

Checklist for IPC's compliance with the Swedish Corporate Governance Code

International Petroleum Corporation (“**IPC**” or the “**Corporation**”) is listed on the Toronto Stock Exchange (“**TSX**”) and on Nasdaq Stockholm. The following sets out the rules of the Swedish Corporate Governance Code (the “**Swedish Code**”) and the status of IPC’s compliance with such rules. IPC is not required to comply with the Swedish Code as it is a Canadian corporation with a listing of its common shares on the TSX. The Corporation discloses its corporate governance practices pursuant to the disclosure requirements in National Instrument 58-101 – Disclosure of Corporate Governance Practices (the “**Governance Disclosure Rule**”) that apply to issuers listed on the TSX. The Company’s governance practices are made with reference to National Policy 58-201, Corporate Governance Guidelines (the “**Governance Guidelines**”). The Governance Disclosure Rule and the Governance Guidelines are initiatives of the Canadian Securities Administrators (the “**CSA**”). IPC furthermore applies the TSX’s rules and guidelines on corporate governance and its articles (the “**Articles**”). The Governance Disclosure Rule, Governance Guidelines, TSX’s rules and guidelines and Canadian business and securities law applicable to the Corporation is in the following referred to as the “**Canadian Rules**”.

The below compliance table is being provided in accordance with Part III of the Swedish Code which requires a foreign company, that does not apply the Swedish Code, to report and explain the important aspects in which the company’s conduct deviates from the Swedish Code.

The below checklist covers only the rules of the Swedish Code. Other relevant corporate governance rules can be found in, *inter alia*, the Swedish Companies Act, the Swedish Annual Accounts Act and Nasdaq Stockholm’s Rulebook for Issuers.

1. The shareholder’s meeting		
<i>Shareholders’ influence in the company is exercised at the shareholders’ meeting, which is the company’s highest decision-making body. The planning and running of the shareholders’ meeting is to create conditions in which shareholders can exercise their ownership role in an active, well-informed manner.</i>		
Rule No.	Rule	IPC’s comments and compliance/deviation assessment
1.1	As soon as the date and venue of the shareholders’ meeting have been decided, and in the case of annual general meetings no later than in conjunction with the third quarter report, the information is to be posted on the company’s website. This information is also to include the closing date for matters to be submitted by shareholders for inclusion in the notice of meeting.	Based upon IPC’s assessment, IPC is partly compliant with this rule of the Swedish Code. IPC will hold an annual shareholder meeting within the time requirements set by Canadian Rules and the Articles. Meeting materials are publicly filed on www.sedar.com , the website maintained by the CSA and posted on IPC’s website for

		the annual shareholder meeting generally at least 30 days prior to the meeting. There is no requirement that the information should include the closing date for matters to be submitted by shareholders for inclusion in the notice of meeting.
1.2	The company chair and as many members of the board as are required for a quorum are to be present at shareholders' meetings. The chief executive officer is to attend. At least one member of the company's nomination committee, at least one of the company's auditors and, if possible, each member of the board are to be present at the annual general meeting.	Based upon IPC's assessment, IPC is partly compliant with this rule of the Swedish Code. Quorum requirements for shareholder meetings are set out in the Articles and director attendance is not required. The CEO will attend and may act as chair of the AGM. There is also no requirement for a nomination committee member or for the Corporation's auditors to be present at the AGM under Canadian Rules.
1.3	The company's nomination committee is to propose a chair for the annual general meeting. The proposal is to be presented in the notice of the meeting.	Based upon IPC's assessment, IPC is not compliant with this rule of the Swedish Code. Pursuant to the Articles the Chairman of the Board is entitled to act as chair of the AGM in the first instance, and if such individual is absent or unwilling to act, then the CEO.
1.4	If the ownership structure warrants it, and it is financially feasible given the financial situation of the company, the company is to offer simultaneous interpretation of the shareholders' meeting into other relevant languages than Swedish, as well as translation of all or parts of the meeting documentation. The same applies to the minutes of the meeting.	Based upon IPC's assessment, IPC is not compliant with this rule of the Swedish Code. Meetings will be held, and the minutes will be drafted, in English.
1.5	A shareholder, or a proxy representative of a shareholder, who is neither a member of the board nor an employee of the company is to be appointed to verify and sign the minutes of the shareholders' meeting.	Based upon IPC's assessment, IPC is not compliant with this rule of the Swedish Code. There is no requirement under Canadian Rules for a shareholder or a representative of a shareholder to verify the minutes of a shareholder's meeting.

2. The nomination committee

The election and remuneration of the board of directors and the auditor are to be prepared in a structured, clearly stated, shareholder-governed process which provides conditions for well-informed decision-making.

The sole task of the nomination committee is to propose decisions to the shareholders' meeting regarding electoral and remuneration issues and, where applicable, procedural issues for the next nomination committee. Regardless of how they are appointed, members of the nomination committee are to promote the common interests of all shareholders. Committee members are not to reveal the content and details of nominations discussions unduly. Each member of the nomination committee is to consider carefully whether there is a conflict of interest before accepting the assignment.

Rule No.	Rule	IPC's comments and compliance/deviation assessment
2.1	<p>The company is to have a nomination committee.</p> <p>The nomination committee is to propose candidates for the post of chair and other members of the board, as well as fees and other remuneration to each member of the board. In its assessment of the board's evaluation and in its proposals in accordance with rule 4.1, the nomination committee is to give particular consideration to the requirements regarding breadth and versatility on the board, as well as the requirement to strive for gender balance.</p> <p>The nomination committee is also to present proposals on the election and remuneration of the statutory auditor. The nomination committee's proposal to the shareholders' meeting on the election of the auditor is to include the audit committee's recommendation (or that of the board of directors if it does not have an audit committee).⁴ If the proposal differs from the alternative preferred by the audit committee, the reasons for not following the committee's recommendation are to be stated in the proposal. The auditor or auditors proposed by the nomination committee must have participated in the audit committee's selection process if the company is obliged to have such a procedure.⁵</p>	<p>Based upon IPC's assessment, IPC is partly compliant with this rule of the Swedish Code.</p> <p>The Company has a Board Committee: the Nominating and Governance Committee (the "N&CG Committee"). The nominees for board members will be recommended to shareholders by the Board in IPC's Proxy Circular after the Board takes into account recommendations on board nominees from the N&CG Committee.</p> <p>In accordance with the N&CG Committee mandate, in making its recommendations, the N&CG Committee shall consider the competencies and skills that the Board considers to be necessary for the Board as a whole to possess, the competencies and skills that the Board considers each existing director to possess, and the competencies and skills each new nominee will bring. The N&CG Committee shall also consider the amount of time and resources that nominees have available to fulfill their duties as Board members and committee members, as applicable.</p> <p>The Compensation Committee of the Board makes recommendations to the Board on matters of board remuneration.</p> <p>The Audit Committee of the Board makes recommendations to the Board as to the election and remuneration of the Corporation's auditors.</p>

⁴ This rule corresponds to the requirements regarding the board's proposal for the post of auditor if the company does not have a nomination committee, see article 16.5 of the European Parliament and Council Regulation (EU) No. 537/2014 of 16 April 2014 on specific requirements regarding statutory audit of public interest entities and repealing Commission Decision 2005/909/EC, in its original version.

⁵ Those companies which according to their latest annual or consolidated accounts fulfil at least two of the following three criteria: an average number of employees during the financial year of less than 250; a total balance sheet not exceeding EUR 43 million; and an annual net turnover not exceeding EUR 50 million. Also, listed companies that have an average market capitalization of less than EUR 100 million based on the closing price for the previous three calendar years are exempted from the requirement that the auditor or auditors proposed must have participated in the audit committee selection process.

2.2	<p>The shareholders' meeting is to appoint members of the nomination committee or to specify how they are to be appointed.</p> <p>This decision is to include procedures for replacing members of the nomination committee who leave before its work is concluded.</p>	<p>Based upon IPC's assessment, IPC is not compliant with this rule of the Swedish Code.</p> <p>In accordance with Canadian Rules and the Articles, members of Board committees are selected by the Board, including the N&CG Committee, and any such individual may be removed by the Board at any time.</p>
2.3	<p>The nomination committee is to have at least three members, one of whom is to be appointed committee chair.</p> <p>The majority of the members of the nomination committee are to be independent of the company and its executive management.⁶ Neither the chief executive officer nor other members of the executive management are to be members of the nomination committee.</p> <p>At least one member of the nomination committee is to be independent of the company's largest shareholder in terms of votes or any group of shareholders who act in concert in the governance of the company.</p>	<p>Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code.</p> <p>There are independence definitions under Canadian Rules which are similar with the Swedish Code. The N&CG Committee is composed of 3 independent directors pursuant to the Canadian Rules. Pursuant to the Swedish Code, the N&CG Committee is also composed of 3 independent directors.</p>
2.4	<p>Members of the board of directors may be members of the nomination committee but may not constitute a majority thereof. Neither the company chair nor any other member of the board may chair the nomination committee.</p> <p>If more than one member of the board is on the nomination committee, no more than one of these may be dependent of a major shareholder in the company.⁷</p>	<p>Based upon IPC's assessment, IPC is partly compliant with this rule of the Swedish Code.</p> <p>In accordance with Canadian Rules and the Articles, members of Board committees are selected by the Board, including the N&CG Committee, and any such individual may be removed by the Board at any time. All committee members must also be directors. The N&CG Committee is composed of 3 independent directors pursuant to the Canadian Rules and the Swedish Code.</p>
2.5	<p>The company is to announce the names of members of the nomination committee on its website no later than six months before the annual general meeting. If any committee member has been appointed by a particular owner, that owner's name is to be stated. If any member leaves the committee, this information is to be announced. If a new member is appointed to the nomination committee, the corresponding information about the new member is to be provided. The website is also to provide information on how shareholders may submit recommendations to the nomination committee.</p>	<p>Based upon IPC's assessment, IPC is not compliant with this rule of the Swedish Code.</p> <p>In accordance with Canadian Rules and the Articles, members of Board committees are selected by the Board, including the N&CG Committee, and any such individual may be removed by the Board at any time.</p>
2.6	<p>The nomination committee's proposals are to be presented in the notice of the shareholders' meeting where the elections of board members or auditors are to be held as well as on the company's website.</p>	<p>Based upon IPC's assessment, IPC is substantially compliant with this rule of the Swedish Code.</p>

⁶ For assessment of independence with regard to the company and its management, see 4.4.

⁷ For assessment of independence with regard to the company's major shareholders, see 4.5.

	<p>When the notice of the shareholders' meeting is issued, the nomination committee is to issue a statement on the company's website explaining its proposals regarding the board of directors with regard to the requirements concerning the composition of the board contained in Code rule 4.1. The committee is to provide specific explanation of its proposals with respect to the requirement to strive for gender balance contained in rule 4.1. If the outgoing chief executive officer is nominated for the post of chair, reasons for this proposal are also to be fully explained. The statement is also to include an account of how the nomination committee has conducted its work and, for certain companies,⁸ a description of the diversity policy⁹ applied by the nomination committee in its work.</p> <p>The following information on candidates nominated for election or re-election to the board is to be posted on the company's website¹⁰:</p> <ul style="list-style-type: none"> • the candidate's year of birth, principal education and professional experience, • any work performed for the company and other significant professional commitments, • any holdings of shares and other financial instruments in the company owned by the candidate or the candidate's related natural or legal persons, • whether the nomination committee, in accordance with Code rules 4.4 and 4.5, deems the candidate to be independent of the company and its executive management, as well as of major shareholders in the company. Where circumstances exist that may call this independence into question, the nomination committee is to justify its position regarding candidates' independence, • in the case of re-election, the year that the person was first elected to the board. 	<p>Pursuant to Canadian Rules, the Corporation will provide substantively similar disclosure as required under the Swedish Code with respect to directors seeking election to the Board and each such members' involvement with committees of the Board.</p>
2.7	<p>At a shareholders' meeting where the election of board members or auditors is to be held, the nomination committee is to present and explain its proposals with regard to the requirements concerning composition of the board contained in rule 4.1. The committee is to provide specific explanation of its proposals with respect to the requirement to strive for gender balance contained in rule 4.1.</p>	<p>Based upon IPC's assessment, IPC is not compliant with this rule of the Swedish Code.</p> <p>The Board's recommendations and further information relating to the nomination of directors will be set out in IPC's Proxy Circular.</p>

⁸ Applies to listed companies which fulfil more than one of the requirements stated in chapter 6, section 10, paragraph 1, points 1-3 of the Annual Accounts Act (1995:1554).

⁹ The diversity policy may consist of Code rule 4.1.

¹⁰ If a board member is nominated by a party other than the nomination committee, the nominating party is to submit the required information to the company, including the nominating party's assessment of the nominee's independence with regard to the company, its management and major shareholders in the company.

3. The task of the board of directors

The election and remuneration of the board of directors and the auditor are to be prepared in a structured, clearly stated, shareholder-governed process which provides conditions for well-informed decision-making.

The sole task of the nomination committee is to propose decisions to the shareholders' meeting regarding electoral and remuneration issues and, where applicable, procedural issues for the next nomination committee. Regardless of how they are appointed, members of the nomination committee are to promote the common interests of all shareholders. Committee members are not to reveal the content and details of nominations discussions unduly. Each member of the nomination committee is to consider carefully whether there is a conflict of interest before accepting the assignment.

Rule No.	Rule	IPC's comments and compliance/deviation assessment
3.1	<p>The principle tasks of the board of directors include</p> <ul style="list-style-type: none"> • establishing the overall goals and strategy of the company, • appointing, evaluating and, if necessary, dismissing the chief executive officer, • defining appropriate guidelines to govern the company's conduct in society, with the aim of ensuring its long-term value creation capability, • ensuring that there is an appropriate system for follow-up and control of the company's operations and the risks to the company that are associated with its operations, • ensuring that there is a satisfactory process for monitoring the company's compliance with laws and other regulations relevant to the company's operations, as well as the application of internal guidelines, and • ensuring that the company's external communications are characterised by openness, and that they are accurate, reliable and relevant. 	<p>Based upon IPC's assessment, IPC is substantially compliant with this rule of the Swedish Code.</p> <p>The Board has a written mandate which covers substantially the same matters and will be appended to IPC's Proxy Circular.</p>
3.2	<p>The board is to approve any significant assignments the chief executive officer has outside the company.</p>	<p>Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code.</p>

4. The size and composition of the board

The board is to have a size and composition that enables it to manage the company's affairs efficiently and with integrity.

Rule No.	Rule	IPC's comments and compliance/deviation assessment
4.1	The board is to have a composition appropriate to the company's operations, phase of development and other relevant circumstances. The board members elected by the shareholders' meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. The company is to strive for gender balance on the board.	Based upon IPC's assessment, IPC is partly compliant with this rule of the Swedish Code. The Board has adopted Guidelines for its composition to assist the N&CG Committee when recommending nominations for directors. Such guidelines require the Committee to seek diversity in perspectives.
4.2	Deputies for directors elected by the shareholders' meeting are not to be appointed.	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code. Under Canadian Rules there is no concept of deputies for directors which is why there will be no deputies appointed at any time.
4.3	No more than one elected member of the board may be a member of the executive management of the company or a subsidiary. ¹¹	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code. Currently, the Chief Executive Officer is the only director of the board who is a member of the executive management.
4.4	The majority of the directors elected by the shareholders' meeting are to be independent of the company and its executive management. A director's independence is to be determined by a general assessment of all factors that may give cause to question the individual's independence and integrity with regard to the company or its executive management. Factors that should be considered include ¹² : <ul style="list-style-type: none"> • whether the individual is the chief executive officer or has been the chief executive officer of the company or a closely related company within the last five years, • whether the individual is employed or has been employed by the company or a closely related company within the last three years, 	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code. The majority of the directors of the board, namely Lukas H. Lundin, Donald Charter, Chris Bruijnzeels, Torstein Sanness and Daniella Dimitrov, are, pursuant to the Swedish Code, independent of the company and its executive management after a general assessment of all factors that may give cause to question the individual's independence and integrity with regard to the company or its executive management. The fact that Torstein Sanness has been employed by Lundin Petroleum up until April 2015 has not changed this assessment since Torstein Sanness did only work with

¹¹ The chief executive officer and an executive chair of the board may thus not both be members of the board if the latter is also a member of the company's executive management. A member of the board may, however, be employed and receive remuneration from the company without being a member of the executive management, e.g. a member of the board who is honorary chair of the board or who acts as an "ambassador" for the company or similar.

¹² The results of the nomination committee's deliberations are to be reported in accordance with the fourth bullet of the third paragraph in 2.6.

	<ul style="list-style-type: none"> • whether the individual receives a not insignificant remuneration for advice or other services beyond the remit of the board position from the company, a closely related company or a person in the executive management of the company, • whether the individual has or has within the last year had a significant business relationship or other significant financial dealings with the company or a closely related company as a client, supplier or partner, either individually or as a member of the executive management, a member of the board or a major shareholder in a company with such a business relationship with the company,¹³ • whether the individual is or has within the last three years been a partner at, or has as an employee participated in an audit of the company conducted by, the company's or a closely related company's current or then auditor, whether the individual is a member of the executive management of another company if a member of the board of that company is a member of the executive management of the company, or • whether the individual has a close family relationship with a person in the executive management or with another person named in the points above if that person's direct or indirect business with the company is of such magnitude or significance as to justify the opinion that the board member is not to be regarded as independent. <p>A closely related company is defined in this context as another company in which the company holds, directly or indirectly, at least ten per cent of the shares, ownership interest or votes, or a financial share that confers an entitlement of at least ten per cent of the yield. If the company owns more than 50 per cent of the shares, ownership interest or votes in another company, it is to be regarded as indirectly holding the latter company's ownership in other companies.</p>	Lundin Petroleum's Norwegian operations and can therefore not be deemed to have been involved in the Corporation's business or operations.
4.5	At least two of the members of the board who are independent of the company and its executive management are also to be independent in relation to the company's major shareholders.	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code. Currently, four of the board members fulfil this criteria of the Swedish Code, namely Donald Charter, Chris Bruijnzeels, Torstein Sanness and Daniella Dimitrov.

¹³ This point is not to be regarded as applicable to a normal business relationship as a customer of a bank.

	<p>In order to determine a board member's independence and integrity, the extent of the member's direct and indirect relationships with major shareholders is to be taken into consideration.¹⁴ A member of the board who is employed by or is a board member of a company which is a major shareholder is not to be regarded as independent.</p> <p>In this context, a major shareholder is defined as controlling, directly or indirectly, at least ten per cent of the shares or votes in the company. If a company owns more than 50 per cent of the shares, ownership interest or votes in another company, the former is regarded as having indirect control of the latter company's ownership in other companies.</p>	
4.6	Nominees to positions on the board are to provide the nomination committee with sufficient information to enable an assessment of the candidate's independence as defined in 4.4 and 4.5.	<p>Based upon IPC's assessment, IPC is substantially compliant with this rule of the Swedish Code.</p> <p>Board members complete an annual board survey, which requires them to provide information on their independence as such term is defined under Canadian Rules.</p>
4.7	Members of the board are to be appointed for a period extending no longer than to the end of the next annual general meeting.	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code.

¹⁴ The results of the nomination committee's deliberations are to be reported in accordance with the fourth bullet of the third paragraph in 2.6.

5. The task of directors		
<i>Directors are to devote the necessary time and care, and to ensure they have the competence required, to effectively safeguard and promote the interests of the company and its owners. Each director is to act independently and with integrity in the interests of the company and all of its shareholders.</i>		
Rule No.	Rule	IPC's comments and compliance/deviation assessment
5.1	Each director is to form an independent opinion on each matter considered by the board and to request whatever information he or she believes necessary for the board to make well-founded decisions.	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code.
5.2	Each director is to acquire continuously the knowledge of the company's operations, organisation, markets etc. that is necessary to carry out the assignment.	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code.

6. The chair of the board		
<i>The chair has a particular responsibility to ensure that the work of the board is well organised and conducted efficiently.</i>		
Rule No.	Rule	IPC's comments and compliance/deviation assessment
6.1	The chair of the board is to be elected by the shareholders' meeting. If the chair relinquishes the position during the mandate period, the board is to elect a chair from among its members to serve until a new chair has been elected by the shareholders' meeting.	Based upon IPC's assessment, IPC is not compliant with this rule of the Swedish Code. The Board elects the chair.
6.2	If the chair of the board is an employee of the company or has duties assigned by the company in addition to his or her responsibilities as chair, the division of work and responsibilities between the chair and the chief executive officer is to be clearly stated in the board's statutory Rules of Procedure and its Instruction to the Chief Executive Officer.	N/A
6.3	The chair is to ensure that the work of the board is conducted efficiently and that the board fulfils its obligations. In particular, the chair is to <ul style="list-style-type: none"> • organise and lead the work of the board to create the best possible conditions for the board's activities, • ensure that new board members receive the necessary introductory training, as well as any other training that the chair and member agree is appropriate, 	Based upon IPC's assessment, IPC is substantially compliant with this rule of the Swedish Code. The chair of the Board is principally responsible for overseeing the operations and affairs of the Board. In fulfilling his or her duties, the Chair will be responsible for: <ul style="list-style-type: none"> a) providing leadership to foster the effectiveness of the Board;

<ul style="list-style-type: none"> • ensure that the board regularly updates and develops its knowledge of the company, • be responsible for contacts with the shareholders regarding ownership issues and communicate shareholders' views to the board, • ensure that the board receives sufficient information and documentation to enable it to conduct its work, • in consultation with the chief executive officer, draw up proposed agendas for the board's meetings, • verify that the board's decisions are implemented, and • ensure that the work of the board is evaluated annually. 	<ul style="list-style-type: none"> b) ensuring there is an effective relationship between the Board and senior management of the Company, including by acting as a liaison between the Board and senior management; c) ensuring that the appropriate committee structure is in place and assisting the Nominating and Corporate Governance Committee of the Board (the "Nominating and Corporate Governance Committee") in making recommendations for appointment to such committees; d) in consultation with the Lead Director, the other members of the Board and the Chief Executive Officer of the Company (the "Chief Executive Officer"), preparing the agenda for each meeting of the Board; e) ensuring that the directors receive the information required for the proper performance of their duties, including information relevant to each meeting of the Board; f) chairing Board meetings and sessions of independent directors (if the Chair is an independent director), including stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by individual directors and confirming that decisions are reached and accurately recorded; g) chairing all shareholder general meetings; h) together with the Nominating and Corporate Governance Committee, ensuring that an appropriate system is in place to evaluate the performance of the Board as a whole, the Board's committees and individual directors, with a view to ensuring that they are fulfilling their respective responsibilities and duties, and making recommendations to the Nominating and Corporate Governance Committee for changes when appropriate; i) consulting with the Nominating and Corporate Governance Committee on candidates for nomination or appointment to the Board; j) working with the Chief Executive Officer to ensure that the Board is provided with the resources to permit it to carry out its responsibilities and bringing to
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		<p>the attention of the Chief Executive Officer any issues that are preventing the Board from being able to carry out its responsibilities; and</p> <p>k) providing additional services required by the Board.</p> <p>To reinforce the independence of the Board, as long as the chair is not an independent director, the Board shall appoint a lead director from among the independent members of the Board. For purposes of this position description, the lead director will be independent if he or she meets the definition of independence as set out in Canadian Rules.</p> <p>The lead director provides a source of leadership for the Board complementary to that of the chair. The lead director shall be entitled to request materials and receive notice of and attend all meetings of committees of the Board.</p> <p>Without limiting the foregoing, in fulfilling his or her duties, the Lead Director will be responsible for:</p> <ul style="list-style-type: none"> a) providing leadership to ensure the Board works in an independent, cohesive fashion; b) working with the Chair, the other members of the Board and the Chief Executive Officer of the Company to set the agenda for Board meetings; c) working with the Chair to ensure that the appropriate committee structure is in place and assisting the Nominating and Corporate Governance Committee in making recommendations for appointment to such committees; d) chairing meetings of independent Board members without management present and act as liaison between the independent directors and the Chair; e) chairing Board meetings when the Chair is not in attendance, including stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by individual directors and confirming that clarity regarding decision-making is reached and accurately recorded;
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		<ul style="list-style-type: none"> f) providing recommendations and advice to the Nominating and Corporate Governance Committee on candidates for nomination or appointment to the Board; g) recommending, where necessary, the holding of special meetings of the Board; h) working with the Chair and the Chief Executive Officer to ensure that the Board is provided with the resources to permit it to carry out its responsibilities and bringing to the attention of the Chair and the Chief Executive Officer any issues that are preventing the Board from being able to carry out its responsibilities; and i) providing additional services required by the Board.
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7. Board procedures

The formal procedures for the work of the board of directors are to be stipulated by the board. These procedures are to be clear and well documented. To enable the board to make well-founded decisions, the chief executive officer is to provide it with the necessary background information and documentation for its work, both before and between board meetings.

Rule No.	Rule	IPC's comments and compliance/deviation assessment
7.1	The board is to review the relevance and appropriateness of its statutory Rules of Procedure, Instruction to the Chief Executive Officer and Reporting Instruction at least once a year.	Based upon IPC's assessment, IPC is substantially compliant with this rule of the Swedish Code. The Board, its committees, and its individual members operate pursuant to certain mandates and position descriptions. The Board annually undertakes a review of its effectiveness as a board. Changes in its operating procedures are reflected in the Board minutes.
7.2	If the board establishes special committees to prepare its decisions on specific issues, its Rules of Procedure are to specify the duties and decision-making powers that the board has delegated to these committees and how the committees are to report to the board. Committees are to keep minutes of their meetings and the minutes are to be made available to the board.	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code. All of the responsibilities and authority of each Board committee are established pursuant to formal written mandates, which are approved by the Board and reviewed annually.

7.3	<p>The board is responsible for ensuring that the company has good internal controls.</p> <p>The board is to ensure that the company has formalised routines to ensure that approved principles for financial reporting and internal controls are applied, and that the company's financial reports are produced in accordance with legislation, applicable accounting standards and other requirements for listed companies. For companies that do not have a separate internal audit function, the board of directors is to evaluate the need for such a function annually and to explain its decision in its report on internal controls in the company's corporate governance report.¹⁵</p>	<p>Based upon IPC's assessment, IPC is substantially compliant with this rule of the Swedish Code.</p> <p>The Audit Committee has been delegated this responsibility by the Board. The need for a separate audit function is considered by the Audit Committee from time to time. Its review is documented in the Audit Committee minutes.</p>
7.4	<p>The description of the company's internal controls included in the corporate governance report is also to include the board's measures for monitoring that the internal controls related to financial reports and reporting to the board function adequately.</p>	<p>Based upon IPC's assessment, IPC is not compliant with this rule of the Swedish Code.</p> <p>Under Canadian Rules, IPC does not file a separate corporate governance report. IPC's Proxy Circular and IPC's Annual Information Form will provide detailed information on the oversight role of the Board's Audit Committee with regard to financial reporting and the monitoring of internal controls.</p>
7.5	<p>At least once a year, the board is to meet the company's statutory auditor without the chief executive officer or any other member of the executive management present.</p>	<p>Based upon IPC's assessment, IPC is partly compliant with this rule of the Swedish Code.</p> <p>As a matter of good governance, the Audit Committee will meet with the auditor at least once a year with the chief executive officer or any other member of the executive management present.</p>
7.6	<p>The board of directors is to ensure that the company's six- or nine-month report is reviewed by the statutory auditor.</p>	<p>Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code.</p>

¹⁵ The inclusion in the company's corporate governance report of a report on internal controls and risk management in connection with financial reporting is a requirement stipulated in chapter 6, section 6, paragraph 2, bullet 2 of the Annual Accounts Act (1995:1554).

8. Evaluation of the board of directors and the chief executive officer		
<i>The formal procedures for the work of the board of directors are to be stipulated by the board. These procedures are to be clear and well documented. To enable the board to make well-founded decisions, the chief executive officer is to provide it with the necessary background information and documentation for its work, both before and between board meetings.</i>		
Rule No.	Rule	IPC's comments and compliance/deviation assessment
8.1	<p>The board of directors is to evaluate its work annually, using a systematic and structured process, with the aim of developing the board's working methods and efficiency. The results of this evaluation are to be reported to the nomination committee.</p> <p>The corporate governance report is to state how the board evaluation was conducted and reported.</p>	<p>Based upon IPC's assessment, IPC is partly compliant with this rule of the Swedish Code.</p> <p>The Board does use a systematic and structured process to evaluate its work by conducting an annual assessment and the results are reported by the N&CG Committee to the Board. As noted above, under Canadian Rules, IPC does not file a separate corporate governance report, however, the board evaluation process will be explained in IPC's Proxy Circular.</p>
8.2	<p>The board is to continuously evaluate the work of the chief executive officer. The board is to examine this issue formally at least once a year, and no member of the executive management is to be present during this evaluation process.</p>	<p>Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code.</p> <p>The Compensation Committee is responsible for this undertaking.</p>

9. Remuneration¹⁶ of the board and the executive management¹⁷

The formal procedures for the work of the board of directors are to be stipulated by the board. These procedures are to be clear and well documented. To enable the board to make well-founded decisions, the chief executive officer is to provide it with the necessary background information and documentation for its work, both before and between board meetings.

Rule No.	Rule	IPC's comments and compliance/deviation assessment
9.1	<p>The board is to establish a remuneration committee, whose main tasks are to:</p> <ul style="list-style-type: none"> • prepare the board's decisions on issues concerning principles for remuneration, remunerations and other terms of employment for the executive management, • monitor and evaluate programmes for variable remuneration, both ongoing and those that have ended during the year, for the executive management, and • monitor and evaluate the application of the guidelines for remuneration of the board and executive management that the annual general meeting is legally obliged to establish¹⁸, as well as the current remuneration structures and levels in the company. 	<p>Based upon IPC's assessment, IPC is partly compliant with this rule of the Swedish Code.</p> <p>The Corporation's Compensation Committee reviews policies and makes recommendations to the Board regarding remuneration matters. There is no requirement under Canadian Rules to establish remuneration guidelines at the annual general meeting.</p>
9.2	<p>The chair of the board may chair the remuneration committee. The other shareholders' meeting-elected members of the committee are to be independent of the company and its executive management.¹⁹</p> <p>If the board considers it is more appropriate, the entire board may perform the remuneration committee's tasks, on condition that no board member who is also a member of the executive management participates in this work.</p>	<p>Based upon IPC's assessment, IPC is substantially compliant with this rule of the Swedish Code.</p> <p>Pursuant to Canadian Rules, members of the Compensation Committee are members of the Board and are appointed by the Board whose members are elected by shareholders. IPC's Compensation Committee are, pursuant to the Swedish Code,</p>

¹⁶ For the purposes of this chapter, remuneration is defined as (i) fixed salaries and fees, (ii) variable remuneration, including share and share-price related incentive programmes, (iii) pension schemes, and (iv) other financial benefits.

¹⁷ The term "board and the executive management" refers to individuals whose compensation and benefits are to be reported separately by the company according to chapter 5, section 20, paragraphs 1 and 3 of the Annual Accounts Act, (1995:1554), i.e. members of the board, the chief executive officer and each member of the company's executive management. The term executive management refers to this same group of people with the exception of members of the board.

¹⁸ The stipulation that the annual general meeting is to establish guidelines for executive remuneration is to be found in chapter 7, section 61 of the Swedish Companies Act (2005:551). The guidelines are to contain the criteria stated in chapter 8, section 51, paragraph 1 and section 52, paragraph 1 of the Act, where it is stated specifically that the guidelines are not to cover fees and other remuneration for board work.

¹⁹ For assessment of independence with regard to the company and its executive management, see 4.4.

		composed of 2 independent directors (of which one are the chair) and the chairman of the board who is not independent of IPC's larger shareholders.
9.3	If the remuneration committee or the board uses the services of an external consultant, it is to ensure that there is no conflict of interest regarding other assignments this consultant may have for the company or its executive management.	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code.
9.4	Variable remuneration is to be linked to predetermined and measurable performance criteria ²⁰ aimed at promoting the company's long-term value creation.	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code.
9.5	Variable remuneration paid in cash is to be subject to predetermined limits regarding the total outcome. ²¹	Based upon IPC's assessment, IPC is fully compliant with this rule of the Swedish Code.
9.6	The shareholders' meeting is to decide on all share and share-price related incentive schemes for the executive management. The decision of the shareholders' meeting is to include all the principle conditions of the scheme. ²²	Based upon IPC's assessment, IPC is partly compliant with this rule of the Swedish Code. Pursuant to Canadian Rules shareholders are requested to approve the Corporation's equity-based compensation arrangements (such as the Corporation's existing stock option plan) at the time such schemes are put in place or amended, and information about the plans will be provided in IPC's Proxy Circular at the time of the request for approval. Pursuant to Canadian Rules, the board may be granted authorisation to resolve upon details of the incentive schemes such as allotment etc.
9.7	Share and share-price related incentive programmes are to be designed with the aim of achieving increased alignment between the interests of the participating individual and the company's shareholders. The vesting period or the period from the commencement of an agreement to the date for acquisition of shares is to be no less than three years. Programmes that involve acquisition of shares are to be designed so that a personal holding of shares in the company is promoted.	Based upon IPC's assessment, IPC is partly compliant with this rule of the Swedish Code. Pursuant to IPC's stock option granting policy, stock options may have terms up to seven years. However, stock options granted in 2017 had terms of four years with vesting one-third after the first, second and third anniversary of grant. Pursuant to Canadian Rules, the board may be granted authorisation to resolve upon details of the incentive schemes such as allotment etc.

²⁰ The criteria may be of different kinds, including own investment, e.g. through participation in a share savings programme. The term measurable is used to indicate that it should be possible to evaluate to what extent the criteria have been fulfilled.

²¹ Such limits do not need to be specified as cash amounts, but may also be defined in other ways.

²² Issues such as decision-making processes and what type of information and documentation is required to make decisions on share and share-price related incentive programmes are also regulated by mandatory rules in Chapter 16 of the Companies Act and by statements from the Swedish Securities Council, primarily Statement AMN 2002:1.

	Programmes designed for board members are to be devised by the company's owners and to promote long-term ownership of shares. ²³	
9.8	Fixed salary during a period of notice and severance pay are together not to exceed an amount equivalent to the individual's fixed salary for two years.	Based upon IPC's assessment, IPC is not compliant with this rule of the Swedish Code. Compensation and severance is determined pursuant to the terms of the executive's employment agreement.

²³ That board members who are not also employees of the company are not to participate in programmes designed for the executive management or other employees is a result of Swedish Securities Council Statement AMN 2002:1.

10. Information on corporate governance and sustainability²⁴		
<p><i>The board of directors is to inform shareholders and the capital market annually regarding corporate governance functions in the company and how the company applies the Swedish Corporate Governance Code. This information is to be published in a corporate governance report²⁵ and on the company's website. The corporate governance report should focus on company-specific conditions and need not duplicate the content of existing legislation or other regulation.</i></p> <p><i>The boards of certain companies are to provide annually, in a sustainability report and on the company website, the information to shareholders and the capital market on sustainability issues that is necessary for an understanding of the company's development, position and results, as well as the environmental impact of its operations.²⁶</i></p>		
Rule No.	Rule	IPC's comments and compliance/deviation assessment
10.1	<p>In its corporate governance report, the company is to state clearly</p> <ul style="list-style-type: none"> • which Code rules it has not complied with, • explain the reasons for each case of non-compliance and • describe the solutions it has adopted instead. 	<p>Based upon IPC's assessment, IPC is not compliant with this rule of the Swedish Code.</p> <p>As noted above, IPC does not complete a separate corporate governance report. The Corporation will include a comprehensive report on its corporate governance practices in its Proxy Circular. By this document, IPC is explaining its compliance with the Swedish Code.</p>
10.2	<p>As well as the items stipulated by legislation²⁷, the following information is to be included in the corporate governance report if it is not presented in the annual report:</p> <ul style="list-style-type: none"> • the composition of the company's nomination committee. If any member of the committee has been appointed by a particular owner, the name of this owner is also to be stated, • the information on each member of the board that is required by the third paragraph of Code rule 2.6, 	<p>Based upon IPC's assessment, IPC is substantially compliant with this rule of the Swedish Code.</p> <p>Similar information is required under Canadian Rules and will be provided in IPC's Proxy Circular.</p>

²⁴ The rules in Chapter 10 of the Code are to be complied with by all companies that apply the Code. No deviation with accompanying explanation is permitted with regard to these rules.

²⁵ The requirement to produce a corporate governance report is stipulated in chapter 6, sections 6-9 of the Annual Accounts Act (1995:1554).

²⁶ The requirement to publish a sustainability report, and which companies are required to do so, is contained in chapter 6, sections 10-14 and in chapter 7, sections 31a-31c of the Annual Accounts Act (1995:1554).

²⁷ The information to be included in the corporate governance report is stipulated in chapter 6, section 6 of the Annual Accounts Act (1995:1554).

	<ul style="list-style-type: none"> • the division of work among members of the board and how the work of the board was conducted during the most recent financial year, including the number of board meetings held and each member's attendance at board meetings, • the composition, tasks and decision-making authority of any board committees, and each member's attendance at the respective committee's meetings, • how board evaluation²⁸ is conducted and reported, • a description of internal controls in accordance with paragraph 3 of rule 7.3 and with rule 7.4, • for the chief executive officer: <ul style="list-style-type: none"> – year of birth, principal education and work experience, – significant professional commitments outside the company, and – holdings of shares and other financial instruments in the company or similar holdings by related natural or legal persons, as well as significant shareholdings and partnerships in enterprises with which the company has important business relations, and • any infringement of the stock exchange rules applicable to the company, or any breach of good practice on the securities market reported by the relevant exchange's disciplinary committee or the Swedish Securities Council during the most recent financial year. 	
10.3	<p>The company is to have a section of its website devoted to corporate governance matters, where the company's ten most recent corporate governance reports are to be posted,</p>	<p>Based upon IPC's assessment, IPC is partly compliant with this rule of the Swedish Code.</p> <p>IPC's website includes corporate governance disclosure, including the committees of the Board and their membership. IPC's Proxy Circular will be filed on SEDAR and also</p>

²⁸ See rule 8.1.

	<p>together with that part of the audit report which deals with the corporate governance report or the auditor's written statement on the corporate governance report.²⁹</p> <p>The corporate governance section of the website is to include the company's current articles of association, along with any other information required by the Code.³⁰ It is also to include information regarding:</p> <ul style="list-style-type: none"> • members of the board, the chief executive officer and the statutory auditor,³¹ and • a description of the company's system of variable remuneration to the board and executive management, and of each outstanding share and share price related incentive scheme. <p>The board is also to publish the results of the evaluation required by points two and three of Code rule 9.1 in the corporate governance section of the company's website no later than three weeks before the annual general meeting.</p>	<p>posted on its website, and it provides detailed disclosure relating to compensation and corporate governance.</p>
10.4	<p>Companies which are legally required to publish a sustainability report or which without being subject to this requirement voluntarily publish such a report are to make available on their websites the ten most recent years' sustainability reports, along with that part of the auditor's report which covers the sustainability report or the auditor's written statement on the sustainability report.³²</p>	<p>Based upon IPC's assessment, IPC will be partly compliant with this rule of the Swedish Code.</p> <p>IPC plans to publish a form of sustainability report which will be made available on its website, although such report will not be subject to an auditor's report.</p>

²⁹ The requirement for an auditor review of the corporate governance report if it is included in the director's report or of the information that is otherwise found in the company's or group's director's report is stipulated in chapter 9, section 31 of the Companies Act (2005:551). The requirement for auditor review if the corporate governance report is published separately from the annual report is stipulated in chapter 6, section 9 of the Annual Accounts Act (1995:1554).

³⁰ See 1.1, 2.5 and 2.6.

³¹ See the second and seventh points in the first paragraph of rule 10.2 regarding information on members of the board and the chief executive officer.

³² The requirement concerning auditor review of the sustainability report if it is included in the management report is contained in chapter 9, sections 31 and 38 of the Companies Act (2005:551). The requirement concerning auditor review if the sustainability report is published separately from the annual report is contained in chapter 6, section 14 and chapter 7, section 31c of the Annual Accounts Act (1995:1554).