

Stockholm, 29 March 2018

Pandox Fair Play Code of Conduct

This Code of Conduct was adopted by the Board of Directors of Pandox Aktiebolag (publ) (Reg. No. 556030-7885) on 9 April 2018.

Pandox Fair Play

Pandox's vision is to be a world-leading hotel property company offering specialist expertise in the active ownership, management and development of hotel properties, and in hotel operations.

Being a leader means constantly creating sustainable value for various stakeholders while earning their respect and trust. Sustainability is a natural part of Pandox's operations and is based on our corporate culture and our values, gathered under the concept of "Pandox Fair Play."

*Anders Nissen
CEO Pandox AB*

Pandox Fair Play Code of Conduct

The Pandox Fair Play Code of Conduct (“the Code”) reflects Pandox’s values and the Company’s ambitions for sustainable business. The Code describes Pandox’s principles and expectations, and summarises the approach of our employees and Pandox as an employer, business partner and member of the community. All Pandox employees are to comply with the Code.

The Code is based on Pandox’s values and on the Company’s five sustainability focus areas: Ourselves, Our Guests, The Environment, Our Business Partners and The Community. The Code is built on the ten principles in the UN Global Compact (www.unglobalcompact.org).

Pandox has a long-term perspective and strives for lasting relationships with employees, guests, business partners and other stakeholders. Through the Code and respecting good business ethics and sound business methods Pandox wants to do its part to promote a sustainable society.

Human rights and work principles

Pandox supports and respects international human rights declarations and conventions.

Focus area: Ourselves

We care about each other, our guests and the people in our communities. We work to promote a positive and open atmosphere and a corporate culture based on trust, teamwork and doing work we can be proud of.

- **Inclusion and diversity:** We strive for diversity and to provide equal employment terms and conditions for all of our employees. We treat everyone equally and with respect, regardless of ethnicity or national origin, skin colour, education, age, disability, sexual orientation, gender or religion.
- **Dignity and respect:** All of our employees are offered and have the right to a work environment that is free from discrimination, harassment, degrading treatment, punishment and threats.

Health, safety and security

We offer our employees a healthy, safe and secure work environment in compliance with health and safety laws. We follow the safety procedures that apply within our respective roles and work areas and we remain alert to any risks in our daily work routines.

- **Work environment and safety:** We work proactively to improve our work environment and employee health. We offer regular safety training that includes the correct use of safety equipment and we have the necessary routines in place to avoid accidents and work-related injuries.
- **Employee health:** The health and wellbeing of Pandox employees is a priority. We are committed to ensuring that our employees have a good work environment and a healthy work-life balance. We encourage an active lifestyle and physical exercise through Pandox Movement.

- **Drugs and alcohol:** We perform our tasks in a safe and efficient way and are not permitted to consume and/or privately distribute alcohol or illegal drugs while performing our work. Alcohol is permitted in connection with social events and/or in entertainment contexts.
- **Integrity and data protection:** We respect the right of our employees to personal integrity and data protection. Personal data is to be handled according to the relevant laws, is only to be used in necessary, work-related contexts and is to be protected from misuse to avoid individuals being harmed or badly treated.

Working conditions

All Pandox employees are expected to do their part to ensure we have a fair and positive atmosphere in the workplace. We respect international human rights conventions and declarations and treat each other fairly, equitably and with respect for every individual's worth. We also offer a workplace free from discrimination and all forms of forced labour. We encourage diversity within our teams and value creativity, innovation and enterprise.

- **Employment:** All Pandox employees are to have a written contract, receive fair pay in line with the highest level of the statutory minimum wage or applicable industry standards, receive statutory employment benefits, have the right to statutory leave including sick leave and parental leave, and are not forced to work longer hours than stipulated in local laws.
- **Forced labour:** All work is to be carried out voluntarily. No form of forced labour or work linked to any form of threat or punishment is permitted, and employees have the right to terminate their employment with reasonable notice. No Pandox employees are to be forced to deposit valuables or identity documents with their employer.
- **Discrimination:** There is to be no discrimination, whether in connection with recruitment, pay levels, training, promotion, termination or retirement. We treat all of our employees and business partners with dignity and respect, and provide a work environment free from harassment, bullying, assault or any other form of degrading treatment.
- **Freedom of association:** We respect our employees' rights under local laws, including their right to join trade unions and to engage in collective negotiations without fear of punishment, threats or abuse.
- **Child labour:** Child labour is not permitted. We are responsible for documenting the age of our employees and are not to employ anyone who is under the minimum age as established in local laws, is under the age of 15 or is subject to compulsory school attendance.

High quality and expertise

We always strive to deliver excellent guest experiences. We do this by ensuring that our employees are skilled and are offered frequent training.

Business ethics and anti-corruption

We operate our business in compliance with applicable laws and support freedom of competition and good business ethics. No form of corruption, bribery, money laundering or improper restriction on competition is permitted.

- **Entertainment and gifts:** We do not accept payment, gifts or other types of compensation from third parties that could influence or call into question our impartiality in business decisions. Providing, promising or offering a benefit to a person who exercises authority or makes decisions on public procurement is forbidden.
- **Anti-corruption:** All laws and regulations are to be complied with to prevent bribery and corruption. We do not directly or indirectly offer, provide, ask for or accept any form of inappropriate benefit or bribe to or from guests, suppliers, public officials or others.
- **Fair competition:** We do not accept or provide any benefits or rewards that are contrary to applicable laws or established business practices for the purpose of winning contracts or securing business deals, or that in any other way provide an improper advantage. We support free and open markets with fair competition and operate our business in accordance with the competition laws in effect.
- **Conflicts of interest:** We avoid situations where our credibility could be damaged or questioned. Situations where an individual's personal interests may be seen as being in conflict with Pandox's interests should be avoided and guidance should be sought in situations of uncertainty.
- **Protecting assets:** We do not misuse any Pandox assets, such as stock, equipment, cash, intellectual property, computer systems or confidential information.
- **Prevention of money laundering:** We comply with national and international laws and regulations aimed at identifying, addressing and preventing money laundering, extortion, fraud and other related crimes.
- **Proactive and impartial communication:** Pandox's communication with the financial markets and media is timely, transparent, clear, accurate and of a high quality. The information we provide must always be in compliance with the laws and rules that apply to external financial communication. Pandox's Communication Policy contains detailed instructions and rules.
- **Insider trading:** Employees who have insider information about Pandox are to comply with our insider rules. Insider information is information that is not publicly known and that may impact Pandox's share price either positively or negatively. Pandox's Insider Policy contains detailed instructions and rules.
- **Accounting and reporting:** All financial transactions are to be reported in accordance with generally accepted accounting principles, and accounting records must reflect the nature of the transactions that have taken place in a proper and accurate manner. Pandox is to issue financial reports in a timely manner to provide an accurate representation of the Company's accounts and financial performance. Pandox's Financial Policy contains detailed instructions and rules.

- **Social media:** All use of social media is to be handled responsibly without posing any risk to the Pandox brand and the Company's reputation. No confidential information about Pandox as a company, our employees, guests, business partners or other stakeholders is to be published in social media channels. Pandox's Social Media Guidelines contain detailed instructions and rules.

Focus area: Our guests

At Pandox we care about our guests, our employees and the people in our communities. We are dedicated to delivering excellent guest experiences and we treat our guests in a friendly, positive, professional and respectful manner.

- **Non-discrimination:** All of our guests are to feel welcome at Pandox hotels. No form of discrimination of our guests based on ethnicity and national origin, skin colour, education, disability, age, gender, sexual orientation or religion is allowed. Our hotels are equipped to enable access to public areas, guest rooms and sanitary areas to people with functional impairment.
- **Criminality, prostitution and trafficking:** We do not accept criminality or prostitution at our hotels and we forbid all forms of sexual exploitation of children. Suspicious activities are to be reported to hotel management. We cooperate with the police and local authorities to combat crime.

Integrity and information security

Confidential information regarding our guests or our business is only to be used for its intended purpose.

- **Integrity and information security:** We ensure confidentiality with respect to all observations or information received on our customers and hotel guests. Employees who have direct or indirect contact with our customers or hotel guests are to respect their integrity and ensure the confidentiality of their personal data. Under no circumstances are we to discuss or disclose information on our guests other than for the purpose of fulfilling our work duties. External dissemination of customer information is strictly forbidden, other than in special circumstances such as in connection with a crime or similar event.
- **Intellectual property and information security:** We protect confidential information and take steps to prevent loss, misuse, unauthorised access, alteration and/or disclosure of such information, including unauthorised communication or announcement of information to third parties. We are only to use our intellectual property, such as trade secrets, copyrights, patents and trademarks, as permitted by agreement, and we are not to inappropriately use or infringe upon the intellectual property of others.
- **Data security:** We use technical and organisational safeguards, such as firewalls and password-protected systems, in accordance with applicable laws in the countries where we operate to protect our guests' personal data against illegal or unintentional destruction, accidental alteration or loss, and unauthorised access.

Health, safety and security

Pandox prioritises the health, safety and security of the guests. We operate our hotels in accordance with applicable workplace health and safety laws. All employees are expected to follow rules, policies and guidelines regarding health, safety and security in the areas where they work.

- Our employees are trained and provided with updated information and instructions on health, safety and security. Hotel managers oversee health and safety issues.
- Our employees have access to and are familiar with how to use fire extinguishers, first aid kits and other relevant medical equipment.
- Our hotels have crisis management plans in place to be activated in case of emergencies such as injuries, illness, fire, terror threats, theft or other acute situations.
- Our hotels provide clear information to guests on evacuation routes, emergency exits and what to do in case of an emergency.
- Our hotels carry out regular maintenance of safety equipment and cooperate with external partners, such as the police force, fire brigade, security companies and safety consultants in matters concerning safety and security.
- Employees handling food and beverages follow the Hazard Analysis and Critical Control Point (HACCP) guidelines established by the Food and Agriculture Organization of the United Nations (FAO).

Focus area: The Environment

We are to comply with environmental laws in effect, and are expected to follow the precautionary principle and strive to reduce our environmental impact. Our employees are expected to comply with Pandox's Environmental Policy which is available on the Pandox website, www.pandox.com.

Focus area: Our Business Partners

The Pandox Fair Play Business Partner Code of Conduct sets out our guiding principles and the expectations we have of our business partners. The Business Partner Code of Conduct establishes a common approach among our business partners and other stakeholders to Pandox's values and ambitions for sustainable business. For more information about the Pandox Fair Play Business Partner Code of Conduct, see Pandox's website www.pandox.com.

Focus area: The Community

Pandox wants to help support community development in areas where we have specialist expertise. Through various types of cooperation we want to help create the necessary conditions for long-term sustainable development, in line with both our environmental and social responsibility. For more information about Pandox's community initiatives, see our website www.pandox.com.

Follow-up and compliance

All employees are obliged to complete Pandox's online Code of Conduct course and to confirm that they have read and understood the Code and pledge to comply with it. It is also the responsibility of all employees to follow the guiding principles in the Code in their daily work. Any violations are to be reported without delay.

All hotels and employees are to comply with the laws and regulations that apply in the local markets where they operate and work. In the event of a conflict between the Code and local laws, the requirements and conditions that are at the highest level are to take precedence.

Whistleblowing service

The whistleblowing service is available to our employees and external stakeholders to report suspected deviations from our ethical guidelines as described in this Code.

We recommend that employees first contact their team leader and/or manager. If this is not possible an email can be sent to the relevant Pandox representative at fairplay@pandox.se. Pandox also offers an anonymous reporting channel provided by the external partner WhistleB. See the link below. For more information and guidelines for the whistleblower service, visit Pandox's website www.pandox.com

<https://report.whistleb.com/Pandox>