

KOMMUNINVEST I SVERIGE AB

Code of Conduct
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Code of Conduct

1 Introduction

In this Code of Conduct, the Board of Directors has established ethical rules regarding how employees at Kommuninvest are to relate to each other and others.

Kommuninvest is an organisation which is governed by values. Our core values form the basis for internal and external conduct, the way we must meet the targets we have set, and stakeholder expectations. The Code of Conduct is based on the core values and describes our responsibility as a company, an employer, and employees.

All employees have a responsibility and an obligation to comply with the Code of Conduct, current laws, regulations, and other policies and instructions which govern the business.

Kommuninvest's managers are responsible for creating an ethical climate and encouraging compliance with the Code of Conduct on a day-to-day basis. This is how we practice what we preach.

1.1 Our vision

Kommuninvest shall be the world's leading organisation for municipal financial management. We finance the development and investments of the Swedish local and regional sector for a sound and sustainable society.

1.2 Our business idea

The cooperative effort in Kommuninvest is based on membership in a cooperative society. Each member has one voice and its operations are based on democracy, assumption of responsibility, and low risk-taking. All of the members of the Kommuninvest Cooperative Society have signed a joint and several guarantee. This assumption of responsibility – together with the municipal taxing power – is crucial for the financial market's confidence in Kommuninvest.

Kommuninvest's purpose is to create utility for its members. This takes place by offering all municipalities and county councils products and tools for effective financial management with a focus on financing. Kommuninvest has its mind in the financial market and its heart in municipal Sweden.

1.3 Municipal values

Kommuninvest must be characterised by professional encounters with members, customers, investors, and employees. We always endeavour to create the greatest

possible advantages for our members in creating a sound and sustainable society. We do this by working from the perspective of completeness, quality, participation, and clarity, as well as through the principles of responsibility, equality, justice, diversity, sustainability, and care for others.

Since Kommuninvest is owned by Swedish municipalities, county councils, and regions, it is only natural that our conduct reflects the members' general view of the task of securing and developing social well-being for all. The municipal sector's way of working includes, among other things, efficiency, security, democracy, accessibility, justice, and frugality with public funds.

2 Our core values

Our core values are the basis for how we carry out our operations and guide our actions in different situations.

2.1 Completeness

Completeness means having perspective, ensuring that we safeguard all of the interests of the organisation, and taking long-term action. We work in the organisation's best interests even if decisions may sometimes have a detrimental impact on individual employees or parts of the company. We see connections and handle the consequences of decisions.

2.2 Participation

We are involved and take responsibility for our role, our work, and the company's values. We respect the big picture and have the right and obligation to review information which is important for our understanding. We receive and provide feedback when decisions affect our working situation and we have confidence in, and work according to, adopted decisions.

2.3 Clarity

We describe our expectations and take responsibility for communication reaching the recipient. We work according to guidelines, with clear goals, mandates, and prioritisation, and we monitor results.

2.4 Quality

Quality means that our work is based on guidelines and policies, and that the correct product is delivered at the right time to the right person. Accordingly, we work according to the expectations which are imposed on us and we take preceding and subsequent steps in the chain of operations into consideration. This requires willingness, organisation, and sound routines.

3 What can others expect from Kommuninvest?

We rely on the confidence of those around us in order to conduct our business. The following is a brief description of what those around us can expect from us as part of our assumption of responsibility.

3.1 Employees

Current and future employees can expect us, as an employer, to respect human rights. We offer a safe work environment that promotes growth with the tools and expertise which are necessary to enable employees to perform their job responsibilities. We have competitive employment terms and conditions and invest in employee development. We do not discriminate, we respect employees' privacy, and process personal data in a responsible way. We offer employment terms and conditions which make work-life balance possible.

3.2 Customers and owners

Our customers and owners can expect competitive products, with high quality delivery and a limited impact on the environment and surrounding world. We work pursuant to ethical principles and our Code of Conduct. We safeguard municipal interests and communicate know-how. In order to build up good relationships and to be a good business partner who lives up to expectations, we conduct an on-going dialogue with customers and owners, and communicate openly and proactively.

3.3 Public authorities

Public authorities can expect us to act in accordance with laws, regulations, and principles, and for us to be transparent, provide a secure supply, and take responsibility. We are a company that lives up to the requirements and expectations imposed on us due to our quasi-official role.

3.4 The capital market

The capital market can expect a stable and secure counterpart with a broad range of products. We are active on both the Swedish and international capital markets and act consistently, with risk consciousness and a long-term perspective, and in accordance with established rules.

3.5 The media and external reporting

Media outlets can expect us to be honest, objective, available, and prompt. We help contextualise issues and endeavour to share the information that we have. Our ambition is to be as transparent as possible in accordance with the principle of public access to official records and comply with external reporting and accounting requirements. We have designated spokespersons for contacts with media and they are responsible for representing Kommuninvest and communicating our message.

4 How do we conduct our business in relation to our employees?

4.1 Terms and conditions of employment

We must have clear and well-defined working conditions, role descriptions, work processes, and monitoring. This contributes to good work performance and leads to met targets, personal development, and skills development. We regularly monitor targets and discuss conditions for the work performance of the individual employee. Our salaries are adapted to the market but are not market leaders. They are individual and must reflect performance, skills, and responsibility. We comply with collective agreements, laws, regulations, and rules which govern employment terms and conditions, as well as all appurtenant matters.

4.2 Work environment

We have zero tolerance for all forms of discrimination, harassment, and sexual harassment, and unequal treatment. We must work for a sound and safe work environment where all employees are given the possibility to thrive and develop at work. Kommunist must have a safe, nurturing, and inspiring work environment where each employee must take personal responsibility for health and the work environment. We comply with work environment legislation and applicable regulations and the Swedish Work Environment Authority's Statute Book. We work proactively and systematically to investigate, assess risk, rectify, monitor, and protect the physical, social, and organisational work environment.

4.3 Safety

We put safety first. We do not travel to countries against the advice of the Ministry for Foreign Affairs and safety is the primary factor for selection of hotels and means of transport. By using travel agents to book all journeys, we have an overview of information if employees are in a country or city which is subject to attack or a natural disaster. We have a crisis group which works actively to prevent and train for crisis and continuity management.

4.4 Balance between work and private life

Working hours must be adapted to the employee's wishes as much as possible under the circumstances. Our ambition is for each employee to feel that they can have a positive balance between work, family life, and leisure time for a sustainable day-to-day life. Both employers and employees are responsible for creating latitude for flexibility.

4.5 Employee participation

Employees are responsible for following up on the Code of Conduct, applicable laws, rules, and agreements, as well as being loyal to the employer and the decisions which are taken. We expect to talk to each other instead of about each other, and to treat each other respectfully. Employees are personally responsible for acquiring information and taking responsibility for their communication, as well as for giving and taking feedback

productively. Each employee also has a responsibility to build the culture which is described in the Code of Conduct and to bring to light any disparities. We have a shared responsibility to cooperate with each other and to create an inclusive work environment and workplace where everyone has equal value. Being an employee also includes a responsibility to contribute to development, improvement, and innovation.

4.6 Democracy and solidarity

All employees must be given the opportunity to express their opinions and be encouraged to make suggestions for improving the business. Employees must be a part of the decision-making process which affects them. We are inclusive and recognise and value different perspectives. We share our know-how and experience. We solve conflicts by listening and conducting a dialogue. We value an open dialogue since we see that it leads to transparency and efficiency.

4.7 Diversity and gender equality

We treat each other and each other's job responsibilities with respect, understanding, and dignity. We treat each other as we would like to be treated.

We value diversity in all aspects of our operations and favour variety in our employees' backgrounds. We encourage differences, since that enriches the Company's culture and expertise and contributes to our goal of a healthy and sustainable society.

We strive towards equal opportunity in our workplace in all respects. Our ambition is gender balance among employees, managers, and operational management. We encourage, and make it easier for, both genders to take parental leave, which is also monitored annually.

We have a non-discriminatory recruitment process which ensures that the need for expertise governs the selection of candidate. Recruitment process targets are based on a gender equality perspective and seek to achieve gender balance at all levels of the Company.

4.8 Use of alcohol during working hours

Kommuninvest is a drug-free workplace. No alcohol may be consumed during working hours. Exceptions can be made for special events or company entertainment, but with moderation and without affecting one's ability to work.

4.9 Private use of the organisation's resources

The company's resources are not for private use but may be acceptable in certain cases. This must always be preceded by manager or management approval, and they determine where boundaries are drawn in respect of, for example, computers and mobile telephones, as well as printer or working time use. Examples include costs for telephone use during holiday travel or copying for private use.

4.10 Ancillary activities and involvement

Involvement ancillary to Kommuninvest must always be discussed with the immediate supervisor and reported to HR. The head of HR determines suitability. Ancillary activities which compete with our operations or which can damage Kommuninvest's confidence are not allowed.

We do not handle matters or questions in which we have a direct or indirect personal interest, for example due to the interests of the individual or a close associate. The employee must report a situation that involves a risk of a conflict of interest or disqualification.

When a person is newly recruited, as well as once each year, all employees are asked about their ancillary activities and conflicts of interest, if any. There is follow-up on the answers with an assessment as to whether any ancillary activities are consistent with employment by Kommuninvest and how the conflicts of interest are to be handled.

4.11 Confidential information and privacy issues

The information and know-how in our possession is a valuable asset which we must protect by understanding and complying with applicable laws. We must protect information which relates to business relationships and other internal circumstances by complying with the Banking and Financing Business Act, the General Data Protection Regulation, and the Public Information and Secrecy Act. Employees must receive clear information from their supervisors regarding how information is to be processed, e.g. how it should be classified, whether it should be registered, whether it is to be subject to confidentiality, but also when a need arises e.g. to record telephone conversations or see email. If anyone is uncertain as to how information is to be processed, they must err on the side of caution and ask.

All documentation which is sent to and from Kommuninvest must be regarded as a public document which can be requested by a third party. Upon request for disclosure of a public document, the CEO or chief legal counsel will conduct an assessment. Information which is open (publicly available) may be disclosed without assessment. As a result, information which might be subject to confidentiality must be registered as received.

4.12 Private investments

Information acquired in one's role as an employee of Kommuninvest may only be used in that role. We do not use inside information when making private investments and, as employees, we have an obligation to the employer to give notice when we receive inside information.

4.13 Fraud

An employee who suspects that fraud is taking place must report it immediately to their immediate supervisor. If a person does not wish to report to their immediate supervisor, they can report to the head of regulatory compliance, the head of HR, or the local trade union. If the ordinary reporting channels are not appropriate or available for some reason, a report may also be made through the whistleblowing function on the intranet.

5 Relationships to third parties

5.1 Trust

No one may benefit from the possible advantages that being an employee of Kommuninvest means to third parties. Services and products which follow from agreements between Kommuninvest and third parties and which can be used by everyone are permissible. We want to create trust and good relations with our customers, owners, and other people around us.

5.2 Travel and company entertainment

All company entertainment is characterised by moderation and ordinary hospitality. We do not offer spirits and the basic rule is that no alcohol is served at gatherings.

Exceptions are made when required by cultural circumstances and at annual general meetings, Christmas parties, summer parties, and personnel conferences. We are judicious with gifts and events for those around us, and we scrupulously comply with the specific requirements applicable to transactions with public entities.

Loyalty programmes offered by hotel chains and airlines which lead to free hotel nights or discounted journeys may never be used privately but must always be used in conjunction with professional activities, e.g. to upgrade work-related journeys. The choice of means of transport must be based on safety, environmental, and cost considerations.

5.3 Corruption, bribery, and graft

Kommuninvest does not accept corruption, bribery, or graft. Even our activities and business relationships abroad are guided by Swedish legislation. We comply with the Swedish Anti-Corruption Institute's Code of Business Conduct. We must act in a way that provides us with a wide margin against impermissible action. We may only accept gifts and entertainment where they are not improper. Any person responsible for business relationships with the person making the offer must decline if their independence can come into question.

5.4 Suppliers

We apply the Public Procurement Act when selecting suppliers. If a transaction is not subject to the Act, we apply strictly commercial considerations and, where appropriate and possible, accept tenders from more than one supplier. Our suppliers can anticipate that we seek long-term business relationships that are based on trust and mutual value

creation. In the exercise of our official capacity, we do not accept offers for discounts from suppliers unless the offer is directed to all of Kommuninvest's employees. Any employee receiving such offers must report it immediately.

5.5 Sustainability

In accordance with our vision, we strive to achieve a healthy and sustainable society, and we have a working method which reduces impact on the environment and the world at large. We work with improvements in the areas of energy usage, business travel, and waste, and we expect the participation of employees to the greatest extent possible. We avoid using plastic items that are not environmentally-friendly and provide locally-produced, environmentally-friendly, and organic food wherever possible. We encourage fair-trade and other socially and environmentally-conscious initiatives by choosing such alternatives when reasonable. In conjunction with procurement, ethical, environmental, and other similar requirements must be stated in the tender documents.

6 Compliance with the Code of Conduct

6.1 Report violations

Violations of the Code must be reported and unethical conduct is unacceptable. It is crucial to Kommuninvest that Company management learn of any violations or unethical conduct. A person perceiving/experiencing unethical conduct should first report it to their immediate supervisor. If a person does not wish to report to their immediate supervisor for any reason, they can report to the head of HR, the local trade union, or the head of regulatory compliance.

6.2 Whistleblowing

The whistleblowing procedure provides a separate reporting possibility to be used in the event of suspected regulatory violations when the company's ordinary reporting channels are not appropriate or available for use. This may involve, for example, an individual or a group violating internal or external regulations which have, among other things, been addressed in this Code of Conduct. The company's intranet has an option for advancing to the whistleblowing service where an anonymous report can be made. The recipient of the report is a person outside of the company who first contacts the CEO or the chairperson of the Board of Directors of the Company or the Society. The recipient investigates the report and the reporter remains anonymous throughout the entire procedure.