

The International Bar Association Company Director Checklist – Denmark

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Introduction

This checklist is intended to serve as a practical guide to the main duties and obligations of the directors of

- listed public companies in Denmark on a regulated market, i.e. Nasdaq OMX Copenhagen and in all material respects also to Nasdaq First North Growth Market
- private limited companies in Denmark

arising from Danish legislation, namely:

- the Danish Companies Act;
- the Capital Markets Act; and
- the Listing Rules issued by Nasdaq Copenhagen.

If any specifics of listed public companies are relevant, see the second column of this checklist below.

Disclaimer

Horten and the authors disclaim any liability in respect of anything done in reliance on this publication. This checklist is informational in character only and is not intended to be comprehensive in all respects or to serve as a substitute for professional advice. In all cases, however, specific legal advice should be sought. This checklist was last updated on 28 February 2022.

DUTIES AND OBLIGATIONS OF THE DIRECTORS			
	Action/issue	Specifics of listed public companies (if relevant)	Comments/notes
Before appointment			
1. Items to understand	<ul style="list-style-type: none"> • You should, among other things, understand: <ul style="list-style-type: none"> ○ why you have been approached and what you are expected to contribute; ○ what risk comes with the position; ○ the company's liability insurance policy; ○ the business conducted by the company; ○ the company's ownership structure; ○ the company's financial position; ○ the legal framework to which you need to adhere; and ○ the remuneration package, if any. 		<ul style="list-style-type: none"> • Before accepting an appointment, you should generally consider the following: <ul style="list-style-type: none"> ○ Do you possess the competencies and skills needed to meet the expectations of your performance? ○ What are your duties as a company director? ○ Are adequate corporate governance procedures in place to ensure you can perform, and that you are protected? • The Danish Corporate Governance Code recommends that each director assesses the expected time commitment to ensure that he/she does not take on more positions than he/she can satisfactorily manage. <ul style="list-style-type: none"> ○ The assessment must be based on a deliberation of your specific board duties and your other individual duties: <ul style="list-style-type: none"> ▪ Will you be able to contribute actively to the work on the board of directors? ▪ Do you have enough time to prepare for meetings?

DUTIES AND OBLIGATIONS OF THE DIRECTORS

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<p>2. People to meet with</p>	<ul style="list-style-type: none"> • You should request: <ul style="list-style-type: none"> ○ a site, plant and company visit; and ○ a meeting with: <ul style="list-style-type: none"> ▪ other directors ▪ employee representatives ▪ management ▪ in-house and external lawyers ▪ the auditor. 		<ul style="list-style-type: none"> • At these meetings, you should obtain: <ul style="list-style-type: none"> ○ an introduction to the company's history, strategy and organisation; ○ a résumé/background information on the other directors and the management; ○ the auditor's input on the business on a going concern basis, historical accounts, etc.; ○ an industry briefing and a briefing on the position of the company, including: <ul style="list-style-type: none"> ▪ a Strengths-Weaknesses-Opportunities-Threats (SWOT) analysis of the company; ▪ information on key suppliers and customers; ▪ information on competitors; and ▪ information on key products.

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			<ul style="list-style-type: none"> • And you should understand: <ul style="list-style-type: none"> ○ the rights and responsibilities of the board of directors, the management and management teams, respectively; ○ the status of relationships with unions and employee representatives; and ○ key legal issues, including past and current litigation.
3. Documents to review	<ul style="list-style-type: none"> • You should review: <ul style="list-style-type: none"> ○ a business report from the Danish Business Authority; ○ the company's articles of association; ○ the company's shareholders' register; ○ the procedural rules of the board of directors; ○ management instructions; ○ the organizational chart; ○ minutes of general meetings, board meetings, etc. for the last three years; ○ annual reports for the last three years; ○ budgets; ○ the company's insurance coverage for directors; ○ press releases; ○ the company's website; and ○ any press coverage. 	<ul style="list-style-type: none"> • You should review: <ul style="list-style-type: none"> ○ material company policies, including policies for disclosure of insider information; and ○ announcements to the stock exchange. 	<ul style="list-style-type: none"> • These documents should give you an initial understanding of the business structure. • You should ascertain whether there has been any change in accounting policies or practices. Furthermore, you should ascertain if there have been any changes in the company's auditor in recent years and if so why the changes were made. • Review of the minutes of board meetings and the budget is, in general, a good opportunity to gain insight into the company's business. • You or your lawyer should be able to get an understanding of the company's risk profile.

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Ongoing duties			
4. Points for attention	<ul style="list-style-type: none"> • You should, in general, think about: <ul style="list-style-type: none"> ○ the value, source and quality of the information provided to you; ○ any company information generated by a third party or externally; ○ your impression of the board of directors, the management, employee representatives, the auditor and lawyers, etc.; ○ the possibility of continued good teamwork with the auditor, the lawyers and the other company directors; and ○ compliance with the applicable law, corporate governance rules and recommendations. 		<ul style="list-style-type: none"> • In particular, you should watch out for: <ul style="list-style-type: none"> ○ insufficient or misleading information; ○ inadequate procedures regarding internal controls, corporate conduct or compliance; ○ lack of independent directors and auditors; ○ that all company directors contribute; and ○ that all company directors receive necessary information swiftly and sufficiently.
5. Legal status of directors	<ul style="list-style-type: none"> • The board of directors is in charge of the overall and strategic management while the executive board is in charge of the day-to-day management of the company. • The board of directors works as a collective organ. However, in cases of decisions or omissions that have caused losses to the company, the potential liability must be assessed for each member individually. 		

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	<ul style="list-style-type: none"> As a director you have to comply with the duties imposed on the board of directors by law as well as by the company's articles of association, rules of procedure, and other potentially relevant corporate documents if they are in accordance with applicable legislation. 		
6. Parties to which duties are owed	<ul style="list-style-type: none"> Your duty as a director is to act in the company's best interest. This means that you are obligated to use your best efforts to promote the company's objectives and to ensure that the company complies with applicable law and disclosure obligations. If you are elected by a majority shareholder, your duty is still to the company and not any individual shareholder. 		<ul style="list-style-type: none"> The shareholders' interests may affect the company's best interests. According to the Danish Corporate Governance Code, the management should interact with the company's shareholders, investors and other stakeholders and make sure that the board of directors obtains the possibility of hearing and including their views in its work. Further, the chairperson of the board of directors should ensure a good and constructive relationship with the shareholders. Shareholders or creditors may have a claim against the board of directors if the board of directors violates its duties leading to a reduction of the company's value.
7. Powers of the board of directors	<ul style="list-style-type: none"> As a director, you have the possibility to influence and shape the organisation and purpose of the company collectively with the other directors, and you therefore possess a considerable power. 		

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	<ul style="list-style-type: none"> • The board of directors is responsible for the overall and strategic management and is empowered to act on behalf of the company and represent it vis-à-vis third parties in the manner set out by the company's articles of association and the Danish Companies Act. • Furthermore, it is your duty as a director to see to it that the company's strategy is adequate to ensure the value creation in the company in the short as well as in the long term. • The board of directors has the overall and strategic management of the company within the boundaries set up by the general meeting and the articles of association. Among other things, this means that you jointly with the other company directors are obligated to ensure: <ul style="list-style-type: none"> ○ proper organisation of the company's business; ○ that the bookkeeping and financial reporting procedures are satisfactory; ○ that adequate risk management and internal control procedures have been established; ○ that the board of directors receives ongoing information from management about the company's financial position, etc.; 		

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	<ul style="list-style-type: none"> ○ that the management performs its duties properly and according to the directions issued by the board of directors; and ○ that the financial resources of the limited liability company are adequate at all times, including that the company has sufficient liquidity to meet its current and future liabilities as they fall due. ● Further, the board of directors is also obligated to: <ul style="list-style-type: none"> ○ issue orders of business; and ○ hire management with the necessary qualifications to handle the day-to-day business. 		
8. Duty of loyalty	<ul style="list-style-type: none"> ● As a member of the board of directors, you have a duty of loyalty towards the company to act in the company's best interest, and you are not allowed to compete directly with the company. 		
9. Duty of care	<ul style="list-style-type: none"> ● You are obligated to carry out your functions with due care, skill and diligence and you should consider whether, or ensure that: <ul style="list-style-type: none"> ○ a decision or transaction is in the company's best interests; 	<ul style="list-style-type: none"> ● You should ensure that: <ul style="list-style-type: none"> ○ the company complies with the Danish Corporate Governance Code and internal rules of procedure. 	<ul style="list-style-type: none"> ● It is your responsibility to devise the company's overall strategy, including in relation to acquisitions and divestments of subsidiaries, business units or other significant assets.

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	<ul style="list-style-type: none"> ○ a decision by the board of directors is a result of thorough preparation and sufficient and valid information; and ○ the company complies with all applicable laws and regulations, its articles of association. 		<ul style="list-style-type: none"> ● It is your responsibility to ensure that the company's activities are soundly organised and to oversee and monitor management's day-to-day operation of the company's business. ● You should therefore see to it that internal procedures and routines are in place to ensure that information about the company's affairs reaches the board of directors. ● You are, among other things, expected to: <ul style="list-style-type: none"> ○ request, review and pay continuous attention to the information received; ○ attend board meetings; ○ follow up on the information provided and request further reports or information, as necessary; ○ ensure that sufficient board meetings are held; ○ ensure that fellow directors are alerted if you become aware of important issues; and ○ ensure that management's decisions comply with the guidelines and policies as directed by the board.

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10. Duty to have and maintain skills	<ul style="list-style-type: none"> You are expected to use all your skills as a company director. Furthermore, it is expected that you update your skills in order to perform your duties. 		<ul style="list-style-type: none"> Danish law does not define the duty of skill. However, according to the Danish Corporate Governance Code, it is recommended that the board of directors of a listed company; <ul style="list-style-type: none"> consists of members with a sufficient mix of competencies and experiences; and includes members with different skills, educational and commercial backgrounds, gender, age, and that such skills, etc., meet the current needs of the listed company.
11. Additional duties (confidentiality, etc.)	<ul style="list-style-type: none"> In addition to the overall and strategic management of the company and the duties described under Section 7, one of the director's most important duties is the duty of confidentiality. The duty of confidentiality implies that you are not allowed to disclose any information (e.g., the company's trade secrets and know how) obtained in the performance of your duties without being entitled to do so. Directors also have a duty to prepare financial statements, file bankruptcy petitions, protect the company's assets, and prepare and implement shareholder resolutions. 	<ul style="list-style-type: none"> You and your close relatives (spouse, partner, children and other close relatives) must inform the Danish Financial Supervisory Authority ("FSA") about personal trade in the listed company's shares or other securities related to these shares. However, trade below a market value of EUR 20,000 in total within a calendar year is exempt and need not be reported.] 	<ul style="list-style-type: none"> You are required to exercise your duties in the company's best interest and for a proper purpose. You may not improperly use your position or any information received because of your position to gain an advantage for yourself or someone else, or to cause detriment to the company. If you have caused damage to the company intentionally or negligently, you are personally liable for damages.

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12. Delegation of powers/authority	<ul style="list-style-type: none"> The board of directors may delegate tasks to others such as management committees, external advisers, other directors, employees, or management, etc. However, the board of directors remains responsible and potentially liable for any actions. The board of directors is obligated to instruct the management how to ensure that the day-to-day business is in line with the board of directors' strategic guidelines. 		<ul style="list-style-type: none"> The board of directors must carefully select the delegates through an independent assessment of their qualifications, the information they have provided, and the decision they have made. According to the Danish Corporate Governance Code, the board of directors should consider whether the company is exposed in a given instance, and whether permanent committees are justified. As a minimum, a nomination and a remuneration committee should be established. The board of directors may also set up ad hoc committees for special tasks or significant issues that may be temporary in nature. These committees could ensure that sufficient focus and priority is put in temporary issues or important assignments, for example, reputational issues, and large acquisitions or takeover bids.
13. Conflicts of interests (incl. intragroup dealings)	<ul style="list-style-type: none"> You are not entitled to participate in a resolution that involves an agreement between you and the company, or that involves legal proceedings against you. 		<ul style="list-style-type: none"> As a member of the board of directors, you are obligated to inform the board of directors in case of a risk of a conflict of interests.

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	<ul style="list-style-type: none"> Further, you are not entitled to participate in a resolution that involves an agreement between the company and a third party, or legal proceedings against a third party, if you have a material interest in such business and that material interest could conflict with the company's best interest. 		<ul style="list-style-type: none"> In case of a conflict of interests, you are not allowed to issue a power of attorney to another company director. If asked by other company directors, you may have to make a statement on the subject, and you are obligated to inform the board of directors of the specifics which are a cause of concern. Practically, however, you may not participate in the discussion or examination of the resolution. Some confidential information may be disclosed subject to approval by the board of directors.
14. Compliance with statutory obligations	<ul style="list-style-type: none"> The board of directors must ensure that the company complies with statutory obligations. Therefore, you must ensure that the company holds adequate and effective rules of procedure concerning the different statutory obligations. 	<ul style="list-style-type: none"> Listed companies and other major companies, are obligated to establish: <ul style="list-style-type: none"> target figures for the inclusion of any underrepresented sex on the board of directors; a policy for increasing the number of the underrepresented sex at all management levels; remuneration policies; and policies for disclosure obligations; see Section 15. 	<ul style="list-style-type: none"> A breach of the company's statutory disclosure obligations may result in the company directors being subject to fines and liable for damages. For more information on your company's disclosure obligations, you should seek specific legal advice.

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15. Disclosure obligations of listed companies	<ul style="list-style-type: none"> A listed company must disclose: <ul style="list-style-type: none"> the annual report, including balance sheet, profit and loss statement and notes; interim statements; any inside information; and additional information as required by the relevant stock exchange's issuer rules. 		
16. Potential liability	<ul style="list-style-type: none"> According to the Danish Companies Act, a member of the board of directors who by his/her actions or omissions intentionally or negligently has caused damage to the company can be held liable. You may be held personally liable if the company violates the Danish Companies Act, the Capital Markets Act or other applicable regulations, and you have actively contributed to or refrained from preventing the violation. Thus, it is not a requirement that you have actively participated in a violation or have participated in the decision resulting in a breach of law. You may be held liable if you become aware or ought to have become aware of the breach and refrain from remedying the situation. Meaning, turning a blind eye to unlawful behavior may result in personal liability. 		<p>The Business Judgment Rule</p> <ul style="list-style-type: none"> However, according to the business judgment rule, Danish courts will exhibit caution in imposing liability for a decision or omission causing losses to the company if it is based on: <ul style="list-style-type: none"> (i) a commercial assessment; (ii) adequate and sufficient information; and (iii) the decision is made loyally in the company's best interest. Thus, the business judgment rule provides you further protection from liability for your actions or decisions that caused a loss to the company if you acted in good faith. The liability must be assessed for each member of the management on an individual basis. However, the responsibility of the entire board of directors participating in a joint decision or a majority decision where the minority cannot be identified will, in practice, be joint and several.

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	<ul style="list-style-type: none"> • Sample areas of exposure includes giving illegal financial assistance to the acquisition of company shares or giving financial benefits to related parties. • You should understand your potential liability in other areas, for example, regarding: <ul style="list-style-type: none"> ○ Tax ○ Bookkeeping ○ Financial accounts ○ Competition law. 		<p>Turning a Blind Eye</p> <ul style="list-style-type: none"> • You may be held liable for the company's violations if you negligently turn a blind eye to: <ul style="list-style-type: none"> ○ a decision that may result in a violation; ○ any suspicious circumstances about which you do not make the necessary inquiries to disprove or confirm your suspicion; or ○ The company's violations. ○ If you have acted with gross negligence or intentionally, you may be subject to a fine in addition to civil liability. • In cases where the other members of the board of directors engage in gross impropriety conduct that most likely will result in a violation of applicable law, having your diverging opinion entered into the minutes of a board meeting may not in itself be sufficient to dissociate yourself from the conduct, and thereby avoid the risk of being held personally liable. In such cases, it might be necessary to resign from the board of directors to avoid liability.

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			<p>Tax</p> <ul style="list-style-type: none"> • The board of directors and the management of the company may be held personally liable in the form of a fine, damages and/or imprisonment, for tax offences committed by the company. • Defences include that you: <ul style="list-style-type: none"> ○ were neither knowingly involved in, nor a party to your company's act or omission; ○ acted reasonably in not knowing about the offence; or ○ tried to remedy the breach as soon as you became aware of it. <p>Bookkeeping</p> <ul style="list-style-type: none"> • The company's bookkeeping procedures must comply with the Danish Bookkeeping Act. Depending on the circumstances, a breach may result in a penalty of a fine and/or imprisonment • Defences include that you: <ul style="list-style-type: none"> ○ were in a position where you had no way of knowing that the bookkeeping procedures did not comply with the Bookkeeping Act; ○ did not have a chance to establish satisfactory bookkeeping procedures; or ○ tried to revise the procedures as soon as you became aware that the procedures did not comply with the Bookkeeping Act.

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			<p>Financial statements</p> <ul style="list-style-type: none"> • A breach of the Danish Financial Statements Act may result in a penalty of a fine or, in cases of fraud and embezzlement, in imprisonment. The board of directors and management have the responsibility to: <ul style="list-style-type: none"> ○ (i) prepare an annual report in accordance with applicable law; (ii) ensure that the annual report is audited, reviewed and approved, and then submitted to the Danish Business Authority by the statutory deadline, which is four months after the end of the financial year. • Defences include that you: <ul style="list-style-type: none"> ○ were not in a position to influence the conduct of the company in relation to the drafting of the financial statements, and that you tried to avoid the breach. Further, you may have your objection recorded in the financial statements.

DUTIES AND OBLIGATIONS OF THE DIRECTORS			
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			<p>Competition law</p> <ul style="list-style-type: none"> • The company, as well as the board of directors or management, may be subject to a fine if the company: <ul style="list-style-type: none"> ○ abuses its dominant market position; ○ enters into agreements that distort competition; ○ fails to notify the competition authorities of a merger, or completes a merger which has been denied by the competition authorities; ○ fails to comply with orders, commitments or conditions issued by the competition authorities; or ○ fails to deliver material required by the competition authorities. • In these circumstances, defences may include that you were not in a position to influence the conduct of the company's business in relation to the contravention and have, to the extent possible, tried to avoid the breach, for example by introducing and adhering to various compliance instructions. • In case a fine is imposed on you, you may minimise your liability or the amount of the fines by cooperating with the authorities (this is known as "the Leniency Programme").

DUTIES AND OBLIGATIONS OF THE DIRECTORS

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17. Duration of duties	<ul style="list-style-type: none"> • Your appointment requires: <ul style="list-style-type: none"> ○ (i) a resolution of the general meeting or the entity that holds a right of appointment according to the articles of association of the company; and ○ (ii) your acceptance of the appointment. • The appointment will generally be for 1 year and for a maximum of 4 years, and you may be reelected. • You are deemed to be a member of the company's board of directors with duty of loyalty for the entire period from the appointment to the office until your discharge/resignation from office, i.e., 24/7. • As a result, you cannot do anything which is manifestly contrary to the interests of the company, even when you are not performing the duties directly related to the execution of your office. • The appointment may be revoked, and you may resign at any time. 		<ul style="list-style-type: none"> • According to the Danish Corporate Governance Code, the composition of the board of directors should be evaluated once a year. Furthermore, it is recommended that in the case where a member of the board of directors is elected by the general meeting, he/she should stand for election on a yearly basis at the general meeting. • According to the Danish Corporate Governance Code, at least half of the members of the board of directors elected at the general meeting should be independent. If you have been a member of the board of directors for more than twelve years, you are no longer considered independent.

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Special circumstances			
18. Bankruptcy	<ul style="list-style-type: none"> • You may be held personally liable in the event of the company's bankruptcy. You may be held personally liable if the bankruptcy is due to your negligent acts or omissions, for example if you: <ul style="list-style-type: none"> ○ did not ensure that, as required by law, a general meeting was held within six months of the company's equity decreasing to less than half of the registered capital; ○ continued operations after "the time of hopelessness" (in Danish "håbløshedstidspunktet"); ○ have incurred additional debt when there are reasons to suspect that the company is or may become insolvent; ○ could have prevented the bankruptcy but did not. 	<ul style="list-style-type: none"> • As a clear starting point, financial distress must be disclosed to the market immediately. 	<ul style="list-style-type: none"> • If you have reasonable grounds to suspect that the company may be declared bankrupt, you should immediately inform the rest of the company directors and the market and seek financial and legal advice. • Defences to liability include: <ul style="list-style-type: none"> ○ you had reasonable grounds to expect and did expect that the company was solvent and would remain solvent; ○ you had reasonable grounds to believe and did believe that a competent and reliable person using proper financial systems was continuously monitoring the company's financial position; ○ you took all reasonable steps to prevent the company from incurring debts while it was in danger of being declared bankrupt; and or ○ you had reasonable grounds to expect that negotiations and imminent future events would prevent bankruptcy.

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19. Takeover bids		<ul style="list-style-type: none"> • As a director of a target company, you are obligated to: <ul style="list-style-type: none"> ○ prepare a statement that contains the board of directors' opinion on the bid, including whether the bid can be recommended and the reasons therefor, including the consequences of the takeover for the company and its employees; ○ disclose the statement before the end of the first half of the bid period; ○ notify the employees through their representatives about the offer and the board of directors' statement at the same time as publication of the statement; ○ post the statement on a website immediately after publication; and ○ send a copy of the statement to all registered shareholders on the bidder's behalf. • As as director of a bidder company, you must: <ul style="list-style-type: none"> ○ consider whether the company has sufficient funds to complete the takeover; ○ ensure that the offer complies with legal requirements; and ○ consider what information needs to be disclosed. 	<ul style="list-style-type: none"> • It is recommended that the company has a procedure in place in the event of takeover bids covering matters for the board of directors to consider in the event of a takeover bid, or if the board of directors obtains reasonable grounds to suspect that a takeover bid may be submitted. • Provisions regarding the takeover of a listed company appear in notice No. 636 of 15 May 2020. The rules are complex and professional advice is recommended, whether you represent the target or the bidder.

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20. Market abuse/insider dealing		<ul style="list-style-type: none"> • Inside information is defined in MAR (Regulation (EU) 596/2014 on market abuse) as: <ul style="list-style-type: none"> ○ specific knowledge; ○ which has not been made public; ○ relates, directly or indirectly, to one or more financial instruments; and ○ if it were made public would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. • The ban on insider dealing applies where a person in possession of inside information gains an unfair advantage by engaging in market transactions in accordance with his/her knowledge, either on his/her own account, or that of a third party. • It is common for directors of companies to be in possession of inside information. Therefore, you must be cautious when trading shares in the company where you serve on the board of directors. The prohibition on insider dealing is violated the moment a person places an order or gives a tip to a third party based on knowledge that is not available to the rest of the market. 	

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		<ul style="list-style-type: none"> Furthermore, MAR contains a prohibition on market manipulation. MAR defines market manipulation as dissemination of information or the conduct of a person which affects or is likely to affect the price or liquidity of a financial instrument in the market that provides or is assumed to give misleading or false signals about the value or the liquidity of the financial instrument, where the person knew or ought to have known that the information was false or misleading, or that his/her behavior creates or is like to create unfair trading conditions. Violation of the ban on insider dealing or market manipulation is punishable by a fine or imprisonment of up to 1 year and 6 months. 	
Defences			
21. Good corporate governance	<ul style="list-style-type: none"> Corporate governance procedures may reduce the liability risks. At a minimum, you should take the following into account: <ul style="list-style-type: none"> the interaction between the shareholders, investors and other stakeholders; the board of directors' duties and liabilities; the composition and organization of the board of directors; 		<ul style="list-style-type: none"> You should familiarize yourself with the corporate governance recommendations at https://corporategovernance.dk and seek qualified legal advice on the use of the recommendations and on reporting.

DUTIES AND OBLIGATIONS OF THE DIRECTORS			
	Action/issue	Specifics of listed public companies (if relevant)	Comments/notes
	<ul style="list-style-type: none"> ○ rules of procedure for relevant risk areas and risk management; and ○ remuneration. 		
22. Minutes of board meetings and publication requirements	<ul style="list-style-type: none"> • According to the Danish Companies Act, minutes of board meetings must be taken and must be signed by all members present at the meeting. • No publication required. 	<ul style="list-style-type: none"> • To ensure adequate documentation of the business judgment rule defences, the minutes should include the discussions taken place and the information provided to the board of directors which have formed the basis of the board of director's decision. 	<ul style="list-style-type: none"> • If a present member of the board disagrees with a resolution, he/she is entitled to have his/her opinion entered in the minutes. • In cases where a present member strongly disagrees with a resolution and believes it to be cause for liabilities, he/she might have to resign from the board of directors to avoid liability.
23. Discharge and Indemnification	<ul style="list-style-type: none"> • Make sure that: <ul style="list-style-type: none"> ○ you hold adequate insurance (see Section 24); ○ any discharge resolutions are given through a qualified general meeting; ○ the general meeting adopts discharge resolutions based on sufficient information and data; ○ if need be, you will be granted access to the company records after your resignation; ○ you continuously can provide the necessary information and data relating to any board resolution; and ○ your objections to any resolution are recorded. 		<ul style="list-style-type: none"> • At a general meeting, the shareholders may discharge the liability of the board of directors. Such discharge is usually based on the annual report adopted at the annual general meeting. • However, such a discharge resolution does not preclude an action for damages if accurate and complete information was not given to the shareholders at the annual general meeting.

DUTIES AND OBLIGATIONS OF THE DIRECTORS			
	Action/issue	Specifics of listed public companies (if relevant)	Comments/notes
24. Insurance	<ul style="list-style-type: none"> Insurance may protect you from, or minimize, personal liability. The company may pay the premium. Therefore, you need to ensure that adequate and necessary liability insurance has been taken out and paid. 		<ul style="list-style-type: none"> Most insurance policies are on a "claims made" basis, which means that you will obtain coverage if the policy is in force when the claim giving rise to the liability is actually made, as opposed to when the act giving rise to the liability occurred. Consequently, is it important to ensure that the insurance remains in place after you have resigned, if the company changes insurance companies. However, insurance may not cover you if your conduct involves gross negligence or a willful breach of duty.
25. Resignation	<ul style="list-style-type: none"> You are entitled to resign at any time without prior approval. The resignation is effective once your letter of resignation is submitted. You should submit your letter of resignation to the board of directors if you wish to resign. If you were not appointed by the shareholders, you should also submit your letter of resignation to the appointing entity. 		<ul style="list-style-type: none"> Once you have resigned, you should see to it that you are deregistered as a director with the Danish Business Authority. It is the board of directors' obligation to complete the deregistration.

DUTIES AND OBLIGATIONS OF THE DIRECTORS			
	Action/issue	Specifics of listed public companies (if relevant)	Comments/notes
26. Restructuring of assets	<ul style="list-style-type: none"> It is possible to minimize your personal assets and let your spouse, for example, be the owner of assets. However, depending on the circumstances, such structure may be declared void. 		<ul style="list-style-type: none"> These decisions are complex and professional advice is recommended.
27. ESG and D&I policies, metrics, reports	<ul style="list-style-type: none"> According to Section 99a of the Danish Financial Statements Act, large companies in accounting class C and accounting class D must account for their social responsibility work in connection with their annual report. The report must include information on the company's CSR policies in respect of: <ul style="list-style-type: none"> environmental matters, including the enterprise's activities to reduce the climate impact of its activities; social and staff matters; and matters relating to human rights, anti-corruption and bribery. If your company has decided not to have a policy in one or more areas, the report must explain why in a clear manner. However, if your company has a CSR policy for one or more of the policy areas, some mandatory information must be disclosed. 		<ul style="list-style-type: none"> The demand and interest in companies' work with sustainability have never been greater. The requirement comes not just from consumers, but from all stakeholders including business partners and investors. Therefore, you should consider if it would be profitable to your company to focus on sustainability, and, if relevant, how a strategy for sustainability could take form and be implemented in the company. You can use ESG ratios to illustrate a more nuanced picture of the valuation of the company's business. ESG ratios offer quantitative reporting of non-financial data. This method of reporting improves the data of companies on their work with sustainability and enables investors and other stakeholders to compare data on the sustainability of companies.

DUTIES AND OBLIGATIONS OF THE DIRECTORS

	Action/issue	Specifics of listed public companies (if relevant)	Comments/notes
	<ul style="list-style-type: none"> • Regardless of whether your company has policies in place for the areas mentioned above, the report must always include some specific information, for example, information on the ESG ratios relevant to specific business activities. However, companies are not required to use specific ESG ratios, but the ESG ratios that the company in question uses must be disclosed in the statement. • You should consider if the company should have policies or programs for diversity, equity, and inclusion (D&I). These initiatives promote the representation and participation of different groups of individuals, including people of different races and ethnicities, ages, abilities and disabilities, genders, religions, cultures, and sexual orientations, and nurture a diverse workplace in which everyone feels comfortable and welcome. By implementing this strategy in your company, you can use diversity within the company as a driving force for growth. 		

DUTIES AND OBLIGATIONS OF THE DIRECTORS			
	Action/issue	Specifics of listed public companies (if relevant)	Comments/notes
	<ul style="list-style-type: none"> • As for gender, listed companies and other major companies are obligated to establish: <ul style="list-style-type: none"> ○ target figures for the inclusion of any underrepresented sex on the board of directors; and ○ a policy for increasing the number of the underrepresented sex at all management levels. 		