

# LINDEXGROUP

## LINDEX GROUP'S ANTI-CORRUPTION POLICY

### 1. Purpose

The purpose of this anti-corruption policy is to provide further guidance and instructions to the standards of conduct regarding corruption and conflicts of interest as set out in Lindex Group's ("Lindex") Code of Conduct by outlining nonacceptable behaviors in order to prevent and detect corruption.

### 2. Scope

This anti-corruption policy applies, without exceptions, to all directors, management staff, employees and trainees of all units and functions in all markets and countries within the Lindex Group, as well as to all of Lindex Group's business partners, subcontractors and other third parties acting on behalf of Lindex Group. The policy applies irrespective of the country of operation, however, taking into account any overriding requirements of local legislation.

### 3. Basic Principles

Lindex Group takes a zero tolerance approach to all forms of bribery and corruption. A core value of the company is to carry out transparent and responsible operations - a principle established and recorded in Lindex Group's Code of Conduct.

Lindex Group's employees and management are expected, at all times, to perform their duties honestly and with integrity, in the best interest of the company, avoiding any conflicts of interest and in accordance with local laws.

All Lindex Group's employees and management are strictly prohibited from directly or indirectly promising, offering or giving, or receiving or soliciting anything of value to or from anyone, either directly or through an intermediary, in connection with any business matter in order to gain, obtain or provide an improper advantage.

# LINDEXGROUP

Lindex Group does not accept any form or level of corrupt activities and such activities are under no circumstances in the interest in the company. In case of uncertainty concerning their obligations under this policy, employees are urged to contact their superior, the Director of Legal Affairs or the Head of Internal Audit for guidance.

It is the responsibility of each individual covered by this policy to keep him/herself updated and act in accordance with the requirements of this policy, the relevant local rules and legislation in the countries he/she conducts business, as well as with any other business practices that may be applicable, such as trade association's ethics codes and international conventions. All business transactions performed on behalf of Lindex Group must be clearly recorded in the company's accounts administered in accordance with the Lindex Group reporting policies.

Any suspected violations of this anti-corruption policy shall be reported as set out in Section 6 below. All reported or otherwise suspected violations will be thoroughly investigated and based on the findings of the investigation appropriate measures will be taken.

## 4. What is Corruption?

For the purpose of this policy, **corruption** means any act intended to result in the misuse of entrusted responsibility and/or authority for personal and/or corporate gain. Corruption encompasses a variety of situations including bribery, conflicts of interest and misuse of company assets.

**Bribery** means the promising, offering, giving, receiving or soliciting an undue advantage to or from a person or entity, either directly or through an intermediary in an attempt to affect a person's actions or decisions in order to gain or obtain a business advantage. Undue advantage includes anything of value, eg money, an object of value, entertainment, a privilege or an advantage, or merely a promise to influence a person in an official or public capacity. Bribery also includes **facilitation payments** to government officials to facilitate or expedite processing and **kickbacks**, ie. return of a sum already paid or due as a reward for awarding or furthering business.

## 5. Areas with Exposure to Corruption

Corruption can occur in various types of business areas and activities, typically in connection with procurement, contracting, construction and purchase processes and in the form of gifts, entertainment and hospitality, facilitation payments, and political and charitable contributions.

### 5.1 Purchasing, Procurement and Contracting Processes

# LINDEXGROUP

Lindex Group conducts its business in a highly ethical, transparent and responsible manner including fair contract awarding processes free from corruption whether in procurement, purchasing or other functions within the organization.

Lindex Group's employees and management are required, at all times, to observe the principles of this policy and to comply with Lindex Group's procedures and specific guidelines issued by the relevant operating unit regarding evaluation, appointment and management of suppliers.

## **5.2 Gifts, Entertainment and Hospitality**

Lindex Group's employees and management may not accept or offer any form of gifts, entertainment and hospitality if they can be perceived to affect the outcome of a business transaction or otherwise potentially influence the integrity of the receiver.

Ordinary courtesy corporate gifts and hospitality involved in normal business operations are permitted provided that they are transparent, reasonable and appropriate with regard to the recipient's position and circumstances, and are given in good faith and within the limits of applicable local legislation. Cash or other monetary gifts are never acceptable.

Lindex Group's business divisions are responsible, where necessary, for establishing more detailed country or business area specific guidelines for gifts and hospitality based on the principles in this policy and applicable local legislation. All guidelines relating to this policy shall be submitted to the Director of Legal Affairs for approval.

## **5.3 Facilitation payments**

Facilitation payments are not allowed, whether direct or indirect. Facilitation payments are small unofficial sums paid to government officials in order to facilitate or expedite routine services which the payer has legal or other right to receive with or without the payment.

Carrying out business transactions through third parties should be avoided. If third parties are used, their services must be transparent, priced reasonably and should not include any kickbacks or payments to facilitate other services or works than they are hired to complete. These include, but are not limited to, any type of government services to speed up processes or similar transactions.

## **5.4 Donations to Charity**

As part of its corporate social responsibility, Lindex Group may make donations to nonprofit public benefit organizations that fund education, culture, research and other social projects in the countries where Lindex Group operates. Donations to charity shall be evaluated separately from the company's commercial activities and may not be linked to past, present or future business transactions. Charitable donations may be made only to valid registered

# LINDEXGROUP

non-profit public benefit organizations with an express declaration of purposes and principles. Donations to charity are decided on by the CEO.

Lindex Group's business units may also support non-profit projects of public benefit organizations as part of their commercial campaigns and activities. Decisions on commercially related support or sponsorships of non-profit projects are made by the Management of the relevant business division.

Lindex Group does not make political contributions or donations to any politician, political party or related organization either directly or indirectly.

## **6. Commitment of Business Partners**

All employees and management involved in the engagement of business partners are responsible for ascertaining that the appropriate level of due diligence of each new business partner has been conducted in order to ensure adherence with this policy and to prevent corruption.

All contracts with business partners shall be made in writing and shall be filed and recorded in accordance with applicable company procedures. No verbal contracts are allowed. Fees paid out shall be appropriate and reasonable in relation to the standard remuneration for such legitimately delivered services. Fees may only be paid out against a valid invoice detailing the services provided and expenses incurred, and through an official bank transfer by a reputable bank. No part of payments made may be passed on by the business partner in contradiction with this policy.

## **7. Support and Investigation**

### **7.1 Support**

Questions relating to anti-corruption issues and the interpretation of this policy may be directed to the Director of Legal Affairs or the Head of Internal Audit.

### **7.2 Reporting**

Violations and Investigation Employees are required to report any suspected violations of this anti-corruption policy to their superior, local security manager, the company management or to Lindex Group's Internal Audit who will handle and make decisions on all suspected acts. A whistle-blowing channel was introduced in 2015. The channel will be a tool for Lindex Group's own employees, as well as for business partners and other stakeholders, to flag suspected or detected deviations from the Lindex Group's Code of Conduct.

All reported suspicions will be thoroughly investigated without regard to the suspect's position, term of service or relationship with Lindex Group. Based on the findings of the

# LINDEXGROUP

investigation appropriate measures will be taken, up to and including termination of employment and contractual relationships and civil liability proceedings.

All criminal activities including corruption will be reported to the relevant authorities and local laws shall apply.

## **8. Implementation and Responsibilities**

This policy has been approved by Lindex Group's Management Team. The Director of Legal Affairs is responsible for the maintenance and interpretation of the policy as well as for policy updates whenever necessary. The management of each business division is responsible, where necessary, for issuing country or business area specific guidelines on matters addressed in this policy. Guidelines related to this policy shall be submitted for approval by the Director of Legal Affairs.

The Corporate Communications is responsible for introducing and communicating this policy to the management of the business divisions. The management of the business divisions shall ensure that all their employees, business partners and other third parties engaged by them are familiar with this policy and possible further guidelines and is responsible for arranging relevant training for employees in anti-corruption matters.

## **9. Confidentiality**

All information received relating to an investigation of a suspected violation will be treated in confidentiality and will be communicated further only on a need to know basis in order to protect the reputation of suspects during an on-going investigation as well as employees raising concerns from any form of harassment or retaliation. Employees are not allowed to attempt any personal investigations of any suspected violations of this policy.