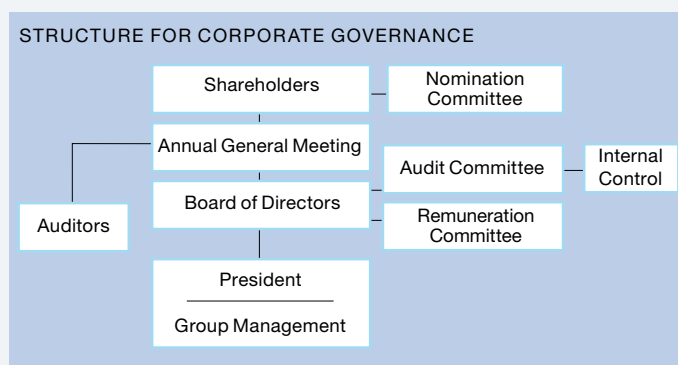


Corporate governance report

Introduction

Eniro AB (publ) applies the Swedish Code of Corporate Governance ("the Code"). This entails, among other things, that a special report on corporate governance matters should be attached to the annual report. This report, which relates to the 2005 financial year, has not been reviewed by the company's auditors.



The figure illustrates the organization of the corporate governance in Eniro AB (publ). The various bodies and their work are described below.

The Nomination Committee

The Annual General Meeting on April 5, 2005 decided that a Nomination Committee should be formed comprising of one representative for each of the four largest shareholders in terms of voting rights and the Chairman of the Board of Directors. If any of these shareholders waives the right to appoint one representative, that right passes to the shareholder who, after the above-mentioned shareholders, holds the largest number of shares. In case that the ownership structure should change substantially thereafter, the composition of the committee shall change accordingly. Should a member leave the Nomination Committee prior to the completion of its work, a replacement shall be appointed by the shareholder responsible for appointing the departing member or, if this shareholder no longer belongs to the four shareholders holding the largest number of voting rights, by a new shareholder belonging to this group. The Chairman of the Nomination Committee is appointed by the Nomination Committee.

The composition of the Committee shall be announced through a separate press release as soon as it has been appointed, which in this case was October 4, 2005.

The Nomination Committee for the 2006 Annual General Meeting consists of Wouter Rosingh, Hermes Focus Asset Management, Torsten Johansson, Handelsbanken/SPP Fonder, Magnus Wärn, AMF Pension, Ossian Ekdahl, First AP Fund and Lars Berg, Chairman of Eniro AB (publ). The Chairman of the Nomination Committee is Wouter Rosingh.

The Nomination Committee's task is to present proposals to the Annual General Meeting with respect to the number of Board members to be elected, the fees to be paid to the Board members, possible fees to be paid for work in the Board's committees, the composition of the Board, Chairman of the Board, Chairman of the General Meeting and, when applicable, the election of auditors and auditor fees.

Shareholders who want to make proposals to the Nomination Committee can do so by e-mail to: nominationcommittee@eniro.com.

The Board of Directors

In accordance with the Code, the General Meeting shall elect a Board of Directors where the majority of the members are independent in relation to the company and senior management and where at least two of the members who are independent in relation to the company and senior management shall also be independent in relation to the company's major shareholders.

In accordance with the proposal of the Nomination Committee, the 2005 Annual General Meeting resolved that the following Board members be reelected: Lars Berg, Per Bystedt, Barbara Donoghue, Erik Engström, Urban Jansson and Birgitta Klasén and that Tomas Franzén be appointed as a new member of the Board. Lars Berg was elected Chairman of the Board.

Bengt Sandin has been an employee representative on the Board throughout the 2005 financial year. Johnny Fungmark resigned as Board employee representative in January 2005 in conjunction with leaving his position with Eniro. Johnny Fungmark was replaced by Daniel Hultenius, who joined the Board in October 2005.

More information about each Board member can be found on page 35 of this annual report or on the Eniro website www.eniro.com.

With the exception of Eniro's President Tomas Franzén, all Board members elected by the General Meeting are independent in relation to the company and senior management. All of the Board members elected by the General Meeting are independent in relation to the company's major shareholders. The employee representatives on the Board are employed within Eniro.

The Auditors

By law, the mandate period for auditors is four years. The 2004 Annual General Meeting appointed PricewaterhouseCoopers AB (PwC) as its auditors, with the Authorized Public Accountant Peter Bladh as auditor in charge.

The cost of audit, audit related services and consulting services during 2003-2005 are shown in the table below.

Year	Audit	Audit related services	Consulting-services
2003*	SEK 3.7 M	-	SEK 6.3 M
2004	SEK 4.1 M	SEK 0 M	SEK 1.9 M
2005	SEK 5.2 M	SEK 3.6 M	SEK 2.2 M

* Relates to the previous auditor Ernst & Young.

The Board has established a policy that the company's auditors may not provide consulting services in an amount exceeding 50 percent of their compensation for audit or audit related services.

The cost of Eniro's audit and consulting services provided by PwC during 2003 were negligible. During 2004, most of the consulting services provided by PwC was for Eniro AB (publ) and included opening balance sheet in accordance with IAS and consultations related to the Group's capital structure. Most of PwC's consulting services in 2005 involved continuing work for Eniro AB (publ) regarding the Group's capital structure and work for Eniro AB (publ) in conjunction with the acquisition of Findexa.

In addition to the work for Eniro, Peter Bladh is the auditor of Gambro and Paynova, as well as auditor of the medical-technology and biotech companies, Pharmacia Diagnostics and Biovitrum. Peter Bladh also

conducts assessments on behalf of the Stockholm Stock Exchange's Company Committee in regard to the maturity of candidates seeking public listing.

The work of the Board

In accordance with the Swedish Companies Act, the Board of Directors' responsibilities include among others the organization and the management of the company's affairs and the continuous assessment of the company's and Group's financial position. This means that the Board's duties include the formation of strategies and deciding in strategic issues and in matters involving the company's capital procurement and management. The Board shall also decide on other matters of a general nature or of particular significance, budgets and business plans, reviewing and approving financial statements, appointing the company's President and ensuring that the President fulfills his or her obligations, including implementation of all Board decisions and guidelines.

The Board has adopted a set of rules of procedure to govern its activities, instructions for the President and instructions on reporting.

In accordance with the rules of procedure, it is the duty of the Chairman to ensure that the work of the Board is conducted in an effective manner and that the Board fulfills its obligations. The rules of procedure also stipulate that the Chairman shall in particular organize and lead the work of the Board, promote an open and constructive discussion within the Board, ensure that the Board's members update and improve their knowledge about Eniro, including receiving any necessary training, monitoring that Board decisions are implemented, receive opinions from the owners and communicate them to the Board, maintain continuous contact with the President, ensure that the Board receives adequate documentation for its work, and ensure that the work of the Board and its committees are evaluated on an annual basis and that the Nomination Committee is informed about the results of the evaluations.

As part of the President's instructions, the Board has also established a set of rules for the Group (Eniro Code of Corporate Governance, "ECCG") that include, among other items, levels for the President and for the management and boards of the subsidiaries as regards to their authority for decision in certain specified issues. The ECCG also include rules regarding treasury management, authorization of payment, insider issues and information and ethics policies. The President shall report regularly on the company's and the business' development to the Board in the form of so called CEO-letters. The Board shall evaluate the President's performance annually.

According to its rules of procedure, the Board shall annually hold six regular meetings, one of which is the statutory meeting. Four Board meetings are coordinated with the dates of the issuance of the external financial reports, while one is held in December and involves a review of the business plan and budget. In addition, each year the Board holds a two-day meeting on strategic issues. Audit-related matters are addressed as a special item during a Board meeting once a year and in conjunction therewith the Board meets with the company auditors without the President and any other member of the Eniro Group or senior management.

Extra meetings may be held to deal with issues that cannot be dealt with at regular Board meetings.

The rules of procedure and accompanying instructions are reviewed annually to ensure that they are relevant and updated. A revised version of the rules of procedure and accompanying instructions is normally approved in conjunction with the statutory Board meeting.

In 2005, a total of 26 Board meetings were held, of which twelve were conducted by *per capsulam* and six by telephone.

In 2005, the Board devoted particular attention to the following issues: strategy, strategic acquisitions and capital structure issues, the sale of operations outside the Nordic region and Poland, the introduction of a long-term incentive program for the employees, financial reporting, risk assessment and auditing matters, and the business plan and budget for 2006. The Board also evaluated the performance of the President.

In general, the attendance at Eniro's Board meetings has been very high, as shown in the table below.

Member of the Board	Time as a member of the Board during the financial year 2005	Attendance at Board's meetings held via telephone	Attendance at Board's meetings per <i>capsulam</i>	Attendance at other Board's meetings
Lars Berg	The financial year	6	12	8
Per Bystedt	The financial year	3	12	8
Barbara Donoghue	The financial year	6	12	8
Erik Engström	The financial year	6	12	8
Tomas Franzén	From April 5, 2005	5	11	6
Johnny Fungmark	To January 2005	0	1	0
Daniel Hulteni	From October 2005	0	3	2
Urban Jansson	The financial year	6	12	8
Birgitta Klasén	The financial year	6	12	8
Bengt Sandin	The financial year	6	12	8

The Board has appointed two committees within the Board: an Audit Committee and a Remuneration Committee. Instructions for the committees and their work are incorporated in the rules of procedure for the Board.

The Audit Committee

The Audit Committee is appointed by the Board. According to the Code, the majority of the Committee members shall be independent in relation to the company and its management and at least one of the members shall be independent in relation to the company's major shareholders. According to the Code, no Board member who is also a member of senior management may be a member of the Audit Committee. In order to form a *quorum*, all members of the Audit Committee must participate in the decision. The Audit Committee shall meet at least three times per annum. The Committee shall report on its work and propose measures for the handling of any significant risks or deficiencies to the Board.

The Board is responsible for the internal controls within the company and the Group. The Audit Committee is responsible for the preparation of the Board's work to secure the quality of the financial reporting, and shall in connection with that meet with the auditors on an ongoing basis and be informed as to the direction and scope of the audit, to discuss risks, establish guidelines for the procurement of other services than auditing services from Eniro's auditors, evaluate the audit work and inform the Nomination Committee about the results of the evaluations, and to assist the Nomination Committee with the preparation of proposals in regard to the election of auditors and the fee to be paid to auditors.

The Audit Committee can request information from the employees, decide on special investigations and commission experts.

During 2005, special attention was paid to the following issues: strategic acquisitions and capital structure issues, risk assessment, internal control and examination of financial statements.

In 2005, the Audit Committee was comprised of Urban Jansson (Chairman), Barbara Donoghue and Lars Berg. All of the Committee members are independent in relation to the company and its management, and in relation to the company's major shareholders. In 2005, the Audit Committee held six meetings. All of the Committee members were present on all occasions.

The Remuneration Committee

The Remuneration Committee is appointed by the Board. According to the Code, the members of the Committee shall be independent in relation to the company and its management. The Chairman of the Board may also be appointed Chairman of the Remuneration Committee.

The Board's Remuneration Committee prepares the Board's proposal to the Annual General Meeting in regard to policy for remuneration and terms of employment for senior management. The Committee also presents proposals to the Board for decision in regard to salary and other remuneration, as well as pension benefits for the President and CEO, and other bonus and incentive schemes that are intended for a broader range of employees within the Group.

During 2005, Lars Berg (Chairman) and Birgitta Klasén were members of the Remuneration Committee. Both members are independent in relation to the company and its management and in relation to the company's major shareholders.

During 2005, particular attention was paid to matters related to structures for long-term incentive programs and replacement planning for Group management in the event of incidents.

In 2005, the Remuneration Committee held four meetings. All of the Committee members were present on all occasions.

Internal control of financial reporting

According to the Code, the Board of Directors is responsible for internal control. This report has been prepared in accordance with Sections 3.7.2 and 3.7.3 of the Code. Accordingly, the report is restricted to the internal control that relates to the financial reporting.

This report is not part of the formal annual report. It has not been reviewed by the company's auditors.

General guidelines for the Board of Directors' reporting on internal control relating to financial reporting were published by the Confederation of Swedish Enterprise/FAR in October 2005. According to the Code, the Board's evaluation must also be reviewed by the company's auditors. FAR is currently preparing a draft of the recommendation on the auditors' review of internal control that is to be finalized in 2006.

In accordance with the Corporate Governance Board's ("CG Board") and FAR's statement in December 2005, a description of the organization of the internal control, that does not include any comment from the Board as to how well it functioned during the 2005 financial year, is provided below.

The following description of the current organization of the internal control relating to financial reporting follows the structure outlined in the instructions provided by the Swedish Confederation of Enterprise/FAR.

Control environment

Effective work by the Board is one of the fundamental aspects of good internal control. The Board has established clear procedures and procedural rules to govern its own and its committees' activities. A key part of the Board's responsibilities is to develop and approve a number of

basic policies, directives and instructions relating to financial reporting. These include a Financial Manual, which includes the financial reporting instructions ("ERAS"), the financial policy, directives and instructions regarding levels of authorization in general and as regards payment authorization, directives concerning insider issues, and the information and ethics policies. The purpose of these policies, directives and instructions is to establish a foundation for a sound internal control. They are reviewed and revised on a regular basis.

The Board has also ensured that the organizational structure is logical and transparent, and that the roles, responsibilities and processes involved are clearly defined and conducive to the efficient management of the risks to which the operations are exposed. One of the aspects of the accountability structure is that the Board regularly evaluates the performance and financial results of the operations by means of a focused report package. This report package contains operations and earnings outcomes, rolling forecasts, an analysis of key ratios, and other key operational and financial information.

The Audit Committee prepares the basic data for the Board's regular monitoring of internal control efficiency. The activities of the Audit Committee include evaluating and discussing key issues relating to the reporting. The Audit Committee also assesses management's risk reporting to the Board and, in consultation with management, takes appropriate measures based on this reporting.

The Audit Committee holds regular meetings with external auditors and various experts from the company's senior management and support functions. As part of the evaluation of internal operational control, the Audit Committee regularly reports to the Board, and decisions are prepared and made in accordance with established instructions.

Risk assessment

In autumn 2005, the company initiated a risk analysis to evaluate the risk of errors occurring in its financial reporting. This process will, from and including the financial year 2006, be an annually recurring process that the Board, following the preparation by the Audit Committee, will evaluate and establish.

In conjunction with the risk analysis, a number of income statement and balance sheet items that could have a greater inherent risk of significant errors, were identified. In the company's operations, these risks are primarily in the management of revenue reporting, production and sales costs reporting, in the valuation of goodwill and other intangible assets, the valuation of work in progress, the valuation of accounts receivable, and in provisions and taxes.

Moreover, there are a number of risk-management processes established that have considerable impact on the company's ability to ensure correct financial reporting. These procedures primarily involve the following areas:

- Risk assessments in conjunction with strategic planning, budgeting and acquisition activities aimed at, among other aspects, identifying events in the market or in the operations that could cause changes in, for example, asset valuation.
- Processes to identify changes in accounting rules and recommendations that ensure that such changes are correctly reflected in the company's financial statements.

Control activities

Control structures are designed to manage risks that the Board deems critical for the internal control of financial reporting. These control structures consist of an organization based on clearly defined roles permitting an effective allocation of responsibility that is appropriate in terms of inter-

nal control, and specific control activities aimed at revealing or preventing, in time, the risk of reporting errors. Examples of control activities include clear-cut decision processes and routines for key decisions (such as decisions involving investments, contracts, divestments, provisions, etc.), earnings analysis and other analytical follow-ups and reconciliations.

Information and communication

The company's key steering documents relating to financial reporting – policies, guidelines and manuals – are updated regularly and communicated through appropriate channels such as intranets, news bulletins, internal meetings and other channels. This communication is regularly followed up in surveys containing questions concerning awareness of key policies and the compliance with them. Formal and informal channels whereby employees can communicate significant information to the relevant recipients are also available to all employees.

Communication with external parties is regulated by a clearly defined policy that defines guidelines for such communication. The purpose of the policy is to ensure that all communication obligations are met in a correct and complete manner.

Monitoring

In 2006, the company plans to establish an internal control function with main responsibility to follow up and evaluate the company's risk management and internal control operations. One of the key functions of an internal control function is to investigate the level of compliance with individual policies and guidelines and to evaluate the effectiveness of critical control activities relating to the risk of error in the financial reporting. An internal control function plans its activities in consultation with the Audit Committee, which then decides on the focus and execution. The internal control function regularly reports the results of the performed investigations.

The Audit Committee also conducts an annual process to ensure that appropriate measures are taken to address shortcomings and recommendations for actions that arise from the external audit review of activities.

Evaluation of the work of the Board and its committees

An independent evaluation of the work in the Board and its committees was made in autumn 2005. The results of the evaluation have been reported to the Nomination Committee and the Board.

The President

Tomas Franzén is since June 1, 2004 the President of Eniro AB (publ) and CEO of the Group. He has also served as President of Eniro Sverige AB since September 1, 2004. Further information about the President can be found on page 36 in the annual report and can also be obtained from the corporate website, www.eniro.com.

Remuneration to senior management

Matters related to the remuneration to senior management are prepared by the Remuneration Committee, as noted above. The principles adopted most recently by the Annual General Meeting in regard to remuneration and other terms of employment for senior management, concern the framework for senior management's participation in the share-saving program approved by the Annual General Meeting on April 5, 2005. The principles are shown below under the heading Share and share-price-related incentive programs.

Share and share-price-related incentive programs

The 2005 Annual General Meeting resolved to introduce a share-savings program for all Eniro employees in the Nordic region and senior executives in Poland in accordance with the following.

All employees in the Eniro Group in the Nordic countries and senior executives in Poland will be offered the possibility during 2005 – 2008 to save up to 7.5 percent of their gross salary for purchase of shares in Eniro ("saving shares") via the Stockholm Stock Exchange. Due to the legal situation in Denmark, Eniro subsequently decided that in Denmark the program would be offered exclusively to senior executives and thus not to all employees. Senior executives in the Eniro Group (currently about 260 persons) are also being offered the possibility to purchase with their own money additional savings shares for an amount corresponding to 3.75 percent of their annual gross salary. Newly employed personnel shall have the right on two occasions during each year to join the share-savings program.

Provided that savings shares are held for three years from the respective acquisition date ("saving period") and the employee remains employed within the Eniro Group during the entire savings period, each savings share will thereafter entitle the holder to receive, free of charge, 0.5 shares in Eniro ("matching shares"). Senior management will also be entitled to receive an additional 2-8 matching shares for each savings share held, depending on their positions and the trend of the Group's cash flow during the respective savings period.

Allotment of matching shares shall, however, be limited to the extent that the market price per share in Eniro at the time of allotment of matching shares exceeds 300 percent of the acquisition price for the savings share entitling the holder to receive matching shares. In such case the number of matching shares shall be reduced in proportion to the exceeded share price.

In the event that the maximum number of matching shares is allotted in accordance with the proposed share-savings plan, the number of shares outstanding will rise by a maximum of 2,700,000 shares. These shares account for a maximum of approximately 1.5 percent of the total number of shares and votes outstanding. Approximately 300 employees have joined the program. Against this background, the Board assesses that a maximum of 1,000,000 shares could be allotted in accordance with the share-savings program. Eniro holds 1,000,000 own shares in the company.

The number of shares transferred in accordance with the share-savings program could be recalculated as a result of bonus issues, splits and similar measures. Premature allotment of matching shares may also occur if a party makes a public offer to acquire all of the shares in the company, or if compulsory redemption of the shares in Eniro is requested in the event, for example, of a merger. Since the savings shares are acquired by employees through the Stockholm Stock Exchange, no direct dilution effect will arise.

Apart from the incentive program named above, Eniro does not have any share or share-price-related incentive programs.

Departs from rules in the Code

The Swedish Code of Corporate Governance was not presented until December 1, 2004 and the Code did not come into effect until July 1, 2005. As a result, parts of the Code were not fully applied prior to the 2005 Annual General Meeting.