

Semcon **Code of Conduct**

SEMCON

You are now holding Semcon's Code of Conduct that deals with our intra-Group regulations and attitude.

Semcon's aim is to create added value for all interested parties and build relationships based on respect, responsibility and trust with employees, customers, shareholders, other business contacts and the world around us, and do it in a socially, environmentally and responsible manner. To achieve this requires long-term profitability, consideration for the environment and social commitment.

Our brand, Semcon, is one of our most important assets. It is therefore extremely important that we all respect the regulations and attitudes described below. As in all companies it's not just our ability to satisfy our customers' requirements that's important. It's just as important how we do it. The world around us judges us on how we do it.

I would therefore urge everyone in the Semcon Group to read, reflect upon and follow the Semcon Group's Code of Conduct very carefully.

Kjell Nilsson
President & CEO, Semcon AB

The Semcon Group's code of conduct has been adopted to emphasize the principles that govern the Group in relation to its business partners, employees, shareholders and the world around us. This applies to all the Group's employees. The Semcon Group also urges all its business partners to apply these principles. The principles set out in this document should be applied when evaluating current and prospective business partners.

All the respective laws and regulations should be followed in countries where Semcon has business activities. In cases where legislation doesn't provide any guidance, the Group's own norms that build on its values and culture should be applied. If the principles of this code of conduct conflict with mandatory law then the law will apply.

This Code of Conduct summarizes the collective rules and policies that everyone at Semcon must follow to ensure cordial relationships with one another, business partners, customers, shareholders and the world around us.

Business partners

Our attitude to our business partners should always be characterized by impartiality, quality, respect and dialogue. The Semcon Group should never provide customers, potential customers, governments, authorities or representatives of such organizations with any rewards or benefits that breach existing laws, or reasonable and accepted business practices.

Semcon demands honesty and decency in all parts of its business and expects the same from all parties it has any business dealings with, including customers, suppliers, business partners and agents.

Semcon recommends free and fair trade and encourages competition and ethical practices within the frameworks of the legal system.

Semcon encourages continuous dialogue with the company's interested parties.

Semcon supports transparency and openness. Confidential business details that can damage the company's competitive strength and/or contacts with customers or partners must however remain secret.

Semcon forbids any form of bribery and consequently all financial payments made to customers, agents, suppliers and other parties only refer to actual goods or services sold.

Gifts and other benefits such as expected hospitality from Semcon should not exceed local customs and should be in line with local legislation.

Employees

Our employees are our most important, most valuable resource. Expertise, motivation, respect and commitment are extremely important, both in business contacts and in order to create good relationships between employees. Semcon's policy includes treating all employees fairly and without prejudice.

Semcon's employees are not permitted to accept payments, gifts or other remuneration from third parties that can affect, or that can be perceived to affect, the objectivity of business decisions.

Semcon's employees should handle private, other external activities and financial interests in a way that doesn't contravene, or be considered to contravene, Semcon's interests.

All Semcon employees should be treated equally, fairly and with respect, irrespective of race, religion, social background, national origins, physical disability, sexual orientation, gender, age, union membership or political affiliation. When recruiting, conducting career development talks, promotion or other mutual actions, Semcon always treats people equally.

All forms of criminal activity are unacceptable at Semcon and can lead to disciplinary action resulting in termination of employment or dismissal.

Semcon

- will not support forced labour, nor will any employee need to make a deposit when the person concerned begins their employment.
- will not undertake or tolerate child labour. We define children as individuals under 16, unless the local legislation for minimum age is higher in order to start work, or has an obligatory school leaving age. In such cases the higher age will apply.
- respects all employees' rights to form and be a member of associations and organizations and trade union membership, in line with national law and practices and to sign collective agreements. Semcon will ensure that the official representatives of such trade union associations are not subject to any form of discrimination.
- undertakes to pay reasonable salaries and benefits in accordance with the relevant norms in all areas where Semcon carries out its business activities.
- observes applicable laws and norms for industries on the issue of working hours in all countries where we carry out business activities.
- actively strives to constantly improve health and safety in the workplace and works towards providing employees with a safe working environment. All Semcon units will be minimally required to strictly follow national laws and/or collective agreements.
- ensures that registration, storage and use of employee information is treated strictly confidentially and in accordance with the local legislation.

Shareholders

Semcon keeps its shareholders well-informed about its business and financial development in accordance with the contract signed with the OMX Nordic Exchange, Stockholm.

Semcon's financial transactions should always be reported in accordance with generally accepted accounting principles and accounting must report transactions' character in a correct and non-misleading manner. Semcon's reporting will be open, truthful, relevant, understandable and issued at the requisite time.

When important decisions are made concerning strategies and action alternatives, the yield on invested capital is always taken into consideration.

The world around us

We will act in a socially responsible way and within the framework for the national legislation in all countries where the Group is represented. Our best contribution to social and financial development is to run our company professionally and profitably, making it possible to create job opportunities and support our customers.

Semcon strives to establish good relationships in the community where it carries out its business activities. This means that Semcon is always interested in dialogue and working together with interested parties and with the community.

Semcon is committed to contributing to sustainable development. This responsibility is shared by all employees throughout the Semcon Group.

Semcon takes a neutral stance in terms of political affiliation and candidates. Neither Semcon's corporate identity, nor its assets will be used to promote political interests, parties or candidates.

Our responsibility

The code of conduct applies to the entire Semcon Group and all its employees globally, irrespective of legal affiliation, function, position or post. It's every employee's duty to read Semcon's code of conduct and to work accordingly.

Semcon's managers are responsible for communicating and presenting the content of this document within their organization. Formal or informal approval of questionable actions will not be tolerated. This code of conduct should be applied immediately and on a continuous basis. A lack of compliance to these requirements can lead to disciplinary actions being taken.

This code of conduct has been adopted by Semcon AB's board. It can only be altered or revoked by the board. Any possible changes or additions will be reported.

These ethical regulations are based on the UN Global Compact Principles.