



SAAB

CODE OF **CONDUCT**



TRUST IS THE BASIS FOR OUR BUSINESS

When Saab was founded in 1937 it was as the result of a decision by the Swedish Government to develop the country's defence capabilities. Initially, the business focused on aviation, with the Swedish Air Force as the only customer. Much has happened since then, and today Saab is a publicly listed defence and security company with operations and customers throughout the world.

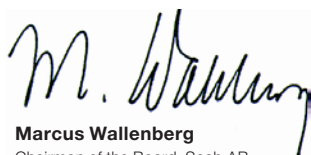
The common factor for all of Saab's business dealings is that they are based on trust. All our stakeholders rely on Saab as a long-term partner. This trust can only be maintained if the business is run responsibly and sustainably. That is why responsible business and sustainability are issues with a specific place on the board's agenda.

This Code of Conduct captures the principles

that should govern Saab's business. They are based on universal values such as integrity, transparency and accountability.

By following these principles, we ensure that Saab's operations are characterized by good business ethics and are conducted with respect for others, while also safeguarding sustainable development.

The Code of Conduct has been adopted by the board and responsibility for compliance rests with all of us. That is how we earn the trust that forms the basis for our business.



Marcus Wallenberg
Chairman of the Board, Saab AB

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SAAB A RESPONSIBLE COMPANY – WHAT DOES THAT MEAN?

In today's global environment, companies are an important part of the process of creating sustainability and enhancing ethical business conduct. Saab is very supportive of these efforts and participates actively in international associations to encourage this development.

For Saab, to be a responsible company means to behave ethically in all aspects of business, to care for the environment, to set good examples in the way we act towards each other as employees and the way we treat our business partners, and to always respect laws and regulations wherever we do business.

Saab is highly dependent on the international market, and also on gaining support from its domestic customers. To be successful there is a clear requirement that we are, and are perceived as, a reliable partner to our customers wherever they are. In the words of our Chairman, trust is the basis for our business.

We must also be able to recruit the best skills and resources available to maintain our position as a world-class technology company on the international market. This can only be done if Saab is a company where sustainability and integrity are high on the agenda, a company of which we all feel proud to be a part.

Last but not the least we must ensure there are no doubts whatsoever among our shareholders and other stakeholders that we are setting, and working with, the highest standards in respect of business integrity and promotion of sustainable society.

The Code of Conduct sets out Saab's ethical standards in a number of areas. All employees must be familiar with and live up to these standards. It is the top level of a framework, which also includes detailed policies and directives for those who are more directly affected than others in a specific area.

Every Saab employee, without exception, has a personal role to play in maintaining Saab's reputation as a responsible company. I am committed to fostering a working environment where you feel that you can raise any issues, without fear of retaliation. This commitment shall be upheld by all levels of management.

We are what we do.



Håkan Buskhe
President and CEO, Saab AB

1. INTRODUCTION

Why a Code of Conduct?

Saab is a company acting in the international arena and we, as Saab employees, all carry with us the Saab brand in our daily operations. Our vision and values can only be fulfilled if we all understand that we must represent the company in a way that meets high ethical standards. This way we will gain respect on the market and in the societies where we are active, and we will create a working environment that is attractive to us as employees.

One of Saab's core values is Trust. By that we mean that we are honest and reliable, and that we keep our promises. By following the standards and principles of this Code of Conduct, we will demonstrate in practice what this value means to the company and to us as employees.

What is covered by the Code of Conduct?

The Code of Conduct is based on the ten principles of the UN Global Compact. It is a summary of the standards and principles of conduct expected of all employees. It does not, however, cover all aspects of behaviour. There will always be areas where we need to use our judgment as individuals.

The Code of Conduct is supplemented by more detailed policies and directives in

defined areas. It is our responsibility as employees to know when to go further in the Global Management System to get information about the detailed policies, directives and standards.

Relevant policies, directives and standards will be found under each Section in the Saab intranet version of this Code of Conduct.

Company commitments

The board of directors and management of the company and its employees must commit to these standards and principles. Acts in violation of the Code of Conduct may cause damage to the company's reputation and may lead to legal actions against the company and employees. They may also be a breach of the terms of employment, which are based on confidence and loyalty, and may lead to labour law actions.

Seeking advice

We will inevitably be confronted with complex situations where we feel we do not get a clear answer from the Code of Conduct or through the Global Management System. When this is the case, we expect employees to discuss the matter with their nearest superior or to seek advice from Group Legal Affairs.



2. THE REGULATORY FRAMEWORK

We follow laws and regulations

Saab has operations in a number of jurisdictions and is represented in many more. We are responsible for understanding and following local laws and regulations in the countries where we are present or do business. In the event that these are less restrictive than our own standard, we shall always apply the Saab standard unless other instructions are given.

We comply with arms and export control regimes

Saab, as a company operating in the defence and security areas, has specific responsibilities towards the Swedish Government and other governments. We are acting in a field of business that is highly regulated. In order for us to continue to operate as a world-class company, it is necessary that we conduct our business strictly in accordance with the required authorizations and licenses, and that we always, without exception, meet the conditions applicable to our business.



3. ZERO TOLERANCE AGAINST CORRUPTION

We compete fairly and honestly

We are firm believers in free enterprise and in fair competition on a level playing field. This system is protected and promoted by competition law. We always conduct our business in compliance with antitrust laws and other laws that regulate competition.

We work to prevent corruption and corruptive practices

Saab applies zero tolerance for corruption. This means that we must not under any circumstances be engaged in, encourage or tolerate bribery through payments or other

benefits to public officials or private sector employees with the aim of obtaining or retaining business or any other advantage.

We are aware of the risk that payments to market intermediaries may be used to improperly influence business decisions. We are committed to preventing this by implementing and adhering to requirements and procedures in our operations that are consistent with best practice.

We do not offer improper gifts or hospitality

Moderate and reasonable gifts and hospitality which are customary in business are normally acceptable if given for the right reason, i.e. demonstrating Saab's products and services, improving the image of the company or establishing cordial business relations. We shall however be aware that even customary gifts and hospitality may be inappropriate in connection with forthcoming or ongoing business negotiations and we always pay attention to our customers' integrity policies.

We shall not offer gifts or hospitality of a value or nature or under circumstances that may be seen as an attempt to improperly influence business decisions or obtain other improper advantages.

Openness, transparency and correct recording are key elements to demonstrate compliance with these requirements.

We do not accept improper gifts or hospitality

As Saab employees we must always be, and be seen as, impartial and professional when dealing with others. From this it follows that we shall only accept gifts and hospitality offered by others if they are reasonable in relation to the business in question and if they are within the boundaries of customary business behaviour.

Gifts and hospitality of high value or of unusual or unethical nature shall not be accepted.

If you are in any doubt if you as a Saab employee should accept a specific gift or participate in an event, you must seek advice from your superior or from Group Legal Affairs.

We avoid conflicts of interest

We shall always keep personal interests apart from company business. Decisions by or for the company must never be influenced by personal preferences or relationships.

Issues of conflicting interest may arise from employing or otherwise engaging former public officials who have had a position with an authority where matters concerning Saab are dealt with. We must never do so without verifying that it does not violate any laws, regulations or directives.

We shall always seek to mitigate the risk of conflicts of interest.

We support efforts to develop standards that encourage ethical behaviour

As a member of the Aerospace and Defence Industries of Europe (ASD), we support the development of anticorruption rules through its Common Industry Standards. We also endorse the Global Principles of Business Ethics for the Aerospace and Defence Industry and we support the work to promote these principles across the global aerospace and defence industry through IFBEC (www.ifbec.info).

4. OUR **WORKPLACES**

Our workplaces are safe

Saab shows commitment to health and safety and works to eliminate accidents, illnesses and injuries. We see it as our duty to protect each other's health and safety and to help each other create a sound working environment. We do not tolerate any form of harassment, bullying or other offensive physical or verbal treatments. It is a common task to ensure that the working environment is safe, both physically and psychologically.

Diversity is a basis for successful business

We firmly believe that workplaces characterized by diversity establish a solid foundation for greater creativity and innovation. We shall work actively to make Saab more diversified at all levels of the company because it is a basis for successful business.

Discrimination is prohibited

Our decisions on hiring, promotion, development and compensation are based on the employees' abilities and skills related to the job and must never be based on irrelevant factors, such as gender, age, ethnic or national origin, religion, disability, sexual orientation, union membership or

political affiliation. As employees we shall conduct our work with respect for all people regardless of differences.

The right to form and act through trade unions is fundamental

We respect all employees' right to form or join a trade union and the right to collective bargaining. Representatives of trade unions must not be subjected to improper discrimination. Saab gives trade union representatives access to trade union members and their workplaces.

We respect privacy

We respect the fundamental human right of privacy.

Personal information must be obtained correctly and lawfully, be relevant for the purpose for which it has been obtained and be treated with utmost care.

We strive to create a performance-driven culture

We assess the performance of our employees based on their achievement of individual targets in line with the business plan and the values expressed in this Code of Conduct.



5. INFORMATION AND USE OF COMMUNICATION MEDIA

We protect information as a valuable asset

Information about the company is internal or confidential, unless publicly released through annual reports, press releases, product descriptions, storytelling or other similar material intended for public use. We shall not share information with others outside the company unless there is a business reason to do so.

Company information of a technical, commercial or marketing character is of a particularly proprietary and sensitive nature. This information may also include inside information (see section 6). The use and distribution of such information shall be on a need to know basis. Saab employees entrusted with such information must be familiar with the confidentiality requirements and procedures as regards such information, and always ensure that the company's interests are preserved. Information shall always be assessed according to its value to ensure that it is given the proper protection level. We shall pay attention to the risk of unintentional exposure of information, for instance by discussing company matters with co-workers during transportation or in public places and so on.

Information systems are our work tools

We use information systems professionally and as a means to continuously increase efficiency in our work processes. The company's communication tools must never be used for any unlawful or unethical purposes. Limited private use of company communication tools is acceptable if restricted to handling personal matters that do not interfere with work.

When we communicate using an information system associated with the company we always, regardless of method, represent the company. This means that we shall act respectfully and correctly, and always be conscious of the fact that our messages may be used for purposes other than those intended. We are cautious in handling restricted information and third party proprietary information.

We treat information obtained from others in the same way as we expect them to treat information received from us, and in accordance with terms applicable to its disclosure. We do not try to access or accept receipt of proprietary information from others, unless the owner has agreed to



its release. Proprietary information that is accidentally received shall not be disseminated but instead be returned to its owner. We must always be aware of our customers' regulations for protecting information for national security or export control reasons. We often need substantial amounts of information about procurement plans and other data to be able to support our customers' needs. We must however never seek to collect any information not legitimately authorized for release or disregard the conditions applicable to its disclosure to us.

Social media

We are aware that there is a strong external focus on Saab and that our company is constantly scrutinized in the social media sphere.

We encourage employees to engage with Saab in social media, but we must not spread any Saab information that is not intended for the public and we should never use social media in a way that can cause harm to Saab's brand or reputation.

Communication with the media

Only Group Communication and representatives appointed by them are authorized to speak on behalf of Saab in the media, including any form of social media.

6. SAAB – A COMPANY LISTED ON THE STOCK EXCHANGE

We adhere to the stock market rules

Saab is listed on Nasdaq Stockholm. Saab as a listed company and we as employees must comply with all applicable stock market laws and regulations in order to maintain the shareholders' and the general public's trust, as well as Saab's reliability in the financial market.

We inform in a structured way

Saab's communication with all stakeholders such as shareholders and the financial market, shall be correct, relevant and clear, and not misleading. We shall maintain an active and non-selective dialogue with all stakeholders to ensure that their perception of Saab is correct.

When information is deemed share price sensitive, we inform all stakeholders simultaneously through press releases.

Only authorized Saab spokespersons are permitted to speak on behalf of Saab and to comment on disclosed information.

We do not allow misuse of inside information

Inside information is information that is not public and is likely to significantly affect the price of the Saab shares and other Saab securities. Typical inside information is financial results and major orders.

In order to preserve the general public's confidence in the financial market and to ensure trading on fair terms, the use and handling of inside information is strictly regulated.

The use or disclosure of inside information for an employee's own financial or other benefit not only violates the Code of Conduct, it may also be a violation of the law and constitute a crime. For Saab employees with access to inside information, it is illegal to trade in Saab shares, or other Saab securities, or to influence someone else to do so. It is also illegal to disclose inside information to other people (including family and friends) or entities outside the company. This applies to everyone regardless of your position in the company and whether or not you appear on the insider list described below.

Disclosure of inside information to a Saab co-worker shall be on a need to know basis only and the recipient shall be made aware of the inside nature of the information. It may not always be clear whether certain information is considered inside information, so, if in doubt, always seek the advice of Group Legal Affairs or Investor Relations.

Saab is obliged to keep an insider list of employees and others who have access to inside information. Anyone with access to inside information but who is not registered on the insider list should contact his or her superior or Group Legal Affairs for registration.



7. SOCIAL RESPONSIBILITY

Social engagement

Saab strives to contribute to the social development of the communities where we operate. This increases knowledge and understanding of our business on the part of those around us and leads to valuable experiences and networking opportunities for the employees involved. Social initiatives must be linked to the business and mainly be accomplished with the help of Saab's employees and technology. Our contribution must always be in accordance with Saab's business ethics principles.

Human rights

Saab believes that companies have an obligation to respect human rights. That is why Saab has endorsed the UN Global Compact

which contains two principles concerning human rights. These principles, together with principles regarding labour, environment and anti-corruption, are embedded in this Code of Conduct, and form the basis of our Supplier Code of Conduct, and our internal policy documents.

Responsible supply chains

In contact with suppliers, we must increase awareness of the UN Global Compact. Saab has a Supplier Code of Conduct that clarifies the expectations we have on suppliers with regard to human rights, working conditions, environment and anti-corruption. This helps us promote the values for which Saab stands, safeguards quality and reduces risks in the supply chain

8. ENVIRONMENT

We care for the environment

Wherever we act, we shall contribute to sustainable development. This means that we shall reduce environmental risks and minimize our footprints in the environment. Caring for the environment is a natural part of Saab's daily business and environmental requirements are implemented in our operational management systems. We also participate in both national and international co-operation and research projects to support the development of green technologies and resource efficiency.

Knowledge is an important factor in order to be successful in the environmental work. We expect that you as a Saab employee

actively seek information about the environmental impact of our operations and products and consider ways of reducing environmental risks and our environmental footprints in any business or activities you come across.

A great part of our products and systems consist of subsystems and components developed and manufactured by partners and sub-contractors. Hence, our partners and suppliers have an important role in our environmental work. Therefore, our way of managing environmental matters is reflected in our procurement process through requirements and guidelines.



9. WHISTLEBLOWING

Whistleblowing means being loyal to company values

The Code of Conduct is an essential part in creating a group-wide culture of responsibility and commitment to Saab's values. You are encouraged to report any conduct that you believe to be a violation of laws or the Code of Conduct.

Please be aware that the information you provide or the allegations you make could have serious consequences for other employees. You are therefore urged to provide only information that is accurate to the best of your knowledge. Reports that cannot be substantiated will not justify further investigation or review.

Reports should normally be made to your

manager. Where you feel that is not appropriate, or where your concerns have not been adequately addressed, you may report to a superior manager, your human resources representative, a compliance officer, the general counsel, or through the Saab Whistleblowing Hotline.

Regardless of which reporting channel is used, confidentiality will be maintained to the fullest extent possible, and we guarantee that your comments will be heard. No one shall ever be discriminated or punished for reporting in good faith any suspected or observed violations of the law or of the Code of Conduct.

Saab actively supports whistleblowers and is committed to protecting personal data in accordance with applicable laws.

UN GLOBAL COMPACT

The United Nations Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

HUMAN RIGHTS

PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights, and

PRINCIPLE 2: make sure that they are not complicit in human rights abuses.

LABOUR

PRINCIPLE 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

PRINCIPLE 4: the elimination of all forms of forced and compulsory labour;

PRINCIPLE 5: the effective abolition of child labour; and

PRINCIPLE 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

PRINCIPLE 7: Businesses should support a precautionary approach to environmental challenges;

PRINCIPLE 8: undertake an initiative to promote greater environmental responsibility; and

PRINCIPLE 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

PRINCIPLE 10: Businesses should work against corruption in all forms, including extortion and bribery.



SAAB

www.saabgroup.com