



► **SUSTAINABILITY**

GOALS. ITAB should be perceived as an honest and transparent player in the market and in society.

FOCUS AREA: **BUSINESS ETHICS**

ITAB has zero tolerance for all forms of bribery and corruption. ITAB regularly conducts internal checks in all subsidiaries, which provides reasonable assurance of an appropriate and effective operation, reliable financial reporting and compliance with laws and ordinances.

The managing director of each individual company within the ITAB Group is responsible for ensuring compliance with local regulations. If an issue relating to business ethics arises at company level, there is a system in place for how employees should report directly to the Group and for how such issues will be handled. No known cases of corruption have been discovered in the Group during the year. In countries such as Russia and Malaysia, the Group's companies conduct special reviews and training in respect of anti-corruption.

ITAB's tool for internal control is based on the COSO framework. This is a framework for evaluating a company's internal controls over financial reporting. The framework streamlines the work with the internal controls. During the year, the internal audit programme has been revised, primarily on the basis of business risks.

Extensive valuation work has been conducted and implemented within the Group during the year. This has initially taken place in the various companies' management groups, before then being implemented in each company by the management group in question. In order to achieve genuine impact in the Group, all the material has been translated into 13 languages in order for each and every employee to gain a deeper understanding of its purpose and the content.

Alongside the extensive valuation work, a joint, Group-wide Code of Conduct was developed that everyone in the Group has to sign up to. This was also translated into 13 languages. The Code of Conduct was initially developed in workshops by the Group management. The proposal was sent out on referral to all the CBOs within the Group's companies to ensure that it is relevant for all the companies. This made the implementation process easier in 2017.

The Code of Conduct focuses on aspects such as the importance of each and every employee, the fact that the Group offers a safe and healthy working environment and that it is working to reduce its environmental impact. It also points out that ITAB stands for straight, honest communication and that all employees have to respect commercial confidentiality. During the year, around 30% of employees in the Group have signed up to it, and ITAB's goal is for everyone within the Group to have signed up by the end of 2018. It also forms part of the employment contract.

GLOBAL GOALS: BUSINESS ETHICS

The focus area Business ethics contributes mainly to Goal 16, which concentrates on peaceful and inclusive societies and incorporates the work on anti-corruption. Through its new Code of Conduct and its new code for suppliers, ITAB can contribute to strengthening the integrity in its value chain and contribute to a better social climate that is freer from corruption.



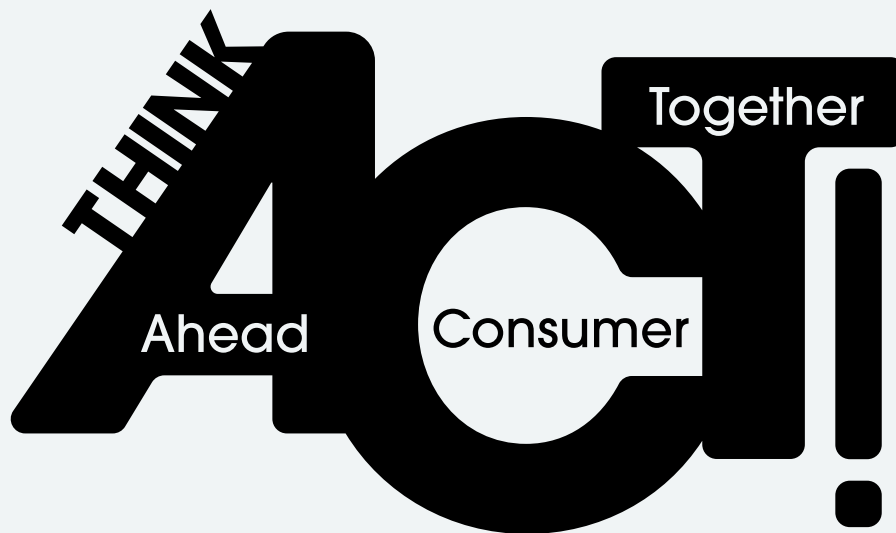
GROUP-WIDE CODE OF CONDUCT SETS THE BOUNDARIES

Over the past year, a Group-wide Code of Conduct has been developed that the entire Group has to comply with.

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to reduce its environmental impact. It also points out that ITAB stands for straight, honest communication and that all employees have to respect commercial confidentiality.

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VALUATION WORK FOR THE ENTIRE GROUP

Extensive valuation work has been carried out during the year, going by the name of WE ARE ITAB. Workshops have been conducted in all countries, and so far around 2,500 people from the Group have taken part. This work is continuing in 2018, as the idea is for all employees to participate in the workshops.

The work is being conducted on the basis of ITAB's "driver", *Creating the ultimate shopping experience, close to you*. This is intended to prepare the Group for the major change that the retail sector is currently undergoing.

ACT!

The values Think Ahead, Think Consumer, Think Together are summarised on the ACT concept! This concept has become a guiding principle for what the Group stands for and wants to achieve in future. Within many projects and areas of work, various aspects of the values are used in the day-to-day activities. The aim is for the values to be part of everyday operations and to provide guidance when making decisions.

"The ACT workshop was an excellent opportunity to sit down with colleagues and discuss core values and the road ahead.

For our company, it has resulted in changes in the way we work. In the immediate future, we will also be establishing new targets for our company that are in line with the Group's common objectives and ACT."

Jan Andersson,
CEO, ITAB Scanflow



"In the UK, we have fully embraced the Group's ACT. It describes in brief the underlying principles for how we conduct and manage our company and our business activities."

Roy French, CBO UK



Creating the ultimate shopping experience, close to you

ACT WORKSHOP

Finland



Germany



Sweden



France



UK



China



Norway

