

Hifab's Code of Conduct

Updated November 2022



Hifab



Hifab is a consulting company in real estate and civil engineering. We offer independent advice and project management in all phases of projects.

With 75 years of experience in community building, we know the value of understanding and meeting change based on today's conditions but with consideration for the next generation. This means that we work actively to conduct our business in a responsible and sustainable manner.

Our code of conduct is based on the Global Compact and includes principles on the environment, working conditions, human rights and anti-corruption. It also contains our anti-corruption policy and serves as a guide for all employees at Hifab.

About the Code of Conduct

Our code of conduct serves as a guide for all employees and it clarifies our actions as employers and in the role of employees to each other as well as to our customers and partners.

The code of conduct is summarized and clarified in seven main principles (read more on the next page) and it is based on the UN's Global Compact (read more on page 5).

Values and success factors

All projects are unique and we always work based on the prevailing conditions and our client's goals. But we have learned that there are some common denominators that characterize successful projects and are part of our culture:

Holistic perspective and clear goals
When everyone involved knows the context and what we want to achieve with the project, we understand each other and make better decisions. It is also about seeing economic, social and environmental sustainability in all phases of the project and responsibility for what we build together (**Business Acumen**).

Defined responsibilities and rules of the game
When it is clear what the role of all parties is, the conditions for cooperation increase and that we fully benefit from each other (**Collaboration**).

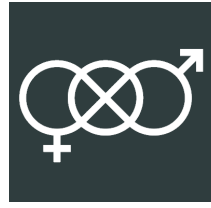
Commitment and communication
When we are inclusive and share knowledge and experiences, we create the conditions to be creative and constructive. It creates positive energy that is needed in challenging and developing projects (**Engagement**).

Seven main principles



Integrity

All employees must avoid situations where their personal or financial interests may conflict with the company. Together we must take responsibility for not spreading information that can harm someone or the company, and ensure that the company's assets are protected from loss, theft and misuse.



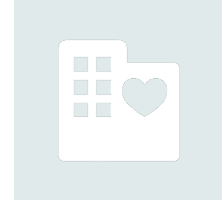
Equality and diversity

Our starting point is that everyone is equal and that all employees should have the same basic opportunities, rights and obligations. Our work environment must be characterized by respect and fair dealings between individuals and groups. No one should be discriminated against.



Unfair working condition and forced labour

We do not accept any exploitation of children or other vulnerable groups in the labour market



A good working environment

All employees will be offered a sound, safe and healthy working environment in which all can collectively contribute to its comfort, efficiency and safety. A good working environment is not only safe, it also leads to personal development and job satisfaction.



Personal development

We want to retain and develop our employees. By offering continuous opportunities for development, each employee can acquire the skills required to achieve good results and deliver on our business commitments



Freedom of speech and freedom of association

We respect our employees' right to choose whether to be represented by unions in collective bargaining or not. No employee should be discriminated for exercising this right.



Communication

With us there is an open and constructive dialogue based on respect for each individual. All employees have access to information about the company's overall objectives and strategies, and dialogue with their line manager about how their own work contributes to the overall wellbeing of the company. All managers and employees have a shared responsibility to ensure access to the information needed for every employee to work effectively.



Global Compact

The 10 UN Global Compact principles are, among others, built on the UN Declaration on Human International Rights. The ten principles cover the areas of human rights, labour law, environment and corruption.

Global Compact

UN's principles

Human Rights

Principle 1:

Hifab shall support and respect the protection of internationally proclaimed human rights.

Principle 2:

Hifab shall make sure that they are not complicit in human rights abuses.

Labour Conditions

Principle 3:

Hifab shall defend the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4:

Hifab will eliminate all forms of forced and compulsory labour.

Principle 5:

Hifab shall ensure effective abolition of child labour.

Principle 6:

Hifab shall eliminate discrimination in respect of employment and occupation.

Environment

Principle 7:

Hifab shall support a precautionary approach to environmental challenges.

Principle 8:

Hifab shall undertake initiatives to promote greater environmental responsibility.

Principle 9:

Hifab shall encourage the development and dissemination of environmentally friendly technologies.

Corruption

Principle 10:

Hifab will work against corruption in all its forms, including extortion and bribery.

Anti-corruption policy

Purpose and background

The purpose of Hifab's anti-corruption policy is to provide a framework for how we should act and which rules apply in our activities. By anti-corruption, we mean actively preventing all forms of corruption such as:

- Offering or receiving bribes
- Coercion
- Poor accountability practises
- Conflicts of interests
- Extortion
- Money laundering

An overview and explanation of various corruption concepts can be found in *Glossary of Terms*, page 10.

Corruption is not just a legal issue. Corruption creates costs, damages competitiveness and innovation, and not least risks the credibility of our brand and business. Our ability to conduct business according to Hifab's core values, and to protect our integrity is dependent on our having a transparent and ethical culture throughout our organisation. There are no sectors in the business arena or any organisations in any market that are immune to the risk of bribery and corruption arising. The outside world is not static, and Hifab's requirements change as we grow and work in new projects. Therefore, we always and in all cases need to maintain a strong awareness of our values and the risks we can be exposed to based on how we conduct our business.

Hifab strives to work to substantially reduce all forms of corruption and bribery. We shall ensure that we always comply with applicable laws and regulations in the markets in which we operate. We shall not tolerate or endorse corruption in any way or in any context, directly or indirectly, by offering, promising, demanding, requesting or accepting bribes and inappropriate benefits.

Anyone who is active in Hifab, staff as well as

temporary employees, should avoid situations that may mean that Hifab's interests are compromised by an individual's personal or financial interests.

We at Hifab are committed to:

- Always strive for transparency and clarity in our own organisation, in collaboration with business partners and in the supplier chain in which we operate.
- We can prevent and eliminate corruption risks by working in an ethical and effective manner and implement measures if necessary.
- We expect all employees and business partners to act ethically and transparently so that corruption risks can be identified, avoided and mitigated.
- We will communicate about lessons learnt and new insights where it is appropriate to continually improve how we operate.
- Our activities or our business decisions should never be compromised by bias or conflict of interest. The private interests of our employees and business partners must not be affected, or appear to affect behaviour and the ability to make professional judgements.
- Employees should be encouraged and have the opportunity to anonymously report suspicions of corruption or other violations of Hifab's Code of Conduct, without risking any form of retaliation or discrimination.

Who does it apply to?

Our anti-corruption policy covers all our employees (regardless of position), sub consultants and cooperation partners within the Hifab group. New employees and new business partners are expected to commit in writing to the policy and Hifab's Code of Conduct at employment and when entering into agreements.

Application and monitoring

Training

All employees are educated in our Code of Conduct and we maintain an ongoing dialogue about the circumstances we are facing. All employees must carry out their work according to Hifab's policies, and are encouraged to stay updated. Hifab also recommends cooperation partners to maintain relevant anti-corruption training within their organisations in order to ensure the necessary awareness and knowledge.

Deviations

Deviations from the code are reported to the nearest line manager or someone in the management group. Anyone who receives a notification is to ensure that it promptly investigated and appropriate action taken. The management group, and the Board if applicable, should follow the ongoing work on the code and follow up on any incidents. Violation of Hifab's anti-corruption policy, or Code of Conduct, may result in warning or termination of employment or agreement with immediate effect.

How we at Hifab will work with the anti-corruption policy

Hifab's management system includes working procedures for identifying risks and opportunities, support, activities, performance evaluation and ongoing improvement efforts. We will conduct our anti-corruption activities as an integrated, logical part of Hifab's business processes and long-term strategy. All employees within all of Hifab's activities and business areas can and must act proactively in preventing, identifying and assisting in the management of potential risks of corruption and irregularities. All managers have a specific responsibility to work for the application of the Code of Conduct.

Hifab's anti-corruption policy must be relevant to what we work with, effective in terms of how it supports our business and how we set goals. Therefore, we report our anti-corruption activities as part of our sustainability activities, and the goal of carrying out continuous improvement activities. An overall assessment of the activities will take place on an annual basis, or whenever

it is deemed necessary. Hifab's sustainability manager is responsible for Hifab's compliance work. The compliance function reports to the management group and relevant key figures must be reported to the board as part of the company's overall risk and performance evaluation. The compliance function also has the opportunity to communicate directly to the board if necessary.

Suspected irregularity

If you suspect that corruption exists in any way, you should first raise it with your immediate superior. If for some reason you think this is not appropriate, we offer an opportunity to anonymously report your concerns in our whistle-blower service. More information can be found on Hifab's intranet and on our website. Information reported to our whistle-blower function is received and investigated by the person responsible for compliance and the Business Support Group.

Contact

Hifab's anti-corruption policy is approved by the board and Hifab's management group must ensure that the company's anti-corruption activities are in accordance with it. If you have questions about the policy or about Hifab's Code of Conduct, you can always contact:

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Glossary of Terms

Corruption

Corruption is to abuse one's service, assignment or position of trust in order to achieve something for one's own or another's gain. A bribe is to offer or receive an improper benefit for performing a service. By improper, it is meant unauthorised or against good practice. Corruption as a concept does not exist in the law but is generally considered to include bribery, bias (see also conflict of interest) and disloyalty against someone.

Hifab does not tolerate corruption and should not, directly or indirectly, offer, promise or demand bribes or other improper benefits.

As for the giving of bribe as a crime, it is sufficient in Swedish law that someone offers a bribe. It does not have to be received for it to be a crime. The 'benefit' can be intended for both the person who is to perform the service or another person, and consist of money, gifts, invitations, entertainment or services.

Regarding rules for socialising in a business context, such as a lunch and dinner invitations, it is determined by the degree of moderation, relevance and degree of influence. It is not the value of the gift, lunch or event that is relevant, but whether the activity is appropriate to one's work, whether it is at a reasonable level or if one is being affected. It can be considered a bribe as soon as one is influenced by something - an invitation or a gift - that is risking your giving an unfair advantage, favouring someone, or otherwise treating it positively.

The ban is particularly strong in terms of the influence on employees in the government or public sector (public officials), or people who can influence a bidding process. When we participate in public procurement, we must therefore refrain entirely from offering any kind of benefit to the tender recipient and the person representing the tender recipient. Representation and gifts to other government officials must be done with restraint.

See the Business Code *Näringslivet* for

detailed guidance on representation and gifts, as well as Hifab's internal regulations for reporting representation and gifts redovisning available in Hifab's management system.

Employees' private interests must not affect, or appear to affect, their judgment or an action when performing their duties. Nepotism is often spoken about – that one becomes biased in a situation because of personal relationships. These are behaviours that distort competition and damage companies. To give preferences or benefits to a personal contact, or to recruit good friends or relatives as a service or reciprocation are examples of this.

Nepotism is prohibited by law when it occurs in connection with public procurement and the exercise of authority, and is then referred to as disqualification. A disqualified person may not participate in award decisions or in the preparation of award decisions. For more information on bribes and disqualification, see SKL's guidance here.

Money laundering

Money laundering is converting illegally earned cash, 'dirty money', into cash that appears to be legally earned, or otherwise using the dirty money for private consumption without causing suspicion.

Money laundering can also concern making it difficult for authorities to track profits from criminal activities, or to create a false impression that a property has been legally acquired. As the Money Laundering Act 2017 was expanded to include financing of terrorism, the Money Laundering Directive has been revised the threshold for when customer notification measures are to be activated for certain prepaid cards has been reduced, and the possibility of exemption for customer notification measures when prepaid cards are used online has been removed.

The Money Laundering Act requires companies to have procedures in place to be sure who one

is doing business with, and we at Hifab should in no way, consciously or unconsciously, be led to accept, facilitate or support money laundering. Some typical warning flags for money laundering include:

- Irregular payment patterns, for example payment from or to someone other than the real contract party, a series of payments, or with different currencies
- Different payment methods (cash, cheques)
- Overpayment (which can be followed by refund request to a bank account other than the sender's account)
- Contact attempts from companies or persons that we do not have established business relationships with and/or whose background cannot be guaranteed.

Read more about the Money Laundering Act [here](#).

Conflict of interest

A conflict of interest can arise when a person's accountability in his/her occupation is risked, neglected or abused due to private interests. All personnel, from decision makers to administrators, must always be objective when managing a case where they can influence the outcome. A conflict of interest in procurement violates principles of openness, equal treatment and/or non-discrimination and hence also Hifab's core values. A conflict of interest arises when a person has the opportunity to put personal interests before their professional duties. Conflict of interest is the term used in the EU procurement directive. In Swedish legislation the term used is "being biased or disqualified". The issue of disqualification arises in the event when a person at a contracting authority is connected to a tenderer.

We distinguish between different forms of conflicts of interest; actual, apparent and potential. An actual conflict is when a public official uses his public mission to unduly influence his or her private interests. An apparent conflict is said to

be when a public official's private interests could affect how he or she performs his or her job, without this being the case. The potential conflict arises when a public official has private interests that could cause a conflict of interest if the official were to participate in relevant (conflict-related) official responsibilities in the future.

No one who works within Hifab should try to gain personal benefits, which are in conflict with Hifab's interests. It also applies to benefits for someone else's gain, for example for relatives or friends. All situations that may involve a conflict of interest should therefore be avoided. In order to ensure impartiality and professionalism, no one at Hifab shall participate in decisions that may involve conflict of interest. Examples of a conflict of interest may be to offer contracts to suppliers that are owned or led by friends, or to recruit a close relative to a job at Hifab. A potential conflict of interest is not always obvious. If you are unsure of a particular situation or if you have questions, you can always turn to your nearest manager or compliance function.

Integrity

We at Hifab shall conduct our business according to good business practice. It requires all employees and all who works with us to act with integrity, according to our core values. The concept of integrity can be equated with having good, morally justifiable values and acting consistently and transparently in accordance with them, at all times.

When describing integrity of an organisation, this means that there is a systematic way of working based on established policies and approaches that clarify how to act in different situations without shifting the company's values. A person's integrity is visible through his / her words, decisions, methods and ways of acting, actions and results. It is a choice you make every day and proofs if you let yourself be influenced by different situations. It is about thought, consideration and intention in an action.

Anti-competitive cooperation

When companies collaborate to prevent, limit or

distort competition in a market to restrict competition, it is illegal. Violations of the competition rules and may impose severe financial sanctions. Just discussing or disclosing information about prices and conditions to competitors can mean crime. In the case of contacts with competitors, therefore, any discussion that gets into these issues should be rejected. It is important to immediately cancel if a call enters a sensitive area. These issues could concern that we under no circumstances should agree with our competitors about prices or tender conditions, or that we in some way act to divide markets with our competitors.

The law on anticompetitive cooperation applies to both suppliers and retailers, but it can also refer to situations, where two or more companies, without having a direct agreement, use a certain approach in consensus. One must be aware that one can be guilty of market division if one divides customers or geographical areas between oneself in the form of agreements on business associations, such as when an industry association decides in its statutes how the members should act in the market.

Anti-competitive cooperation is about forcing a customer to buy a product that they would otherwise not want, to be allowed to buy a particular product or service. It is called tying and this type of agreement is only permitted if there is a natural technical or quality relationship between the additional and the main product. Discrimination is also considered to be a violation of the Competition Act, which when one actively discourages another company's ability to compete by agreeing with suppliers that this particular company should get worse delivery terms. Deals on specialisation agreements, exclusive agreements or patent licensing agreements that may restrict competition or provide special control over production, markets, technical development or investments, are also not permitted. More information about anti-competitive cooperation can be found in English on the Swedish Competition Authority's website [Konkurrensverkets hemsida](http://Konkurrensverkets.hemsida).

Risk assessment

Risk is about the probability that a circumstance leads to an unwanted event or effect over a certain period of time. In broader terms, a risk is a situation that involves an exposure to danger. Examples of this may be the likelihood that Hifab would be subjected to claims for bribes from a local authority person in order to complete a project.

Risks that occur can result in damages in various ways, which in themselves lead to costs and losses directly and indirectly. An accident at the workplace can mean a tragic injury. The consequence of joining bribes can be corporate fines or prison.

The most dangerous risks are those you do not know. Assessing risks is about systematic inventory in order to be able to identify, evaluate and estimate the degree of risk in a particular situation or part of a business.

To manage the risks, create understanding, establish a risk-conscious culture and in the long run influence behaviours to prevent risks in the best way one usually assesses and evaluates a potential risk with regard to the probability that it will occur and the consequence if it should happen. The assessment itself varies greatly depending on the type of risk, and can be carried out both qualitatively or quantitatively. Some risks can also be considered as small or so irrelevant that you choose not to do anything about them. Common questions that must be asked are whether the potential impact and effect of the risks have been included in the analysis, if a proper cause assessment has been made, how it is to be documented and whether there is an action plan with assigned responsibility in place. Not the least, if there are any lessons learnt from the experiences drawn and shared within the organisation.

You will find more information about Hifab's frame work for risk management and risk analysis in Hifab's Annual and Sustainability Report

Training for preventing corruption

It is seldom that anyone is actually using the word "bribe" in a bribery situation.

Words like “speed money”, “marketing fee” or “administration charge” are commonly used. Prevention of corruption concerns everyone at Hifab and is both an individual and a shared responsibility. Awareness in society is increasing concerning how harmful corruption is, and thus increases the demands on integrity and ethics in the business sector. Common sense is very individual. Therefore, it is important that everyone in a business take part in training in what bribes and corruption are really about. Depending on what you work with, you are exposed to different types of corruption risks. Functions such as buyers or sellers are typically exposed to higher corruption risks than, for example, a technician, and may therefore need more support and advice on how to act if you end up in a dubious situation. It is also important to ensure that partners receive training in anti-corruption and are updated on Hifab’s policies and Code of Conduct.

These are the bases for how we communicate Hifab’s core values and business strategy. They are also tools for you as an employee to be an active part in preventing bribery and corruption. Everyone at Hifab should be aware of and be able to recognise circumstances where there may be risks of corruption, how to act, how to communicate, how to use Hifab’s whistle-blower system, and not least what consequences corrupt behaviour can lead to.

To familiarise oneself with the corruption issues is not a one-off event. The business is constantly developing, new customers, new contracts and new business partners are introduced. It also entails new and variable risks. Therefore, you should regularly take part in training, whether you are new or old at Hifab. You can also reflect on what situations you have been in that seemed insecure or unclear. Do you have a spinal cord reflex that kicks in if you are offered an unfair advantage? Do you know how to use the whistle-blower system? Contact Hifab’s Sustainability Manager if you have questions about Hifab’s Anti-Corruption Policy or Code of Conduct, or how to take part in training and support.

Speed money and facilitation payments

In the context of corruption, one speaks about “facilitation payments”, sometimes also called “speed money”. With this is meant fees that are required from/offered to someone for providing a service or carrying out something that someone is legally entitled to. Speed money could for instance be paid for speeding up the process of a case or a decision. Examples of contexts where speed money is required may be:

- At passport control
- Access to extra fast processing (“fast lane”)
- Support in speeding up the issuing of documents
- Customs declarations
- Import declarations for goods or vehicles
- Loading or unloading of vehicles
- Service in connection with telephone, electricity, water mail handling and similar
- Processing of work permits and certificate

It can be a fictitious fee or a fee that is not relevant to the context. Although it may seem like an inexplicably small fee, it is difficult to distinguish facilitation payments from bribe.

Demanding small but incorrect payments is often a part of a structured, institutionalised way of working in corrupt environments, which makes it difficult to handle. Hifab has zero tolerance for all forms of bribery, including facilitation payments, and it is illegal according to both Swedish and international law. Accepting requirements for facilitation payments lead to continued requirements, which makes administration and cooperation more difficult over time.

Although it is possible to refer to the fact that a certain amount of facilitation payments is local practice and perhaps even not criminal according to local legislation, we must be aware of the payment being wrong from an ethical perspective and that we must therefore counteract this.

In a situation where requirements for facilitation payments arise, the following applies:

- Refuse to pay. This may require a lot of patience, but as the requirement for facilitation payments is usually a systematic way of working, giving in once, would result in the demand continuing and perhaps the fees to even be raised. It becomes a dead end
- Always ask for specific information describing for what the payment is, and whether the counterparty can refer to public information about the fee, for example in a document / list of official fees, on the web, etc.
- Ask to speak with the superior of the counterparty to confirm for what the fee should be.
- Request an official receipt including the name of the person claiming the payment.
- Always report the incident to your immediate superior or directly to the compliance function, both in cases where attempts have been made and you have refused and in cases where you finally paid. A notification to the Police must also be made and documented.

Representation and gifts

Representation means having a common meal, joint restaurant visits, entertainment in the form of, for example, visits to any event or performance, with external contacts. It can also mean a simpler gift as a way to show appreciation from Hifab's side towards external contacts or vice versa.

External representation aims to create, maintain or develop contacts with representatives of authorities, organisations, companies and individuals outside Hifab's organisation to promote the business.

The representation itself is to be exercised at the level of customary hospitality, for instance in the form of hosting in connection with negotiations. All representation must therefore be carried out reasonably and taking into account the risk that it may be perceived or judged as bribe. In order for representation to fulfill the requirement of

direct connection with the business, it shall be included as a part of business negotiations and be made in direct connection with these.

In all situations, one should be aware of the influence the representation might have. If it means influence that leads to positive discrimination, favouritism or other decision influence, it is advisable to avoid it.

Repeated representation towards the same person or group of persons can signal a very special, personal hospitality, and is as such perceived as inappropriate. Representation with a customer or competitor in connection, or in close connection, with an ongoing contract is likewise inappropriate.

Employees at Hifab who are offered or receive a gift, or who take part in representation that exceeds what can be considered reasonable, should as soon as possible report this to their direct manager who, in consultation with the Compliance function where appropriate, may assess whether the employee's and thus Hifab's integrity and independence can be adversely affected.

Some issues to consider:

- Is the gift company, a specific person, such as a named decision maker?
- Is there a logical connection to the work? For example, is it a journey that another organisation offers and pays for, but where the agenda has little or no relevance to Hifab's business?
- Is the representation close to the decision stage in a procurement?
- Is it a situation where your counterparty expresses requirements that seem to benefit him / her personally (a personal benefit) in order to make a decision or carry out an activity? Or conversely, are you offered something that seems aimed at you personally to make you feel the need to positively treat someone or end up in a situation where you feel obliged to offer something back?

For more information on representation, we refer to the Swedish Business Code Näringslivskoden and the rules of the Swedish Tax Agency Skatteverkets.

Sponsorship and donations

It is not uncommon for companies to be offered the opportunity to sponsor or donate money to various initiatives or events. It can be anything from social commitment to sports, where the company can show support for sustainable social development or take the opportunity to get a positive exposure in the media.

Hifab will only participate in sponsorship that has a direct and relevant connection to our business, which is party-political independent and permitted by local legislation.

If Hifab engages in or appears in Connection with any form of sponsorship or donation, we shall ensure that we follow all the steps required to provide correct and public information about the same.

The amount of and timing of the sponsorship or donation must be checked and approved internally by Hifab's management group. This is done to ensure that it is not abused by political interests, used for friendship corruption or in other ways deal with irregularities or actions that conflict with our core values.

Special caution should be exercised in communication and any interaction with organisations led by established people with political background or known political contacts, their family, collaborative partners and friends.

Contact and questions are referred to:

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