1 January 2008. In addition to current accounting legislation and generally accepted accounting principles, in appropriate parts, the boards of the state-owned companies are responsible for ensuring that the companies present the annual report, interim reports and year-end reports in accordance with the rules of OMX Nordic Exchange Stockholm AB<sup>1)</sup> in the listing agreement. This also means that the companies are required to present a corporate governance report and a statement on internal control in accordance with the Swedish Code for Corporate Governance.

The companies are also to comply with the requirements in the Insight into Certain Financial Links and Related Matters Act (2005:590). Furthermore, the boards are responsible for ensuring that the companies present a sustainability report in accordance with the GRI guidelines. The regulatory framework to which the companies are subject is changed and updated continuously. The state-owned companies are expected to monitor developments and changes in legislation, standards and recommendations as these occur. The board must monitor developments and decide without delay on relevant measures resulting from these changes.

## PRINCIPLES FOR EXTERNAL REPORTING AND RESPONSIBILITY FOR REPORTING

### Annual Report

In the *annual report*, the state-owned companies must, in accordance with the Annual Accounts Act (1995:1554), inter alia, provide a fair picture of the development of the company's business activities, position and result in accordance with laws and usual practice. This includes, for example:

- Business concept, strategy, business activities, market, customers and competitors and organisation.

- Risks and risk management, opportunities and threats, sensitivity analysis that describes the main financial risks of the company.
- A description of the company's substantial non-financial risks and uncertainty factors of importance for understanding the company's result, position and future prospects.
- Investments, acquisitions and important events that have taken place during the fiscal year and after its end.
- The operations of the company in research and development.
- The work of the board and its composition during the year.
- Remuneration of senior executives and description of the incentive programme.

*In addition*, the annual report is to include a report on or information about:

- The financial targets and non-financial objectives, the dividend policy adopted, operational objectives and compliance with targets and objectives.
- The company's ethical principles, code of conduct and gender equality policy.
- The company's work on matters relating to sustainability, including work on gender equality, diversity and ethics.
- The Government's commission to the company, objectives related to the commission and measurement of fulfilment of these objectives through, for example, customer surveys. These commissions may be formulated in different ways for different companies, inter alia, in government bills, Riksdag communications, committee reports, Swedish Government Official Reports (SOU) and articles of association.
- The company's work to comply with the government guidelines and the policies that affect all state-owned companies, such as the ownership policy, these guidelines and the guidelines for terms of employment for senior executives.

### Sustainability Report

A *sustainability report* in accordance with the GRI guidelines is to be published on the respective company's website in conjunction with publication of the company's annual report. The sustainability report may either be a separate report or an integrated part of the annual report document.

A sustainability report in accordance with the GRI guidelines includes:

- A report and brief analysis of the sustainability issues regarded as important for the company, plus the associated reasons.
- Transparent reporting of the risks and opportunities in respect of sustainability issues, particularly such non-financial risks and opportunities required in order to understand the company's development, results and position.
- Transparent reporting of implemented stakeholder analyses and stakeholder dialogues in order to identify and take a position in relation

1) Name changed to NASDAQ OMX Stockholm Aktiebolag.

## Overview of principles for reporting financial and non-financial information

	FINANCIAL INFORMATION	NON-FINANCIAL INFORMATION
<b>REASONS</b>	Monitor and assess the financial development of the companies	Monitor and assess the companies' corporate governance, sustainability work and performance of any public policy assignments.
<b>SOURCE</b>	Laws and standards	Guidelines Decisions by the owner
<b>BASIC PRINCIPLE</b>	IFRS	The Code of Corporate Governance GRI Decisions by the Annual General Meeting (Government guidelines) (Riksdag decisions)
<b>ANNUAL</b>	Annual Report Year-end report	Sustainability Report Corporate governance report Statement on internal control Report on compliance with any public policy assignments
<b>DURING THE YEAR</b>	Quarterly reports	Any KPIs
<b>CURRENT</b>	Special press releases/information. Transparency in relation to the public and the media.	

## Laws and recommendations providing guidance

### Laws and directives:

- The Companies Act (2005:551) ABL
- The Bookkeeping Act (1999:1078) BFL
- The Annual Accounts Act (1995:1554) ÅRL
- The Annual Accounts in Credit Institutions, and Securities Companies Act (1995:1559), ÅRKLL
- The Annual Accounts Act in Insurance Companies Act (1995:1560), ÅRFL
- The Insight into Certain Financial Links and Related Matters Act (2005:590)
- The Securities Market Act (2007:528)

### Examples of standardisation bodies:

- International Accounting Standards Board, IASB
- Swedish Accounting Standards Board
- Nasdaq OMX Nordic
- Swedish Financial Reporting Board
- The recommendations of the EC institutions as adopted by the institute for the accounting profession in Sweden, FAR
- Swedish Corporate Governance Board
- Global Reporting Initiative, GRI
- SFF (Swedish Society of Financial Analysts)

to significant risks and opportunities in respect of the sustainability issues applying to the company's main stakeholders.

- Reporting of the company's strategies and alignment to the sustainable development requirements and how the strategy and alignment affect the company's current results and position, and how they will affect them in the future.
- Reporting of the company's stance in its own policy documents and in the form of international conventions, such as the UN's Global Compact.
- An account of how proactive sustainability work is pursued with objectives, action plans, allocation of responsibility, education and training in addition to control and incentive systems for follow-up.
- A clear report on results and objectives based on selected performance indicators. These are to be complemented by explanations in the body of the text explaining the outcome in relation to the objectives together with a report on new objectives.

- Accounting principles that clarify the company's points of departure for the report and the delimitation of the same.

The sustainability report must be quality assured by independent review and assurance. The date for publication of the report is to comply with the reporting cycle for the annual report.

### Quarterly reports

The companies must publish quarterly interim reports.

### Timetable for publication of reports

The companies must publish quarterly reports, year-end reports and annual reports on the company's website. The annual report should be available both in a printed version and in PDF format published on the company's website. The sustainability report and interim reports are to be available in PDF format on the company's website.

- The annual report is to be published not later than 31 March.
- The sustainability report is to be published not later than 31 March.
- The corporate governance report and the statement on internal control are to be published not later than 31 March.
- The year-end report (Q4) is to be published not later than 15 February.
- The six-monthly report (Q2) is to be published not later than 15 August.
- Quarterly reports for January–March (Q1) are to be published not later than 30 April.
- Quarterly reports for January–September (Q3) are to be published not later than 30 October.

### Appraisal

An assessment and report on compliance with these guidelines will be included in the Government's annual report on state-owned companies.

# Guidelines for terms of employment for senior executives

On 20 April 2009, the Government adopted the following guidelines for terms of employment for senior executives in state-owned companies.

## INTRODUCTION

The state is a significant company owner in Sweden. The state bears a substantial responsibility to be an active and professional owner. The Government manages the state-owned companies and its overarching objective is that these companies should create value and, where applicable, comply with the special societal interests. Reasonable and well-considered remuneration of senior executives is a key part of achieving this objective. Reasonable remuneration is also important for confidence in the business sector as a whole.

The Government's governance of the state-owned companies is to be both transparent and clear. Accordingly, the external reporting of the state-owned companies is to be at least as transparent as that of listed companies in this regard. This also applies to the remuneration of senior executives.

It is important that boards deal with issues relating to remuneration of senior executives in a deliberate, responsible and transparent way and that the boards ensure that the *total remuneration* is reasonable, characterised by moderation and contributes to high ethical standards and a sound corporate culture.

The Government will monitor and evaluate compliance with these guidelines. The appraisal is intended to examine how companies have applied the guidelines and fulfilled the remuneration principles in the guidelines. This evaluation will be reported in the Government's annual submission to the Riksdag with the report on state-owned companies.

## AREA OF APPLICATION

These guidelines replace the Government's previous Guidelines for Terms of Employment for Senior Executives in State-owned Companies (3 July 2008). The board is responsible for renegotiation of existing contracts with senior executives with variable salaries so that they accord with these guidelines. Other existing contracts with senior executives that conflict with these guidelines should be renegotiated.

The guidelines are a component of the state-ownership policy<sup>1)</sup> and apply to companies in which the state has a controlling influence through its ownership in a manner corresponding to the provisions made in Chapter 1, Section 11, of the Companies Act (2005:551). Furthermore, these companies must apply the guidelines in their subsidiaries. In other companies in which the state is a joint owner, either directly or through a company, the Government or the company, respectively, should endeavour for the guidelines to be applied to the greatest possible extent in dialogue with the owners.

## THE BOARD'S AREA OF RESPONSIBILITY

In the same way as in listed companies, the boards of the state-owned companies are required to propose guidelines for remuneration of senior executives for decision by the annual general meeting and thus apply the pertinent rules con-

tained in Chapter 8, Sections 51–54 of the Companies Act (2005:551). The guidelines proposed by the Board are to be compatible with the Government's guidelines and state, among other aspects,

- how the board ensures that remuneration complies with these guidelines, and
- that there is written documentation showing the cost for the company before any decision on individual remuneration is reached.

The remuneration of the chief executive officer is the responsibility of *the board as a whole*. The board is to also ensure that the remuneration of the chief executive officer and other senior executives is within the guidelines decided upon by the annual general meeting.

The board is to confirm that the chief executive officer ensures that the company's remuneration to other employees is based on the remuneration principles below.

The board is required to report on the special reasons for deviating from the Government's guidelines in any particular case.

## REMUNERATION PRINCIPLES

The total remuneration payable to senior executives should be reasonable and well considered. It should also be competitive, capped and appropriate, while contributing to high ethical standards and a good corporate culture. The remuneration paid is not to be wage-leading in relation to comparable companies but be characterised by moderation. It is also to provide guidance for the total amount of remuneration payable to other employees.

Variable salary is not to be paid to senior executives. Taking the other principles of these guidelines into consideration, it is permissible to pay a variable salary to other employees.

Defined-contribution pension benefits are to be paid, unless they comply with an applicable group pension scheme. The defined contribution should not exceed 30 per cent of the fixed salary. Accordingly, should the company have agreed upon a defined-benefit pension benefit, it is to comply with the applicable group pension scheme. Any extensions of the group pension scheme to salary exceeding the income levels covered by the scheme must be defined-contribution based. The company's pension cost is to be capitalised during the active period of the employee. No post-retirement pension premiums for additional pension costs are to be paid by the company. The retirement age is not to be less than 62 and should be at least 65.

Should notice to terminate employment be served by the company, the period of notice is not to exceed six months. In the event of employment-termination notice being issued by the company, severance pay not exceeding 18 monthly salaries may be paid. Severance pay is to be paid monthly and consist only of the fixed monthly salary without any supplement for benefits. In the event of new employment or income from business activity, remuneration from the company is to be reduced by an amount equivalent to the new income during the period when salary and severance pay are paid. No severance pay is to be paid in the event of notice to termi-

nate employment being served by the employee. Severance pay is never to be paid after the age of 65.

## REPORTING

The state-owned companies are to report remuneration of senior executives in the same way as listed companies. Accordingly, the state-owned companies are required to comply with the specific rules for reporting remuneration of senior executives that apply for listed companies and public limited companies. The rules for this procedure are stipulated in the Companies Act (2005:551) and in the Annual Accounts Act (1995:1554). Furthermore, remuneration of each individual senior executive is to be reported separately, in terms of information about fixed salary, benefits and severance pay.

At the annual general meeting, the board is to report on whether the adopted guidelines have been complied with, giving reasons for any deviation. Furthermore, the company's auditor, ahead of every annual general meeting, is required to submit a written signed statement to the board stating whether the auditor considers that the guidelines applicable since the previous annual general meeting have been complied with or not.

In addition, the chairman of the board is to also provide an oral account at the annual general meeting of the remuneration of the senior executives and how this relates to the guidelines adopted by the annual general meeting.

## DEFINITIONS

- The term *senior executive* refers to the chief executive officer and other individuals in the executive management of the company. This group corresponds to the persons covered by Chapter 8, section 51, of the Companies Act (2005:551). It includes, inter alia, persons who belong to executive management groups or similar bodies and managers who report directly to the chief executive officer.
- *Remuneration* refers to all remuneration and benefits payable to the employee, such as salary, benefits and severance pay. Remuneration from companies in the same group is also to be included.
- *Benefits* refers to all forms of remuneration for work provided in a non-cash form, such as pensions and car, housing and other taxable benefits.
- *Variable salary* refers, inter alia, to incentive programmes, bonuses, payments from profit-sharing foundations, commission salary and similar payments.
- *Defined contribution pension* (premium-defined pension) refers to the pension premium being set at a particular percentage of the current fixed salary.
- *Defined-benefit pension* refers to the amount of pension being determined as a particular percentage of a defined fixed salary.
- *Subsidiary* refers to the legal entities referred to in Chapter 1, Section 11, of the Companies Act (2005:551).

1) Included in the Report on State-owned Companies (the Government's annual report to the Riksdag with a report on state-owned companies).

# Management responsibility for state-owned companies

## RESPONSIBLE MINISTER AND STATE SECRETARY

<b>Ministry of Enterprise and Innovation</b>	Mikael Damberg, Minister of Enterprise and Innovation Eva Lindström, State Secretary	A uniform ownership policy for all state-owned companies
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## DIVISION FOR INNOVATION AND STATE-OWNED COMPANIES WITHIN THE MINISTRY OF ENTERPRISE AND INNOVATION

Niklas Johansson	Director-General	Nomination Committee, SAS
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## DIVISION FOR CORPORATE GOVERNANCE AND ANALYSIS AT THE MINISTRY OF ENTERPRISE AND INNOVATION

Magnus Skåninger	Deputy Director-General, Investment Director	PostNord
Richard Reinius	Investment Director	Apoteksgruppen, Bostadsgaranti, Fouriertransform, RISE
Kristina Ekengren	Investment Director	Jernhusen, SBAB, Svenska Skeppshypotek, Teracom Boxer Group, VisitSweden
Lars Erik Fredriksson	Investment Director, delegate OECD	Arlandabanan, Svedab, Swedesurvey, EUROFIMA
Katarina Green	Investment Director, foundation manager	Almi Företagspartner, Inlandsinnovation, Industrifonden, Norrlandsfonden
Johan Hallberg	Investment Director	Infranord, Lernia, SOS Alarm, Sveaskog
Daniel Kristiansson	Investment Director	Green Cargo, TeliaSonera, Vasallen. Nomination Committee, TeliaSonera
Hanna Lagercrantz	Investment Director	LKAB, SSC, Swedfund
Jenny Lahrin	Investment Director	Göta kanalbolag, Vattenfall
Leif Ljungqvist	Investment Director	Akademiska Hus, Apoteket, Samhall, Statens Bostadsomvandling
Helena Malmberg	Assistant	
Lotta Mellström	Investment Director	Specialfastigheter, SEK, Swedavia
Kerstin Sahlin	Assistant	
Michael Thorén	Investment Director	Metria, Orio, SJ, Svevia
Hélène Westholm	Investment Director	Bilprovingen, SAS, Svenska Spel

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Christina Detter	Board recruiter	
Maurice Forslund	Deputy Legal Counsel	
Malin Fries	Legal Counsel	
Helena Hagberg	Sustainable business	
Lucian Herly	Investment Manager	Swedfund, Vattenfall
Martin Janhäll	Investment Manager	Lernia, SBAB, SSC, SEK
Magnus Johansson	Board recruitment	
Christine Leandersson	Legal Counsel	
Elin Lewold	Investment Manager (on parental leave)	
Per Lundkvist	Investment Manager (on parental leave)	
Ulrika Nordström	Investment Manager	Almi Företagspartner, Fouriertransform, Inlandsinnovation, SJ, Swedavia Industrifonden, Norrlandsfonden
Jens Schlyter	Sustainable business	
Ellinor Schrewelius	Investment Manager	Apoteket, Jernhusen, Svenska Spel, Svevia
Daniel Sunesson	Investment Manager	Bilprovingen, PostNord, TeliaSonera
Erik Tranaeus	Investment Manager	Akademiska Hus, Infranord, LKAB, Teracom Boxer Group
Stefan Öhlén	Investment Manager	Green Cargo, Metria, Orio, SAS, Sveaskog

*Other companies administered by the Ministry of Enterprise and Innovation receive analytical support as and when required.*

## OTHER MINISTRIES

Marita Axelsson	Ministry of Finance	Miljömärkning Sverige
Birgit Gunnarsson	Ministry of Culture	Voksenåsen
Carin Khakee	Ministry of Culture	Dramaten, Operan
Pia Fagerström	Ministry of Health and Social Affairs	Systembolaget
Caroline Nilsson	Ministry of Health and Social Affairs	APL
Viktoria Mattsson	Ministry of Education and Research	ESS
Hans Olsson	Ministry for Foreign Affairs	Dom Shvetsii



ESS is responsible for planning, designing, building, owning and operating the European Spallation Source in Lund. Construction commenced in 2014 and is now in full swing. *Photo: ESS*

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