Seamless
Distribution Systems

Code of conduct policy

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1. Introduction

Seamless Distribution System (SDS) strives to create added value for customers, employees, suppliers and shareholders while contributing to sustainable social development. In order to achieve this, we take a proactive approach to good business ethics and social responsibility. We consider the climate and the environment and strive to build long-term relationships characterised by mutual trust. The Code of conduct provides guidance by describing our values and the requirements we have for employees and business partners.

2. About the Code of conduct

The foundation for the Code of Conduct is comprised of SDS core values, which provide guidance in all we do. SDS aspires to follow the UN Global Compact, and the Code of Conduct is based on the Compact's ten principles in the areas of human rights, labour legislation, the environment and anticorruption. The principles of the Code of Conduct are also based on the UN's Universal Declaration of Human Rights and the ILO's fundamental conventions concerning rights at work.

The Code of Conduct applies to everyone at the SDS Group, from the board of directors and executive management to individual employees, and the content of the Code shall be respected and followed.

We require that the Code of Conduct is respected and followed by our business partners (customers, collaboration partners, suppliers).

The Code of Conduct comprises a general framework, complemented with detailed rules and guidelines in specific areas.

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3. SDS core values

SDS follows the laws, rules and regulations that apply in the markets in which we operate. We require that our business partners do the same.

This is the policy of SDS to observe the highest standards of ethical conduct and to comply fully with all applicable laws and regulations. The purpose of this policy is to identify the basic requirements / outline of the company's commitment to adhere to legislation in the conduct of its business activities worldwide.

3.1. We do not accept corruption

SDS always acts responsibly and ethically in its business relationships. We do not tolerate any form of corruption, bribery or blackmail. This means, for example, that:

- We act and make decisions without consideration for personal gain for ourselves or those close to us. We do not use relationships with business partners for personal gain.
- We avoid situations that can create or give the impression of creating conflicts of interest. If a conflict of interest cannot be avoided, it must be reported openly to the appropriate line manager. If an employee pursues business operations outside of SDS (a so-called side-line), approval must be sought from SDS.
- We never breach applicable laws on the giving or accepting of bribes. We neither give nor accept gifts or services of a value that exceeds the levels established by SDS. Nor do we participate in business entertainment outside normal business operations. We adapt to our business partners' rules on gifts, business entertainment and the like if they are stricter than SDS rules.

3.2. We follow competition laws

- SDS pursues business in compliance with the applicable competition legislation in the markets in which we operate. We act to promote healthy competition in tendering, quotation, procurement and purchasing processes.
- We do not accept any form of illegal anti-competitive action, such as price fixing, cartel formation or the abuse of dominant market positions.
- We act correctly and do not exercise inappropriate influence or manipulation intended to distort competition.

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4. We strive to prevent financial crime

As a community builder, SDS takes responsibility for the prevention of financial crime in the industry. Financial crime distorts competition and results in instability, unpredictability and fewer resources for the law-abiding sections of society.

- We correctly account for all financial transactions.
- We oppose and actively work to prevent illicit work.

5. Human rights

We prioritise occupational health and safety SDS workplaces shall be safe, secure and free from accidents. We consider employee health and job satisfaction central issues.

- We take a long-term and systematic approach to developing the working environment and promoting employee well-being in order to prevent accidents and ill health.
- At SDS workplaces everyone shall participate in working environment management and follow SDS guidelines and workplace rules. Employees take responsibility for their own and others' working environments. We think twice in our day-to-day work and safeguard both ourselves and others.
- SDS workplaces shall have adequate equipment and competence for the protection of people and property.
- We work to ensure that the entire value chain, in compliance with each country's occupational health and safety legislation, contributes to a safe and sound working environment.

6. We strive to ensure quality and diversity

It is self-evident that all people are equal. SDS strives to increase diversity and equality in all areas of operations. Everyone shall have equal rights and equal opportunities regardless of gender, gender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age.

- We do not accept victimisation, harassment or discrimination
- SDS has a zero-tolerance policy for all forms of victimisation, harassment, sexual harassment, bullying and discrimination. We have a responsibility to prevent, avert and act. All employees and business partners who see or suspect violations are obligated to report them.
- We do not accept child labour.
- All forms of violence, force or abuse of children are unacceptable. Here a child is defined as any person under 15 years of age, unless legislation prescribes a higher minimum age. Employees under 18 years of age shall be particularly well protected from hazardous work tasks that entail a risk to health and safety, such as working nights.
- We do not accept forced or bonded labour.
- Work shall be conducted on a voluntary basis. Personal documents and possessions may not be confiscated in order to force people to work. Employees shall be free to leave the workplace at the end of a work shift. Illicit labour may not be used.
- We uphold the right to freedom of association.
- SDS does not accept any restrictions on the right to freedom of association or collective bargaining. Employees shall be able to exercise these rights without being hindered or risking harassment and reprisals, even in countries where the right to organise is limited or prohibited.
- We uphold the right to reasonable employment conditions

SDS does not accept employment conditions that do not meet the minimum standards of national and local legislation or the ILO's fundamental conventions.

- Signed collective agreements shall be respected and followed
- Working hours and minimum wages shall comply with national legislation in the country in which the product is produced or the service is performed.

7. Environment

We protect the climate and the environment SDS contributes to sustainable social development and works continually to prevent environmental risks and minimise our impact on climate change and the environment.

- Our environmental management shall be systematic and integrated with operations.
- We follow and respect laws and other relevant requirements established by society concerning the environment.
- Our employees shall have the competence relevant to the impact their work tasks have on the environment.
- We strive to reduce the environmental impact of our operations
- SDS actively focuses on the areas in which our operations have the greatest environmental impact from a life cycle perspective and works with:
- The phasing out of substances in materials and production that are hazardous to the environment and health.
- Reduced climate impact from transport and production. Material efficiency in production by reducing waste materials and increasing the level of recycling.
- SDS works progressively with continual improvements to enhance environmental performance. Employees and business partners at SDS workplaces are responsible for reporting deviations and environmental incidents. We encourage knowledge about, and the development and adoption of, clean technology.
- We establish requirements for our business partners
- SDS business partners and their environmental performance play a significant role in our environmental management. This is incorporated in purchasing processes in the form of requirements and guidelines. We shall in collaboration with our business partners drive the development of green products and solutions.

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8. Compliance

We require compliance with the Code of Conduct. The principles of the Code of Conduct are followed up regularly as a natural part of operations. In this respect, executive management and managers at all levels have a special responsibility to lead by example. An employee who is uncertain about the application of these principles in day-to-day operations can turn to their manager for guidance. Support is available from SDS ethics committee.

Employees of SDS shall sound the alarm if they suspect actions contravening the Code of Conduct or legislation. SDS offers several options for reporting suspected breaches. In the first instance, employees of SDS and its business partners should report to their line manager. If, for some reason, this option is unsuitable, reports can be made anonymously via SDS whistleblowing system.

If a SDS employee fails to act in accordance with the Code of Conduct, this will result in disciplinary action. If a business partner repeatedly or seriously breaches the Code of Conduct, the business partnership will be concluded.

9. Adoption and updates

This code shall be adopted by the board of directors each year in conjunction with the board meeting dealing with the year-end report.