



## Ethical guidelines

## **FSN Capital Code of Ethics**

### **1. Introduction**

The objective of this document is to state the requirements for personal conduct and business practice. The target group is all of FSN Capital Partner's employees, as well as members of the Board of Directors of FSN related companies, funds and Investor Board and Advisory Board members and FSN Capital's advisors. (Collectively ; "supervised person") We believe that FSN Capital has three assets - people, capital and reputation. If any of these are ever compromised, reputation is the most difficult to restore, it can take can take eight years to build, one wrong decision to ruin. We shall therefore, in all we do, ensure that we do not compromise our reputation and firm.

### **2. The Code of Ethics**

FSN Capital's Code of Ethics describes our ethical standard and requirements. FSN Capital shall be known for its high ethical standards. A breach of laws and our ethical requirements are therefore a threat to our competitiveness' and reputation. The code does not cover every legal or ethical issue that may arise in the course of the Company's business, but it provides basic principles to guide all supervised persons in the performance of their duties and obligations.

### **3. Code of personal conduct**

FSN Capital sets high ethical standards for everyone who acts on behalf of the FSN Capital Group. The supervised persons must abide by applicable laws and regulations and carry out their duties in accordance with the requirements and standards that apply in FSN Capital. They shall not assist in any breach of laws by business associates. FSN capital expects the supervised person to treat everyone with whom they come into contact through their work or work related activities with courtesy and respect. The supervised person must refrain from all conduct that can have a negative effect on colleagues, the working environment or FSN Capital. This includes any form of harassment, discrimination or other behaviour that colleagues or business associates may regard as threatening or degrading. The supervised person must not behave in a manner that can offend local customs or culture.

### *3.1. Use of FSN Capital assets*

Each supervised person must protect the Company's assets to ensure that they are used efficiently and properly for legitimate business purposes. Each employee is personally accountable for the use of any Company assets over which he or she has control. Incidental personal use of telephones, fax machines, copy machines, personal computers and similar equipment is generally allowed if there is no significant cost to the Company, it does not interfere with a supervised persons' duties to the Company and the Company Funds, and it is not related to any illegal activity or outside business activity

### *3.2. Confidentiality*

All supervised persons are obliged to sign a confidentiality agreement as part of the employment agreement. Proprietary and confidential information generated and gathered in our business is a valuable FSN Capital asset. Protecting this information is critical to FSN Capital's reputation for integrity and its relationship with its clients, and ensures compliance with the complex regulations governing the financial services industry. Accordingly, all supervised persons should maintain all proprietary and confidential information in strict confidence, except when disclosure is authorized by FSN Capital's Managing Partner or required by law. "Proprietary information" includes all non-public information that might be useful to competitors or that could be harmful to the FSN Capital, its investors, portfolio companies or other connections if disclosed. It includes, for example, intellectual property, business plans, personal employee information, unpublished financial information and identification of target companies. Supervised persons should also respect the property rights of other companies. "Confidential information" is information that is not generally known to the public about FSN Capital, its clients, or other parties with whom FSN Capital has a relationship and that have an expectation of confidentiality.

### *3.3. Gifts, hospitality and expenses.*

The purpose of entertainment and gifts in a business setting is to create and enhance goodwill and working relationships to better serve the Company's clients and investors, and not to gain an unfair business advantage. Specifically, no gift, entertainment, or preferential treatment should ever be solicited, provided or

accepted by an individual unless (i) it is a non-cash gift, (ii) it is consistent with customary business practices, (iii) it is not excessive, (iv) it cannot be construed as a bribe, payoff or kickback, and (v) it does not violate any laws. The document "Guidelines in regard to receiving gifts" provide more detail to this clause.

#### *3.4. Conflict of interest*

The supervised person must behave impartially in all business dealings and not give other companies, organisations or individual's improper advantages. The supervised person must not become involved in relationships that could give rise to an actual or perceived conflict with FSN Capital's interest or could in any way have a negative effect on their own freedom of action or judgement. No one must work on or deal with any matter in which they themselves, their spouse, partner, close relative, or any other person with whom they have close relations, has a direct or indirect financial interest. Nor may the supervised person work on or deal with any matter where there are other circumstances that might undermine trust in the employee's own impartiality or to the integrity of the work. All supervised persons have an obligation to act in the best interests of FSN Capital

#### *3.5. Directorship, employment or other assignments*

Supervised persons must not engage in other paid directorships, employment or assignments of any significance outside FSN capital except by agreement with FSN capital. Should a conflict of interest arise, or if the supervised persons' ability to perform their duties or fulfil their obligations to FSN Capital is compromised, such approval will be evaluated and could be withdrawn.

#### *3.6. Insider information*

All non-public information about FSN Capital or its clients or counterparties that may have a significant impact on the price of a security or other financial instrument, or that a reasonable investor would be likely to consider important in making an investment decision, should be considered inside information. All supervised persons are advised to take the necessary measures in order to ensure that inside information from management/ board members or others in possession of such, in a potential "target company" is not received. FSN Capital should under no circumstance act (purchase/sell shares) as a result of the information given, if

the information is precise and confidential and could influence the perceived value of a target company significantly.

#### 4. Code of business practice

##### *4.1. Ethical guidelines in terms of nature of companies invested in*

We will not invest in companies or participate in business relations that endanger us in participating in serious unethical actions such as :

- Serious or systematic human rights violations, such as murder, torture, deprivation of liberty, forced labour, the worst forms of child labour and other child exploitation
- Serious violations of individuals' rights in situations of war or conflict
- Severe environmental damages
- Gross corruption
- Other particularly serious violations of fundamental ethical norms

##### *4.2. Correct information, accounting and reporting*

FSN Capitals's business information will be communicated accurately and fully, both internally and externally. All accounting information must be correct registered and reproduced in accordance with laws and regulations, including relevant accounting standards, Any intentional act that results in material misstatements in financial statements will be treated as fraud.

##### *4.3. Fair competition and anti- trust laws*

FSN Capital will compete in a fair and ethically justifiable manner within the framework of the anti trust and competition rules in the markets in which the Company operates.

##### *4.4. Corruption includes bribery and trading in influence.*

Corruption undermines legitimate business activities, distorts competition, ruins reputations and exposes companies and individuals to risk. FSN Capital is against all forms of corruption and will make active efforts to ensure that it does not occur in the Company's business activities. We will adhere to the UN Global Compact and UN convention against Corruption and the OECD Guidelines for Corporate Governance for Multinational Enterprises.

#### *4.5. Use of Intermediaries and interacting with sellers of businesses*

4.5.1. Intermediaries include agents, consultants and others who, in the Company's business activities, act as links between FSN Capital and a third party. Before intermediaries are hired or sellers of businesses contacted, the manager in question must ensure that the intermediary/sellers's reputation, background and abilities are appropriate and satisfactory. FSN Capital expects that intermediaries and sellers act in accordance with its ethical requirements. This condition must be included in the intermediary's contract with FSN Capital.

4.5.2. In our interaction with intermediaries and sellers FSN Capital will always be honest and fair in terms of how we act in processes and "only promise what we can deliver".

4.5.3. We will never take short-cuts in terms of due diligence. We will view each deal in isolation and only base our investment decision on the merits of that particular transaction.

#### *4.6. Political activity*

FSN Capital must not use assets of the company or the company funds directly or indirectly for contributions of any kind to any political party, political committee, or candidate for or holder of any public office. Supervised persons may participate in political activities solely in their personal individual capacity and not as an employee or representative of the company

#### *4.7. Equality and Diversity .*

FSN Capital will show respect for all individuals and make active efforts to ensure a good working environment characterised by equality and diversity

## Guideline in regards to investing in publicly traded and private shares

FSN Capital has a policy that the Company's employees shall maintain a high ethical standard in conducting business. Those participating in the company's business operations are not permitted to seek personal gains from insider information, or pursue opportunities that can lead to a conflict of interest in regards to share ownership

FSN Capital's employees are not permitted to invest in single company's shares in companies with a market cap of *EUR 50-200 mill* trading on the stock exchanges in the Nordic countries or privately held companies registered in the Nordic countries. Any exemptions from this policy have to be approved "pre-investment" by the Managing Partner or Compliance officer.

Investments made by independent financial advisors on behalf of the employee or in investments funds are exempted from this policy.

FSN Capital Employees are required to report all share and fund holdings to the Compliance officer every 6 months.

*This code was written 15. November 2007, discussed and agreed upon 00. December 2007.*

### UPDATE TO CODE

As of October 2008 - no employee of FSN Capital is permitted to invest in single company's shares in companies trading on the Nordic stock exchanges or privately held companies registered in the Nordic countries.

## Guideline in regards to receiving gifts

FSN Capital has a policy that the Company's employees shall maintain a high ethical standard in conducting business. Those participating in the company's business operations are not permitted to seek or accept personal gains of any nature.

In connection with FSN Capital's relationship with advisors, intermediaries and others partners, offers of personal gifts or benefits may arise as an expression of gratitude or as encouragement for continued co-operations.

FSN Capital employees may not personally accept gifts or services from business partners if the value of such gifts/services exceeds NOK/SEK 500. To the extent that receiving a gift that could exceed this limit feels natural under the circumstances, e.g., in connections with an event and not accepting the gift probably would offend the giver, then it is acceptable to accept gifts on behalf of FSN Capital. In this situation the receipt of the gift should be made common knowledge among working colleagues.

Invitations for paid stays or trips to conferences, trade fairs etc. shall not normally be accepted by FSN Capital employees. In special cases, the Managing Partner or Compliance officer may approve such offers.

FSN Capital employees may only give benefits for the company's account when it is done without contravening current law and regulations for the recipient, and the benefits is in accordance with FSN Capital's internal rules and regulations.