

CORPORATE GOVERNANCE REPORT

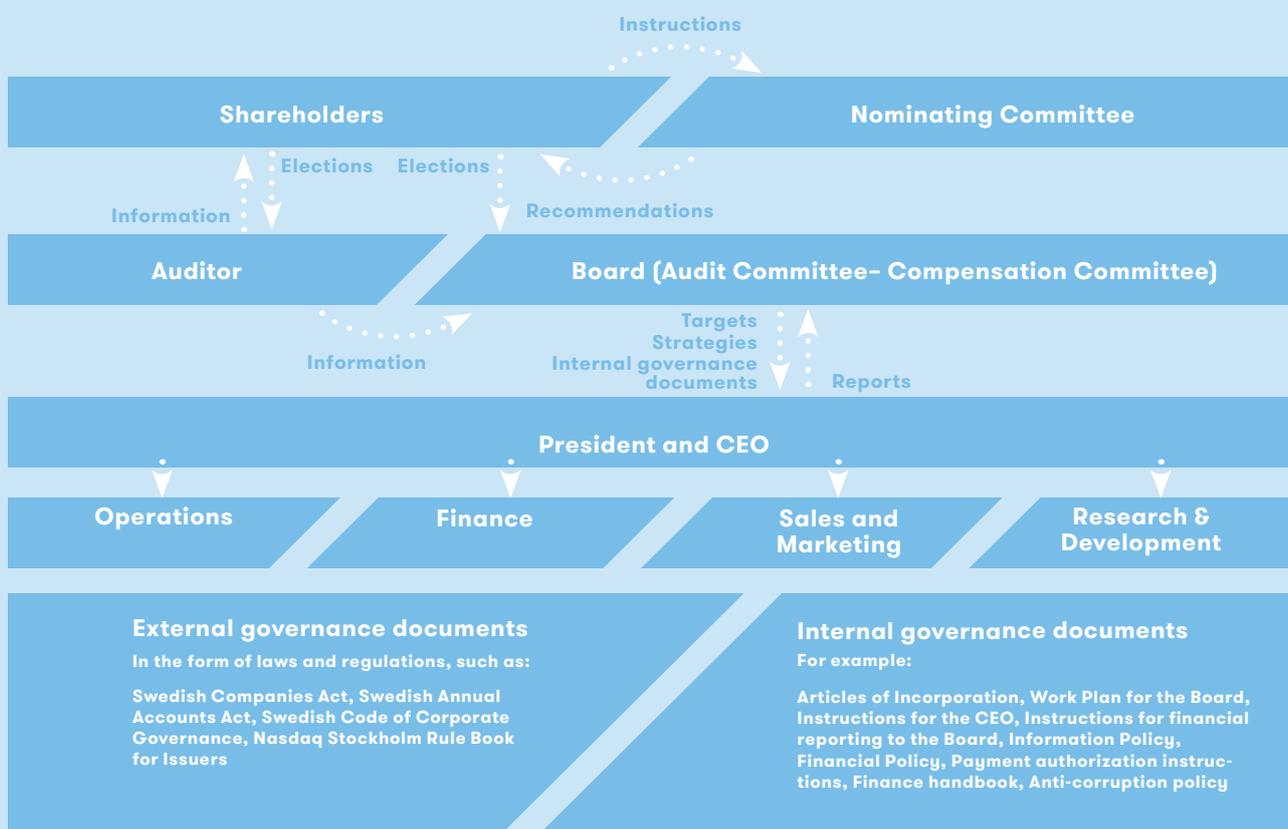
INVISIO Communications AB (publ) (“INVISIO Communications” or “the Company”) is a Swedish limited liability company with its registered office in Stockholm, Sweden. Apart from the parent company the Group consists of the wholly-owned subsidiaries INVISIO Communications A/S, Nextlink IPR AB and Nextlink Patent AB. The company is listed on Nasdaq Stockholm. Governance of the Company and Group is based among other things on the Articles of Association, the Swedish Companies Act and the Nasdaq Stockholm Rule Book for Issuers, which includes the Swedish Code of Corporate Governance, valid from November 1, 2015 and internal regulations and policies. This corporate governance report, which has been compiled in accordance with the Swedish Annual

Accounts Act and the Swedish Code of Corporate Governance, has been audited by the Company’s auditor.

Overview of corporate governance at INVISIO Communications

Governance and control of INVISIO Communications are divided between shareholders attending general meetings, the Board of Directors, and the CEO. An overview of the organization, governance, and control (including external and internal governance documents) of INVISIO Communications and the Group is provided below.

Overall governance structure of INVISIO Communications



Articles of Association

The Articles of Association for INVISIO Communications stipulate that the company, alone and/or through wholly or partly owned companies is to develop, produce and sell headsets and equivalent products for phones and two-way radios. The registered office of the company is in Stockholm and the company’s financial year is calendar year. In other respects, the Articles of Association contain provisions concerning the number of shares, the number of board members and auditors and the Annual General Meeting.

The Articles of Association do not include any particular provisions on appointment or dismissal of board members or on amendment of the Articles of Association. The full Articles of Association can be downloaded from www.invisio.com.

Shareholders

SHAREHOLDERS' VOTING RIGHTS

INVISIO Communications has been listed on Nasdaq Stockholm since May 2015. The Company's share capital at December 31, 2015 amounted to SEK 42.2 million (42.2), divided into 42,240,161 shares (42,240,161), each with a quotient value of SEK 1.00. All shares have equal voting rights and there is no limit to the number of votes each shareholder may use at a general meeting. The Company's market capitalization, based on the closing price on December 30, 2015, was approximately SEK 3,200 million (541).

NUMBER OF SHAREHOLDERS

As at December 30, 2015, INVISIO Communications had 4,284 (1,229) shareholders. Major shareholders are Lage Jonason (with family and companies) holding 26.4 percent of the capital and votes, SIX SIS AG, on behalf of clients, holding 17.8 percent of the capital and votes, Handelsbanken fonder with 6.3 percent of the capital and votes, and Swedbank Robur Fonder holding 5.6 percent of the capital and votes.

GENERAL MEETING OF SHAREHOLDERS

The shareholders' right to decide on INVISIO Communications' business activities is exercised at general meetings of shareholders. Shareholders who are registered in the share register on the record date and who have provided sufficient advance notice of their participation have the right to participate at general meetings and to vote on the basis of all their shares. Shareholders who have appointed a proxy must issue a dated power of attorney to the proxy.

The Annual General Meeting (AGM) of INVISIO Communications must be held within six months of the close of the financial year and is usually held in April, in Stockholm. At the AGM, resolutions are adopted concerning – among other things – adoption of the Company's income statement and balance sheet, the consolidated income statement and consolidated balance sheet, disposition of the Company's profit or loss, discharge of the board members and CEO from liability to the Company, election of members of the Board, the Chairman of the Board, and auditors, the setting of board and auditors' fees, and other items of business that are incumbent upon the AGM pursuant to the Swedish Companies Act, the Articles of Association and the Swedish Code of Corporate Governance. Extraordinary general meetings are held when the Board finds reason for such pursuant to the Swedish Companies Act.

2015 ANNUAL GENERAL MEETING

The 2015 Annual General Meeting was held in Stockholm on April 23. A total of 14 shareholders or their proxies were present, representing 39 percent of the number of shares and votes. The minutes from the AGM can be found on the INVISIO Communications website at www.invisio.com. A number of the resolutions that were passed are set out below.

Chairman of the Board Lars Röckert was elected to chair the AGM. The AGM resolved to adopt the Company's income statement and balance sheet for 2014, to adopt the consolidated income statement and consolidated balance sheet for 2014, to distribute the Company's earnings in accordance with the recommendation of the Board and the CEO in the 2014 Administration Report by carrying them forward, and to discharge the board members and the CEO from liability for the 2014 financial year.

Lars Röckert, Anders Persson, Mats Warstedt, Lage Jonason, Annika Andersson and Charlotta Falvin were re-elected as members of the Board. Lars Röckert was elected to serve as Chairman of the Board. The Annual General Meeting resolved that a board fee of SEK 300,000 shall be paid to the Chairman of the Board and SEK 135,000 to each of the other board members. The AGM also resolved that fees shall be payable to the auditor in accordance

with an approved invoice and decided on guidelines for remuneration to the CEO and other senior executives. Further, the AGM adopted a set of instructions for the Nominating Committee.

2016 ANNUAL GENERAL MEETING

The 2016 Annual General Meeting will be held on Thursday, April 28, 2016, at 13.00. Notice of the AGM can be found on the INVISIO Communications website at www.invisio.com.

Nominating Committee

A nominating committee shall be appointed and shall work during the time until a new nominating committee has been appointed on the drafting and presentation of recommendations to the shareholders at the AGM regarding Chairman of the AGM, the number of directors, election of directors and the Chairman of the Board, the fees to be paid to the Chairman of the Board and the directors, election of the auditor, the fees to be paid to the auditor, and other matters that may be incumbent upon a Nominating Committee pursuant to the Swedish Code of Corporate Governance.

The Nominating Committee shall consist of four members, who shall be appointed as follows:

Before the end of the third quarter, the Chairman of the Board shall contact the three largest shareholders of the Company, who then each appoint one member to serve on the Nominating Committee. If any of the three largest shareholders refrain from appointing a Nominating Committee member, the Chairman of the Board shall urge the next following largest owner to appoint a member. The analysis of the ownership is to be based on Euroclear's list of shareholders on the last banking day in August, and on other reliable information provided to the Chairman of the Board at this time.

In the event of one member resigning from the Nominating Committee before its work is completed, the shareholders who have appointed the resigning member have the right to replace their designated member with another representative, as long as there is no substantial change of the ownership of the company.

The Chairman of the Board shall, if any substantial changes of the ownership of the company after the Nominating Committee have been constituted, enter into dialogue with the largest shareholders relating to possible changes of membership of the Nominating Committee.

Board members shall not comprise a majority of Nominating Committee members. One of the members of the Nominating Committee shall be appointed to serve as committee chair. The member representing the company's largest shareholders in terms of voting rights is appointed, if the members do not agree differently. However, the Chairman of the Board or other director shall not be appointed as committee chair.

As part of the Nominating Committee's work, the Chairman of the Board shall report to the committee on the circumstances surrounding the Board's work, and the need for special expertise, etc., that may be important to the work of appointing a board. Individual shareholders of the Company shall be able to submit nominations for board members to the committee for further evaluation within the framework of the committee's work.

Information on the Nominating Committee's composition shall be published on the company's website no later than six months before the AGM. Information how the shareholders can contact the Nominating Committee and how to submit proposals to the Nominating Committee shall be included.

No remuneration is paid to members of the Nominating Committee. The Nominating Committee shall however have the right to charge the Company the costs for engaging recruitment consultants, if such consultants are deemed necessary to obtain a suitable selection of candidates for the Board.

The Nominating Committee prior to the 2016 AGM comprised representatives of the three largest shareholders, Elisabet Jamal Bergström, representing Handelsbanken Fonder, who also chaired the Nominating Committee, Lennart Francke, representing Swedbank Robur fonder, Lage Jonason, representing himself and family and companies, and Chairman of the Board Lars Röckert.

Board of Directors THE BOARD'S RESPONSIBILITY, DUTIES, AND DELEGATION OF DUTIES

As prescribed by the Swedish Companies Act, INVISIO Communications' Board is responsible for the Company's organization and the administration of the Company's affairs. The Board shall continuously assess the economic situation of both the Company and the Group. The Board shall also ensure that the Company's organization is designed in such a manner that the bookkeeping, asset management, and the Company's economic situation in general are controlled satisfactorily.

Each year, in connection with the inaugural board meeting, and in conjunction with other board meetings if necessary, the Board of INVISIO Communications adopts a work plan (the Work Plan for the Board of Directors of INVISIO Communications). According to this work plan, the Board's duties include setting targets and strategies, adopting internal governance documents, approving important agreements, approving investments according to certain criteria, approving capital expenditures (including acquisitions of operations, shares in companies, real property and intellectual property rights), approving sales of operations, shares in companies, real property, and intellectual property rights, approving loans raised according to pre-determined criteria, approving important surety and guarantee obligations, evaluating the CEO and other members of management and ensuring succession planning, overseeing the CEO's work through continuous monitoring of operations, and evaluating the work of the Board.

In addition to the Board's duties as outlined above, the Board's Work Plan also clarifies the internal divisions of responsibility of the Board and its committees, including the Chairman's role, board meeting structure, the minimum number of board meetings, procedures for convening board meetings, the Board's meeting plan, items of business to be discussed at board meetings, quorums of the Board, procedures for recording the minutes of board meetings, and procedures for providing material for decision-making to the Board.

The Chairman of the Board shall lead the Board's work and conduct oversight to ensure that the Board fulfills its duties pursuant to the Swedish Companies Act and other obligations, as well as ensure that the Board's work is conducted effectively. In particular, the Chairman shall organize and lead the Board's work to create the best possible conditions for the Board's work, ensure that new board members are provided necessary orientation training and other training that the Chairman and the member both consider suitable, ensure that the Board continuously updates and deepens its knowledge about the Company, assume responsibility for contacts with the shareholders on matters of ownership and convey views from the shareholders to the Board, ensure that the Board receives satisfactory information and material for decision-making and its work, set a proposed agenda for board meetings in consultation with the CEO, check whether Board decisions are implemented, and ensure that the Board's work is evaluated each year in a systematic and structured process designed to develop the Board's work methods and effectiveness.

The Board has established two working committees, the Audit Committee and the Compensation Committee.

AUDIT COMMITTEE

The Board is responsible for ensuring that the Company has good internal control and formalized routines that ensure compliance with established principles for financial reporting and internal control and that the Company's financial reporting is prepared in compliance with law, applicable accounting standards, and other requirements placed on the Company.

The Audit Committee's duties and responsibilities include:

- Monitoring the Company's financial reporting;
- Regarding the financial reporting, monitoring the effectiveness of the Company's internal control and risk management;
- Staying informed about the audits of the annual accounts and the consolidated accounts,
- Examining and monitoring the external auditor's impartiality and independence and therewith paying particular attention to whether the external auditor provides the Company with services other than auditing; and
- Assisting with the preparation of proposals for the AGM on decisions regarding the choice of auditor.

Monitoring of the Company's financial reporting is normally conducted in such a way that the Audit Committee reviews all critical accounting issues and the financial reports issued by the Company. The Audit Committee is tasked with, among other things, considering matters such as internal control, regulatory compliance, material uncertainties in reported values, uncorrected misstatements, post-balance sheet events, changes in estimations and assumptions, any confirmed fraud or other circumstances that may affect the quality of the financial reporting.

The Audit Committee consists of all of the board members and is chaired by the Chairman of the Board. Minutes from Audit Committee meetings are included in the minutes from Board meetings. The company's auditor and CFO participate regularly at the meetings of the Audit Committee.

At Board meetings, the Audit Committee discussed the 2014 year-end report, the 2014 Annual Report and the interim reports for the first, second and third quarters 2015. At board meetings, the Audit Committee met with the Company's auditor to receive information on the audit plan and the result of the auditor's audit and to examine the auditor's written plans and reports.

COMPENSATION COMMITTEE

The Compensation Committee's duties and responsibilities include preparing matters for board decisions on issues related to compensation principles, compensation and other terms of employment for company management, and following and evaluating programs (both current and those completed during the year) for variable compensation for company management, as well as following and evaluating the application of the guidelines for compensation of senior executives (which in accordance with the law shall be determined by the AGM) and of compensation structures and compensation levels at the Company.

The Compensation Committee consists of all board members and is chaired by the Chairman of the Board. Minutes from Compensation Committee meetings are included in the minutes from Board meetings. At board meetings, the Compensation Committee discussed matters that are incumbent upon the Compensation Committee.

COMPOSITION OF THE BOARD AND ITS COMMITTEES AND INDEPENDENCE OF THE BOARD

According to the Articles of Association, the Board of INVISIO Communications shall consist of a minimum of three and maximum of eight members and currently consists of six members elected for the period up to the 2016 AGM. These board mem-

Composition of the board of directors

2015	Born	Position	Elected	Independent	Audit Committee	Compensation Committee	Attendance at board meetings
Lars Röckert	1950	Chairman	2010	Yes	Chairman	Chairman	9 of 10
Anders Persson	1957	Member	2009	Yes	Member	Member	10 of 10
Mats Warstedt	1962	Member	2008	Yes	Member	Member	10 of 10
Annika Andersson	1958	Member	2014	Yes	Member	Member	10 of 10
Charlotta Falvin	1966	Member	2014	Yes	Member	Member	10 of 10
Lage Jonason	1951	Member	2012	No ¹	Member	Member	10 of 10

¹Lage Jonason is not independent of major shareholders and independent of the Company and Company management.

bers are Lars Röckert, Anders Persson, Mats Warstedt, Annika Andersson, Charlotta Falvin and Lage Jonason. The composition of the Board's Audit Committee and Compensation Committee is shown in the table "Composition of the Board in 2015" above. The same table also shows the Board's assessments of the members' independence in relation to the Company and company management and the Company's largest shareholders. The table also shows that INVISIO Communications complies with the requirement of the Swedish Code of Corporate Governance that a majority of board members shall be independent in relation to the Company and company management and that at least two of these shall also be independent in relation to the Company's major shareholders.

THE WORK OF THE BOARD

According to the Board's Work Plan, INVISIO Communications' Board shall meet at least six times each year, excluding the inaugural Board meeting. In 2015, the Board held ten meetings. The attendance of board members at board meetings is shown in the above table. The main issues covered at board meetings in 2015 were:

- Year-end report 2014,
- Annual report 2014,
- Internal governance documents,
- Evaluating the CEO and other members of management and succession planning
- Compensation of the CEO and other senior executives,
- Evaluating the work of the Board,
- Sales processes and sales activities,
- R&D,
- Production matters,
- Follow up on targets and strategies,
- Financial accounting and reporting,
- Internal forecasts regarding sales, profits and liquidity,
- Liquidity and financing matters,
- Interim Report January - March 2015,
- targets and strategies
- The auditor's audit plan,
- Half-year report January - June 2015,
- Interim Report January-September 2015,
- The CEO's report and business follow-up, and
- The audit findings.

The Company's CFO normally acts as secretary at the Board meetings.

EVALUATING THE WORK OF THE BOARD

According to the Board's Work Plan, the Chairman of the Board is responsible for ensuring that the Board's work is evaluated each year in a systematic and structured process designed to develop the Board's work forms and effectiveness. For 2015 evaluation

took place partly through a questionnaire that was then compiled and commented on by an independent party, and partly through separate interviews with each member of the Board conducted by the Nominating Committee. These interviews were held with Elisabet Jamal Bergström, representing Handelsbanken Fonder and Lennart Francke, representing Swedbank Robur fonder.

Auditor

INVISIO Communications' auditor audits the annual accounts, the consolidated accounts, and the bookkeeping, as well as the administration of the Board and the CEO. In addition, for a company whose shares are available for trading in a regulated market, the auditor also audits the corporate governance report. The auditor works according to an audit plan and reports any findings to the Audit Committee at board meetings. The auditor participates at the AGM in order to present the auditor's report, which describes the audit work and the auditor's conclusions.

At the Board's request, the auditor also conducted a review of the interim report for January - September 2015.

The Company's auditors, PricewaterhouseCoopers AB, were re-elected at the 2015 AGM for the period until 2016. The auditor-in-charge is Michael Bengtsson, Authorized Public Accountant.

CEO, management and organization

According to the Swedish Companies Act, the CEO shall be responsible for the day-to-day administration in accordance with the Board's guidelines and instructions. Each year, in connection with the inaugural board meeting, the Board of INVISIO Communications adopts a set of instructions for the CEO. According to these, the CEO shall, in consultation with the Chairman of the Board, ensure that matters are properly prepared for ahead of Board meetings and that satisfactory written documentation for decision-making, characterized by objectivity, thoroughness, and relevance, is provided to the Board. The CEO's report on the business situation, future outlook, and financial reporting is a standing agenda item at ordinary board meetings.

INVISIO Communications operations are organized in four departments: Operations, Finance & Administration, Sales & Marketing and Research & Development. The headquarters of INVISIO Communications are in Copenhagen, Denmark. This is where management and administration, business operations, some manufacturing, sales and marketing and research and development are conducted. Most manufacturing is outsourced to subcontractors. The CEO heads operations and makes decisions in consultation with the other members of management, consisting of the managers of the four departments. On December 31, 2015 the number of employees was 40 (34), 21 (16) of whom working in Research & Development.

Compensation of the Board, auditor, CEO, and other senior executives

COMPENSATION OF THE BOARD OF DIRECTORS

Board fees are determined by the shareholders at general meetings. The 2015 AGM resolved that board fees totaling SEK 300,000 shall be paid to the Chairman of the Board and SEK 135,000 to each of the other board members. No additional fees are payable to members of the Audit Committee or Compensation Committee. Compensation of the Board is described in more detail in Note 9.

COMPENSATION OF THE AUDITOR

The auditor's fees are decided on by the general meeting of shareholders. The 2015 AGM resolved that fees shall be payable to the auditor in accordance with an approved invoice. Auditor's fees are shown in the table below. Other services pertain primarily to consulting on accounting matters and other services. Auditors' fees are described in more detail in Note 6.

SEK thousand	2015
PwC	
Audit assignments	342
Audit business in addition to audit engagement	53
Other services	286
Total	681

COMPENSATION OF THE CEO AND OTHER SENIOR EXECUTIVES

The Company shall offer market terms for the countries in which they work to the CEO and other senior executives and thereby enable the Company to recruit, develop, and retain senior executives. The Company gathers and evaluates information on current compensation levels for executives in relevant industries and countries. Individual remuneration shall be based on the executive's experience, expertise, responsibilities, and performance. A combined gross level of compensation shall be set for each executive, and within this framework the employee concerned can influence its distribution between fixed salary, pension, and other benefits. Any pension benefits shall be through a defined contribution plan. Any other benefits shall have a limited value in relation to the total fixed gross salary. In addition, a variable salary based on clear and quantifiable targets set by the Board can be offered. Variable salary shall not exceed 50 percent of the fixed salary.

Neither the Parent Company nor the subsidiaries have any defined benefit pension plans for their employees. Compensation of the CEO and other senior executives is shown in the following table.

2015 SEK thousand	Salary	Pension	Other remuneration	Total
Management				
Lars H. Hansen, CEO	3,552	274	98	3,924
Other senior executives	6,174	157	212	6,543
Total	9,726	431	310	10,467

Compensation of the CEO and other senior executives is described in more detail in Notes 8 and 9.

LONG-TERM INCENTIVE PROGRAM

At an Extraordinary General Meeting held on April 24, 2013, a decision was made in accordance with a proposal by the Board of Directors, to establish an employee stock option program; Employee Stock Option Program 2013/2017. This program is described in more detail in Note 8.

PERIOD OF NOTICE

According to his employment contract, the CEO has a 12-month period of notice in the event of termination by the Company. The period of notice period in the event the CEO leaves of his own accord is eight months.

According to their respective employment contracts, other senior executives have a six-month period of notice in the event of termination by the Company. In the event the other senior executives leave on their own accord, the notice period is three months.

The Board's report on internal control and risk management referring to financial reporting

The Board is responsible for ensuring that internal controls referring to financial reporting comply with the Swedish Companies Act and the Swedish Code of Corporate Governance.

Internal control and risk management with respect to financial reporting are part of INVISIO Communications' overall internal control and risk management and comprise a central component of the Company's corporate governance. INVISIO Communications defines internal control and risk management as a process that is influenced by the Board, the Audit Committee, the CEO, other Company management, and other employees and that is designed so as to provide reasonable assurance that INVISIO Communications' targets are achieved with respect to appropriate and effective operations, reliable reporting, and compliance with applicable laws and ordinances. This process is based on a control environment that fosters discipline and structure for the other four components of the process – risk assessment, control structures, information and communication, and follow-up. The process is based on the framework for internal control issued by the Committee of the Sponsoring Organizations of the Treadway Commission (COSO), www.coso.org.

The Board's report on internal control and risk management referring to financial reporting can be found below with information about the most important features of the Company's systems for internal control and risk management with respect to financial reporting. This report has been audited by the Company's auditor.

Internal control and risk management with respect to financial reporting are aimed at providing reasonable assurance regarding the reliability of the external financial reporting in the form of interim reports, annual reports, and year-end reports and ensuring that the external financial reporting is prepared in accordance with law, applicable accounting standards, and other requirements of listed companies.

CONTROL ENVIRONMENT

The control environment encompasses the values and the ethics that the Board, the Audit Committee, the CEO and other members of management communicate and adhere to, as well as the organizational structure, leadership, decision-making channels, authority, responsibilities and expertise held by the employees. An overview of the Company's organization, governance, and control – including external and internal governance documents that are important aspects of INVISIO Communication's control environment are described on page 28 of the Corporate Governance Report. INVISIO Communications is characterized by a comparatively lean and decentralized organization with clear responsibility for the respective business area managers who, together with the CEO, comprise company management.

The Board has overarching responsibility for internal control and risk management with respect to financial reporting. The Board has adopted a Work Plan for the Board of INVISIO Communications that forms an internal governance document. This document stipulates the Board's responsibility and regulates the internal division of duties among the Board, its committees, and its members.

The Board has appointed an Audit Committee, comprising all board members, tasked with and responsible for monitoring the Company's financial reporting and, in this context, also monitoring the effectiveness of the Company's internal control and risk management. The Audit Committee shall also keep itself informed

about the audits of the annual accounts and the consolidated accounts, examine and monitor the external auditor's impartiality and independence and in that context pay particular attention to whether the external auditor provides the Company with services other than auditing, and assist with the preparation of proposals to the AGM on decisions regarding the choice of auditor.

The Board has also established internal governance documents in the shape of a set of instructions for the CEO of INVISIO Communications, as well as instructions for financial reporting to the Board of INVISIO Communications.

As regards financial reporting, responsibility for maintaining an effective control environment and for the day-to-day work on internal control and risk management is delegated to the CEO. The Company's CFO works under the direction of the CEO on continuously developing and improving the internal control and risk management with respect to financial reporting – on the one hand proactively with a focus on the internal control environment, on the other hand by quality assuring the external financial reporting. In 2015, INVISIO Communications continued the review of internal governance documents in order to ensure that they meet the Company's current needs and are in compliance with laws, applicable accounting standards, and other requirements of listed companies. This resulted in updates to a number of internal governance documents. In addition to this, the focus in 2015 was on effective financial control in the form of internal follow-up of targets and plans and clear divisions of responsibility for income and expenses in the organization.

Risk assessment

As regards financial reporting, INVISIO Communications' risk assessment is designed to identify and evaluate the most significant risks affecting internal control with respect to financial reporting. Risk assessment provides a foundation for decisions on how risks are to be managed using various control structures, with the aim of ensuring that the basic requirements of financial reporting are fulfilled. The risk assessment carried out shows that the most significant risks of misstatements in the financial reports primarily concern fair valuation of intangible assets in the form of capitalized development costs, inventories, and trade receivables. As at December 31, 2015, the assessment is that the carrying amount of these items corresponds to their fair value. The Company's risk management is described further in the Administration Report and in Note 2.

CONTROL STRUCTURES

The most significant risks identified with respect to the financial reporting are managed using various control structures to ensure that the basic requirements of the external financial reporting are fulfilled. These control structures include both overarching and more detailed controls designed to prevent, discover, and correct errors and non-conformities, and which can be both formal and informal in nature. Areas covered by the controls include authorized approval of business transactions, the reliability of business systems, compliance with laws, applicable accounting standards, and other requirements placed on listed companies, and areas that contain significant elements of estimation.

INFORMATION AND COMMUNICATION

INVISIO Communications' procedures and systems for providing information are aimed at supplying the market with relevant, reliable, correct and up to date information about the company's development and financial position. The company's governance documents in the form of policies, guidelines and manuals for internal and external communication are regularly updated and communicated internally via relevant channels, such as internal meetings, email and the Company's document management system. The CEO and CFO of the Company report the results of their work at the Audit Committee meetings.

For communication with external parties there is an information policy adopted by the Board that specifies all guidelines for how information is to be communicated. The aim of the policy is

to ensure correct and full compliance with all INVISIO's disclosure requirements under current regulations for issuers.

External financial reporting is conducted in accordance with laws, applicable accounting standards, and other requirements of listed companies, as well as in accordance with relevant internal governance documents, such as the Finance Handbook, Instructions for financial reporting to the Board, and the Information Policy.

FOLLOW-UP

Follow-ups to ensure the effectiveness of internal control and risk management with respect to financial reporting are conducted by the Board, the Audit Committee, the CEO, and other management. This includes follow-ups of the CEO's business reports to the Board, of monthly financial reports against targets and plans, of any reports from the CEO and the Company's CFO concerning identified shortcomings in internal control with respect to the financial reporting, and of reports from the Company's auditor.

INVISIO Communications does not have a dedicated internal audit function. The Board has evaluated the need for such a function and has concluded that the organization's size and the scope of operations do not warrant such a function.

ACTIVITIES IN 2015

INVISIO Communications works continually to minimize risks by removing redundant manual steps from the company's processes. A particular area of focus in 2015 has been the process for selection and evaluation of suppliers.

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

To the annual meeting of the shareholders of INVISIO Communications AB (publ), corporate identity number 556651-0987.

It is the Board of Directors who is responsible for the Corporate Governance Statement for the year 2015 on pages 28-33 and that it has been prepared in accordance with the Annual Accounts Act.

We have read the corporate governance statement and based on that reading and our knowledge of the company and the group we believe that we have a sufficient basis for our opinions. This means that our statutory examination of the Corporate Governance Statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

In our opinion, the Corporate Governance Statement has been prepared and its statutory content is consistent with the annual accounts and the consolidated accounts.

Stockholm, March 29, 2016

PricewaterhouseCoopers AB

Michael Bengtsson
Authorized Public Accountant