

Priveq’s Code of conduct (version 2023)

Table of content

- Background..... 2
- Involved parties 2
- Priveq’s Commitment..... 3
- Human rights 3
- At the workplace 4
- Environmental impact 4
- Good work ethics and anti-corruption 4
- Confidential information 4
- Relations to External parties 5
- Communication 5
- Evaluation and choice of investment 5
- Portfolio company 6
- Personal responsibility and reporting routines in case of violation..... 6
- Compliance of code of conduct..... 6



BACKGROUND

Priveq Investment has been active in the Swedish private equity market since 1983. Our success largely rests on the trust we have accumulated from wider society, investors, employees, portfolio companies and other stakeholders.

Global economic growth and the environmental challenges facing the world have emphasised the importance of supporting long-term sustainable solutions. Priveq Investment considers that such targets are compatible with its objective of achieving the highest possible returns and long-term success for portfolio companies. Long term sustainable solutions and ways of acting reduce the risk for incorrect decisions, resulting from for examples regulatory changes and changing consumer preferences. By being aware of environment, social aspects and governance, the risk of Priveq and our portfolio companies being adversely affected by a compromised reputation is alleviated.

Apart from the discussion above, the following points offer more specific motivation for the benefits Priveq can achieve by complying with the ESG guidelines and policies it has set.

- Strengthening Priveq's and its portfolio companies' brands and reputations.
- Responsible conduct by Priveq and its portfolio companies mean that for the long term, Priveq's various partners can trust our operations.
- Helping enhance the private equity sector's reputation, and ultimately, access to investment targets.
- Greater access to international markets where various stakeholders feel secure doing business with Priveq and its portfolio companies.
- Increased commitment of Priveq's and our portfolio companies' employees, customers and suppliers.
- More potential buyers of Priveq's portfolio companies. Larger corporations have more highly developed ESG strategies, and value developed ESG. This should in turn imply a lower risk premium and higher returns. This also applies to IPOs.
- Reduced risk of Priveq and its portfolio companies failing to observe and manage ESG-related risks.
- ESG is in demand from, and appreciated by, Priveq's investors and our portfolio companies' customers.
- Priveq is a member of the sector organisations Invest Europe and SVCA, and has accordingly undertaken to comply with their ethical and code of conduct guidelines. Priveq is also a signatory to the United Nations-backed Principles for Responsible Investment (UN PRI), an initiative by the UN to promote responsible investments.

INVOLVED PARTIES

The Code of conduct applies to all Priveq's employees and the board. Priveq is also to make sure that all portfolio companies and their employees are living up to the requirements and guidelines

following the Code of conduct. The appointed investment professional for each portfolio company is responsible for ensuring that the portfolio companies take part of and follow Priveq's Code of conduct.

Within Priveq, a partner together with Priveq's controller are responsible for Priveq's overall ESG work. Together with the CEO they are also responsible for ensuring that the Code of conduct is signed and followed by all Priveq's employees. Priveq's portfolio companies pledge to follow relevant parts of the Code of conduct.

For any deviation from the Code of conduct, consequences in relation to the deviation will follow. Additionally, in line with relevant laws and regulations, reporting to appropriate governmental instances will be done in the case of a breach of law.

PRIVEQ'S COMMITMENT

Priveq are members of the UN-initiative Principles for Responsible Investment (PRI). We have thus pledged to follow PRI's six principles, which means that we shall include ESG-aspects in our investment process, and that we as owners should work to include ESG aspects in policies and the like in our portfolio companies. Furthermore, we will raise demands for ESG to be reported and enjoy increased acceptance within the finance sector. As a member we will strive to develop ourselves and report our work to PRI. More information regarding PRI can be found on their website www.unpri.org.

As members of Invest Europe and SVCA we have committed to follow their respective Code of Conducts.

From a legal perspective Priveq will work actively to follow all applicable rules and legislations put forward by governmental instances relevant for the areas in which Priveq is active. Our organization should be transparent, and all decisions and actions should withstand inspection.

Priveq has also committed to making no investments in conflict with the UN Global Compact 10 principles, which promote a sustainable environment, sound working environment, human rights and anti-corruption.

HUMAN RIGHTS

Priveq respects the internationally recognized human rights, and thus supports the foundational human rights in our operations.

Priveq is to follow the regulations in the UN's universal declaration of human rights, as well as the International Labor Organization's (ILO's) conventions.

AT THE WORKPLACE

Priveq strives to be a good employer for all employees and shall thus provide a satisfactory physical and social work environment where each employee is treated with respect and kindness.

- Priveq has zero tolerance for any kind of discrimination related to gender, genderfluid identity or expression, ethnicity, religion, disability, sexual orientation, political view, nationality, illness or age
- Priveq also has zero tolerance for sexual, physical, psychological or verbal harassments both at and outside the workplace

ENVIRONMENTAL IMPACT

Priveq shall work actively to reduce the environmental impact at the office and when travelling. Train should be chosen instead of airplane or car (powered by fossil fuels) when travelling for work. Consideration may be given to the time spent for the trip. An evaluation should always be done regarding if the meeting can be carried out from a distance using for example Teams or other video alternatives, phone or similar tools. If possible, travels should be climate compensated.

Active work is done together with the portfolio companies to set up environmental policies with the ambition of reducing the climate impact.

GOOD WORK ETHICS AND ANTI-CORRUPTION

Priveq and our employees shall act appropriate and be perceived as a good business partner by portfolio companies, suppliers, investors and other partners.

Priveq does not accept that we ourselves, or our portfolio companies, are involved in corruption, including bribes, blackmailing or money laundering. That means that we do not, directly or indirectly, offer or accept financial advantages or other benefits which might affect a business decision, or the ability to make objective decisions in the carrying out of one's professional role, or in other ways might affect how a person carries out their tasks.

Priveq supports and strives for free competition. Priveq's employees shall therefore follow all relevant laws of competition, refrain from going into illegal agreements restricting competition, or unlawfully exchange information regarding price and markets with competitors.

CONFIDENTIAL INFORMATION

In our business we are handling business critical information, and sometimes also confidential information. Priveq's employees should not spread or misuse confidential information and are to manage such information with utmost carefulness.

Handling of personal information shall be done according to the personal data act (1998:204) and GDPR (in place from 25/5 – 2018).

RELATIONS TO EXTERNAL PARTIES

Priveq is expecting that the actors we have chosen to collaborate with are adhering to relevant parts of our Code of conduct. Procurement of products and services is to be done according to professional principles, and in the choice of suppliers and other partners the evaluation shall include their ability to follow relevant sections of this Code of conduct.

COMMUNICATION

The overarching goal with Priveq's communication should be to increase the understanding of our business, and minimize the uncertainty among those who are affected by it.

We are striving to always be open and accessible to those searching for additional information regarding Priveq and our business. We must however always take into consideration the companies we are owning, or have owned, our investors and other owners in our portfolio companies. In our actions we must also consider that the information we are handling is often business critical and therefore sensitive.

EVALUATION AND CHOICE OF INVESTMENT

Priveq does not invest in companies having their main business within the war industry, betting industry, tobacco industry, pornography, or have a considerable negative environmental impact.

In the evaluation of a possible investment Priveq take into consideration the target company's values, principles and business operations. Priveq's requirements are that the company can live up to Priveq's guidelines and requirements within the area of ESG, or that Priveq deems it possible that we, as owners, can change the company's approach and actions in these areas. If companies are considered to be active in risky areas, considerable effort should be put into analyzing ESG issues. This is applicable for companies with a large share of their operations in developing countries, companies which are directly or indirectly employing people in low cost countries, companies with large emissions in their production, companies which operations are to a high degree affecting the environment, companies supplying their products and services to actors within non-investible industries, and companies which are active within industries which historically have been associated with corruption.

Before every investment an ESG due diligence is carried out, often by advisors who are experts within ESG.

For additional information, please see Priveq's Responsible Investment Policy.

PORTFOLIO COMPANY

- Priveq is also responsible for the portfolio companies upholding and reporting an ethical business model, and are acting within the frame of Swedish ethical principles also in markets outside of Sweden
- Priveq requires every portfolio company to establish a Code of conduct and a Supplier code of conduct covering the UN Global Compacts 10 principles. Additionally, Priveq is working towards the portfolio companies also establishing IT policy, whistleblowing policy, incident reporting processes, as well as an equality and diversity policy.
- Priveq has an additional requirement that all portfolio companies should have an ESG strategy being based on a materiality analysis.
- An annual follow-up is carried out of the portfolio companies' work within areas such as gender split, employee turnover, emissions and more. The result of this analysis is thereafter presented in a sustainability report which is published on Priveq's website.

PERSONAL RESPONSIBILITY AND REPORTING ROUTINES IN CASE OF VIOLATION

Priveq has a whistleblowing system where employees and external parties anonymously can make complaints. The whistleblowing system is handled by an external party to make it impossible to track a submitter's identity.

Link to the whistleblowing channel: <https://www.lantero.se/reporting/priveq>

All reported issues are to be taken seriously and be investigated when needed. There is to be no retribution (termination of employee contract, harassment, discrimination etc) for reporting in good faith regarding deviations from the Code of conduct, or for being part of the company's investigation of a complaint.

COMPLIANCE OF CODE OF CONDUCT

Priveq's compliance of this Code of conduct is an integrated part of Priveq's business model and is evaluated on an annual basis. All employees and portfolio companies undertake signing its content.

Adopted at board meeting 2023-03-30