

April 24, 2023

## **Comments on Ministry of Justice memorandum Digital Company and Association Annual General Meetings**

The Swedish Corporate Governance Board ("the Board") was invited to submit comments on the memorandum entitled Digital Corporate and Association Annual General Meetings (Ju2023/00484).

The Board believes that companies whose shares are admitted to trading on a regulated market should continue to be required to hold in-person shareholders' meetings, regardless of whether digital participation is possible or not. The Swedish corporate governance model is characterised by the supreme role of the shareholders and the shareholders' meeting. In the worst-case scenario, removing the requirement to hold an in-person shareholders' meeting could undermine this key strength of the Swedish corporate governance model.

The Board also recommend certain additions regarding postal voting:

- The Board notes that it has become common practice for listed companies to offer the option of postal voting as a supplement to the option of voting at the meeting itself. In the view of the Board, it is no longer necessary for this to be stated in the articles of association. The legislation should therefore be amended so that company boards are always permitted to offer the option of postal voting in companies whose shares are admitted to trading on a regulated market.
- The Board agrees that it is not necessary to introduce special provisions regarding the consequences of any technical problems at digital shareholders' meetings. However, because the shareholders have the option to attend in person, a company should be permitted to specify requirements for digital participation, (including the source of potential technological risks), in its notice of a shareholders' meeting.

### THE SWEDISH CORPORATE GOVERNANCE BOARD

Gun Nilsson  
*Chair of the Board*

Björn Kristiansson  
*Executive Director*