

Group Code of Conduct of Scandi Standard AB (publ) reg. no. 556921-0627

**Adopted at the board meeting held on 19 February 2018
for the time period until the next review.**

It is noted that Scandi Standard AB's (publ) ("**Company**") shares are listed on NASDAQ Stockholm. This Group Code of Conduct ("**Code of Conduct**") has been adopted in order to align the work of the Board of Directors of the Company ("**board**") with the requirements imposed by the Swedish Corporate Governance Code. This Code of Conduct is in addition to said requirements although certain provisions thereof are included in this Code of Conduct in order to facilitate their application. This Code of Conduct replaces previously adopted Code of Conducts.

Thus, in addition to what is provided for in the above mentioned requirements, this Code of Conduct shall apply for the time period until the next review. References herein to the "**Company**" shall, unless otherwise clear from the context include not only Scandi Standard AB (publ) but also its subsidiaries and the group in which Scandi Standard AB (publ) is the parent company.

Code of Conduct

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1. The Company

Scandi Standard is passionate about the tasty, healthy and climate-smart chicken. We are the leading producer of chicken-based food products in the Nordic region and the Republic of Ireland.

The Company produces, markets and sells ready to eat, chilled and frozen products under the well-known brands Kronfågel, Danpo, Den Stolte Hane, Naapurin Maalaiskana and Manor Farm. In Norway eggs are also produced and sold. We are approximately 3 000 employees and have a total sales of more than SEK 7,5 billion.

We care about the planet, the people and the animals and responsibilities within these aspects are an integrated part of our business strategy for achieving our vision and mission “We inspire people to choose the tasty, healthy and climate-smart chicken – once more per week”.

Our corporate culture is shaped by the notions of being open-minded, challenging and by creating a sense of urgency.

2. Communication and Scope

Our activities are based on open-minded dialogue and transparent communication with our stakeholders.

Communicating our responsibility is crucial to our work with the Code of Conduct. Our owners should feel secure that we understand our responsibility towards customers, business partners, employees, the local communities and the surrounding environment.

Our responsibility encompasses everything we do, from purchase and processing to marketing and sales. It's about economic aspects, the environment, social aspects, animal welfare, relationships with employees, farmers and other suppliers, consumers, customers, shareholders and public authorities.

Our Code of Conduct is applicable in its entirety to all board members, employees and consultants of the Company.

Relevant parts are incorporated in our Supplier Code of Conduct. Our Supplier Code of Conduct must be presented to and accepted by all suppliers. Also our Supplier Code of Conduct constitutes the basis for supplier auditing.

3. Legal Requirements

The Company always complies with applicable laws, regulations and requirements in the countries where we are active. In some countries the enforcement thereof might be unsatisfactory according to Scandinavian standards. In such cases we endeavor to apply our own standards

This Code of Conduct summarizes our corporate governance practices. The Code of Conduct is made in line with the principles of the United Nation's Global Compact and OECD Guidelines for multinational enterprises.

4. Our Work with Responsibility and Sustainability

Conducting responsible business requires a long-term ambition and at the same time it must be performed by all employees and consultants in their daily work.

Once a year, the Group management sets the strategic ambition for responsibly dealing with economic, environmental and social aspects of our business. We do so in order to assure a sustainable development of the Company.

- **We have a Long-Term Ambition**

Overall strategic decisions are taken by the board and Group management. Our objectives, legal and other requirements, key issues, and risks are identified and analysed as a basis for the strategic plan.

The strategic plan guides the work of taking responsibility through established objectives, identified risks and established main activities.

5. The Environment

In order to continuously lessen our environmental impact, we endeavor to improve our knowledge of, and control over resource consuming processes.

- **Emissions**

We work on an ongoing basis to reduce emissions into the air, soil and waterways. Whenever feasible, we aim at setting goals for reducing emissions and for the communication of progress made.

- **Energy and Water**

Production plants within the Company must measure and record use of energy and water. We constantly search for ways to optimize energy and water use.

- **Sustainable Supplies**

The Company supports the establishment of sustainability programs with suppliers and actively and constantly evaluate how they may fit into our value chain.

- **Transportation**

We demand logistics solutions that reduce the impact on the environment and increase transport safety and reliability. Special attention is paid to the transportation of live chicken as a means to safeguard animal welfare and the close relation to the farmer.

- **Breeders**

We contribute with competence, resources and production data systems to build a sustainable supply of live chicken.

We have a responsibility to continually inform and advise our breeders on the use of production inputs including medication in order to ensure their efficient utilization and to minimize the risks to humans and to the environment.

- **Animal Welfare**

We strive to ensure good chicken care from breeding to slaughter.

We monitor that chickens are treated responsibly. They receive medical treatment when relevant, we register health indicators such as foot pad lesions and mortality and act promptly whenever breeding conditions appear critical.

6. Business Ethics

Our conduct in all situations, irrespective of country or market, is characterized by due respect for customers, business partners and the local communities in which we are operating. Employees within the Company should always act with sound judgement.

- **Bribery, Fraud and Corruption**

All forms of bribery, corruption and money laundering are prohibited.

We oppose all unlawful restriction of competition.

Employees shall not give or accept personal gifts, services, trips, entertainment or other benefits of any significant value.

All benefits and business entertainment shall be characterized by moderation and openness.

An employee who receives a benefit or an offer of a benefit that he or she believes to be contrary to the Code of Conduct shall immediately return the gift to the donor and report the incident to its immediate superior

It is strictly forbidden to give, offer or promise any form of benefit, either directly or indirectly, to any Public Official in order to unduly influence the exercise of public authority in the context of public procurement, to keep any other form of business or business transaction or which may otherwise entail an improper gain.

- **Conflicts of Interest**

We pay attention to conflicts of interest. Employees are expected to act with/give their business loyalty to the Company and avoid situations which lead to a conflict of interest between the Company and the employee or other stakeholders, their relatives or companies controlled by them

- **Marketing**

In our product labelling and advertising, we provide information that is correct and not misleading.

- **Confidential Information**

Confidential information about the Company's strategies, activities and business operations must be protected and must not be disclosed to any unauthorized parties.

Confidential information supplied to the Company by a third party must be dealt with and protected in the same way as the Company's internal confidential information.

- **Information Security**

Employees shall handle all the information they deal with in a way that is justifiable and complies with applicable laws, regulations and requirements. The Company takes all precautions necessary to protect our information systems from threats and to reduce the risks associated with information processing.

7. Social Conditions

The Company supports and respects internationally declared human rights. We actively work to ensure that all our employees are treated fairly, equally and with respect.

- **Freedom of Association**

The Company respects employees' right to form or join trade unions and gives the opportunity to engage in collective bargaining agreements.

- **Working Conditions**

Working hours including overtime comply with national legislation, industry standard and collective agreements. Wages, benefits and overtime compensation do at the very least comply with national legislation and agreements.

- **Labour**

No form of forced labour or labour linked to any form of punishment is permitted. No employee may be forced to hand over valuables or identification papers to his/her employer. No child labour is accepted.

- **Discrimination and Oppression**

Our ambition is to promote diversity and to focus on our employees' involvement and skills development. We do not accept discrimination of whatever nature, threats, oppression or harassment in any form among our employees or among our suppliers.

- **Health and Safety**

We make ongoing improvements to the work environment. We promote good health and aim to prevent accidents and work injuries that can be linked to the work that is being carried out.

- **Human Capital**

The Company encourages human capital development by creating employment opportunities and facilitating training opportunities for employees.

8. **Products**

The Company's products must be safe for the user/consumer and the principle of prudence forms the foundation of our responsibility.

- **Safety and Traceability**

We work according to international standards and local legislation for food safety and protect consumers through our active work with product safety. All products are traceable in accordance with applicable legal requirements and industry standards. If a problem arises, we recall any products that entail a risk for the user/consumer.

- **Products and Packaging**

The Company ensures safe products that do not pose any threat to people's health. We test raw material, our production processes and the end products to guarantee product safety and quality.

When conceptually relevant, we use eco-friendly packaging.

- **Innovation**

We want to contribute to sustainable development and innovation within the areas that are strategically important for the Company.

The conceptual platform for product innovation is the healthy and climate-smart chicken.

9. Economic Conditions

- **Economic Value and Impact**

We seek close co-operation with local communities, including business partners, and develop the Company's activities in our domestic and foreign markets, consistent with sustainable development principles and sound commercial practice.

- **Economic Legislation**

The Company refrains from seeking or accepting exemptions not contemplated in the statutory or regulatory framework related to taxation, financial incentives or other economic issues.

10. Standards and Management Systems

- **Sustainability Management System**

In our aim to recognize improvement opportunities in sustainability issues and continuously improve our environmental performance, we establish objectives, identify risks, formulate strategies, develop action plans and set goals.

A Sustainability steering group sponsored by Group management directs and develops the overall sustainability work.

- **Food Production Certification**

The Company applies to the internationally recognized and comprehensive BRC - Global Standard for Food Safety.

- **Recall System**

All business units within the Company have a routine in place to ensure effective global recalls of products. The routine is tested on a regular basis to ensure that it is updated and working in practice.

- **Animal Welfare System**

All handling of live chicken in the Company meets national animal welfare legislation and is supervised on site by our own veterinarians.

Production data is registered in a common database in order to deliver a transparent platform for monitoring and optimizing the breeding of chicken.

11. Implementation and compliance

The Group/Company Management is responsible for ensuring that the Code of Conduct is implemented and followed. All managers within the Company are responsible for implementing the Code of Conduct's principles within their organization. All board members, employees and consultants have the responsibility to understand and comply with the Code of Conduct in their work. Non-compliances shall be reported to nearest manager or managers manager, HR or through the Company's whistleblowing function.