

Unofficial translation from the Swedish original version

SVCA's Code of Conduct

Original Code of Conduct adopted by the SVCA's Board of Directors in February 2015. The current version was adopted by SVCA's Board of Directors in April 2018.

Purpose of this Code of Conduct

Section 1

The purpose of this Code of Conduct is to ensure public confidence in the fact that private equity firms are acting responsibly and professionally, and to promote knowledge in the work performed by private equity firms. "Private equity firms" include independent private equity firms as well as investment managers to private equity funds and private equity firms that administer private equity funds with ownership in portfolio companies (private equity) within venture capital and buy out, irrespective of how the private equity firm is organised; as a private or public company, limited partnership or such like.

Section 2

Under the Code of Conduct private equity firms are obligated, in accordance with Section 1, to act in a manner which inspires confidence. Other norms and supervisory systems apply to private equity firms' obligations toward investors and others with whom contractual relationships have been or are about to be entered into.

Objectives of the Business of Private Equity Firms

Section 3

The majority of SVCA's regular members are investment managers to private equity funds and private equity firms administrating funds whose business is to assist individuals and institutions investing in unlisted companies (private equity). The objective is to develop these companies (portfolio companies) in order to create economic value that can be realized within an agreed time period by selling the portfolio company, so that investors can receive a return on their capital.

The development of portfolio companies presupposed by the business must take place with a view to long-term profitability, whilst considering that it is in the interest of both investors and society in general that the portfolio companies are managed in a socially responsible manner.

Overall Responsibility

Section 4

A private equity firm which possesses a direct or indirect controlling interest in a portfolio company, by votes or in other manner, is responsible for compliance with the norms of this Code of Conduct in the operations of the portfolio company.

General Clause

Section 5

Having regard to the objectives set forth in Section 3, a private equity firm must conduct itself in a manner deserving of public trust.

Good Practice

Section 6

In addition to complying with applicable legal rules, a private equity firm shall observe generally accepted practices in the societies and sectors in which it is active.

Public Functions

Section 7

A private equity firm investing in sectors of society where business is conducted on behalf of individual citizens, such as education, healthcare, and personal care, shall act in accordance with generally accepted values. The rights of the those affected must be maintained, and their interest in a safe and continuous functioning operation must be met.

Accessibility and Transparency

Section 8

A private equity firm shall actively provide information regarding its business in a manner accessible to the public and mass media. In this context, it is the firm's duty to continuously consider what information is of legitimate interest, and to ensure that such information is made available.

A private equity firm shall have a website containing contact information and information regarding the ownership and organisation of the firm. The website must be kept up to date in accordance with that which is stated in the first paragraph of this Section 8.

Inquiries from mass media and the public must normally be responded to promptly.

Values

Section 9

A private equity firm possessing a direct or indirect controlling interest in a portfolio company should, in consideration of the character of the business, strive for the portfolio company's board of directors to be defined by versatility and breadth in terms of competence, experience, background and gender.

Supervision

Section 10

SVCA shall establish an independent supervisory body, to review private equity firms' compliance with the letter and spirit of this Code of Conduct.

SVCA's Board of Directors shall adopt instructions regulating the organisation and implementation of the supervision.

SVCA's members are obligated to submit to review by the supervisory body, and to assist it by providing information requested in accordance with the specifications in SVCA's Articles and the

supervisory body's instructions. The Supervisory Board's supervision is not limited to the members' actions and the Supervisory Board is therefore not prevented from issuing statements on whether actions by non-member private equity firms comply with this Code of Conduct.
