

ANNUAL REPORT

2019



MANNHEIMER
SWARTLING



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2019

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Mannheimer Swartling reports on sustainability in accordance with the Annual Accounts Act and the Global Reporting Initiative. The Sustainability Report in accordance with the Annual Accounts Act consists of this report and the document entitled Information on Mannheimer Swartling's Sustainability Reporting and is available at www.mannheimerswartling.se/en/sustainability.

TEXT Jonas Malmberg and Mannheimer Swartling

PHOTO Joachim Lundgren

GRAPHIC DESIGN Nordic Morning

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The transition gathers speed

In times of geopolitical unrest, digitisation and the ongoing transition to a more sustainable business, the ability to adapt is more important than ever. Mannheimer Swartling is a versatile team of 560 people. Focusing on the long-term business benefits for our clients, we have the courage to adapt and identify opportunities as the playing field shifts.

The industrial transition from fossil fuels to renewable sources of energy is now under way. At Mannheimer Swartling, we see this every day. We act as advisers in numerous transactions in which Swedish and foreign players invest billions in green energy sources, fossil-free technologies and energy-efficient infrastructure. Many of our clients are currently undergoing a technological transformation of historical proportions, and they are not alone. The world faces a transformation that involves us all – as professionals, individuals, citizens, advisers and decision makers.

“The question is not who has the courage to adapt, but who dares not to.”

We are proud to say that Mannheimer Swartling is a company that adapts. For several years now, sustainability has been an integral component of the advice we give to clients. We are members of the Global Compact, and currently chair the Global Compact Network Sweden. Alongside other member companies, we will be working to accelerate the process, enabling Swedish companies to adapt more quickly in their efforts to achieve global sustainable development goals.

At Mannheimer Swartling we also constantly strive to shape our operations more sustainably. During the year we engaged a team of experts to make a thorough analysis of the firm’s overall climate footprint. This will now be done annually, providing us with a sound basis for decisions, as we develop and calibrate our environmental performance. A project is ongoing to measure

the climate footprint of the advisory services we provide. I am also pleased to report that Mannheimer Swartling is the first law firm, and in fact the first major company in Sweden, to have been certified by Gapminder, an organisation founded by Professor Hans Rosling with the aim of influencing public opinion across the globe to foster a world view based on facts.

In the business world, the word “sustainability” has been bandied about so much that it has become almost a commonplace. But for us at Mannheimer Swartling sustainability – in a broad sense – is more than just a word. It is a dimension of everything we do.

2019 IN RETROSPECT

For some of our clients, 2019 was a year of economic slowdown and growing geopolitical concerns. Order books declined due to falling demand and political uncertainty. The US–China trade conflict, The United Kingdom’s long-drawn-out departure from the EU, Russia and Turkey’s involvement in the war in Syria and the growth of right-wing populism in the EU brought uncertainty about the future, reflected by falls in domestic consumption and corporate investment. At the same time, the mega-trends currently characterising the global economy continue to shape the world in our immediate vicinity. The digitisation of ever more products and services, the transition from fossil fuels to renewable energy systems, and accelerating urbanisation continue to impact our domestic economy and international trade. In the case of Sweden, this trend has been heightened by a weak currency that has lowered the prices of our export products and domestic assets. So during the year it became significantly cheaper for foreign investors to buy Swedish companies, real estate and natural assets.

Meanwhile, Stockholm has consolidated its position as a hub for international disputes, with growing numbers of US, Russian, Chinese and European companies choosing to resolve disputes before the Arbitration Institute of the Stockholm Chamber of Commerce (SCC).

All in all, this boosted demand for expert advisory services in business law. 2018 was a record year in terms of turnover, and revenue continued to increase in 2019, by almost ten per cent. This is mainly because the nature of the services we provide has changed. Mannheimer Swartling’s size and versatility, with 26 practice and sector groups, has enabled us to strengthen our position as an expert on the most complex transactions and disputes. We are less sensitive to the vicissitudes of the business cycle because we are less dependent on routine corporate law work, which tends to fluctuate with the economy as a whole.

RESPONSIBILITY FOR CLIENTS AND EMPLOYEES

Mannheimer Swartling is Sweden's leading business law firm. As such, we have considerable responsibility. First and foremost, we have a responsibility to our clients, who naturally expect us to deliver the market's best advisory services in business law. The quality of our work is not measured in the number of disputes won or transactions completed, but in the long-term benefit to our clients' business. We succeed in our mission by providing a business law framework that enables our clients to develop their business. Our aim is to exceed our clients' high expectations.

Mannheimer Swartling may be an institution in the legal business, but ultimately, we are a consulting company whose most important assets are our employees. When we create an environment in which they can perform well, the entire firm performs well. So each year we allocate substantial resources to training and employee development. All our newly-recruited lawyers are offered a six-year training and development programme, serving as a practical complement to the academic theory taught at universities. For the same reason, we make a concerted effort to create a sustainable working environment for each individual employee. To be specific, Mannheimer Swartling must provide modern leadership based on empathy, guidance and participation.

I view our extremely strong corporate culture as the main reason that Mannheimer Swartling remains at the top of Universum's annual ranking by law students of the country's most attractive prospective employers. For the 17th consecutive year we were ranked 1st among law firms, and for the second year in a row we were ranked the most attractive employer in all categories among prospective lawyers.

CONTINUOUS DEVELOPMENT

New recruits at Mannheimer Swartling are immediately assigned to an effective and dynamic team where everyone, whatever their age or experience, is expected to help each another. We are the only major Swedish law firm employing a pure lockstep model, in which all partners receive an equal share of profits, irrespective of their contribution. This is the foundation of an organisation in which all clients belong to the firm, and the team is more important than the individual. In fact, we share not only our profits, but also our knowledge, experience and ideas. At Mannheimer Swartling, we often stress our success in shaping our young employees. But in truth, those very employees do much to shape the firm. We see this most clearly in digital development,

where we are right at the forefront, both in Sweden and in international terms. These days a growing proportion of legal work can be performed using AI and other digital tools. Sweden is a nation of "early adopters", and it comes naturally to our associates to improve, simplify and streamline our services using digital tools and AI to ensure they are more cost-effective for clients. Mannheimer Swartling has done much to digitise work processes and implement AI systems over the past five years, but the impetus for using the new technologies comes from our youngest employees.

"Our aim is to exceed our clients' high expectations."

Whether you are a partner or an associate, an IT specialist or a chef in our restaurant, a long-time employee or a new recruit, and regardless of gender or origin, you are a member of our team – a team in which we all encourage each another's initiatives and creative thinking. This has created a workplace that is not only dynamic but a pleasure to work in.

Finally, I would like to take this opportunity to thank all of our employees and clients for their efforts over the past year.

JAN DERNSTAM

Managing Partner, Mannheimer Swartling





About us

Our business concept is simple – Mannheimer Swartling should provide the best legal advice for the business sector. We are driven by a desire to continuously challenge ourselves and our clients to think innovatively and to explore the opportunities brought by increased globalisation, digitisation and the need to act sustainably in the long term.

Although our roots are in Sweden, these days Mannheimer Swartling is a full-service law firm, operating internationally, with a presence in Belgium, Russia, China and the US. We have more than 560 employees, including some 400 lawyers.

The firm had a successful year in 2019; we were involved in some of the most complex and interesting engagements involving topical issues such as money laundering, green bonds and investment disputes. The firm's total turnover was SEK 1.33 billion. We are very proud that clients and companies rated us the leading business law firm in Sweden through ranking institutes, including TNS Sifo Prospera, Who's Who Legal and IFLR. Law students named us as their first choice law firm in Sweden for the 17th consecutive year.

UNIQUE CORPORATE CULTURE

The key to our success lies in our corporate culture. This is based on a model called pure lockstep, under which all partners share the firm's profits equally, regardless of their work output or area of expertise, and the remuneration received by non-partners is based entirely on experience. More than a mere business model, pure lockstep permeates our entire culture. It also fosters collaboration among colleagues, across practice areas and between offices.

We ensure that the combined knowledge of the entire firm is available to each client. All clients are clients of the whole firm.

THE STRENGTH IS IN THE TEAM

Clients must feel assured that they will always receive the highest quality services, whichever team they encounter. Our strength lies in the combined skills of our employees, spanning different practice areas, sectors and offices of the firm.

The expertise of our people covers everything from extensive project planning of transactions to complex

Clear values

We are proud of our corporate culture, based on three clear core values:

- *Quality*: we strive for the highest level of quality in everything we do
- *Business focus*: we keep ourselves continuously updated on our clients' professional challenges and we tailor solutions accordingly
- *Team spirit*: we help each another and share knowledge and experience, with humility and for the benefit of the whole firm

challenges requiring in-depth specialist knowledge, or arbitration and protracted processes involving public authorities.

Our clients include some of the world's most innovative and ground-breaking companies, so we must constantly evolve and offer new solutions. Although Mannheimer

PRACTICE GROUPS AND INDUSTRY SECTORS

Asset Management and Financial Regulation
Automotive
Banking and Finance
Corporate Commercial
Corporate Sustainability and Risk Management
Corporate Taxation
Dispute Resolution
Employment and Pensions
Energy and Natural Resources
Environment
EU and competition law
Financial Institutions
Funds and Investments
Health Care and Life Science
Infrastructure and Construction
Insurance
Intellectual Property, Marketing and Media
Media and Entertainment
Mergers & Acquisitions
Private Equity
Public M&A and Equity Capital Markets
Public Procurement
Real Estate
Restructuring and Insolvency
Shipping and Transportation
Technology

OFFICES

Brussels	Moscow
Gothenburg	New York
Hong Kong	Shanghai
Malmö	Stockholm

MANNHEIMER SWARTLING – 2019 NUMBERS

	Number
Employees	560
Lawyers	410
Partners	81
Turnover, SEK billions	1,33

Swartling's field of expertise is law, our clients' requirements extend beyond the purely legal. Our advanced range of business law advisory services now includes areas such as business strategy, business intelligence and sustainability.

FOSTERING TALENT

As a knowledge-intensive company, the skills of our employees are paramount. We attach great importance to attracting, recruiting and developing the most committed legal talents. When recruiting, we seek traits such as entrepreneurial spirit, problem-solving capacity and the ability to cooperate.



A selection of awards

SWEDISH LAW FIRM OF THE YEAR

Chambers Europe Awards for Excellence, 2009, 2011, 2012, 2015, 2016 and 2018.

MOST POPULAR LAW FIRM AMONG SWEDISH LAW STUDENTS

Universum (FöretagsBarometern), 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018 and 2019.

SWEDISH LAW FIRM OF THE YEAR

IFLR – International Financial Law Review, 2005, 2006, 2007, 2008, 2010, 2012, 2015, 2016, 2018 and 2019.

LAW FIRM OF THE YEAR, SWEDEN

Who's Who Legal Awards, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2017, 2018 and 2019.

TOP-RANKED FOR "OVERALL PERFORMANCE" IN SWEDEN

TNS Sifo Prospera Tier 1 Law Firm Review Sweden, 2013, 2014, 2015, 2016, 2017, 2018 and 2019.

MOST POPULAR EMPLOYER AMONG SWEDISH LAW STUDENTS

Universum (FöretagsBarometern), 2018 and 2019.

→ All newly-recruited lawyers undergo a comprehensive introductory programme and also have the opportunity to try out different practice areas by way of rotation. As well as further enhancing the quality of our services, this cements the firm's internal network, ensuring all our employees have equal opportunities for development. All lawyers become senior associates after five years at the firm.

We want everyone who works here to feel welcome and that they belong, and to enjoy equal opportunities to develop in their profession and as individuals. We

maintain an extensive in-house training programme and offer opportunities to work at one of our offices abroad. We work in teams comprising people from different offices and practice areas and of different ages and from different backgrounds. Our new recruits quickly gain an insight into exciting and complex engagements for clients around the world, guided by more senior colleagues.

CHALLENGES

To deliver our services, it is important that we constantly adapt to the new challenges and opportunities facing our clients – and ourselves.

The rapid progress of digitisation continues to change the landscape for business. In 2019 the firm launched a digitisation initiative in the form of MSA Innovation Lab – a new business unit for innovation, collaboration and "legal tech". The aim of the lab is to manage and run the firm's development of innovation and the legal services of the future.

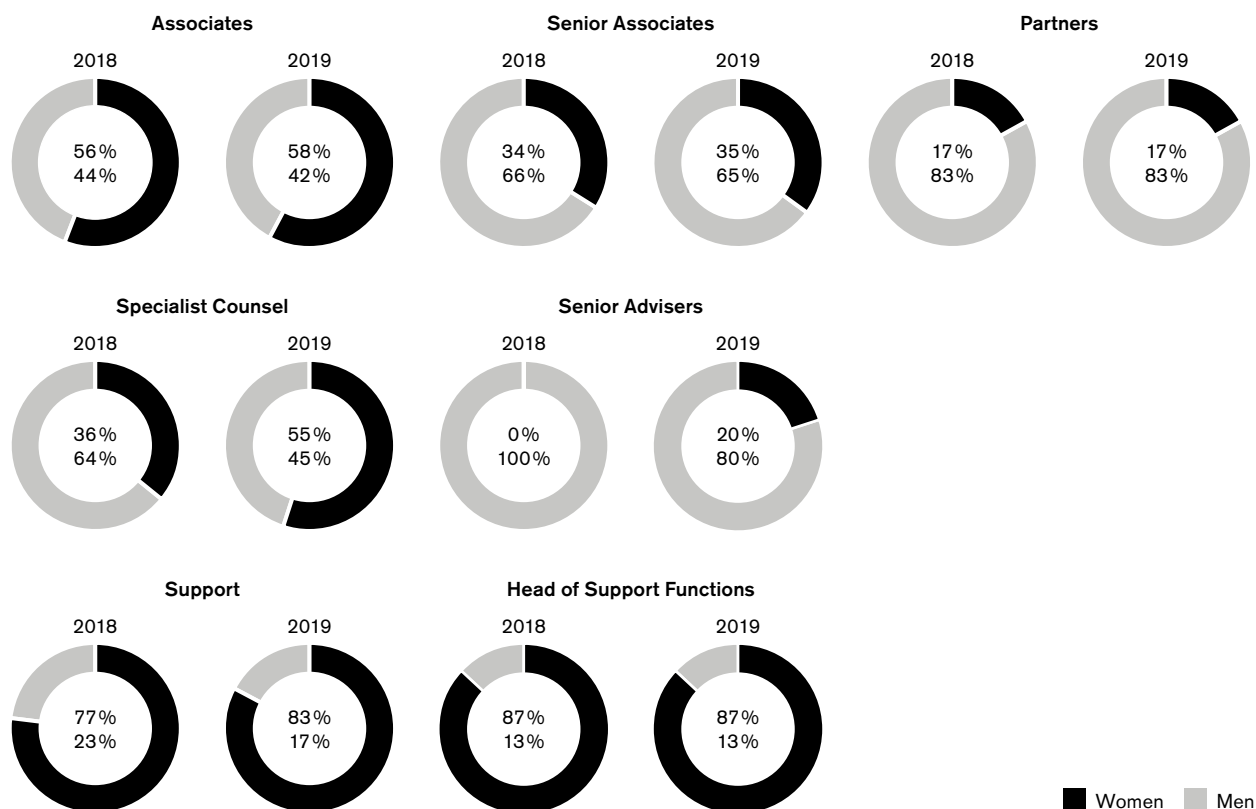
The unit is collaborating with startups and leading researchers in digitisation, while also developing and providing platforms for our clients to access.

Another major challenge is to increase the proportion of female partners. As a knowledge-intensive company, it is essential that all our employees enjoy their work and have equal opportunities to remain at the firm. Gender equality remains a top priority, as it was over the past year.

Change takes time, but we are heading in the right direction. Fifty per cent of those made partner in autumn 2019 were women. The figure over the past ten years is 35 per cent. We are continuing to make strenuous efforts to assure a long-term positive trend. ■



GENDER DISTRIBUTION, %



Board of Directors

KLAS WENNSTRÖM

born 1965. Partner, Member of the Board 2005–2009 and 2015. Chair of the Board since 2016.

JAN DERNESTAM

born 1969. Partner, Member of the Board since 2009. Managing Partner since 2011.

EVA HÄGG

born 1959. Partner, Member of the Board 2003–2007 and since 2016.

PETER LINDEROTH

born 1962. Partner, Member of the Board since 2015.

JESPER PRYTZ

born 1970. Partner, Member of the Board since 2016.



Green bond in demand

Mannheimer Swartling was the legal advisor when Vattenfall listed its first green bond on the Stockholm Exchange – the largest green bond issue listed there.

The bell sounds at Nasdaq Stockholm on Wednesday, 26 June. But instead of shares in a limited company, the listing is of corporate bonds in a major state-owned company. Vattenfall, a Swedish energy giant, is wholly owned by the Swedish state and therefore exists at a reasonable distance from the volatile stock market. But the company does have a history of listing instruments on the European bond market. Several of Vattenfall's major investments in new production facilities and corporate acquisitions have been part-financed by bond issues.

In summer 2019 when Vattenfall issued a bond totaling EUR 500 million, (about SEK 5.6 billion), it was “business as usual” in one sense, but the issue also marked a new chapter in the company's history. The bond is a “green bond”, which means the funds raised from bond investors are earmarked for projects promoting energy transition in line with Vattenfall's “green framework”. Examples of investments for which bond funds can be used include wind farms, battery charging stations, fossil fuel-free district heating, smart grids, energy-efficiency improvements and climate-smart industrial projects. As a result, the bond loan has been classified as “dark green” by Cicero – Norway's foremost institute for interdisciplinary climate research. Dark green is the highest environmental class a financial instrument can achieve.

AN EFFICIENT PROCESS

The bond was issued with Citi, Deutsche Bank, Nordea and SEB as “joint book runners”; Mannheimer Swartling, with a team built around André Andersson, Daniel Khayyami and Jesper Bergman, was Vattenfall's legal adviser. There was great market interest in Vattenfall's green bond, which was over-subscribed within a couple of hours of issuance.

“We are delighted that our green bond attracted so much interest. Vattenfall was the first to implement an international issue under an EMTN programme in Stockholm. It is also the first green bond of benchmark scale denominated in EUR to be issued here. In our view, this was a straightforward and efficient process,

and also one that felt natural for us as a European company headquartered in Stockholm,” says Johan Gyllenhoff, Head of Finance & Group Treasurer at Vattenfall.

Nasdaq is usually associated with financial instruments such as shares, options and futures. But it is also a centre for bond trading, bringing together companies large and small, as well as those that are privately owned and others owned by local government authorities. The Nasdaq Stockholm Sustainable Bond Market began trading in 2015, offering only bonds classified as “sustainable”.

FIRST GREEN BOND

This was not the first time that Vattenfall had listed a bond, but it was the first time the company had issued a green bond also listed in Stockholm. Although the company's bonds had previously been listed on the London Stock Exchange, on this occasion it had explicitly requested that the bond be listed in Stockholm. The legal aspects of a bond issue normally arise within a given framework – either there is a local framework for a listing in Sweden and, above all, for Swedish institutional investors, or an international framework is used, allowing access to the international market for fixed-interest securities.



“What was special about this transaction was the need to adapt and customise the bond programme, basing it on Swedish law while keeping it recognisable and attractive to international investors. It was technically challenging but also very enjoyable to work with a product that will ultimately also benefit climate transition,” says Daniel Khayyami, Senior Associate at Mannheimer Swartling.

UNIQUE SOLUTION

The Euro Medium Term Note (EMTN) is the international standard for bond loans – structured within a framework usually based on English law, with bonds being listed in London, Luxembourg or Dublin. For Vattenfall, however, it was important to reach a unique solution combining Swedish law with Swedish regulation and a listing in Stockholm on the one hand, and a programme of an international standard on the other.

The process of designing Vattenfall’s bond programme is going according to plan. The bond is listed in Stockholm, but most buyers are international investors. ■

Money laundering – not only a concern for banks

Not only banks and financial companies risk being exploited for international money laundering. All international companies have much to gain from procedures and contingencies for bribery, corruption and money laundering.

Recent years have seen several revelations of bribery and money laundering, both in Sweden and abroad, accompanied by gloomy headlines. First, a bank was accused of being used for money laundering through its branch in Estonia. Amounts of up to SEK 200 billion were alleged to have been channelled through more than 6,000 corporate accounts at the bank. Two other banks were



“But not only banks and financial companies risk being exploited when money from tax fraud, bribery and other criminal activities is laundered.”

—→ then identified as having been used in complex arrangements in which funds derived from bribes, tax fraud and other scams were said to have been laundered.

There are several common denominators in these tangled webs of suspected bribery and money laundering. For one thing, they all originate in former Soviet bloc countries. Moreover, the funds are channelled from east to west via an elaborate network of currency exchange bureaux, subsidiaries, as well as offshore and mailbox companies.

All the companies implicated are banks. Banking in today's digitised and globalised world involves numerous risks and requires rigorous internal control systems.

INCREASINGLY COMPLICATED

But not only banks and financial companies risk being exploited when money from tax fraud, bribery and other criminal activities is laundered. Fredrik Svensson is a partner at Mannheimer Swartling and works at the firm's office in Moscow. In recent years, much of his work has centred on compliance, and he has led several investigations into suspected cases of corruption and breaches of sanctions. In Svensson's view, banks are particularly vulnerable, although far from alone.

“Corruption, bribery and money laundering occur in all industries. As a company, it is important to be vigilant and systematic when doing business with, or conducting operations in, countries with a widespread culture of corruption and a lack of democracy,” Svensson says.

Although the media, public authorities and financial markets mainly aim their searchlights at the banks, he believes the current focus in the business community has been expanded to include large listed companies that either sell goods and services to foreign clients or maintain subsidiaries of their own abroad.

“We do not discourage clients from doing business in dictatorships or countries where corruption is rife, but we do advise them to act correctly and with keen awareness of the risks involved. Guidelines, regulations and procedures must be in place before doing business, and it is also important to know what to do if something goes wrong,” says Svensson.

Checking out foreign partners and suppliers has become a matter of routine prudence. But having secured a major order from a foreign company, how should a company act when that client demands that the invoice be made out to a completely different company or that the transaction should go via an agent in a third country?

“We sometimes decline transactions simply because we are unsure who the real counterparty is. Also, LKAB rarely works with middlemen and agents. We prefer to conduct business directly with our partners and sign agreements with them,” says Malin Sundvall, General Counsel at LKAB.

CONTINUITY IS THE KEY

The state-owned mining company has embraced sustainability for a long time, and applies a code of conduct covering not only representatives of the company, but also subcontractors, customers and partners. LKAB has zero tolerance of hidden commission and other improper payments. Sundvall describes a continuous process based on identifying risks. She and her colleagues perform customer audits, assess potential customers or suppliers and check whether any sanctions apply. The groundwork is performed by LKAB's own staff, but external resources are deployed in more complicated situations requiring specialist expertise. Another important aspect is to incorporate safeguards against bribery and money laundering in agreements with customers and suppliers. Should LKAB discover a breach of international trade sanctions or payment of hidden commission, it is entitled to cancel a transaction.

“This work must constantly evolve. You can never let your guard down – these issues can arise anytime and anywhere,” Sundvall says.

The number of companies seriously impacted by poor risk management is rising rapidly. The involvement of Swedish companies in some of the largest settlements with US regulators in recent years sends a clear message – deficiencies in control, insight and corporate culture involve a real risk of serious consequences. Mannheimer Swartling has conducted several major investigations into suspected corruption and money laundering and

has assisted clients by participating in investigations conducted by the US authorities.

“Much of the work involves gathering information to trace a course of events. There is often a striking lack of awareness among senior executives about what has actually happened, revealing a clear pattern of failings in communication, insight and control at the companies we investigate. There is often an international dimension, and an investigation can involve frequent contact with authorities, law firms and lawyers in other countries,” says Andreas Steen, partner at Mannheimer Swartling.

SIMPLICITY – THE MOST IMPORTANT LESSON?

Steen was one of the lawyers who headed the investigation of Telia and has since led several of the firm’s major investigative engagements. In his experience, it has often been very costly for companies to be unaware of their risk exposure. Consequences include international fines, as well the toll that managing the situation within and outside the company takes on administrative resources and business focus.

Steen thinks the most important lesson that all companies in an international market can learn from all the recent corporate scandals is that simplicity –

being able to explain every step taken – is a virtue.

Managers at all levels must also be far more aware of common warning signs. And an organisation must be prepared for, and accept, the need at times to decline a transaction when there are clear warning signs and the prevailing circumstances cannot be reasonably changed or explained.

“Awareness in Sweden of money laundering is generally very low. If you have a customer or supplier in a country with a high risk of corruption and money laundering, you must carry out systematic checks on counterparties and sources of funds. Essentially, it’s a matter of creating clear and simple tools for identifying warning signals and knowing how to deal with them. Companies also need to create a culture that integrates risk management into every transaction,” Steen says.

The banking and finance industry is probably the sector most exposed to money laundering. But banks and current trends in the financial sector also drive development in other sectors. Banks are imposing increased demands on their customers. Increasingly strict control and risk management requirements are also a direct result of a tighter international regulatory framework for banks and financial institutions. ■



At the heart of international dispute resolution

Despite its small population, Sweden is one of the world's leading centres of international dispute resolution – a trend rooted deep in history.

The tradition dates back to 1917, when the Arbitration Institute of the Stockholm Chamber of Commerce (SCC) first opened its doors. More than 100 years on, Sweden is well established as one of the world's leading locations for international arbitration, and at the SCC the dynamic trend continues.

“Swedish arbitration law is widely trusted internationally. Not only do we have a very long tradition of using arbitration in commercial relationships, we have a judicial system that fully respects the basic principles of international arbitration and applies them in the claims process.

This is not a given in all countries,” says Annette Magnusson, Secretary General of SCC.

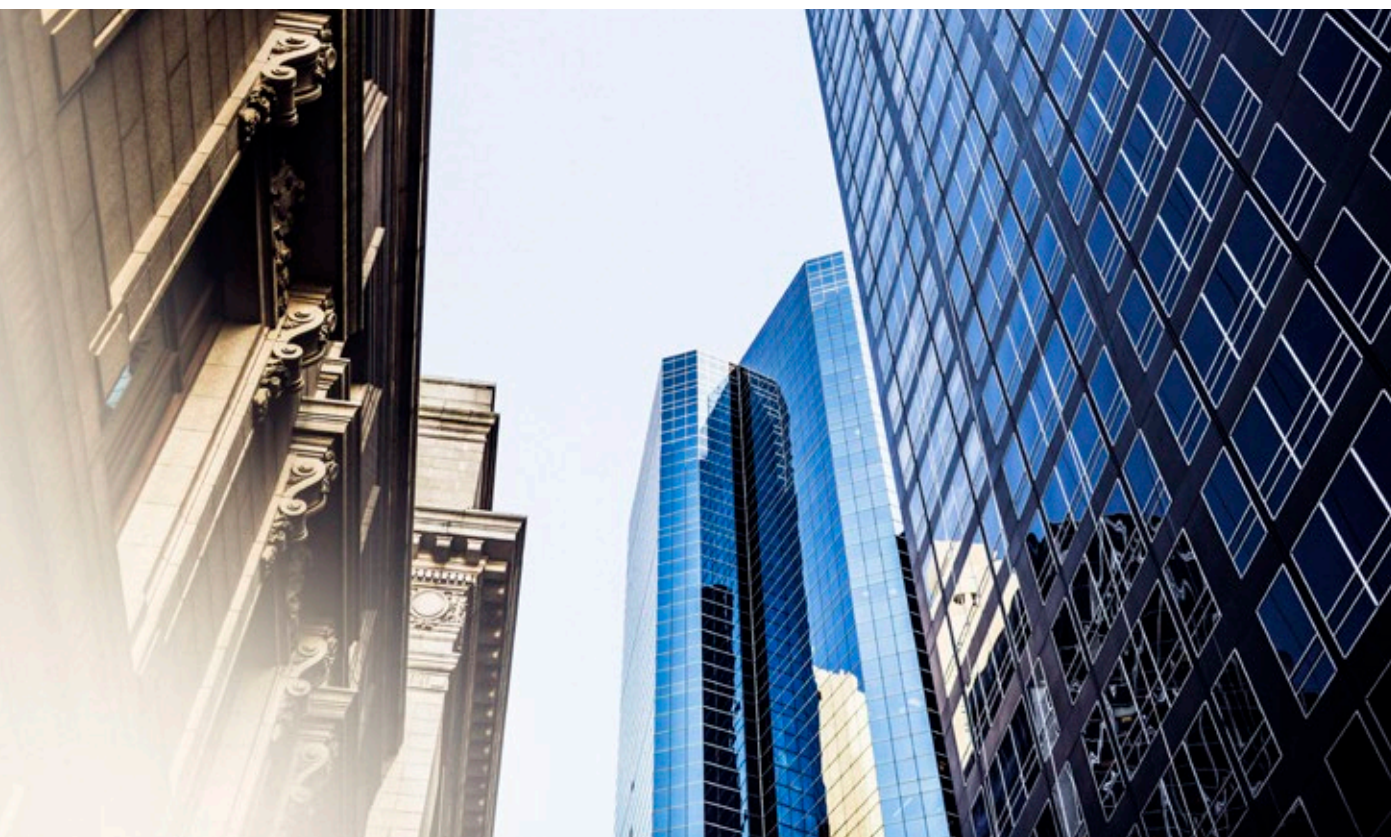
“Respect for the fundamental principle of party autonomy is deeply rooted in Sweden. The independence of the courts and widespread respect for forms of alternative dispute resolution such as arbitration undoubtedly favour the parties,” she continues.

Åsa Waller, partner at Mannheimer Swartling's Dispute Resolution group, highlights the ability to adopt new technologies as a key ingredient in the recipe for success.

“Another reason Sweden is pre-eminent in dispute resolution is that we are at the forefront of digital development. As in the world around us, we are seeing the rapid deployment of more advanced services and tools in our business. This will also make its mark on the way disputes are resolved. In Sweden, we are generally open to innovation, and I think this will be more important than ever in the coming years,” Waller says.

SWEDEN'S UNIQUE ROLE

The number of international arbitration cases settled in Stockholm increased sharply in the 1970s – a trend attributable largely to the American Arbitration Association and the former Soviet Union Chamber of



Commerce and Industry. Together they had resolved to settle US–Soviet business disputes in Sweden under SCC rules. At about that time China chose the same approach to its international disputes.

Since then Stockholm and the SCC have seen several east/west disputes, particularly from China and elsewhere in Asia. Sweden has also become a preferred choice in the resolution of energy disputes – including oil and gas – and plays a unique role in the system of international investment protection. In investment disputes, only the ICSID, a World Bank body, has a greater influx of cases than the Swedish arbitration institute.

“Sweden’s role in international investment law is unique,” Magnusson says. Sweden and the Arbitration Institute of the Stockholm Chamber of Commerce are listed as options for disputes between investors and states in nearly 120 global bilateral investment protection agreements, as well as in the European Energy Charter. This has enabled Swedish lawyers to achieve great success in the international arena for investment disputes.

“In a nutshell, Swedish arbitration is well-developed, easily accessible and in line with ‘best practice’ in inter-

The firm and arbitration

Arbitration is part of Mannheimer Swartling’s DNA, and the firm has always been a leader in developing formats for commercial dispute resolution in Sweden and internationally. Whatever the client’s nationality or the governing law, the firm assists in all aspects of commercial disputes – in sectors as disparate as the automotive industry and private equity, natural gas and life sciences. The firm’s dispute resolution group is engaged in arbitration involving many institutes and regulations, and has unparalleled experience of disputes before the SCC. The firm is also represented on the SCC Board of Directors, in the form of Jakob Ragnwaldh, a Partner in the Dispute Resolution group, who holds the post of Deputy Chair.

national arbitration. I am convinced that Sweden will continue to play a leading role in international dispute resolution,” she concludes. ■

INTERVIEW

A new climate for disputes

Climate change is the greatest challenge of our time – and will likely remain so for future generations. Kristoffer Löff, a partner in Mannheimer Swartling’s Dispute Resolution group, talks about how climate change is impacting dispute resolution.

National changes in climate policy impact local investment and cause new disputes. Examples include the decommissioning of coal power plants, or changes to regulations governing subsidies and other incentives. Investment disputes with Spain were triggered by changes in solar energy subsidies, for instance.

The climate issue has begun to make its mark on international law and international trade law. The Netherlands’ new model for investment protection agreements includes references to the Paris Agreement. The modernised Energy Charter Treaty is in turn

intended to reflect climate change and help fulfil the objectives of the Paris Agreement. The Paris Agreement is thus beginning to have a legal impact.

International arbitration based on the treaty will help achieve the objectives of the agreement. The Paris Agreement is also gaining greater importance in commercial relationships, as multinationals refer to the objectives of the Paris Agreement in their Codes of Conduct, for example. In turn, those Codes of Conduct are often incorporated in agreements with subcontractors and others.

Meanwhile, we are in the throes of a dramatic change in the energy markets, one that has only just begun. How is world trade affected by the gradual replacement of oil and natural gas with other, more locally produced, energy sources? Are we facing more regionalised trade flows, and thus also more regionalised – fragmented – dispute resolution?

Elsewhere, too, the landscape is changing, literally and figuratively, impacting commercial dispute resolution as it does so. Extreme weather conditions are causing growing numbers of insurance-related disputes. Forests and coastlines are changing, and natural phenomena such as fires and flooding have increased across the world. The trend is likely to affect the value of investments already made and existing agreements, resulting in contract disputes.

The whole world is speculating about climate change and its consequences. As far as our business and industry are concerned, the question seems to be whether the legal system and its players – including the dispute resolution institutions – are ready. At Mannheimer Swartling, we remain responsive to the trend and the challenges this poses for our clients, for us and for society at large.

Digital initiative

MSA Innovation Lab is Mannheimer Swartling's recent spearhead initiative on digitising legal services. Here, the advisory services of the future are being developed.

The digitisation of services and the use of artificial intelligence are two parallel and widespread trends in the business sector. Digital apps allow new interfaces between companies and consumers. Production of goods is streamlined when manufacturing processes are fully or partially automated, and analyses can be based on large quantities of data.

The legal profession is no exception. Over the past five years Mannheimer Swartling has invested large sums in business development, new software and AI systems that have changed the way we advise on business law.

We now work with clients via digital platforms, and review documents and data using algorithms.

Processes are fully or partially digitised, both at the firm and externally, creating added value for clients. And a number of previously time-consuming tasks can be streamlined using digitisation.

"New digital tools streamline legal work, freeing up resources for what we are best at, namely complex legal and strategic issues," says Elisabet Dahlman Löfgren, Head of Innovation and Knowledge Management at the firm.

THE NEXT STEP

Digitisation of legal advisory services has been in progress for several years and is now having a marked impact on Mannheimer Swartling's operations. This is particularly noticeable within the firm itself, but is also evident in the interface with clients. Benefits include more cost-effective services – drawing up a loan agreement for a bank, for example, takes significantly less time today than it did ten years ago. And the client gains added value when large amounts of data can be processed and analysed. Digitisation has evolved from being a way of streamlining day-to-day work to becoming a way of developing Mannheimer Swartling's business.



February 2019 saw another step in the firm's digital development with the establishment of MSA Innovation Lab. As part of the initiative, Klara Apéria was appointed Innovation Manager at Mannheimer Swartling.

"Our own approach to digitisation has given us a much better understanding of our clients' change processes. Our lawyers gain an awareness of the challenges and opportunities the client faces when we ourselves are undergoing change," Apéria says.

LEGAL SERVICES OF THE FUTURE

MSA Innovation Lab is a business unit within Mannheimer Swartling whose purpose is to manage the firm's innovation process and drive development of the legal services of the future. Besides developing and providing applications and platforms that streamline the services provided to clients, MSA Innovation Lab collaborates with leading researchers in digitisation at Lund Univer-

sity, Chalmers University of Technology and Stockholm School of Economics.

Another focus area within MSA Innovation Lab is a company incubator for businesses in the legal tech sector. Two companies are currently involved: PocketLaw and Wemble.

PocketLaw was founded in 2018, has 11 employees and develops legal services, particularly for smaller companies. Wemble was founded in 2019, has five employees and has developed an application providing an overview of an organisation's workload, potentially enhancing efficiency and well-being. The collaboration generates cross-fertilisation between the two startups and the firm.

"It's very rewarding to follow the development of PocketLaw and Wemble at close quarters. They help us in our own digital development while we support them with advice on business law," Apéria explains. ■

KLAS EKLUND, SENIOR ECONOMIST

A troubled world

2019 was a troubled year. The global economy slowed, but the central banks hit the accelerator again, slowing the downturn. This year, the world economy may slowly recover – unless viruses, geopolitics and trade wars get in the way.

The US–China trade war escalated in 2019. Admittedly, a temporary truce has been reached over customs duties, but the battle for future technological development and patents is hotting up. The UK has left the EU, but a new trade agreement remains to be negotiated. This offers both opportunities and challenges for the wider business community, and for the firm.

- Europe is experiencing an economic downturn. Monetary policy has few new tools at its disposal – interest rates are already low. Fiscal policy is bound by EMU rules and high levels of government debt. This increases the risk of protest politics. Companies must be prepared both for recession and for political turmoil.
- Tax reforms are pending in several countries. There is a general

downward pressure on corporate taxes. International negotiations on taxation of digital services are in progress. In Sweden, the "January agreement" between the minority coalition government and two centre-right parties requires that a comprehensive tax reform be implemented. All of this will demand expertise in tax law at Swedish companies.

- The slowdown in the economy is impacting transaction volumes in the M&A market following several years of elevated levels. Yet low interest rates are keeping financing costs down, and there are few other options for generating a return on capital. Central banks are also systematically holding down market interest rates on selected securities. This is something of a new scenario, in which monetary policy is now playing a greater role in securities markets – imposing new demands on the ability of business lawyers to interpret and assess monetary policy.
- The trade war is also making it increasingly important to read

these geopolitical developments. Time after time President Trump's Twitter outbursts redraw the trade policy map. Meanwhile, China's rapid technological development and growing claims on power may cause the world to split into two rival technological spheres. What approach should Swedish companies adopt to the increasingly adversarial demands of the two superpowers? What standards will govern the next generation of information technology? How will Sweden as a nation "screen" direct foreign investment – and how will this impact Swedish companies?

- Brexit requires numerous trade agreements to be negotiated in a short space of time. It remains to be seen whether everything will be ready in time or whether renewed concerns will emerge as the 31 December 2020 deadline approaches.

Other concerns could be added to this list. But there is clearly a growing need for strategic legal advice in these troubled times.

Selected engagements in 2019

Over the year Mannheimer Swartling advised in a number of high-profile transactions and business law disputes in Sweden and internationally.

- Mannheimer Swartling again assisted Stockholm County Council in its application for permits for the extensive planned expansion of the Stockholm Underground.
- The firm advised Epic Games – creator of games such as Fortnite and Gears of War – when it acquired technology company Quixel.
- We have continued to participate in the development of Swedish wind power – as legal advisor to Green Investment Group, the Renewables Infrastructure Group, GE Renewable Energy and Nordisk Vindkraft in several of the largest wind power transactions.
- Mannheimer Swartling was Eneo's legal adviser when the company was contracted to build Sweden's largest solar park.
- The firm was local adviser to Linde/Aga in the sale of its clean energy and marine bunker operations to Gasum.
- We were legal advisers to Northvolt when the company secured financing for the construction of its first full-scale battery plant – a step towards building the world's greenest battery.
- The firm assisted Mesa Laboratories in its acquisition of Gyros Protein Technologies.
- Mannheimer Swartling once again advised Klarna in its latest round of financing. Following the capital injection, Klarna is now one of the world's largest private FinTech companies.
- The firm was legal adviser to the world-leading biotech company Amgen when it acquired Nuevolution.
- We acted for ServiceMaster – a leading US supplier of pest control, cleaning and other services, when it acquired Nomor, based in Stockholm.
- The firm was Valedo's legal advisor in its sale of Cambio to Investcorp.
- We advised KPA Pension when it acquired the Trygg Hansa building in Stockholm.
- We were legal advisers to E.ON when it acquired Coromatic – a leading provider of business-critical infrastructure.
- The firm assisted FC Sun Intressenter in acquiring a majority of the shares in the listed company SBC Sveriges BostadsrättsCentrum.
- Mannheimer Swartling represented the sellers when Alecta Pensionsförsäkring acquired 19 per cent of Apotea, an online pharmacy.
- We assisted Litorina in its acquisition of a majority stake in NN07, a fashion brand.
- The firm was legal adviser to AI company Peltarion during its latest investment round.
- We were legal advisers to Summa Equity when it acquired Infobric – a supplier of software and IoT





products. The firm also advised Summa Equity on the establishment of its second fund.

- Mannheimer Swartling successfully acted for Cementa when MMD contested the company's permit to expand its limestone quarry in Slite on the island of Gotland.
- The firm successfully represented Nasdaq in one of Sweden's highest-profile competition law cases to date, concerning abuse of dominant position.
- The firm was the legal adviser to Vattenfall in the issuance of its first green bond under its Swedish EMTN programme. This was to become the largest green bond listed on Nasdaq Stockholm.
- We successfully acted for Region Västra Götaland in a major construction dispute with NCC before

Gothenburg District Court. Proceedings began in May 2014.

- Mannheimer Swartling successfully defended ABB in a case involving principles of environmental law of precedential importance.
- We advised Region Västra Götaland on the procurement of a new, integrated IT support system for health care in the region. The firm also successfully assisted the region in the subsequent review process in the administrative court.
- The firm represented the Baltic telecom operator Bite in setting up a joint venture and network sharing agreement with Tele2 in Latvia and Lithuania, which also includes the roll-out of 5G technology. ■

An overview of the firm's approach to sustainability

- *In advising clients* we generate long-term value for our clients and help to uphold the rule of law.
- *Internally at the firm* we engage in issues of relevance to our operations and our industry, such as ethics, diversity, gender equality and the environment.
- *In the community* we enter into selected partnerships and take on *pro bono* commitments where we believe we can best contribute to a sustainable society.

Mannheimer Swartling's view of sustainability

We are convinced that our best chance of spreading ideas of sustainability in the world around us lies in playing to our strengths – business law services. As a leading player and credible adviser, we must also practise what we preach, and shoulder responsibility for exerting influence where we can.

We want our approach to sustainability to continue to influence the trend towards a business sector that generates long-term value for present-day society, as well as for future generations. We want to contribute to a world in which human rights are respected and working conditions fair, a world that is prosperous and free of corruption. The firm's approach to sustainability is organised into three areas: advising clients, internally at the firm and in the community. The three areas are interdependent.

Within these areas, we work for the long-term benefit of our clients, our own organisation and society at large.

GLOBAL GOALS

We have signed the UN Global Compact and strive to abide by its ten principles on human rights, working conditions, the environment and anti-corruption. In all our operations we seek to contribute to the global goals for sustainable development. Based on our legal services,



A word from the Head of Sustainability

With an approach centred on business, Mannheimer Swartling has systematically integrated sustainability into all aspects of our services and all parts of the organisation for a number of years.

The advice we give to clients lies at the heart of the firm's operations, and relevant sustainability issues range from climate and other environmental risks to reasonable working conditions at our suppliers, human rights, consumer and product safety and corporate governance.

All of the firm's practice groups bear witness to this. Each practice group strives to ensure that our clients act in line with their own values, managing sustainability risks and contributing to a more sustainable future by the way they do business.

Mannheimer Swartling is pursuing these key issues in our industry, and we are pleased to see how others have now begun to follow our lead. This serves as valuable recognition that our efforts have produced results and that we set the right course at an early stage, although much remains to be done.

We are ever on the lookout for new ways of making business law more sustainable, and 2019 was no exception.

EMMA IHRE

Head of Sustainability

our own organisation and the legal profession in general, we have identified four global sustainability goals where we are particularly well-placed to make a contribution – and where the onus is on us to do so.



GOAL 5 Gender Equality. Our primary aim is to increase the number of female partners – an important goal for the profession and for the firm – one that we have been pursuing for several years.



GOAL 13 Climate Action. We concentrate on reducing the firm's negative climate impact by means of climate-smart business travel, for example.



GOAL 16 Peace, Justice and Strong Institutions. We strive to promote the rule of law in Sweden and elsewhere.



GOAL 17 Partnerships for the Goals. We focus on contributing to society and facilitating cooperation between relevant actors.

MATERIALITY IN FOCUS – KEY TOPICS AND RISKS

Ongoing dialogues with our key stakeholders are a natural part of the firm's business, and a way of always setting ourselves new challenges so we can constantly improve. In 2019, too, we conducted client and employee surveys and invited other stakeholders to talks and seminars. Sustainability is also discussed at partners' meetings, meetings of the Board of Directors, in other forums, and in the practice groups and in day-to-day contact with clients, collaborative partners, suppliers and other stakeholders.



—> Based on the stakeholder dialogues, we have identified our most significant sustainability issues, which also represent our material sustainability risks. ■

Material sustainability risks

Our most significant sustainability issues, which also represent our material sustainability risks, are of a long-term nature and remain centred on:

- further developing our advisory services in the field of sustainability,
- promoting greater diversity, a more even workload and a better work-life balance for our employees,
- developing the procedures needed to comply with anti-money laundering legislation, GDPR and data security requirements,
- further reducing the firm's negative environmental impact, and
- strategic development of our *pro bono* work.

A driving force in sustainable business law

Sustainability in the advice we give is the first of three pillars in our sustainability strategy. By developing business law to incorporate sustainability issues, we want to generate long-term value – for our clients and for the community at large.

As a full-service law firm, we have clients operating in multiple markets and sectors, featuring quite disparate challenges, risks and opportunities. Helping clients to identify and manage risks has been a key element in our approach to sustainability.





At the heart of Mannheimer Swartling's business lies a desire to always deliver the best possible advice and to exceed our clients' expectations. This means we must meet our clients' needs on a shifting playing field, where sustainability is – and will remain – of great importance. We believe in the importance of broadening the sustainability dimension in business law, and we do what we can to achieve this. For some years now, the firm has clearly integrated topics such as human rights, working conditions, environment and anti-corruption in the advice we give, and we are pleased to see a similar trend in the industry as a whole.

GENERATING LONG-TERM VALUE

Sustainability remains at the top of the global agenda, and the firm continued to develop its advisory services in 2019. Here, our Corporate Sustainability and Risk Management group serves as a focal point. With its combined experience from different practice groups and sectors, the group specialises in issues such as investigations and crisis management, data protection and GDPR, climate and the environment, human rights, money laundering and anti-corruption, as well as export controls and trade sanctions. The group also advises clients on general risk management and sustainability aspects of governance.

The sustainability dimension is now an integral part of the work in Mannheimer Swartling's other practice

groups as well. Examples include Private M&A, Corporate Taxation, Public M&A and Equity Capital Markets. The analysis of sustainability within the M&A process has been broadened and deepened. Corporate Taxation has seen growing emphasis by the OECD on issues such as tax avoidance.

These days it is not just about advising clients how the options available to them will impact their tax cost, but also how their actions will be perceived. In the Public M&A and Equity Capital Markets group, we advise listed companies on corporate governance, in which sustainability plays an increasingly central role. Regulations and best practice are constantly evolving. Boards of directors and management are paying ever greater attention to sustainability as shareholders, employees, customers and suppliers make growing demands of their companies' sustainability strategies.

More than ever, and regardless of practice group, we are expected to advise proactively. Although law is at the heart of our offering, we bring the sustainability dimension to each engagement. Quite simply: sustainability is a business-critical issue.

GOVERNANCE AND LEGAL SERVICES

Advice provided by the firm helps clients comply with regulations, and manage risks and business opportunities. Our advice concerns both regulatory compliance and overall sustainability strategy. This



—> includes international guidelines and frameworks, such as the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business on Human Rights, the 17 Global Goals for Sustainable Development, as well as industry-specific guidelines. The Swedish Bar Association guidelines and recommendations and the IBA Practical Guide on Business and Human Rights for Business Lawyers are important governance documents of this kind. Our services deploy our combined experience and expertise in line with the highest ethical and professional standards, generating long-term value for our clients, and helping to uphold the rule of law. We take pains to run our own business sustainably, and help our clients and business partners to do the same. ■

Practising what we preach

Our approach to sustainability within our organisation forms the second pillar of our sustainability strategy. That approach must dovetail with the values espoused by the firm.

Practising what we preach is crucial to our success and our credibility as advisers in business law. In 2019 we continued to work on sustainability in the sub-areas of organisation and employees, ethics and regulatory compliance, and environment.



Organisation and employees: A modern workplace

Mannheimer Swartling is a knowledge-intensive company in the truest sense. Our employees' commitment, skills and experience are crucial success factors for the services we provide and for our capacity to remain relevant in the future.

We are therefore always keen to attract the best employees and provide them with the right conditions in which to develop. Our aim is to be a modern workplace that

attracts both women and men from a wide variety of backgrounds.

We offer some of the most interesting work in the market – work that is both stimulating and demanding. So we need clear structures and tools that allow us to do our job while maintaining a good balance between work and our private lives.

Fostering employee health and well-being by achieving a more even workload and a better work–life balance is a priority. In 2019 absence due to illness was 1.89 per cent for women and 0.53 per cent for men. In 2018 the corresponding figures were 1.63 and 0.80 per cent respectively, and in 2017 1.66 and 0.43 per cent.

FIRST CHOICE

Increasing diversity and gender equality is another priority – one with which the entire industry is grappling. For many years we have had the privilege of being the first choice of law firm among law students in Sweden, with about 500 applicants in 2019. Many of Sweden's most promising young lawyers apply to join the firm; most of the best candidates are women. For this reason, we recruit more female than male associates. But historically, our female lawyers have not gone on to make partner at the pace we would like to have seen. Over a ten-year period, 35 per cent of our new partners have been women. While it is gratifying that 50 per cent of new partners in 2019 were women, what is most important of course is that the long-term trend is positive.

For us, this is a business-critical issue. Increasing the number of women in the partnership and among our senior lawyers, and achieving a greater mix of people from different backgrounds, are absolutely essential if we are to meet our clients' needs and remain their first choice in the future.

We address this issue continuously throughout the organisation and have a dedicated working group responsible for the firm's efforts to improve diversity and gender equality.

COACHING A KEY ISSUE

A factor often highlighted as essential to pursuing a career and, in particular, becoming a partner of the firm, is good support from existing partners acting as formal or informal mentors.

On joining the firm, all employees are assigned a mentor. Informal mentoring forms an integral part of our pure lockstep model. We also introduced an additional formal mentoring programme in 2019.

Active leadership, both formal and informal, is essential if we are to remain the modern workplace we



—→ aspire to be. The onus is on all partners and support managers to ensure they work to foster an inclusive culture that encourages initiative, collaboration and knowledge exchange, and to bring together teams based on a well-balanced mix of skills and experience.

All associates undergo a six-year training programme. Support staff are also offered training in relevant areas. We offer continuous skills development through courses on current issues with a clear business and advisory emphasis.

Our lawyers are given the opportunity to work abroad and on secondment at our clients. ■

Ethics and regulatory compliance: Sound business ethics

Working in harmony with our values and in compliance with laws and regulations is both a given and essential if we are to maintain our pre-eminence.

RESPONSIBLE BUSINESS

Good business ethics and practices guide us in everything we do. Ethics and regulatory compliance are very much a matter of monitoring and systematically managing risks associated with the advice we give, and

involve issues such as money laundering, financing of terrorism, legal ethics, sanctions legislation, insider trading and anti-corruption. All employees receive regular training on these issues. We also arrange numerous seminars and online courses on these topics for clients and employees alike. All employees are invited to attend relevant courses every other year from the time they join the firm.

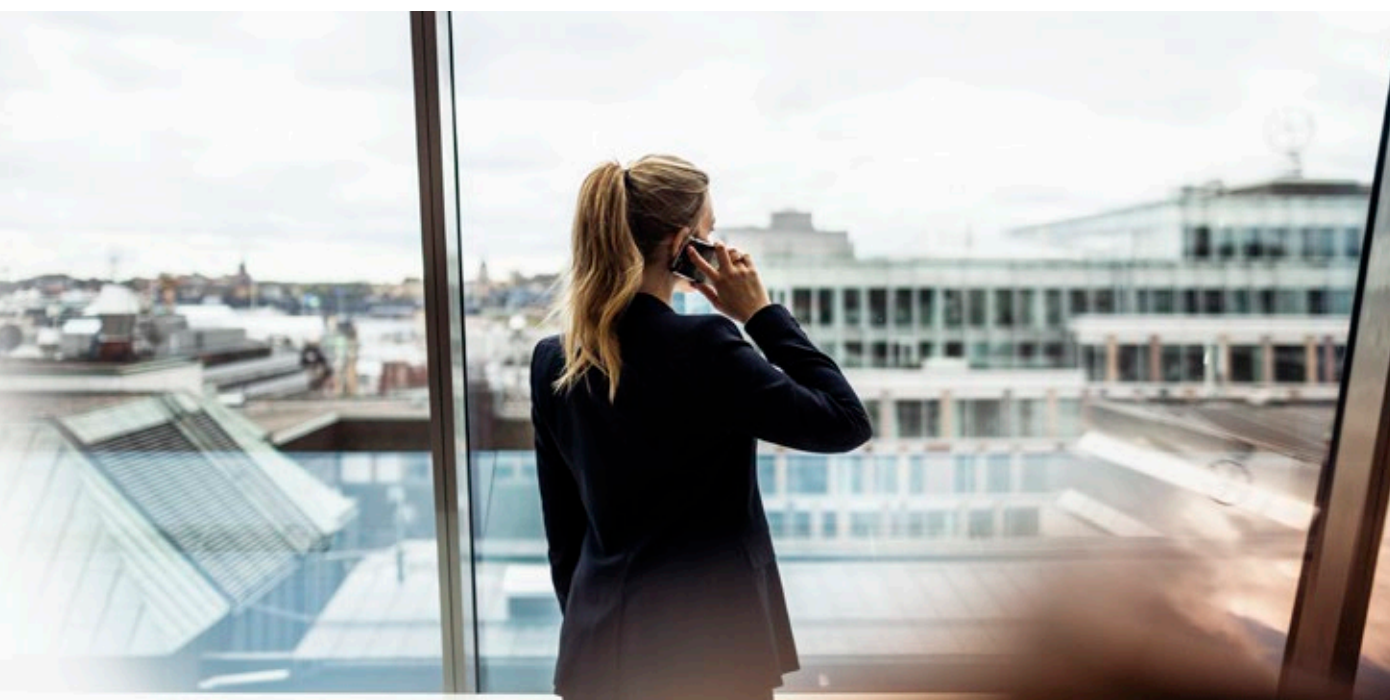
We also attach great importance to screening the clients we take on to ascertain their business ethics. What began over a decade ago as a means of monitoring conflicts of interest and checks for money laundering has evolved into a systematic and centralised process. A qualified team of some ten employees reviews new clients and engagements to ensure they meet our standards of responsible and ethical conduct.

We have also decided not to accept engagements in a number of specific areas that we consider ethically dubious.

ENHANCED INFORMATION SECURITY AND IT SECURITY

As a law firm, some of our greatest risks relate to information security and IT security. One reason for this is that our operations are subject to client confidentiality – all information we handle on our clients' behalf is treated as confidential.

In recent years we have therefore made strenuous efforts to strengthen our information security and IT security, with particular emphasis on GDPR and cybersecurity.





CLEAR CODES OF CONDUCT

Our Code of Conduct was adopted in May 2016, and was last revised in June 2018. The Code summarises what we expect of our employees, and covers a broad spectrum, from human rights and working conditions to business ethics and the environment, with references to relevant internal policies. We consider it particularly important to observe the rules on corruption, particularly in our dealings with judicial authorities. There should never be any doubt about our commitment to business ethics.

Any violations of the Code of Conduct must be reported to the nearest manager or via our whistleblower system. No incidents were reported under the whistleblower system in 2019.

We make the same high demands of our suppliers as we do of ourselves. We have maintained a Code of Conduct for Suppliers since 2017. We strive for long-term and stable relationships, and maintain an ongoing dialogue with our suppliers on these issues and monitor their compliance with the Code of Conduct. ■

INTERVIEW

Spotlight on investigations

Investigating and managing potential operational errors, discrepancies or irregularities operations is increasingly important for companies and organisations – in Sweden and elsewhere.

Erica Wiking Häger and Andreas Steen, Partners in the firm's Corporate Sustainability and Risk Management group, explain how developments are reflected in Corporate Investigations.

In recent years the firm has conducted investigations for companies and organisations in both the private and the public sector. In 2019, too, we observed a growing interest in investigations – particularly into money

laundering and corruption, the former being the single greatest concern.

Although clients' needs naturally vary, most of our investigations involve mapping a specific course of events, and identifying and analysing relevant legal issues. Questions may arise as to liability under criminal, private or company law, as well as regulatory liability, and related employment law issues.

Interest in Swedish companies continues among foreign authorities and regulators, and these days many investigations have multinational ramifications. In those cases we often work in teams with lawyers and

forensic experts from different countries and benefit greatly from our excellent network of international contacts.

Demands on clients continue to increase. For instance, the bribery provisions of the Swedish Criminal Code were tightened on 1 January 2020. At the same time, the maximum corporate fine was increased from SEK 10 million to SEK 500 million.

We are continuing to develop the advisory services offered by Corporate Investigations at Mannheimer Swartling, ensuring our clients continue to navigate correctly between complex regulations and run their operations sustainably.

The environment: A lower impact

For us, a sustainable business model means setting a good example and minimising our negative environmental impact.

We were among the first in the industry to adopt an environmental policy, to environmentally certify our operations under ISO 14001, and to report on sustainability.

ANALYSIS OF OUR CLIMATE FOOTPRINT

In 2019 we took the next step and conducted a thorough analysis of the firm's total climate footprint in line with the Greenhouse Gas Protocol, Corporate Standard (GHG). Although as a consulting company, our climate footprint is fairly small, we had already identified travel and transport as the main sources of the negative climate impact we do have. Our total greenhouse gas emissions in 2019 were 1,824 tonnes CO₂e. The analysis shows that our air travel accounts for just under two-thirds (1,095 tonnes CO₂e) of the firm's total emissions, followed by emissions from IT equipment (258 tonnes CO₂e), and electricity and heating (194 tonnes CO₂e).

Environmental targets

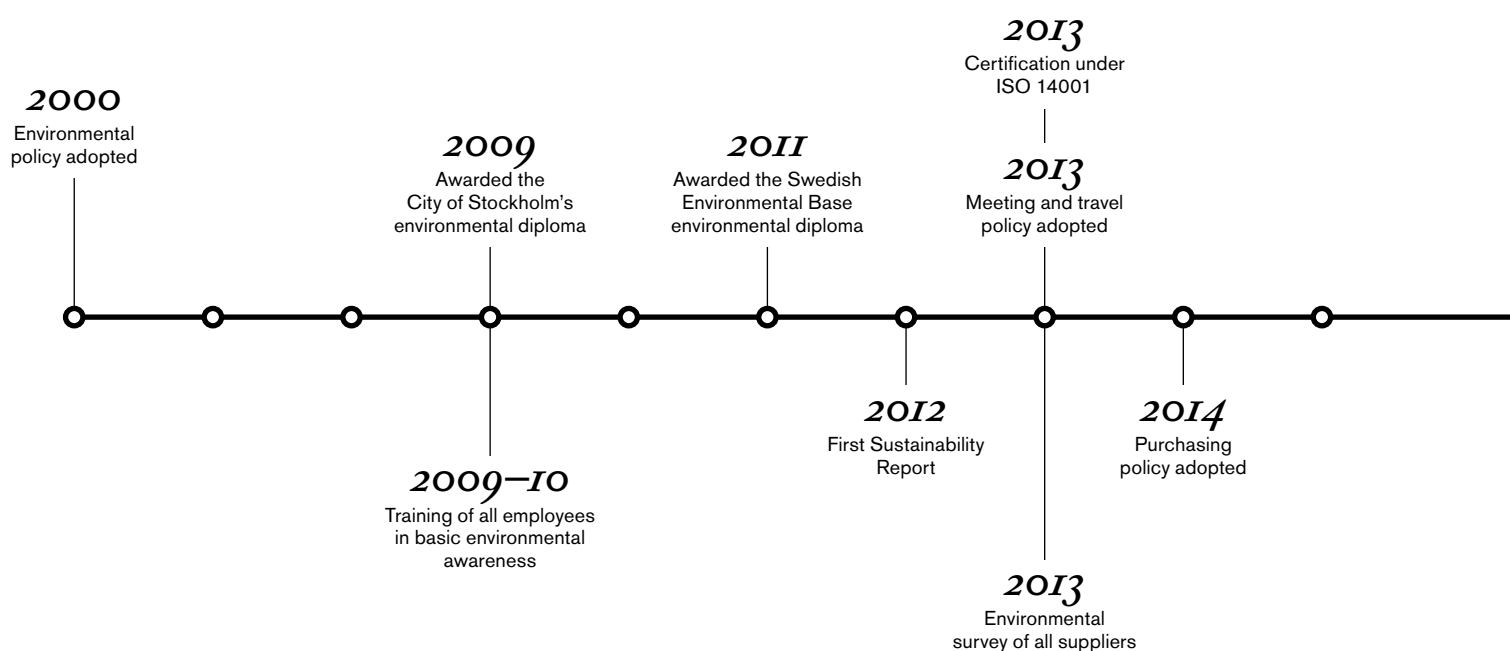
Our overall environmental objective is to reduce the firm's negative climate impact. Our focus areas for 2017–2020 are:

- climate-smart business travel and supplier transport,
- sustainable purchasing of goods and services,
- reduced waste, and
- greater employee awareness of environmental topics.

The document Information on Mannheimer Swartling's Sustainability Reporting presents more detailed data on our climate impact in 2019.

Our aim is to measure the climate impact caused by our services. Unfortunately, current models do not enable us to do so. Despite bringing in leading environmental consultants, we have not found anyone else able to perform the task either. We are monitoring developments closely with a view to measuring the climate impact of our services in the long term. We have established a dedicated climate group that is working on this issue, and as soon as reliable methods have been established, we will be ready to take this step. The firm has offset its climate impact since 2018.

MANNHEIMER SWARTLING'S ENVIRONMENTAL MILESTONES



Our environmental performance is based on a materiality analysis and governance documents setting out targets and action plans. The firm's purchasing procedures and Code of Conduct for Suppliers presuppose that relevant environmental standards are set for procurement and purchasing. This work is headed by the firm's environmental management team.

DEEPLY ENGAGED

Our employees are deeply engaged in environmental and climate issues, with many seeking to contribute. During the year, we brought all employees together for a full-day inspirational programme on climate and the environment, which was much appreciated. In the staff restaurant at the firm's Stockholm office visitors can see for themselves the climate footprint of various lunch options. We are seeing a move towards climate-smart meals at all offices.

Mannheimer Swartling also joined the Breakit Impact Challenge (BIC) – a digital boot camp aimed at increasing climate awareness in the business community. BIC involved a number of challenges and training initiatives at the firm during an intensive month. The results confirmed that we have made great progress in increasing our climate awareness, although we were also inspired by ideas about how we can improve further. ■

A strong voice in the community

Mannheimer Swartling in the Community is the third pillar of our sustainability strategy. Aside from advising clients, our greatest contribution to sustainable social development occurs through our *pro bono* partnerships.

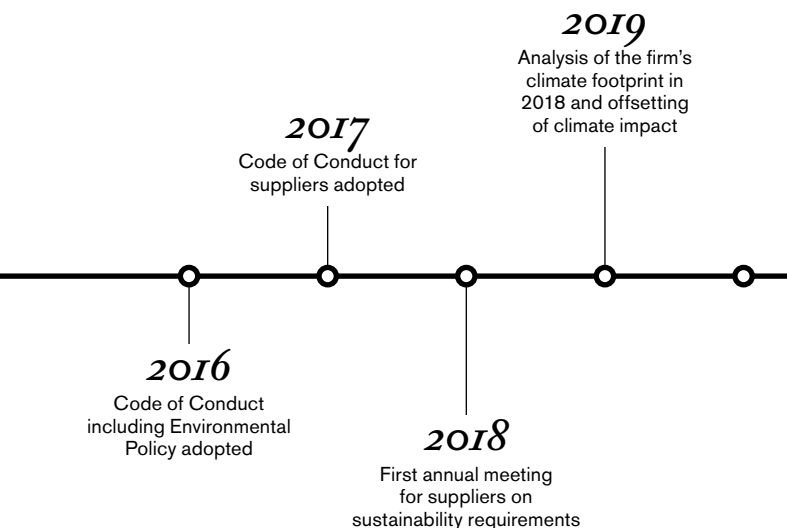
Law firms play a specific role in society – safeguarding the rule of law. As a provider of advisory services in business law, Mannheimer Swartling has a responsibility and an opportunity to influence and advance social issues that are important to our clients, to society, to our employees and our own business. We achieve this – within the framework of our sustainability work – partly in the advice we give to clients and partly through the *pro bono* work done by the firm's staff, in which we share our legal knowledge and time without charging any fees.

We seek to be a positive influence and an active participant in sustainable development. Social issues have always engaged us. Mannheimer Swartling has a tradition of *pro bono* partnerships stretching back several decades. Strategic partnerships develop our own knowledge of important social issues while engendering substantial commitment within the firm. We choose to participate in partnerships and pursue social issues where we believe that our efforts can make the greatest difference.

A selection of our partnerships

Projects in which Mannheimer Swartling provided advice in 2019 included:

- Centrum för rättvisa (Centre for Justice); read more on page 32
- Global Compact Network Sweden
- Norrskens Foundation
- Race for the Baltic
- Open house
- Smarta samtal ("Smart Conversations Foundation")
- SOS Barnbyar (SOS Children's Villages)





—→ **PRO BONO NOW AND LOOKING AHEAD**

In 2019 we continued to structure our *pro bono* work to generate the greatest possible value for our partners, and thereby also for our clients, our employees and society.

At the beginning of the year we gathered our *pro bono* partners to exchange experience and discuss the challenges they face in identifying where we could best contribute our knowledge.

We then used the input we received as a basis for planning and prioritising the engagement of the firm and our employees. As we head into 2020, Mannheimer Swartling will be focusing on its commitment to societal issues within its core areas of expertise: upholding the rule of law, increasing legal certainty, privacy and cybersecurity, and sustainable world trade. ■

Centre for Justice

Centre for Justice (Centrum för rättvisa) is recognised as Sweden's leading organisation working to safeguard the rights and freedoms of the individual. For almost 20 years, Mannheimer Swartling has provided legal expertise in cases pursued by the organisation.

Centrum för rättvisa was established in 2002 as an independent non-profit organisation whose mission is to protect the rights and freedoms of the individual. Centrum för rättvisa reviews grievances, informs individuals of their rights, and acts in legal proceedings where the victim lacks awareness of their rights and/or the financial resources needed to enforce them. The tools it uses comprise the legal protection of rights and freedoms provided by laws, statutes, the European Convention and EU law.

"One of the greatest challenges to the rule of law is that, in practice, most people lack opportunities to exert

their fundamental rights and freedoms. Centrum för rättvisa evens up the odds against powerful opponents by pursuing individuals' legal claims against the state in key cases that set precedents," explains Fredrik Bergman, Secretary General of Centrum för rättvisa.

Mannheimer Swartling has worked closely with Centrum för rättvisa on a *pro bono* basis right from the outset. The firm has provided expert help in several cases brought before the Supreme Court.

"Mannheimer Swartling has been involved right from the get-go, and we are very proud of our collaboration. It is both gratifying and rewarding to receive the assistance of the firm's astute lawyers in our cases, and several of them have gone all the way to the Supreme Court. There is a mutual exchange of knowledge that benefits our clients and helps strengthen the rule of law in Sweden," Bergman concludes.



Information on Mannheimer Swartling's Sustainability Reporting

Mannheimer Swartling integrates sustainability with its core operations – business law counsel. We are convinced that our greatest opportunity to contribute to sustainable social development is through a business model in which sustainability forms an integral part.

By integrating sustainability in the advice we provide on business law, the firm helps its clients to manage risks and business opportunities in an even better way. In doing so, we generate long-term value – for clients, for society and for our own organisation.

INFORMATION ON SUSTAINABILITY REPORTING

In line with the Annual Accounts Act (1995:1554), Mannheimer Swartling's Sustainability Report, consists of Mannheimer Swartling's Annual Report 2019 and this document (Information on Mannheimer Swartling's Sustainability Reporting).

This Sustainability Report refers to calendar year 2019, and is the sixth consecutive report of its kind. Mannheimer Swartling reports sustainability data annually. The 2018 report was published on 1 March 2019. The Sustainability Report has been prepared in accordance with the Annual Accounts Act and the Global Reporting Initiative ("GRI").

The Board of Directors is responsible for the Sustainability Report for 2019. The Sustainability Report comprises pages 6–11 and 22–32 of Mannheimer Swartling's 2019 Annual Report and "Information on Mannheimer Swartling's Sustainability Reporting". The Board of Directors is also responsible for ensuring that the report is prepared in accordance with the Annual Accounts Act.

This report has been prepared in accordance with the GRI Standards: Core option. This means that our sustainability work and the contents of our reporting are guided by the accounting principles set out in GRI, including the materiality principle. Pages 5–8 of this document specify where the information reported under GRI can be found in Mannheimer Swartling's Sustainability Report for 2019.

Mannheimer Swartling became a signatory of the UN Global Compact in 2016. The firm has therefore undertaken to support and respect Global Compact and to annually communicate the actions taken by the firm to implement the principles of the framework in its operations. The annual report for 2019 constitutes Mannheimer Swartling's third Communication on Progress to the UN Global Compact. The table on page 4 of this document shows where data reported in line with the UN Global Compact are presented in Mannheimer Swartling's Annual Report for 2019.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ANALYSIS

Mannheimer Swartling's materiality analysis is based on our ongoing dialogues with stakeholders, which identify the sustainability topics most relevant to the firm. The materiality analysis forms the basis of our strategic approach to sustainability. The analysis is based on the outcomes from our ongoing stakeholder dialogues, directives issued by the Board of Directors and our risk inventory.

It is reasonable to expect that many of our stakeholders may be significantly affected by Mannheimer Swartling and may also influence the firm's ability to successfully implement its strategies and achieve its targets. Priority stakeholders are those who can substantially influence or be substantially influenced by the firm's operations. The firm's priority stakeholders are current and prospective clients, shareholders and the Board of Directors, prospective, current and former employees, suppliers, the business community, the public sector, the legal profession and other collaborative partners.

We maintain ongoing stakeholder dialogues as an integral part of our operations. This enables us to better identify and understand our challenges and opportunities. In 2019 discussions continued to be centred on

Contact

If you have any questions about Mannheimer Swartling's sustainability performance and reporting, please contact Emma Ihre, Head of Sustainability, emma.ihre@msa.se, +46 8 595 061 90.

the sustainability topics of gender equality and diversity, business ethics, regulatory compliance, information security and money laundering.

At Mannheimer Swartling, the most important sustainability topics, and those that also represent our key sustainability risks, are of a long-term nature, and remain centred on:

- further developing our advice on sustainability
- promoting increased diversity, a more even workload and a better work-life balance for our employees
- further developing procedures in relation to anti-money laundering legislation, GDPR and data security requirements
- further reducing the firm's negative environmental impact
- strategic development of our *pro bono* work

REPORTING PROFILE AND BOUNDARIES

Our sustainability reporting describes the areas in which Mannheimer Swartling has a significant impact on the environment, social conditions, staff, respect for human rights and combating corruption. Unless otherwise stated, the Sustainability Report covers both the Parent Company (Mannheimer Swartling Advokatbyrå AB) and the Group. The Group includes the subsidiaries Mannheimer Swartling Ryssland Advokataktiebolag, Mannheimer Swartling New York Advokataktiebolag and Mannheimer Swartling Hongkong Limited, as well as the firm's branch offices in Shanghai, Hong Kong and Brussels.

The reported figures on absence due to illness refer to all of the firm's offices. The reported climate impact data also refer to direct and indirect emissions at all offices. Data collection boundaries are also stated in connection with each table.

No operational changes have occurred affecting the 2019 report. No other changes have occurred in the

reporting profile or in the boundaries for sustainability reporting compared with previous years.

The figures presented refer to financial year 2019. In 2019 Mannheimer Swartling expanded its sustainability reporting to include indicators and key figures covering all countries in which the firm operates.

DATA COLLECTION AND ACCOUNTING PRINCIPLES

The accounting principles used in the financial statements can be found in Mannheimer Swartling's Annual Report 2019; the accounting principles used in the consolidated financial statements are presented in the supplementary disclosures.

The employee data are based on verified figures from Mannheimer Swartling's annual accounts.

Environmental data are gathered through the firm's environmental reporting process and within the scope of the environmental management system. The reported greenhouse gas emissions are based on statistics from our suppliers. Starting in financial year 2018, Mannheimer Swartling calculates greenhouse gas emissions in line with the Greenhouse Gas Protocol, Corporate Standard (GHG). The climate footprint for 2019 totalled 1,824 (2,231) tonnes CO₂e, including Scope 1, Scope 2 and parts of Scope 3. Emissions totalled 12 (91) tonnes CO₂e in Scope 1 (coolant emissions and fuel consumption by proprietary vehicles), 158 (167) tonnes CO₂e in Scope 2 (purchased electricity, heating and cooling), and 1,654 (1,973) tonnes CO₂e in Scope 3 (business travel, office supplies, commuter travel, waste and upstream emissions from energy consumption).

Where no actual consumption data exist, consumption has been estimated.

Values in brackets refer to emissions in 2018.

Priority sustainability topics and risks

PRIORITY SUSTAINABILITY TOPICS AND RISKS

Priority sustainability topics	Areas	Priority sustainability risks	Governance, page
Develop our services in the field of sustainability	Environment, social conditions, staff, anti-corruption, human rights	Inadequate advice on sustainability: Damage to reputation; loss of clients; contributing to a negative trend with regard to environment, social conditions, staff, anti-corruption and human rights.	AR 22–26
Foster increased diversity, a more even workload and a better work-life balance for our employees	Social conditions and staff	Shortcomings in the working environment, lack of progress on diversity and equality: Loss of skills and staff and resulting loss of capacity to provide the best advice; damage to our reputation and loss of relevance.	AR 9–11, 23–24, 27
Develop procedures in relation to anti-money laundering legislation, GDPR and demand for	Anti-corruption	Inadequate compliance with relevant regulations and data security: Inadequate client confidentiality; loss of client data; damage to our reputation.	AR 23–26, 28–29
Further reduce the firm's negative environmental impact	Environment	Inadequate environmental performance: Undue negative impact on the environment and climate, resulting in damage to our reputation on environmental and climate issues and loss of current or prospective clients, employees and collaborative partners.	AR 23–24, 30–31
Strategic development of our <i>pro bono</i> work	Environment, social conditions, staff, anti-corruption, human rights	Misdirected non-profit commitment: Ineffective or negative contribution to sustainable development in relation to the environment, social conditions, staff, anti-corruption and human rights.	AR 22–24, 31–32

Page references in this table refer to the 2019 Annual Report (AR).

The ten principles of the UN Global Compact

THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT

	Page
Mannheimer Swartling became a signatory of the UN Global Compact initiative in 2017. This means the firm is committed to accepting social responsibility by supporting and respecting the ten principles of the initiative.	
Human rights	
PRINCIPLE 1. Support and respect the protection of internationally proclaimed human rights	AR 24–26
PRINCIPLE 2. Ensure that the firm is not complicit in human rights abuses	AR 26, 28
Working conditions and terms of employment	
PRINCIPLE 3. Uphold the freedom of association and recognise the right to collective bargaining	AR 26
PRINCIPLE 4. Eliminate all forms of forced and compulsory labour	AR 26
PRINCIPLE 5. Abolish child labour	AR 26, 28
PRINCIPLE 6. Eliminate discrimination	AR 24, 27
The environment	
PRINCIPLE 7. Support a precautionary approach	AR 22–23, 26
PRINCIPLE 8. Promote greater environmental responsibility	AR 26, 30–31
PRINCIPLE 9. Encourage the development and diffusion of environmentally friendly technologies	AR 30–31
Anti-corruption	
PRINCIPLE 10. Combat all forms of corruption, including extortion and bribery.	AR 26, 28–29

Page references in this table refer to the 2019 Annual Report (AR).

GRI-index

GENERAL DISCLOSURES

Disclosure	Description	Comment	Page
GRI 102: General disclosures 2016			
Organisational profile			
102-1	Name of the organisation		IO 2
102-2	Activities, brands, products and services		AR 8–9, 11
102-3	Location of headquarters	Stockholm	
102-4	Countries in which the organisation operates		AR 8, 9
102-5	Ownership structure and legal form	The firm is a limited liability company owned by all partners.	AR 8
102-6	Markets in which the organisation operates		AR 8–9
102-7	Size of the organisation		AR 9
102-8	Information on employees and others working for the organisation		AR 9–11, 26–28
EMPLOYMENT CATEGORIES AT 31 DECEMBER 2019			
Total number of permanent employees (inc. probationary employees)		Total number of temporary employees per office	
Women	287	Stockholm	29
Men	236	Gothenburg	4
Total number of temporary employees		Malmö	5
Women	31	New York	n/a
Men	7	Shanghai	n/a
Total number of permanent employees per office		Moscow	n/a
Stockholm	319	Hong Kong	n/a
Gothenburg	78	Brussels	n/a
Malmö	80	Total number of full-time employees	
New York	5	Women	317
Shanghai	10	Men	243
Moscow	18	Total number of part-time employees	
Hong Kong	6	Women	1
Brussels	7	Men	n/a
102-9	Supply chain		AR 29–30
102-10	Significant changes to the organisation and its supply chain	No significant changes took place during the reporting period.	
102-11	Precautionary principle		AR 26
102-12	External sustainability initiatives that the organisation supports/is covered by		AR 6, 26, 31–32

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Page references in this GRI index refer to the Annual Report 2019 (AR) and this document (IO).

GENERAL DISCLOSURES, cont.

Disclosure	Description	Comment	Page
GRI 102: General disclosures 2016			
102-13	Membership of associations	In addition to our <i>pro bono</i> partnerships, the firm participates in a number of industry, special interest and other organisations, such as the Stockholm School of Economics, Stockholm University, IVA, SWESIF, Moderna Museet, the Nobel Foundation, Expo 2020, ICC, Global Compact, the Network for Sustainable Business, CSR Skåne, CSR West Sweden, Lund University School of Economics and Management and University of Gothenburg.	
Strategy			
102-14	Statement from senior decision-maker		AR 6–7
Ethics and integrity			
102-14	Values, principles, standards and norms of behaviour		AR 8–9, 28–29
Governance			
102-18	Governance structure	Mannheimer Swartling's operations are ultimately governed by the agreement between all of the firm's partners: the partnership agreement. The firm's highest decision-making body is the partners' meeting, at which each partner has one vote. During the year, the Board of Directors consisted of five partners, all elected at a partners' meeting. Read more at www.mannheimerswartling.se/ombyran .	
Stakeholder engagement			
102-40	List of stakeholder groups		IO 1
102-41	Collective bargaining agreements	Employees of the firm are not covered by collective bargaining agreements.	
102-42	Identifying and selecting stakeholders		IO 1, AR 23–24
102-43	Approach to stakeholder engagement		IO 1, AR 23
102-44	Key topics and concerns raised		IO 1
Reporting practice			
102-45	Entities included in the financial statements		IO 2
102-46	Defining report content and topic boundaries		IO 1–3
102-47	List of material topics		IO 1–3, AR 24
102-48	Restatements of information		IO 2
102-49	Changes in reporting		IO 2
102-50	Reporting period		IO 1
102-51	Date of most recent report		IO 1
102-52	Reporting cycle		IO 1
102-53	Contact point for questions regarding the report	Emma Ihre, Head of Sustainability	IO 2
102-54	Report in accordance with GRI Standards		IO 1



Page references in this GRI index refer to the Annual Report 2019 (AR) and this document (IO).

GENERAL DISCLOSURES, cont.

Disclosure	Description	Comment	Page
GRI 102: General disclosures 2016			
102-55	GRI content index		IO 3–7
102-56	External assurance	The Sustainability Report has not been reviewed by a third party.	

MATERIAL TOPICS

Disclosure	Description	Comment	Page																																
GRI 103: Sustainability governance 2016 and GRI 205: Anti-corruption 2016 (boundary within the organisation)																																			
<i>Financial standards</i>																																			
103-1	Explanation of the material topic and its boundary		AR 30–31																																
103-2	The management approach and its components		AR 28–29																																
103-3	Evaluation of the management approach		AR 28–29																																
205-2	Communication and training about anti-corruption policies and procedures		AR 29																																
205-3	Confirmed incidents of corruption and actions taken	No reports of suspected corruption were received via the whistleblowing system in 2019.	AR 29																																
GRI 103: Sustainability governance 2016 and 302-1 Energy use within the organisation 2016																																			
<i>Environmental standards</i>																																			
103-1	Explanation of the material topic and its boundary		AR 30–31																																
103-2	The management approach and its components		AR 30–31, IO 2																																
103-3	Evaluation of the management approach		AR 30–31																																
302-1	Energy consumption within the organisation	<table> <tr> <th>Energy consumption, kWh</th><th>2019</th><th>2018</th><th>2017</th></tr> <tr> <td>Sweden</td><td>1,199,881</td><td>1,218,745</td><td>1,312,518</td></tr> <tr> <td>Hong Kong</td><td>22,979</td><td>22,929</td><td>21,804</td></tr> <tr> <td>Shanghai</td><td>16,590</td><td>17,317</td><td>21,378</td></tr> <tr> <td>Moscow</td><td>61,327</td><td>58,437</td><td>62,039</td></tr> <tr> <td>Brussels</td><td>23,641</td><td>23,641</td><td>24,215</td></tr> <tr> <td>New York</td><td>20,000</td><td>20,000</td><td>20,000</td></tr> <tr> <td>Total</td><td>1,344,418</td><td>1,361,069</td><td>1,461,954</td></tr> </table> <p>Total consumption of heating and cooling is not reported, as data are not available.</p>	Energy consumption, kWh	2019	2018	2017	Sweden	1,199,881	1,218,745	1,312,518	Hong Kong	22,979	22,929	21,804	Shanghai	16,590	17,317	21,378	Moscow	61,327	58,437	62,039	Brussels	23,641	23,641	24,215	New York	20,000	20,000	20,000	Total	1,344,418	1,361,069	1,461,954	
Energy consumption, kWh	2019	2018	2017																																
Sweden	1,199,881	1,218,745	1,312,518																																
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Page references in this GRI index refer to the Annual Report 2019 (AR) and this document (IO).

MATERIAL TOPICS, cont.

Disclosure	Description	Comment	Page
GRI 103: Sustainability governance 2016 and 305-1-3 emissions 2016			
103-1	Explanation of the material topic and its boundary		AR 22–23, 30–31
103-2	The management approach and its components		AR 22–23, 30–31
103-3	Evaluation of the management approach		AR 30–31, IO 2
305-1-3	Reported direct emissions (Scope 1) of greenhouse gases in tonnes CO ₂ e	12 (91) tonnes CO ₂ e	
305-2	Reported indirect emissions (Scope 2) of greenhouse gases from purchased energy in tonnes CO ₂ e	Site-based method 185 (194) tonnes CO ₂ e. Market-based method 158 (167) tonnes CO ₂ e.	
305-3	Reported other indirect emissions (Scope 3) of greenhouse gases in tonnes CO ₂ e	Site-based method 1,644 (1,963) tonnes CO ₂ e. Market-based method 1,654 (1,973) tonnes CO ₂ e.	
"Our Impacts" is the calculation tool used for the climate accounts. Our Impacts is based on thousands of emission factors from established international sources such as DEFRA/DECC, EPA, IEA and IPCC.			

TOTAL EMISSIONS PER OFFICE

	Direct (Scope1)	Indirect (Scope 2)	Indirect (Scope3)		Direct (Scope1)	Indirect (Scope2)	Indirect (Scope3)
Stockholm	2	35	787	Stockholm	2	56	779
Gothenburg	2	1	258	Gothenburg	2	6	257
Malmö	2	16	375	Malmö	2	18	374
Hong Kong		17	62	Hong Kong		17	62
Shanghai	6	14	66	Shanghai	6	14	66
Moscow		39	36	Moscow		39	36
Brussels		23	34	Brussels		22	34
New York		13	36	New York		13	36
Total	12	158	1,654	Total	12	185	1,644
Market-based method: Total emissions Scope 1, 2 and parts of Scope 3 broken down by office and stated in tonnes CO ₂ e.				Site-based method: Total emissions Scope 1, 2 and parts of Scope 3 broken down by office and stated in tonnes CO ₂ e.			



Page references in this GRI index refer to the Annual Report 2019 (AR) and this document (IO).

MATERIAL TOPICS, cont.

Disclosure	Description	Comment	Page
GRI 103: Sustainability governance 2016 and GRI 401: Employment 2016 (boundary within the organisation)			
<i>Social standards</i>			
103-1	Explanation of the material topic and its boundary		AR 10, 27–28
103-2	The management approach and its components		AR 10, 27–28
103-3	Evaluation of the management approach		AR 10, 27–28
401-1	New employee hires and employee turnover	In 2019, we recruited 60 lawyers and 48 support staff Mannheim Swartling does not report recruitment broken down into age group and region or employee turnover, since use of these indicators is not considered relevant. This is because a certain level of employee turnover is a natural feature of our business in line with the "up or out" system.	
GRI 103: Sustainability governance 2016 and GRI 403: Occupational health and safety 2018 (boundary within the organisation)			
103-1	Explanation of the material topic and its boundary		AR 27–28
103-2	The management approach and its components		AR 27–28
103-3	Evaluation of the management approach		AR 27–28
403-2	Injuries, work-related illnesses, lost working days, absenteeism and work-related fatalities	Mannheimer Swartling only reports absence due to illness, since our operations do not normally expose employees to risks of physical injury.	AR 27
GRI 103: Sustainability governance 2016 and GRI 404: Training and education 2016 (boundary within the organisation)			
103-1	Explanation of the material topic and its boundary		AR 27–29
103-2	The management approach and its components		AR 27–29
103-3	Evaluation of the management approach		AR 27–29
404-3	Percentage of employees receiving regular performance and career development reviews		AR 27



Page references in this GRI index refer to the Annual Report 2019 (AR) and this document (IO).

MATERIAL TOPICS, cont.

Disclosure	Description	Comment	Page
GRI 103: Sustainability governance 2016 and GRI 405: Diversity and equal opportunity 2016 (boundary within the organisation)			
103-1	Explanation of the material topic and its boundary		AR 10–11, 23, 27
103-2	The management approach and its components		AR 10–11, 23, 27
103-3	Evaluation of the management approach		AR 10–11, 23, 27
405-1	Diversity of governance bodies and employees	Mannheimer Swartling's Board of Directors currently comprises four men (80%) and one woman (20%)	AR 11 ¹
405-2	Ratio of basic salary and remuneration of women to men	Mannheimer Swartling's salary system for associates involves uniform salary progression for all, with any bonuses being distributed collectively. Accordingly, salaries are based solely on the employee's period of active service at the firm. The salaries of other employees are set individually, and are linked to salary levels in the market for each professional role.	
GRI 103: Sustainability governance 2016 and GRI 418: Customer privacy 2016 (boundary within the organisation and customer entity)			
103-1	Explanation of the material topic and its boundary		AR 28–29
103-2	The management approach and its components	Mannheimer Swartling takes complaints from clients very seriously and has clear procedures for managing complaints. Complaints are forwarded immediately to the Quality and Risk Department, where they are dealt with.	AR 28–29
103-3	Evaluation of the management approach		AR 28–29
418-1	Substantiated complaints concerning breaches of customer privacy confidentiality and losses of customer data	We did not identify any substantiated complaints concerning violations of customer privacy in 2019. During the year there was one instance of theft of technical equipment.	

¹ The diagram illustrating Specialist counsel in 2019 (AR 11) also includes senior legal assistants, senior legal consultants, counsel and professional development lawyers.

Page references in this GRI index refer to the Annual Report 2019 (AR) and this document (IO).



This is a literal translation of the Swedish original report

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Mannheimer Swartling Advokatbyrå AB, corporate identity number 556399-4499

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2019 on pages 6-11 and 22-32 in the Annual Report (Årsrapporten) and the document Information on Mannheimer Swartling's Sustainability Reporting (Information om Mannheimer Swartlings Hållbarhetsrapportering) and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm 19 February 2020
Öhrlings PricewaterhouseCoopers AB

Gabriella Hermansson
Authorised Public Accountant



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