

The International Bar Association Company Director Checklist – Sweden

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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

- Swedish public companies listed on a MTF, listed on a regulated market, i.e. Nasdaq Stockholm
 - private limited companies in Sweden
- arising from the Swedish law, EU law and other relevant regulations, namely:
- The Companies Act (*Sw. Aktieföretagslagen (SFS 2005:551)*)
 - The Swedish Code of Corporate Governance (“**Code**”)
 - Nasdaq Stockholm’s Rule Book for Issuers (“**the Rule Book**”)
 - EC Market Abuse Regulation (596/2014) (*Sw. Marknadsmisbruksförordningen*) (“**MAR**”)

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

Disclaimer

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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"> • The business conducted by the company; • What the position will require of you; • Ownership structure of the company; • Financial position of the company; • The company's liability insurance policy; • Who the other directors are and what their background is; • What risks comes with the position; • The legal framework to which you need to adhere; and • If there is other information of importance. 		<p>Before accepting an appointment, consider the following:</p> <ul style="list-style-type: none"> • Can you contribute to the company? • Can you meet the expectations for your contribution with the competence and/or experience needed? • Can you devote sufficient time and effort to the assignment? <p>Make sure:</p> <ul style="list-style-type: none"> • That you are not expected to be a passive director without actual capacity to act, which may incur criminal liability. (Companies Act 30:1); • That the remuneration offer is in line with regulations, the Code and company policies; and • That adequate corporate governance procedures are well developed to avoid liability.
2. People to meet with	<ul style="list-style-type: none"> • The other directors and senior management; • The company's legal advisor. 		<p>Make sure:</p> <ul style="list-style-type: none"> • That you gain enough knowledge to form an opinion of the company's business, organisation, markets, experiences from previous years and corporate governance.

3. Documents to review	<ul style="list-style-type: none"> • The company’s articles of association; • Minutes from annual and extraordinary shareholder’s meetings; • Minutes from board meetings and/or management meetings; • The financial statements from previous years; • Auditors report and memo to the board; • The rules of procedures for the board of directors; • Instructions for the managing director; and • Available and relevant policies such as governance and internal control policy, Insider and information Policy, Code of Conduct etc. 		<ul style="list-style-type: none"> • These documents will give you a general understanding of the structure of the company. Minutes from board meetings are generally a good way to get an insight in the company’s history.
Ongoing duties			
4. Points for attention	<p>Think about:</p> <ul style="list-style-type: none"> • What is your impression after reviewing the corporate documents? Does the company seem to be run in a proper way? • What is your impression of the management team of the company? • What is the level of transparency in the company? • What is your contribution to the company? • What is the governance structure and the internal control functions of the company? 		<p>Look out for:</p> <ul style="list-style-type: none"> • Insufficient or misleading information - In order for you to fulfil your duties you need to be properly informed about the business and management of the company; • Lack of independence – Constitution of the board and work ethics; • Lack of transparency – Internal controls, corporate conduct, compliance.

	<ul style="list-style-type: none"> • What is expected of you as a board director? 		
5. Legal status of directors	<ul style="list-style-type: none"> • The board is a Swedish limited company's highest formal body (besides shareholders' meetings) and has the right to delegate aspects of management to others. • Delegation is most commonly made to the managing director. Swedish law distinguishes between formal and informal directors, in that only formal or statutory directors are members of the board. • On the other hand, there is no distinction between inside and outside directors. • There is only one managing director, appointed by the board and not the shareholders. • In public companies the managing director may not be chairman of the board. The duties of the managing director are set out in the Companies Act. 	<ul style="list-style-type: none"> • In public listed companies the managing director is usually not a board member. 	<ul style="list-style-type: none"> • The general meeting (also referred to as the shareholders meeting) is the forum for the shareholders and the highest decision-making body of a company. • The board of directors and the managing director are both involved in the company's management. • The managing director is responsible for the day-to-day business. • The auditors have a control function in the company. • The first three of these organs stand in a strictly hierarchical relation to each other. It means that according to the basic principle an organ at a lower level must follow instructions from an organ at a higher level. • The organs are structured according to an internal hierarchy, so that although they each have their own sphere of operations, an organ at a higher level can, as a main rule, interfere through instructions in any issue which a lower-ranking organ is handling. • The Companies Act gives the general meeting an exclusive competence in some matters, for example changing the articles of association. • In areas where the general meeting has no exclusive competence the decision can, as a general principle, be taken by

			the board of directors or the managing director.
6. Parties to which duties are owed	<p>Remember:</p> <ul style="list-style-type: none"> That your duty as a board director is to act in the best interest of the company and all of the company's shareholders, and not the shareholder who may have nominated you. 		<p>The board of directors or any other representative of the company may not:</p> <ul style="list-style-type: none"> Perform legal acts or take any other measures which are likely to provide an undue advantage to a shareholder or another person, to the disadvantage of the company or any other shareholder. Comply with instructions from the general meeting or any other company organ where such instruction is void as being in violation of the Companies Act, the applicable annual reports legislation or the articles of association.
7. Powers of the board of directors			<ul style="list-style-type: none"> The board's authority and liability derive from the mandate given by the company and its shareholders. The board has all powers necessary to implement the objectives of the company, apart from those powers expressly reserved by law for the general meeting of shareholders or by the articles of association.
8. Duty of loyalty	<ul style="list-style-type: none"> The directors and the managing director have a wide-ranging duty of loyalty due to the position of trust they hold in the company. This duty of loyalty is set out, inter alia, in the general clause of the Companies Act and in the provisions on conflict of interest. For the managing director the 		<p>Specific loyalty obligations:</p> <ul style="list-style-type: none"> The obligation to avoid, and disclose, conflicts of interest, i.e. the conflict of interest rules in the Companies Act, Prohibition for board members and the managing director to engage in directly or indirectly competing activities,

	<p>duty of loyalty also follows from his/her employment (as for all employees).</p> <ul style="list-style-type: none"> • Under the duty of loyalty, the company's profit motive must always be paramount, and the company's interests must always be respected. • In addition, the directors and the managing director have a duty to safeguard the interests of the shareholders by ensuring that the Companies Act, the Articles of Association and the Annual Accounts Act are complied with. <p>(Companies Act 8:23 and 8:41)</p>		<ul style="list-style-type: none"> • The prohibition to improperly receive or use benefits or other advantages in connection with the mandate, according to the general clause in the Companies Act, • The duty of the board and the managing director to implement and comply with the decisions and instructions of the general meeting, as well as the managing director's duty to comply with, i.a., the <ul style="list-style-type: none"> • Instructions from the board, • The duty of disclosure, which is an important part of minority protection, • The obligation to keep confidential all trade secrets, which follows indirectly from the Companies Act 7:32-36§§, and • The prohibition on exploiting business opportunities available to the company for his/her own account. <p>(Companies Act 8:23, 8:41 and 7:32-36)</p>
<p>9. Duty of care</p>	<ul style="list-style-type: none"> • The duty of care entails an obligation to always ensure that the business is carried out with the intention to make a profit. Any act - or failure to act - which was not motivated by this purpose is thus forbidden. 		<ul style="list-style-type: none"> • In addition to the duty of loyalty, directors also have a duty of care towards the company. • If decisions appear to be manifestly unjustified from a business perspective, the duty of care has not been respected.

	<ul style="list-style-type: none"> • However, a natural risk of running a business is that it may lead to a loss, and a considerable discretion is given to directors for business decisions which lead to financial losses if the decision making has been sound. 		
10. Duty to have and maintain skills	<ul style="list-style-type: none"> • In general, you are required to perform your duties to the best of your abilities. • You are required to acquire sufficient knowledge about the objectives, operations and organization of the company in order to exercise your duties as a board director. <p>(The Code)</p>	<ul style="list-style-type: none"> • The board of directors of the company shall be composed so that it sufficiently reflects the competence and experience required to govern a listed company and to comply with the obligations of such a company. • The management of the company shall have sufficient competence and experience to manage such a company. <p>(The Rule Book 2.4).</p>	<p>Possessing a special skill, being a lawyer for instance, may mean that a higher standard of care is applied when assessing whether negligence is at hand, especially if a director is elected to hold a specific function connected with this skill.</p>
11. Additional duties (confidentiality, etc.)			<ul style="list-style-type: none"> • The duty of loyalty also entails a duty of confidentiality and a prohibition on carrying out competing business activities. • The duty of care also includes a duty to act. The duty to act requires the board members to take an active part in the work of the board, which also implies a duty to oppose decisions that may be detrimental to the company's best interests.
12. Delegation of powers/authority	<ul style="list-style-type: none"> • There are no supervisory boards in Sweden. • The board of directors is responsible for supervisory functions and may delegate 		<p>The following tasks cannot be delegated:</p> <ul style="list-style-type: none"> • The responsibility to continuously evaluate the economic situation of the company;

	<p>parts of management to others, particularly certain decision-making powers, except its duty to supervise.</p> <ul style="list-style-type: none"> • The ability to delegate certain matters includes the duty to carefully choose the kind of duties to be delegated and the kind of persons to whom matters will be delegated. • The board of directors cannot delegate tasks to such an extent that it loses its function and position in charge of management. 		<ul style="list-style-type: none"> • The responsibility to give written instructions for financial reporting to the board of directors; • The responsibility to give written instructions regarding working procedures between the board and the managing director; • Electing the managing director; and • Responsibilities linked to capital requirements.
<p>13. Conflicts of interest (inc. intragroup dealings)</p>	<ul style="list-style-type: none"> • Make sure that you give notice to the other directors of any personal interest you may have to an issue that relates to the business of the company. 		<ul style="list-style-type: none"> • According to the Companies Act, a member of the board of directors may not participate in a matter regarding: <ul style="list-style-type: none"> • an agreement, court or other legal proceeding between the board member and the company; • an agreement, court or other legal proceeding between the company and a third party, where the board member in question has a material interest which may conflict with the interests of the company; or • an agreement, court or other legal proceeding between the company and a legal entity which the board member is entitled to represent.

			<ul style="list-style-type: none"> Note that there are exemptions to this rule, provided for by law. Intragroup dealings must as a main rule be conducted at arms' length. Any transaction not made at arms' length which includes a transfer of value from one group company to another must include a more thorough assessment of the two entities' financial standing. See further in section 16 regarding unlawful value transfers below.
14. Compliance with statutory obligations	<ul style="list-style-type: none"> The board is responsible for making sure the company is in compliance with statutory obligations. 		
15. Disclosure obligations of listed companies (both on the regulated market and an MTF)		<ul style="list-style-type: none"> A listed company must inform the public as soon as possible of inside information which directly concerns the company. (Article 17 MAR) A listed company has additional rules to follow regarding disclosure of information, for example The Rule Book. These rules, however, are closely connected to MAR. 	<ul style="list-style-type: none"> There are some exceptions where disclosure may be delayed.
16. Potential liability	<ul style="list-style-type: none"> The law requires you to be aware of and adhere to the legal requirements that rest upon you as a board director. You are also required to adhere to the articles of association; Additionally, you can be held liable if you, intentionally or through negligence, cause damage to the company; 		<ul style="list-style-type: none"> According to the Companies Act, members of the board of directors may be liable for damages to the company where a director, when performing his/her duties, intentionally or through negligence, cause damage to the company. Liability towards a shareholder or a third party may only arise if the act also

	<ul style="list-style-type: none"> Remember that a claim for damages on behalf of the company presupposes that you as a member of the board have not been discharged from liability by the shareholders' meeting. If discharge from liability has been granted, an action for damages on behalf of the company may only be instituted if incorrect and incomplete information was given in the annual report, audit report or otherwise; See also <i>Section 18</i> below regarding the board of directors' obligation to prepare a balance sheet for liquidation purposes in the event there is reason to believe that the company's equity is less than one half of the registered share capital. <p>Potential liability in other areas:</p> <ul style="list-style-type: none"> Unlawful value transfers from the company; Insider dealing (see <i>Section 20</i>); Tax issues; Criminal Acts; and Environmental issues. 		<p>involves a violation of the Companies Act, applicable legislation for the annual accounts of the company or the company's articles of association.</p> <ul style="list-style-type: none"> Liability may further arise under the Swedish Tort Liability Act and general legal principles on tort. Liability for physical damage to persons and property presupposes negligence by the director in question. As for financial loss (not connected with physical damage), non-contractual liability in principle arises only in the event of criminal acts. This principle is, however, not absolute and has started to erode during recent years. <p>Potential liability in other areas: Unlawful value transfers from the company</p> <p>The Companies Act regulates the permissibility of value transfers from the company. Value transfers are defined as:</p> <ul style="list-style-type: none"> distribution of profits; acquisition of a company's own shares in certain situations; a reduction of the share capital or the statutory reserve for repayment to the shareholders; and another business event as a consequence of which the company's assets are reduced and which is not of a purely commercial nature for the company. <p>In the event of an unlawful value transfer from the company, a director of the company may be held responsible if having participated in the decision regarding the value transfer.</p>
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			<p>Please note that the rules on unlawful value transfers also is applicable to intra-group transfers. (Companies Act 17:7)</p> <p>Tax issues</p> <ul style="list-style-type: none"> • A board director may be held personally liable for taxes if the company fails to pay its taxes as they fall due. <p>Criminal Acts</p> <ul style="list-style-type: none"> • According to Swedish law, a legal entity as such cannot be held responsible for a crime. Thus, when a crime is committed in a business operated by a legal entity, it is the physical person responsible for the criminal action who will ultimately be held liable, e.g. a board director. A precondition for liability is that the criminal course of events has taken place within the scope of the company's business, and that the violation has an objective connection to the company's business. Further, the criminal provision usually states that the perpetrator must have committed the crime intentionally. <p>Environmental issues</p> <ul style="list-style-type: none"> • A director of the board may be held liable for environmental offences committed by the company.
<p>17. Duration of duties</p>	<ul style="list-style-type: none"> • The duties apply for the entirety of the director's term of office. 		<ul style="list-style-type: none"> • The director's term of office is in most cases one year (i.e. until the annual

			<p>general meeting after the year the board member was elected.</p> <ul style="list-style-type: none"> • After this period the board members may be re-elected. • In the articles of association, the term of office can be extended to a maximum of four years at a time. • The term of office for the managing director is generally until further notice.
Special circumstances			
18. Bankruptcy	<ul style="list-style-type: none"> • Immediately upon determining that there is a reason to believe that the equity of the company is less than one-half of the registered share capital, the board of directors shall prepare and present to the auditors for examination a special balance sheet for liquidation purposes. • Members of the board of directors are jointly and severally personally liable for any obligations incurred by the company under the relevant period, if they fail to fulfil the duties associated with the special balance sheet. • A member of the board of directors may not, however, be held liable if he can prove that the omission was not a consequence of negligence attributable to him. <p>(Companies Act 25:13-18)</p>		<ul style="list-style-type: none"> • If the balance sheet shows that the equity of the company is less than one-half of the registered share capital, the board of directors shall as soon as possible convene a shareholders' meeting to decide whether the company shall be liquidated or not. • If the shareholders' meeting decides not to liquidate the company, certain measures must be taken.

<p>19. Takeover bids</p>	<p>If you are a director of a bidder company, consider basic prerequisites to involving in a bid, such as:</p> <ul style="list-style-type: none"> • Before a takeover offer is made, the bidder is obliged to give an undertaking to the Stock Exchange to comply with the Takeover Rules and the sanctions that may be imposed by the Stock Exchange in the event of non-compliance; • The bidder shall issue a press release announcing a public offer immediately after having decided to make the offer. This press release constitutes the formal (legal) launch of the offer. The press release is in general the most important document to present the terms of the offer. Therefore, the preparation of it should be initiated as early as possible (the Takeover Rules); • The press release must be followed by an offer document. According to the Takeover Act, an offer document must be prepared and filed for approval with the SFSA by the bidder within four weeks of the announcement of the offer in the press release. <p>If you are the director of a target company, prepare for:</p> <ul style="list-style-type: none"> • That in a public offer situation, the Companies Act requires the target board to continue to observe its fiduciary duties and the principle of equal treatment of 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Public takeovers in Sweden are governed by a number of sets of rules. The European Parliament and the Council and Commission Directives' ("EC") takeover bids directive 2004/25/EC has been implemented in Sweden through the Swedish Takeover Act (2006:451) ("Takeover Act"). • The Swedish Corporate Governance Board has published takeover rules for the regulated market. In addition to these MAR is also to be complied with. • Furthermore, certain provisions as regards the offer document are set forth in the Swedish Financial Instruments Trading Act (1991:980) ("Trading Act"), through which the EC Prospectus Directive (2003/71/EC) has been implemented. • These are the main rules regarding public takeovers in Sweden. • The Swedish Financial Supervisory Authority ("SFSA") (<i>Sw. Finansinspektionen</i>) supervises the adherence to both the Takeover Act and the Trading Act (as well as MAR) and may in the event of non-compliance prohibit an offer and impose a "special fee" of up to SEK 100 million and more. • The Stock Exchange supervises the adherence to the Takeover Rules and may also impose sanctions in the form of a special fee of up to SEK 100 million.
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	<p>shareholders. In addition, it must observe the general principles of respect for the stock market and respect for the shareholders' right to decide on a public offer under the Takeover Rules. The target board may neither act in its own interest nor allow itself to be swayed by the interests of one shareholder or a limited number of shareholders. Similarly, if there is more than one bidder, the target board may not unduly favour any particular bidder;</p> <ul style="list-style-type: none"> • Except for the accounting firms' review of the offer document, there is no formal requirement to engage advisors. However, market practice is that the bidder and the target company each engage a legal adviser and a financial adviser, and that the accounting firm of each company is involved in the process. Where the financial adviser is not a Swedish bank, the bidder also engages a receiving agent to receive the shareholder acceptances; • If a member of the target company's board or the target company's managing director has an interest in the matter due to a common interest with the bidder that is in conflict with the interest of the shareholders of the target company, the board member or the managing director may not participate in the handling of issues relating to the offer; 		<ul style="list-style-type: none"> • Both the SFSA and the Stock Exchange have delegated some of their supervisory roles to the SCC, a private body with an established role on the Swedish securities market, including the right to grant exemptions from certain provisions of the Takeover Act and the Takeover Rules. • Please note that the sanctioned fees according to MAR can be considerably larger than above mentioned special fees.
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	<ul style="list-style-type: none"> • The board of directors of the target company is required to, not later than two weeks prior to expiration of the acceptance period, issue a public statement expressing its opinion of the offer and the reason for its opinion; • Defensive measures available to the board of directors of a target company, as well as other acts, measures and resolutions of it, are restricted by the general legal duty of the board of directors to act in the interests of the company and all shareholders. <p>(the Takeover Rules)</p> <ul style="list-style-type: none"> • In addition to the above, the Swedish Securities Council ("SSC") has published rules regarding takeover bids regarding shares in Swedish companies traded on certain trading facilities (MTFs). • The bidder must, before an offer is made, make certain preparations showing the bidder has the ability to follow through on the offer. • A bidder who announces that they will or will not act in a particular way with respect to its offer is bound by it if the announcement is likely to create a legitimate expectation of the market. • The bidder shall issue a press release announcing a public offer immediately after having decided to make the offer. 		
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	<ul style="list-style-type: none"> • The contents of the press release is determined in large by the rules issued by the SCC. • Within six weeks of the offer the bidder must publish an offer document. <p>The board of the target company shall, regarding the offer, act in the shareholder's best interests.</p>		
<p>20. Market abuse/insider dealing</p>		<ul style="list-style-type: none"> • When inside information occurs, an insider list must always be drawn up by listed public companies. In Sweden, this is governed by MAR and "<i>lag (2016:1306) med kompletterande bestämmelser till EU:s marknadsmissbruksförordning</i>". • Article 18.1a in MAR states the following: <ul style="list-style-type: none"> 1. Issuers or any person acting on their behalf or on their account, shall: <ul style="list-style-type: none"> (a) draw up a list of all persons who have access to inside information and who are working for them under a contract of employment, or otherwise performing tasks through which they have access to inside information, such as advisers, accountants or credit rating agencies (insider list). <p>A list of all persons discharging managerial responsibilities and persons closely associated with them must also be drawn up. Article 19.5 in MAR).</p> 	<ul style="list-style-type: none"> • Insider dealing is a criminal offence. • Insider information is defined as information regarding a circumstance which has not been made public or which is not generally known and is likely to materially affect the price of financial instruments. • Any person with such knowledge who acquires or sells such financial instruments to which the information relates commits an act of insider dealing. • A director/deputy director of a listed company or its parent company is prevented from acquiring or selling shares during blackout periods, which occur 30 days before the ordinary financial report for a part of the year is made public. • Transactions by persons discharging managerial responsibilities and persons closely associated should be reported to the PDMR Register. • The obligation to report transactions to the PDMR transactions register covers transactions in issuers listed on a

			<p>regulated market or a multilateral trading facility (MTF).</p> <ul style="list-style-type: none"> • A person subject to the reporting obligation, who has not conducted transactions of EUR 5 000 or more during a calendar year, is not obliged to report these transactions to the PDMR transactions register. • SFSA shall intervene against those who fail to report their own transactions. <p>(Chapter 5, Section 2 of the EU Market Abuse Regulation (Supplemental Provisions) Act (2016:1306); Article 19(1)-19(2), 19(6) and 19(7) MAR)</p>
Defences			
21. Good corporate governance	<ul style="list-style-type: none"> • To avoid a situation where liability may arise, make sure that the company has good corporate governance processes in place. Consider: • The composition of the board; • The general functions and roles of the board; • Any specific functions and roles of board members; • The information systems; and board processes and practices. 		<p>Composition:</p> <ul style="list-style-type: none"> • Consider whether the composition of the board is well suited for the company's purpose, development and conditions in general. According to the Code, the board should consist of persons representing an appropriate mix of skills and experience, and ideally be made up of both genders. It is, further, required that a majority of the directors elected by the general meeting are independent in relation to the company, the company management and large shareholders. Consider, also, the need for any additional committees. <p>Functions and roles:</p>

			<ul style="list-style-type: none"> • Consider the main duties of the board in relation to the functions of specific committees and the management team. (Companies Act 8:4) <p>Information systems:</p> <ul style="list-style-type: none"> • Make sure that complete information is available prior to board meetings and decision making. (Companies Act 8:21) <p>Processes and practices:</p> <ul style="list-style-type: none"> • Make sure that meeting practices, such as keeping the minutes and decision-making mechanisms are handled with due care. (Companies Act 8:24) The board’s contribution shall be evaluated yearly and the results distributed to the nominating committee. (the Code)
<p>22. Minutes of board meetings and publication requirements</p>	<ul style="list-style-type: none"> • Minutes shall be kept of the meetings of the board. • The minutes shall record the decisions taken by the board. • There is no requirement to publish board minutes. They should however be available and sent out to every director. 		<ul style="list-style-type: none"> • The minutes shall be signed by the person who took them, and they must be approved by the chairman unless he is the one who took them. • If there are several members of the board, the minutes shall also be approved by a director appointed by the board. • The members of the board and the managing director have the right to have a dissenting opinion recorded in the minutes.

23. Discharge and Indemnification	<ul style="list-style-type: none"> • The directors may be discharged from liability by the annual general meeting. See further under section 16 above regarding the effects of discharge from liability. • It is not uncommon that shareholders (or other third parties having an interest in the company) enter into agreements to indemnify company directors and there are no obstacles to this under Swedish law. 		<ul style="list-style-type: none"> • It is questionable to what extent the company itself can enter into an indemnity agreement with its directors. • Any such agreement must therefore be reviewed by legal counsel.
24. Insurance	<ul style="list-style-type: none"> • It is considered normal practice that the board itself resolves to adopt a liability insurance policy for directors and officers covering legal fees (“D&O policy”), which is paid for by the company. • As a board member in a company without a D&O policy, a director may accordingly propose to the board that such policy is adopted. 		<ul style="list-style-type: none"> •
25. Resignation	<ul style="list-style-type: none"> • A director may at any time during the term choose to resign from his/her duty. • If the director is elected by the shareholders meeting, a note of resignation should be delivered to the board. • If appointed by a third party, resignation shall also be delivered to that party. 		<ul style="list-style-type: none"> • It is recommended that a director also delivers a note of resignation to the Swedish Companies Registration Office. • Resignation is effective as of the date on which the application was received at the Swedish Companies Registration Office.

<p>26. Restructuring of assets</p>	<ul style="list-style-type: none"> • A director may structure his or her assets by means of transferring assets to his/her spouse or a family company, so that few assets are held by the director personally. 		<ul style="list-style-type: none"> • There are anti-avoidance measures which may apply to such arrangements. Legal advice should be obtained regarding this matter.
<p>27. ESG and D&I policies, metrics, reports</p>	<ul style="list-style-type: none"> • The company shall publish an annual report containing among other things information on the company's sustainability work regarding both the environment and personnel matters, including employee diversity. • The annual report shall in some cases also include a full sustainability report in addition to the previously mentioned information. A sustainability report includes information on for example different company policies on sustainability and the results of the policies. • Large companies shall in addition to this include statistics on the amount of men and women employees during the year as well as information on the gender distribution among company officials. The distribution in the board and the distribution among other company officials shall be presented separately. (Annual Accounts Act 5:37-38, 6:1, 6:10-14). 	<ul style="list-style-type: none"> • Listed public companies are considered large companies. Private companies may be considered large companies if certain thresholds are met. 	