



D E C I S I O N

Company
Att. CFO

1_2022

Review of the annual report for 2020.

The Council for Swedish Financial Reporting Supervision ("the council") has conducted a review of Company's ("the company") Annual Report for 2020 and has asked the company questions on October, 20th 2021. The council has taken note of the company's responses dated November, 15th 2021. Based on the written exchange and other communication in this review, the council is of the view that the company in some respects deviates from applicable regulations within IFRS regulations. The council's view is presented below. The Company has been given an opportunity to comment on The Council's preliminary assessment in a verification letter dated December 22nd 2021.

Sensitivity analysis regarding currency risk - IFRS 7

The annual report for 2020 states that the company is exposed to currency risk (foreign exchange risk) arising from number of various foreign currencies. The sensitivity analysis presented in the annual report however, only shows the total impact on profit and equity of an increase or decrease of 10% in the exchange rate for all currencies.

According to IFRS 7 Financial Instruments, paragraph 40, a company shall disclose a sensitivity analysis for each type of market risk, including currency risk, to which the company is exposed. The sensitivity analysis shall show how profit and equity would have been affected by reasonably possible changes in the current exchange rate. The application guide to the standard, point B24, states that a sensitivity analysis shall be disclosed for each currency to which the company has significant exposure.

The council 's view is that the sensitivity analysis must be disclosed for each significant currency separately in accordance with point B24 in the application guide, and that the present disclosures do not provide a complete picture of the foreign exchange risk to which the company is exposed.

Decision

The council considers that the omitted information is a minor violation of the regulations according to 13§ in the Swedish Financial Supervisory Authority's regulations (FFFS 2018:8)

and concludes the review with a decision to request the company to disclose a sensitivity analysis for each currency to which the company has significant exposure in accordance with IFRS 7, point B24, in the next annual report.

With regard to other issues that have occurred in the investigation, the Council has nothing further to state.

The Council will inform the Swedish Financial Supervisory Authority about the decision. The activities covered by the decision will be followed up. If the company does not comply with the decision the case will be handed over to the Swedish Financial Supervisory Authority¹. The decision will be published on the website of the Council in anonymised form. All communicated documents will be available in Admincontrol for 30 days after this decision. Thereafter the access to Admincontrol will be closed.

Kind regards

Maria Snöbohm
Chairman

Göran Melin
Deputy Chariman

¹ 14§, FFFS 2018:18.