

Corporate policy (Code of Conduct)

A basic rule for SENSYS® Traffic AB (Publ) shall be “doing the right thing”. If we do the right thing for good reasons, we will become a company everyone can be proud to work for.

“Doing the right thing” mainly means doing business in an ethical way. But what does that actually mean? It means not only are we obliged to observe legislation and standards, but also that we must be honest and judicious in all our dealings with one another and others, and that we take responsibility for our actions and their consequences. We are also responsible for reporting illegal or unethical practices.

WE MUST ALL TAKE RESPONSIBILITY

When it comes to conducting the company's business, Sensys Traffic undertakes to protect and promote human rights around the world. This means that we do not accept child labour, forced labour, physical punishment or mistreatment. We observe the employment laws applicable in countries where we operate.

Sensys expects its employees to work to the best of their ability.

We do not accept violence, discrimination or harassment in any form.

Your relationship with your colleagues at Sensys should be as a member of the winning team. In order for this team spirit to work, each individual must discharge his/her responsibilities. No individual or department may put their own principles before those of the company.

In your capacity as manager, you are responsible for clearly defining performance standards and creating an environment that promotes teamwork. Encourage creativity and innovation and treat employees as individuals.

Your relationship with your superior should be characterised by mutual respect and trust. You are part of a team with the common aim of achieving goals set by the company's management.

This also applies to relationships with suppliers and customers.

RESPECT LAWS AND PRINCIPLES

Antitrust laws

We believe in free and open competition. We are not permitted to enter into contracts with competitors in order to fix or control prices, terms of sale or production. Sensys applies the same business principles to all customers.

Copyright

We respect others' patents, brands and copyright. It is Sensys policy not to knowingly infringe the intellectual property rights of others.

Sensys respects other companies' assets, and protects its own tangible and intangible assets from loss, theft, unauthorised access and improper use.

Gifts

- » Sensys shall not offer or provide improper payment or other remuneration to anyone or any organisation for the purpose of inducing that person or organisation to develop or maintain a business relationship with Sensys.
- » Sensys must not, directly or indirectly, request or accept any form of improper payment or other remuneration provided for the purpose of developing or maintaining a business relationship with Sensys.
- » For the purpose of avoiding conflicts of interest, employees at Sensys must only give or receive gifts or services that:
 - do not break current laws
 - are in line with standard business practice
 - do not have any significant financial value
 - can reasonably be assumed not to constitute a bribe.

Political activities

Sensys must be politically neutral and must not, directly or indirectly, contribute financially to political parties or candidates.

Data and information management

Business information and documents may only be stored or destroyed in accordance with the company's data management policy. This policy is defined in the employment contract of each employee.

OUR SOCIAL RESPONSIBILITIES

Code of conduct

Sensys does not accept illegal use of children for labour, exploitation of children or other forms of unacceptable treatment of workers. Sensys wants to safeguard respect for human rights around the world.

The foundation for Sensys' "Code of Conduct" is the United Nation's Universal Declaration of Human Rights: www.ohchr.org/EN/Issues/Pages/whatarehumanrights.aspx.

Sensys encourages its business partners to observe these principles.

Environmental responsibility

The environment is a consideration in Sensys' development of new products, its improvement of existing products, and during deliveries and business trips involving employees.

Sensys supplies systems for traffic informatics. The functionality of these systems contributes to lower carbon dioxide emissions as a result of reduced speeds and more even flows of traffic.

Sensys complies with the applicable WEEE Directive (Waste of Electric and Electronic Equipment), which stipulates how future used electrical equipment will be processed, and the RoHS Directive (Restriction on Hazardous Substances), which aims to remove hazardous substances from products.

Safety

Sensys strives to be a healthy and safe workplace for its employees.

As employees of Sensys, we respect speed limits and do not drive or operate vehicles while under the influence of alcohol or drugs.

OUR RESPONSIBILITY TO SHAREHOLDERS

Confidential information

Information is one of our most valuable assets. Employees are obliged to safeguard company-confidential information, including new products and marketing plans, manufacturing processes, research and development concepts, as well as information on potential corporate investments. This responsibility continues even after employment has ceased.

Insider information

Employees at all levels will come into contact with information that could affect the price of Sensys shares, or shares in other companies, should the information become public. An example of such information would be new products, the winding up of activities, new manufacturing processes, information on acquisitions and sales, expansion or mergers, and acquisitions. Revealing this information to someone – even

family members – before it has been made public can result in the employee and company facing criminal proceedings.

Insider trading is both unethical and illegal. So please be aware of and respect Sensys' "Silent periods".

Accurate information

Sensys expects all information relating to its business activities to be complete and correct. It also expects all published information to be complete, impartial, up to date, correct and intelligible. It is therefore not acceptable for an employee to encourage or order another employee to act any differently.

Information channels

Inquiries about financial or business information concerning Sensys received from the media, press, financing companies, or the public should be directed to the company's CEO. It is essential that employees do not respond to such inquiries or contact themselves, as any inappropriate incorrect response, including a denial or a protest concerning the information, can result in negative publicity and could also seriously damage the company.

This policy does not apply to inquiries concerning publicly available financial information, such as annual or quarterly reports, or the company's promotional publicity activities.

COMMON SENSE

The following guidelines apply for the most common situations involving a conflict of interest:

1. Do not make any investments that could influence your business decisions. Sensys' policy includes a ban on employees owning shares or having a proprietary interest in any company that competes with Sensys. This ban does not apply if an employee owns a small number of shares in a listed company.
2. Ask for a go-ahead from your manager before doing business on behalf of Sensys with a company where you or a close family member could in some way benefit from your actions.
3. Do not work for a supplier, customer or competitor whilst employed at Sensys and do not carry out work for or provide assistance to any third party if there is a chance of this having a negative influence on your ability to perform your job or your opinion of your job.
4. Be aware of the fact that another member of your household could be employed in a position that could create or appears to create a conflict of interest. If this situation arises, please ask your manager for guidance.

Jönköping, 01-03-2008


Johan Frilund, CEO