

490.1704 Duties of directors.

1. Each member of the board of directors of a benefit corporation, when discharging the duties of a director, shall act according to all of the following:

- a. In a responsible and sustainable manner.
- b. In a manner that pursues the public benefit or benefits identified in any public benefit provision.

2. In fulfilling the duties under [subsection 1](#), a director shall consider, to the extent affected, in addition to the interests of shareholders generally, the separate interests of stakeholders known to be affected by the business of the corporation including all of the following:

- a. The employees and workforces of the corporation, its subsidiaries, and its suppliers.
- b. Customers.
- c. Communities or society, including those of each community in which offices or facilities of the corporation, its subsidiaries, or its suppliers are located.
- d. The local and global environment.

3. A director of a benefit corporation shall not, by virtue of the duties imposed by [subsections 1 and 2](#), owe any duty to a person other than the benefit corporation due to any interest of the person in the status of the corporation as a benefit corporation or in any public benefit provision.

4. Unless otherwise provided in the articles of incorporation, the violation by a director of the duties imposed by [subsections 1 and 2](#) shall not constitute an intentional infliction of harm on the corporation or the shareholders for the purposes of [sections 490.202](#), [subsection 2](#), paragraphs “d” and “e”.

2021 Acts, ch 165, §209, 230

Referred to in [§490.1705](#)

Section effective January 1, 2022; 2021 Acts, ch 165, §230

NEW section