

## Sweden

### 1. Publikt aktiebolag

### 2. (Privata) aktiebolag

*Brief overview: Establishment and structure of company*

#### Statutory basis:

Aktiebolagslagen SFS 1976:1385

#### Requirements for establishment:

- Establishment
  - by one or more natural persons
  - by a legal person under Swedish law
  - by a legal person under the law of a member state of the EE if the company management is based in such a member state or the main business of the company is carried out there
- Affiliation agreement
- Establishment certificate and statutes
- Registration with Patent and Registry Office

#### Minimum capital

publika aktiebolag: 500,000 SEK = 55,998.25 euro

privata aktiebolag: 100,000,- SEK = 11,199.65 euro

#### Organisation

##### 1) General meeting of shareholders (= highest executive body)

Tasks include

- Determining total number of members of Administrative Board
- Election, re-election and discharge of Administrative Board, managing director and auditors
- Amendments to statutes
- Approval of year-end financial statement
- Decisions on disposal of profits

Meetings 1x year

##### 2) Administrative Board

Tasks include

- Managing the business
- Representation of the company internally and externally
- Preparation of interim reports
- Nomination, instruction and supervision of managing director
- Advisory and control function

Meetings: 4 – 6 x year (discussion of position of company)

Term of office: 1 year, re-election possible

##### 3) Managing Director

(Election required in “publikt aktiebolag”; optional in “privat aktiebolag”; independently of share capital in each case)

Tasks include

- Management of day-to-day business
- Representation as part of ongoing management of the business
- Accounting
- Asset administration
- (often member of Administrative Board)

#### 4) Auditor – mandatory -

(Regarded as organ of the company, must take into account the interests of the shareholders, the employees and the creditors, is not accountable to anyone)

Tasks include

- Inspection of year-end financial statement
- Inspection of management of Administrative Board and managing director
- Scrutiny of directions from shareholders especially to ensure that these do not infringe the law, the statutes etc.

#### *Brief overview: Employee participation at board level*

**Yes.**

(Law on Representation of Private Industry Employees on Administrative Councils).

Not applicable to public limited-liability companies, otherwise the following requirements

**Number of employees:** Average of 25 employees or more over the year

**Number of employee representatives on Administrative Board:**

- for 25 employees, average of 2 employee representatives and alternates
- for more than 1,000 employees, 3 employee representatives (however the number of employee representatives must be less than the number of shareholder representatives on the Administrative Board (which is always the case, given that the General Meeting determines the total number of members of the Administrative Board))

**Determination of employee representatives** by the trade unions with which collective agreements concluded; **i.e. no election by employees.** In the case of mother companies or controlling companies within groups with a small number of employees, the total number of employees in the Group issued as the basis for calculating employee representation on the Administrative Board

**Rights and responsibilities of employee representatives on Administrative Board:** They have the same rights and obligations as the other members of the Administrative Board (see under Administrative Board). Exception: questions related to collective agreements/labour disputes and in organisations concerned with propagating attitudes (e.g. newspaper publishers) no participation of employee representatives in decisions related to goals and corporate strategy.

Source: Büggel, A. (2003) *Company law and existing legislative provision for employee participation in the EU member states*, in R. Köstler and A. Büggel, *The European Company and Company law and existing legislative provision for employee participation in the EU member states*, Brussels: ETUI. Report 79 (to order the whole report, please send an e-mail to [etui@etuc.org](mailto:etui@etuc.org); price: €20).