

# CODE OF CONDUCT

Ethical rules and guidelines



A STAR ALLIANCE MEMBER



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# INTRODUCTION

## SAS Code of Conduct - corporate ethics for all of us

All units and employees within SAS shall comply with laws and agreements that apply to their operations and employment in the countries where they work. It also means that all employees must know and follow the laws that govern their individual tasks.

Compliance with laws and regulations is an obvious and absolute requirement. This Code of Conduct, which contains rules for our business conduct and our responsibility to colleagues, customers, suppliers, shareholders, authorities and the world in general, in some cases goes further and must be applied entirely throughout SAS.

The code is the result of SAS' involvement in the United Nations Global Compact. This is a program for companies and organizations that wish to contribute to the international work of ten universal principles related to human rights, labor, environmental challenges and anti-corruption.

By getting involved in social issues and by joining the United Nations Global Compact, SAS has committed itself in all its activities to protect and support human rights and to fight against corruption, discrimination and all forms of forced labor. More information is available at [www.unglobalcompact.org](http://www.unglobalcompact.org).



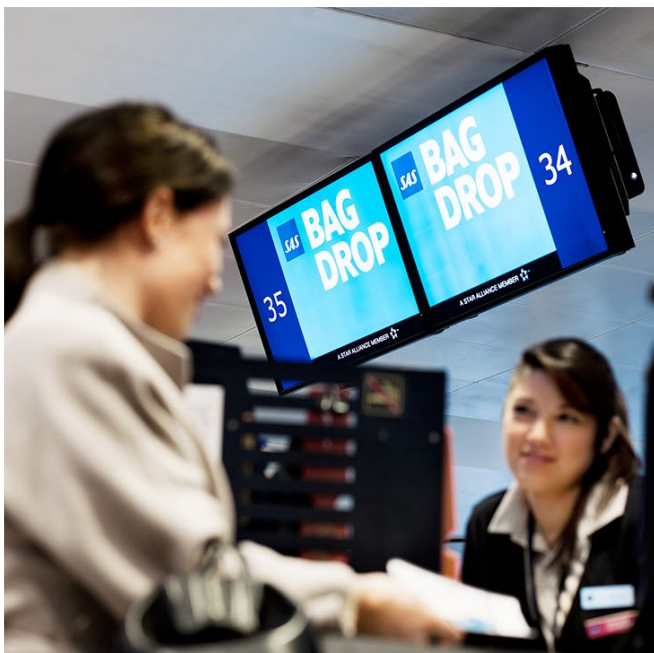
This Code of Conduct is approved by the board of SAS AB. The code is reviewed annually and revised if needed.

The board has the overall responsibility for the implementation of the Code of Conduct and for monitoring its compliance.

All employees are required to understand and comply with this Code of Conduct. Violations may result in disciplinary action including termination of employment and in legal action for serious infringements.

SAS has established a system for reporting suspected non-compliance. Where normal reporting methods cannot be used, everyone has the right and obligation to notify the company's person responsible for the code of any illegal or serious non-compliance. This "whistleblowing" function can be used via e-mail to: [Code\\_of\\_Conduct@sas.se](mailto:Code_of_Conduct@sas.se). Read more about this on page 21.

The latest version of the Code of Conduct is always published on [SAS Intra](#) and the [company's website](#). It is complemented by an e-learning course that is available at [www.sastraining.com](http://www.sastraining.com).





# OUR CUSTOMERS

SAS is a very important part of Scandinavia's total travel market and society in general. We are here for our frequent travelers who value punctuality, high service and regularity.

It is easy to see our customers as being either business or leisure travelers but they are actually one and the same person. Travel needs may, however, vary depending on the purpose of their trip.

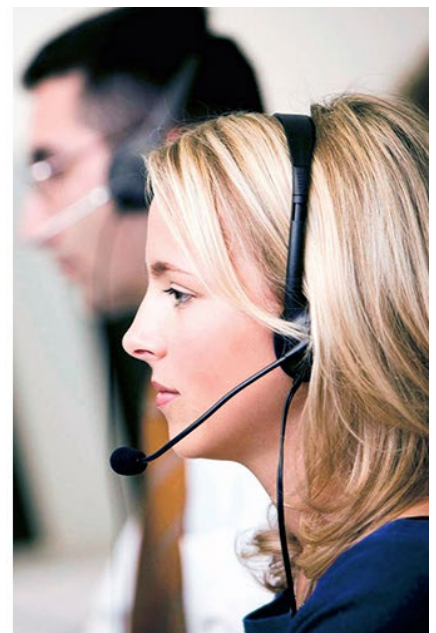
The customers are always our starting point and they must feel that they are getting the best possible value for their time and their money spent with us.



**Safety.** Safety is always the top priority in all SAS operations. When it comes to flight safety, all flights must be made using safe aircraft, safe equipment and qualified personnel and in accordance with the applicable laws and regulations. All employees have a responsibility to report deviations from the specified standards, rules and procedures in order to ensure that necessary action is taken and to contribute to the continual improvement of our safety work.

**Punctuality.** All staff in each relevant SAS function have a duty to contribute actively to achieving the targets set for punctuality and reliability.

**Care.** Every promise made to a customer is a commitment that we must deliver on in all situations. Care broadens the issue of our customers' experience to include more care, affection and concern. You should always protect the integrity of our customers. SAS has an ongoing dialog with our customers and we continuously measure and monitor customer satisfaction.



# EMPLOYEES

Our employees are our most valuable resource and we want to realize the potential of all our staff through good leadership and cooperation towards common goals. It is also essential that all our employees and managers are aware of and strive towards our vision to deliver on the expectations of our stakeholders.

The SAS employee and leadership model describes the behaviors that create a company culture and ensures that we reach our overall goals. All employees and managers are always expected to act in accordance with the SAS employee and leadership model.

It is the leader's responsibility to make available and to ensure that you as an employee participate in the Code of Conduct. It is your responsibility as an employee to understand and act in accordance with the Code of Conduct.





**Diversity.** SAS aims to reflect the diversity of society. The basis for all recruitment, skills development, promotion and other cooperation is that all people are equal. All employees and applicants must be treated according to formal and objective criteria. SAS recruits on the basis of competence. No one who works at SAS should be subject to discrimination or favoritism because of age, sex, ethnic background, nationality, religion, sexual orientation, disability, political beliefs or social status. Neither do we accept physical, psychological, verbal or sexual harassment.

**Right of associaton.** SAS respects the right of employees to join associations and organizations, to organize themselves in trade unions and, in line with national law and practice, to sign collective agreements. An effective cooperation model between management, employees and trade unions shall ensure a common understanding of the future challenges and objectives for SAS.

**Working environment.** The health and safety of staff is a high priority in all activities at SAS. The concern for safety applies to all forms of the working environment. No employee should have to suffer from physical or psychological injuries at their workplace. All managers are responsible for their team, group or department, but everyone has the responsibility to work together and to strive for continuous improvements, and to prevent all kinds of injuries.





# THE WORLD AROUND US

**Responsible member of the society.** SAS strives to demonstrate that it takes responsibility in all countries and areas of operation. This means, among other things, that we are always interested to enter into a dialog and to cooperate with stakeholders and the society.

**Sustainability work.** In addition to your contribution to the company's economic development and in order to ensure a sustainable development in the daily work, all employees must take into account our impact on the environment and society in general. Better resource management and reduced environmental impact lead to a greater profitability in the long term and to increased competitiveness.



**Responsibility at work.** SAS shall be an alcohol- and drug-free workplace. That means it is absolutely forbidden for you as an employee to be under the influence of, possess, sell, distribute or use alcohol or drugs at or in relation to your workplace.

In connection with official professional and festive gatherings organized by SAS, alcohol can be accepted to a limited extent. Alcohol consumption must then be handled with care and alcohol-free alternatives must always be offered.

**Responsibility when traveling.** During business trips or leisure travel, where our travel benefits are used, we neither permit nor accept our employees being involved in or associated with any form of activity involving:

- Exploitation of people, such as buying sexual services
- Import or export through the sale or distribution of illegal items (e.g. pirate copies or forgeries) or goods that are subject to customs duty or tax

You must, at all times, avoid actions or conduct that may compromise, be detrimental to or threaten your own or SAS' goodwill and image. The use of private travel benefits for commercial activities is against our rules and regulations.



# COMMUNICATION & DIALOG

A productive dialog is built on openness between the company and its employees. Communication is a strategic management tool that shall help to ensure that SAS' strategies and goals are spread, accepted and realized throughout the entire company. Communication and dialog with the company's stakeholders are therefore key aspects of our daily work.

**Communication work** must take place on a highly professional level and comply with the laws and rules that apply to listed companies. At SAS, management has the overall responsibility for communication. The communication department's task is to support management through effective communication with internal and external groups.

Individual employees at SAS may not make statements on behalf of SAS about SAS or our business to the media, investors, financial or industry analysts or in social media or other public fora or contexts without the prior approval of the management.

You may not publicly denigrate competitors, colleagues, partners or other SAS stakeholders.





The way how you as an SAS employee express yourself about SAS on social media is important. The digital world is changing quickly, and social media are increasingly becoming part of our everyday lives - both at home and at work.

All employees are valuable ambassadors for SAS. You should be aware of what you write or express can never be considered private but can be spread throughout the entire Internet. The overall approach should be characterized by common sense, respect and tolerance. A simple rule of conduct is never to write anything that would not be acceptable to express at your workplace.

The complete Social Media Policy is available on the SAS Intra. Your immediate superior can provide further information.



# SECURITY, THEFT & LOSS

The aim of our security work is to protect SAS' property, the content and use of our systems and to minimize the risk of illegal entry, sabotage, damage, disruption, unauthorized data access or other actions that may result in losses of any kind.

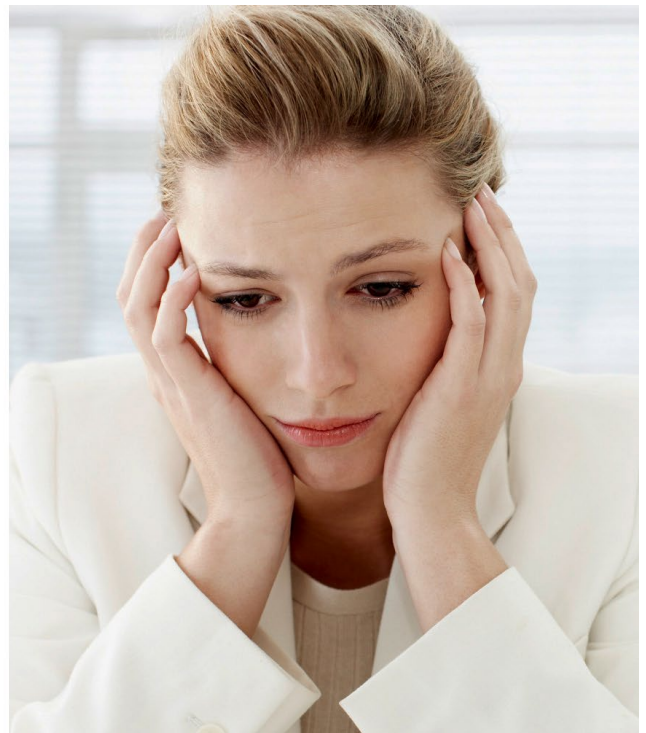
**IT security.** The security aspects refer to material and equipment as well as IT and specialist knowledge. All employees have the responsibility to maintain high security standards, which, among others, include safeguarding and handling passwords and PIN codes for computers and mobile devices. Work tools, such as computers, cell phones or our communication system, must not be used to process, send, receive, store, print or otherwise spread information that is false, illegal, constitutes harassment or is otherwise incompatible with this Code of Conduct or professional acting in general.

You are responsible to ensure that the company's information and communication system is used correctly and in accordance with our IT policy. Personal use must not prevent or reduce your ability or capability to carry out your work or must not have a negative impact on the company or its reputation. Remember that information about our customers must never be communicated to any persons or companies outside SAS other than in order to perform the services that customers expect of us.



**Theft and loss.** Crime in all its forms such as theft, loss, embezzlement or fraud, is unacceptable and will lead to disciplinary action, which may result in a dismissal. Such actions are also reported to the police.

There are many aspects of crime. That is why we actively work to provide information about, prevent, expose and denounce all types of crime in our company. SAS' rules and guidelines about this subject have been elaborated based on domestic and international legislation in this area.





# ENVIRONMENT

**Consideration for the environment.** Our goal is to generate responsible and sustainable traffic growth, while at the same time reducing the environmental damage.

We shall be among the leading companies working with the sustainable development of aviation and thereby contributing to a sustainable development of society. SAS has an ambitious long-term environmental program, and the environmental targets are monitored continuously within the framework of the established environmental management system certified according to ISO 14001.

Our biggest environmental impact is through the consumption of non-renewable energy.

We strive to minimize our environmental impact, both in the air and on the ground, and to optimize our resource management through, among other things, reduced emissions, reduced consumption of energy and water, reduced noise pollution and effective waste management.

We are also working actively to create a culture based on a commitment to environmental efforts among all employees. All employees are expected to take consideration for the environment in their daily work by following the working methods and procedures that are established. These are optimized for minimal resource consumption and environmental impact. Any discrepancies and extraordinary occurrences must always be reported through the established reporting tools.



# REPORTING

SAS publishes financial information (annual report and interim reports) that contains financial results, data and information about the company's activities.

SAS is obliged to comply with stock exchange and security legislation as well as listing agreements and other stock exchange rules in Denmark, Norway and Sweden. SAS endeavors to provide fast, up-to-date, accurate and relevant information to shareholders, the society and media, and to work on achieving an active and open dialog with the market. Communication with analysts, investors and the capital market in general always takes place at group level.

**Market-sensitive information.** SAS has specific procedures for how market-sensitive information is published and by whom. It shall always be done by our communication department. There will be consequences for any individual who does not comply with these procedures.

**Accounting policies.** SAS has strict rules and policies for the reporting of financial information and internal audit functions.

**Sustainability reporting.** In connection with its annual report, SAS also reports its sustainability development. This includes reports on the company's handling of liability issues based on both internal and external guidelines and with the aim of meeting the information needs of various stakeholders.

For further information concerning the financial statements, see the Investor Relations Policy at SAS Intra.



# DOING BUSINESS

All employees must comply with all laws and regulations applicable to the work in their operation. You have the responsibility to obtain information about legal requirements and other legal issues related to your own work.

**Competition.** SAS supports free competition as the basis for all business development and innovation, and has a strict compliance program for the competition law that all employees must adhere to. SAS must compete within the legal framework of the respective country. You must never engage in anti-competitive activities, such as illegal price fixing, market division, abuse of dominant position, or in other situations where free competition is unlawfully prevented, restricted or weakened. Consult with your supervisor or SAS Legal Affairs if you are in doubt.

**Procurement.** All kinds of procurement must take place while keeping costs as low as possible and must be done in the best interests of SAS. The choice of suppliers and ensuring the best commercial conditions for procurement are factors that affect SAS' profitability and competitiveness. All kinds of procurement must be done professionally, according to sound ethical principles and with great integrity, and must comply with applicable laws and SAS policies. Savings must be achieved through standardization, binding comprehensive agreements and close cooperation with selected suppliers in our iProcurement system.

Priority shall be given to suppliers that are certified according to ISO 14001 or that can demonstrate that they follow similar environmental management systems and are working in accordance with the United Nations Global Compact as well as sharing SAS' ambitions in the area of sustainability.

SAS works in accordance with the United Nations Convention on the Rights of the Child and Save the Children's guidelines for dealing with children's rights, and places the same requirements on its suppliers. Information regarding ongoing procurement negotiations and possible suppliers must be treated confidentially.





**Bribery and improper benefits.** Your integrity helps to maintain SAS' good reputation and trustworthiness in the market. You must, under no circumstances, promise, offer or accept payments, compensation, loans or other financial benefits to, through or from persons or companies in contravention of applicable laws and SAS policies. You may also not use intermediaries, agents or other brokers to circumvent the above prohibition on giving or receiving payments or other benefits.

**Gifts and entertainment.** You must not promise, offer or accept gifts, entertainment or other personal benefits to or from persons in contravention of applicable laws and SAS policies, or where this may, or could be construed to, affect their work performance or the outcome of a business agreement.

Consult your supervisor or SAS Legal Affairs if you are in any doubt.



# CONFLICTS OF INTEREST

Conflicts of interest arise when your own objectives do not match with those of SAS or when your decisions may be to the company's disadvantage. You must therefore report situations or transactions that could lead to a conflict of interest. Consult with your manager if you suspect that you are, or in the risk of becoming involved in such a conflict. If your manager is unwilling or unable to make a decision, you need to contact SAS Legal Affairs. Conflicts of interest may also arise when a close relative has a financial or other interest that may affect the employee's judgement to the detriment of SAS.

**Business opportunities.** You may not, neither for yourself nor on behalf of an associate, take advantage of business opportunities that rightfully belong to SAS, nor may you use SAS' information, property or your position within SAS for personal gain.

**Other employment.** You may not have any employer other than SAS or engage in business activities outside the company if this may have a negative impact on your work for SAS. Always consult your manager before accepting other employment or an increase in external work.

**Board appointments and other external positions.** If you hold, or are asked to assign for, a position at the Board of Directors or other body outside SAS, you must ensure that this cannot lead to conflicts of interest. A formal approval from your supervisor is required for such appointments.

**Political activities.** SAS does not provide any contributions or other support, directly nor indirectly, either to political parties or to individual politicians. You must also not provide contributions on behalf of SAS or assistance in the form of funds or resources from SAS.



# INSIDER TRADING

The SAS Board of Directors has established rules for insiders and the trading of SAS shares that can be found on SAS Intra.

**Insider information.** Insider information refers to information that has not been published and that may affect the share price or other financial instruments. It is possible for you to have access to insider information even if you are not registered as an insider.

In this case, you may not, directly nor indirectly, buy or sell shares in SAS AB or listed companies with which SAS has business dealings or business relationships. Nor may you disclose information to anyone else including family and friends.





# NON-COMPLIANCE & REPORTING

Conduct or actions that are, or may reasonably be considered as, being an infringement of the law or this Code of Conduct, must be reported. Depending on what shall be reported, established reporting tools shall be used. If such a tool does not exist, you are requested to report such infringements to your supervisor, or if that person is involved or fails to act, to the supervisor's superior. We expect managers to treat reported matters seriously and in accordance with SAS' policies and values.

**Reporting non-compliance (“whistleblowing” function).** SAS has established procedures for reporting non-compliance. Reports of a breach of law or a serious breach of this Code of Conduct, relating for example to competition legislation, criminality, accountancy and financial reporting, insider trading or conflicts of interest or situations where managers are involved or fail to take appropriate action following reports, can be reported to SAS General Counsel at [Code\\_of\\_Conduct@sas.se](mailto:Code_of_Conduct@sas.se).

There will be no discrimination or punishment against anyone for making a report in good faith of actual or suspected non-compliance. Reports will be treated confidentially and anonymously if requested.



