

Interim rules regarding modifications to the Swedish Code of Corporate Governance from 1 February 2010

1. The new Code rules come into force on 1 February 2010 and, apart from the exceptions listed below, they are to be applied by the companies concerned from that date.
2. The Code rules that have been changed or removed following implementation of changes to the European Community's Fourth and Seventh Company Law Directives, i.e. the rules concerning
 - production of a report on internal controls in the second paragraph of rule 7.4, (previously 10.5),
 - the requirement to explain a lack of internal audit, (removed, previously rule 10.6),
 - production of a corporate governance report in rule 10.1, (previously 11.1),
 - the content of the corporate governance report in rule 10.2, (previously 11.2), and
 - corporate governance information on the company's website in the first paragraph of rule 10.3, (previously the first paragraph of 11.3),

are to be applied according to the existing Code for financial years commencing before 1 March 2009. The new Code rules are to be applied for the first time for years commencing on or after 28 February 2009. For companies whose financial year corresponds to the calendar year, this means that any non-compliance with the new Code rules need not be reported until the corporate governance report for financial year 2010.

3. If during 2009 a company has deviated from the Code rules that have been changed or removed as a result of the implementation of the European Community's Eighth Company Law Directive, i.e. rules on the appointment and composition of audit committees in rule 7.3, (previously 10.1), and rules on the tasks of audit committees, (previously rule 10.2, now removed), the company does not need to report such non-compliance in its corporate governance report.
4. The Code rules that have been changed as a result of Nasdaq OMX Stockholm's abolition of its requirements regarding board member independence, i.e. rules concerning
 - justification of candidate independence contained in the third paragraph, fourth bullet of rule 2.6,
 - members of the executive management on the board in the footnote to rule 4.3,
 - directors' independence of the company and its executive management in rule 4.4, and
 - directors' independence of major shareholders in new Code rule 4.5,

are to be applied according to the modified Code with regard to individuals who are elected or re-elected after 1 July 2010 to boards of Swedish companies listed on Nasdaq OMX Stockholm. For individuals appointed to boards of such companies before that date, the existing Code text and the Board's Instruction 1-2009 apply.

Swedish companies that are listed on NGM Equity are to apply the existing Code rules in these areas.

5. The Code rules that have been changed as a result of the EU recommendation regarding remuneration of directors in listed companies, i.e. rules on

- the tasks and composition of remuneration committees in rules 9.1 and 9.2, (previously 9.1),
- the use of external consultants in new Code rule 9.3,
- variable remuneration in new Code rules 9.4, 9.5 and 9.6,
- share and share-price related incentive programmes in rules 9.7 and 9.8, (previously 9.7),
- termination packages in new Code rule 9.9, and
- information on the company's website in the second and third paragraphs of rule 10.3, (previously the second and third paragraphs of 11.3),

are to be applied according to the modified Code from no later than 1 July 2010.

The rule changes in chapter 9 of the Code do not mean that companies need to renegotiate remuneration agreements signed before 1 July 2010. The same applies to variable remuneration programmes approved by the company before that date. Companies do not therefore need to report non-compliance with these rules if the non-compliance is due to agreements signed or programmes approved before 1 July 2010 or any previous date from which the company has decided to apply the new Code rules.