



Press release
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The Swedish Corporate Governance Board issues an instruction regarding gender balance on the boards of listed companies

On 1 January 2015, a number of revisions to rules in the Swedish Corporate Governance Code (“the Code”) will come into force. This is a result of initiatives taken by the Swedish Corporate Governance Board (“the Board”) on the subject of gender balance on the boards of directors of listed companies. The revisions are being implemented through Instruction 1-2014, as the Board’s general review of the Code will not be completed before the end of the year.

On 30 May 2014, the Board announced a number of initiatives to improve the gender balance on the boards of directors of listed companies, see the Board’s website, www.bolagsstyrning.se. These included

- Clearer fundamental principles. Good corporate governance means that companies are run sustainably and responsibly on behalf of their shareholders in order to enjoy the confidence of legislators and the general public, and that they are run efficiently in order to attract investment capital. This ensures the Swedish corporate sector’s freedom to grow and develop and secures its supply of venture capital and competence. A broader recruitment base provides good conditions for companies to develop in the best way possible.

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- Tighter regulation. Nomination committees are led by shareholders, and they are now required to
 - analyse the board’s evaluation against the requirement for gender balance,
 - explain clearly the thinking behind their proposals concerning candidates to positions on the board with regard to the Code’s requirement to strive for gender balance when the notice of the shareholders’ meeting is issued,
 - report to the shareholders’ meeting on how it has conducted its work to strive for gender balance on the board, making it an agenda item for shareholders’ meetings.

“It is our assumption that shareholders with ambitious gender equality policies will welcome these rule changes, and that shareholders and companies will take the new rules extremely seriously. This is a shared responsibility to show that self-regulation is an effective system,” says Arne Karlsson.

“Improving the standing of women in companies goes beyond the election of directors to boards. Many listed companies run ambitious gender equality programmes to broaden their recruitment bases for leading positions and directorships, and I hope more will follow suit.”

When the announcement that the rules would be revised was made on 30 May 2014, the Corporate Governance Board said that the new rules would be applicable from the same date as other adjustments to the Code currently being assessed by the Board, and no later than 1 January 2015. As the work on revising other parts of the Code is not yet complete, these rule changes are being issued in the form of Instruction 1-2014 in order to ensure that the revisions can come into force on 1 January 2015. The full text of the Instruction can be found in full on the Board’s website.

It is estimated that the proposed revisions resulting from the Board’s general review of the Code will be presented in spring 2015.

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