

Code of conduct for AddSecure

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We secure data and critical communications in a connected world.

Introduction

The quality of our relationships and engagement with our stakeholders is critical. Directly or indirectly, we affect what happens to employees, workers in the value chain, customers and local communities. Our Code of Conduct sets out guiding principles on how we at AddSecure do business and what is expected of employees, business partners and suppliers to all part of AddSecure. This code of conduct emphasizes in particular human rights, occupational health and safety issues, environmental management, anti-corruption, anti-bribery and high ethical standards in general. AddSecure has founded its code of conduct on the United Nations Global Compact, an international initiative supported by companies around the world aimed at ensuring compliance with the above areas. The Code of Conduct is supplemented by the AddSecure Sustainability Policy.

Message from CEO Stefan Albertsson, on behalf of the AddSecure Board

As a fast-growing international business, AddSecure sets the highest standards for both the quality of the products and services it provides, and the way it operates.

Whichever part of AddSecure you work for, your actions can affect how customers, suppliers, colleagues, investors, regulators and other stakeholders, view AddSecure.

AddSecure seeks not only to make its products and services better but also to think and act in a better way, which includes demonstrating the highest standards of ethics and integrity.

This code of conduct (“the Code”) reflects AddSecure’s beliefs and values. It covers a range of compliance and ethical issues and sets out how AddSecure does business and what is expected of employees, business partners and suppliers to all part of AddSecure.

Principles and policies set out in the Code are intended to complement more detailed group- or local policies, where these already exist, and to provide a framework for development of such detailed policies in future.

AddSecure’s future success depends on every individual connected with the business acting professionally, responsibly and in accordance with the standards set out in this Code. Please take the time to read and understand it, so you can apply the principles and policies it sets out in all the decisions you make. Appropriate training and employee briefings will also be provided to help you understand what the Code means for you.

Remember, you are accountable for your own actions and decisions. If you are not sure about any aspect of the Code, or have a concern about something that AddSecure as a company, or any individual or other party is doing, you must seek advice. See the section entitled “Raise a concern”.

It may feel easier to ignore suspected or actual illegal or unethical conduct and remain silent, but such behaviour must not go unchallenged. AddSecure is committed to protecting the interests of any person who raises, in good faith, a reasonable concern about such matters.

Thank you,
Stefan Albertsson, CEO



1. Applying the code of conduct

A. To whom does this code of conduct apply?

The Code applies to everyone working for AddSecure, including temporary and contract staff, regardless of location, role or level of seniority. Certain aspects of the Code are also relevant to our staff's family members and other close associates. All staff must ensure that they have read and fully understood these policies, as they will be deemed to have done so. Any member of staff who needs further information or help in understanding the Code and what it means for his/her role in AddSecure should speak to his/her manager or local People & culture-team in the first instance. Secondly, questions can be directed to the staff at the central People & culture-department, or to the Director of the People & culture-department.

Staff with supervisory or managerial roles within AddSecure, in addition to complying with the Code themselves, ensure that:

- they are role models for excellent behaviour, and encourage people to exhibit the same behaviours;
- the Code is actually being followed by those who report to them; and
- all team members, especially new recruits, are made aware of the Code and given the opportunity to discuss its application to their role, and any concerns that they may have.

AddSecure expects its business partners, customers and suppliers to behave in ways that are consistent with the spirit and letter of the Code.

B. Core principles

Any staff facing a situation where he/she is unsure whether to take a particular course of action, may find it helpful to ask the following questions:

- **Is the action legal, decent and honest?**

Compliance with all relevant laws, regulations and other rules is fundamental to the Code, as are transparency, fairness and integrity (both personal and corporate). In the event of any conflict between the Code and local laws and regulations in a country in which AddSecure operates, those laws and regulations must take precedence.

- **Is it consistent with AddSecure's values?**

We at AddSecure sets high standards in everything we do, including the ethical standards.

- **What would others think about it? Would I be comfortable if it was reported in a newspaper or on social media?**

Transparency and openness are key to ethically sound behaviour. Social media in particular mean that anything that is seen as unethical or lacking transparency can be very quickly put in the public domain, at which point it becomes difficult to control. Any course of action that would be difficult to justify to colleagues, management, friends or others, is highly likely to be inappropriate.

Always apply our core values and core behaviors when making judgements on any of the above aspects of a situation where the best course of action is unclear, and if in doubt, you have to raise a concern. (See the section entitled "Raise a concern").

C. What are the consequences of breaching the Code?

Any failure to follow the guidelines laid out in the Code, or attempt to deliberately circumvent them,

may result in disciplinary action by AddSecure up to and including summary termination. This is in addition to any civil or criminal prosecution pursued by the authorities for breach of relevant laws or other regulations. AddSecure will cooperate fully with any official investigation into wrongdoing.

D. Raise a concern

Anyone involved in AddSecure who, for any reason, wants to raise a concern according to our code of conduct, can do that by sending an email to our central People & culture-department (centralp&c@addsecure.com). If you for some reason don't want to write anything about your concern in the email, but instead want someone from the central People & culture-department to call you for details about your concern, please just write that in the email including your phone number. If your concern involves anyone at the central People & culture-department, or if you for some reason don't trust that department, please instead contact our CEO Stefan Albertsson.

Sometimes a member of staff who is aware of, or suspects, wrongdoing in his/her workplace may not know who to talk to, may be afraid to raise concerns because he/she fears retaliation, or may not believe the concerns will be taken seriously. AddSecure aims to encourage openness and will support anyone who raises genuine concerns in good faith under this Code, even if they turn out to be mistaken. AddSecure is committed to ensuring no one suffers any detrimental treatment as a result of reporting in good faith their suspicion that any breach of the Code is, or may be taking place, in any part of AddSecure's own business or in any of its supply chains. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

AddSecure want to encourage staff to raise any concerns they may have about any wrongdoing in the workplace. AddSecure will not tolerate any retaliatory action against a member of staff who raises concerns according to the Code, or who cooperates in the investigation such matters.

E. Local variations and supporting policies

Laws and regulations frequently differ between the various jurisdictions in which AddSecure operates. Individual parts of AddSecure may be required to develop local versions of the Code that reflect such differences in laws and regulations. However, any localized version must incorporate all the key provisions set out in this document except those specific items that conflict with local laws or regulations. Any localized version of the Code must have been authorized by our Director of the People & culture-department.

2. The purpose of the code of conduct

This code of conduct has been developed for the purpose of protecting human rights, promoting fair employment conditions, safe working conditions, responsible management of environmental issues, and high ethical standards in general. In addition to compliance with all relevant laws, regulations and standards in all of the countries in which they operate, all AddSecure's units and employees shall comply with this code of conduct even if it stipulates a higher standard than required by national laws or regulations. AddSecure requires suppliers and their subcontractors to comply with this code of conduct.

The code of conduct shall be applied throughout the company's operations, including in the production, supply, sales and support of products and services worldwide in AddSecure.

3. Human rights

We respect all internationally proclaimed human rights, including the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

We strive to ensure that we are not complicit in human rights abuses. We shall, in all contexts, seek ways to honor the principles of internationally recognized human rights, even when faced with conflicting requirements. We are also committed to implementing the United Nations Guiding Principles on Business and Human Rights throughout our business operations.

4. Labour standards

4.1 Freedom of association

All employees shall be free to form and to join, or not to join, trade unions or similar external representative organizations and to bargain collectively. Information and consultation with employees can be done through formal arrangements or, if such do not exist, other mechanisms may be used.

4.2 Forced labour avoidance

Forced, bonded or compulsory labor shall not be used and employees shall be free to leave their employment after reasonable notice as required by applicable law or contract. Employees shall not be required to lodge deposits of money or identity papers with their employer.

4.3 Fair employment conditions

Employees shall understand their employment conditions. Pay and terms shall be fair and reasonable, and comply at a minimum with applicable laws, collective bargaining agreements or industry standards, whichever is higher. Working hours shall comply with applicable laws, collective bargaining agreements and each employee's terms of employment. Deduction from wages as a disciplinary measure shall not be permitted. Corporal punishment, physical or verbal abuse or other unlawful harassment and any threats or other forms of intimidation shall be prohibited.

4.4 Child labour avoidance

No person shall be employed who is below the minimum legal age for employment. Children shall not be employed for any hazardous work, or work that is inconsistent with the child's personal development. A child means a person below the age of 18 years. Personal development includes a child's health or physical, mental, spiritual, moral or social development. Where a child is employed, the best interests of the child shall be the primary consideration.

4.5 Elimination of discrimination

All employees shall be treated with respect and dignity. All kinds of discrimination based on partiality or prejudice is prohibited, such as discrimination based on color, gender, sexual orientation, marital status, pregnancy, parental status, religion, political opinion, nationality, ethnical background, social origin, social status, indigenous status, disability, age, union membership and any other characteristic protected by local law, as applicable. Employees with the same qualifications, experience and performance shall receive equal pay for equal work with respect to those performing the same jobs under similar working conditions.

4.6 Fair working conditions

A healthy and safe working environment and, if applicable, housing facilities shall be provided for employees, in accordance with international standards and national laws. Appropriate health and safety information and training shall be provided to employees including, but not limited to, arrangements for safe evacuations of buildings and correct handling and marking of chemicals and machinery.

5. Environment

We shall strive to develop, produce and offer products and services with excellent sustainability performance and contribute to the sustainable development of society. We shall strive to continuously improve, with a life cycle perspective, the environmental performance of our products. We shall work to continuously reduce the negative impact of our own operations and take a precautionary approach to environmental challenges. We shall use appropriate methodologies to determine significant issues and aspects, for setting and reviewing objectives and targets, and as a basis for communicating sustainability performance of our operations, products and services. More information about our environmental priorities and management is provided in AddSecure's Sustainability Policy.

6. Corruption and bribery

No form of extortion and bribery, including improper offers for payments to, or from, individuals performing work for AddSecure in any way, shall be tolerated. This part of our code of conduct is based on the "United Nations Convention against Corruption".

Corruption is essentially any form of improper behaviour that is motivated by the prospect of personal gain for those involved or others connected to them. This gain might be financial, or might concern an individual's status, wellbeing or other matters.

Bribery is a specific form of corruption involving the offering, promising, giving or accepting any financial or other advantage, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage.

An advantage, includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.

A person acts improperly where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust. The improper acts may be in relation to any business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organization of any kind.

It is a criminal offence to offer, promise, give, request, or accept a bribe. Individuals found guilty can be punished by imprisonment and/or a fine.

AddSecure has identified particular risks for its business lie in the sales, tender, technical and innovation processes in the various countries in which it does business. To address those risks, AddSecure has set out below what is not permitted, what is generally permitted and factors to consider.

AddSecure operates a 'zero tolerance' policy towards fraudulent, dishonest or deceptive behaviour and condemns corruption in all its forms. Such behaviour by anyone within AddSecure, or with whom the company does business, will not be tolerated.

6.1 What is never permitted?

It is not acceptable for any member of staff (or someone on their behalf) to:

- give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;

- accept a payment, gift or hospitality from a third party that such member of staff knows or suspects is offered with the expectation that it will provide a business advantage for them or anyone else in return;
- accept hospitality from a third party that is unduly lavish or extravagant under the circumstances.
- offer or accept a gift to or from government officials or representatives, or politicians or political parties; or
- threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this code.

6.2 What is generally permitted?

Subject always to the provisions of the policies within AddSecure. Reasonable and appropriate hospitality or entertainment given to, or received from, third parties, is generally permitted for the purposes of:

- establishing or maintaining good business relationships;
- improving or maintaining our image or reputation; or
- marketing or presenting our products and/or services effectively,

so long as the following requirements are met:

- It is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits.
- It is given in AddSecure's name, not in the member of staff's name.
- It does not include cash or a cash equivalent (such as gift certificates or vouchers).
- It is appropriate in the circumstances, taking account of the reason for the gift, its timing and value. (For example, in some countries it is customary for small gifts to be given at Christmas.)
- It is given openly, not secretly, and it complies with any applicable local law.
- That it is reported on as part of the relevant staff expense claims, detailing the business purpose

6.3 Factors to consider

The value of the hospitality or gift is not the only factor when assessing whether it is appropriate to give or receive hospitality or gifts. The following factors must also be considered:

- **Motive:** What is the motive behind the offer or proposed offer? Is the intention to build a business relationship or to influence a business decision (for example the award of a contract)?
- **Status of relationship:** What is the status of the business relationship with the other party? Providing hospitality to celebrate the winning of a major contract is unlikely to be seen as bribery, whereas offering hospitality while negotiations with a potential customer are on-going could be seen differently.
- **Nature of hospitality or gift offered:** Is the nature of the hospitality or gift modest, or could it make the recipient feel under an obligation to give something back?
- **Legality/propriety:** Has it been confirmed that the hospitality or gift is allowable under all relevant laws and any other regulations applicable to the recipient and to the person making the offer? Many public bodies impose severe restrictions on what hospitality and gifts their employees are allowed to accept, and failure to operate within these rules, even unintentionally, could cause problems for AddSecure. Remember that offering a bribe is an offence in many jurisdictions regardless of whether the offer is accepted. Do not rely on local

custom and practice as a guide to what is legal and do not assume that the other party is necessarily complying with the rules.

- **Perception:** How could the situation look, to an outsider?

6.4 Authorization and reporting

As a general rule, employees must obtain prior approval from their closest manager for any proposal to offer, or accept, hospitality or gifts exceeding USD \$100 per person, and from their country manager for any such proposal exceeding \$250 per person.

Prior approval by the country manager must be obtained before offering or agreeing to pay for any travel, accommodation or other costs of any visiting third party.

AddSecure is obliged to keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties. Therefore, each member of staff must:

- declare and keep a written record of all hospitality or gifts given or received, the circumstances, identities of all of the parties involved and the status of the relationship. Such records shall be subject to managerial review.
- submit all expenses claims relating to hospitality, gifts or payments to third parties in accordance with our expenses policy and record the reason for expenditure.
- ensure all accounts, invoices, and other records relating to dealings with third parties, including suppliers and customers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

If you have any doubts about the application of the Code, or what you should do, then you must raise a concern. (See the section entitled "Raise a concern".)

6.5 Facilitation payments

Facilitation payments are a specific type of bribe involving payment of relatively small sums of money, or giving of small gifts or other items of value to another person to ensure that he/she performs his/her proper duty either more promptly, or at all.

Such payments are prohibited in almost all circumstances by law and should not be made, even if they are for nominal amounts or are regarded locally as 'normal practice'. If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for, and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you must raise a concern. (See the section entitled "Raise a concern".)