

# Code of Conduct

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Approved by the Board of Directors of Nefab Group on the 9<sup>th</sup> of May 2017

## Nefab Code of Conduct

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*Nefab's reputation and trusted brand must always be protected. As a responsible company the minimum standard is to obey local laws and regulations.*

*We strive for continuous improvements related to all areas covered by this Code of Conduct.*

*All Nefab companies and employees shall comply with the Code of Conduct.*

*Nefab challenges its Suppliers to comply with the Code of Conduct, or equivalent standards which may request higher standards than required by applicable law.*

## HUMAN RIGHTS

We support and respect the protection of internationally proclaimed human rights and ensure that the company is not complicit in human rights abuses.

## LABOUR STANDARDS

### Freedom of association

As local or relevant laws allows, all employees are free to form, join or not to join unions and have the right to collective bargaining. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment.

### Forced and compulsory labour

No form of forced or compulsory labour is tolerated and all employees have the right to leave their employment as stated by contracts or local laws. Employees shall not be required to leave deposits of money or identity papers with their employer. When subcontractors, agents or labor recruiters are used, we ensure that they do not hold, destroy, conceal, confiscate or deny access by employees to their identity or immigration documents. We also ensure that workers are not obliged to pay any kind of fees for their employment.

### Young workers

Child labor is not to be used in any stage of Nefab's operations. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime.

In case student workers are employed, we will ensure a proper management of their records and rights in accordance with applicable law and regulations.

### Fair employment conditions

Employees shall have a written employment agreement in their local language and be able to understand their employment terms and conditions. Pay and terms shall be fair and reasonable and comply at a minimum with applicable laws. Overtime shall pay more than ordinary hours. All wage statements must be clear and understandable so that employees understand their compensation.

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Workweeks are not to exceed the maximum set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations.

Employees shall be allowed at least one day off every seven days. One day off means at least 24 consecutive hours.

Deduction from wages as disciplinary measure shall not be permitted.

Workers are allowed legally mandated breaks, holidays and vacation days to which they are legally entitled, including time off when ill or for maternity leave.

All use of temporary, dispatch and outsourced labor will be within the limits of the local law.

### **Non-Discrimination**

Diversity among our employees is a positive attribute and no one regardless of race, color, sex, sexual orientation, nationality, parental status, marital status, pregnancy, religion, political opinion, ethnic background, social origin, social status, age, union membership or disability shall be discriminated and none of these attributes will be used in any employment practices, such as promotions, rewards or similar. Harassments in the form of physical or psychological abuse, including sexual harassment and corporal punishment, are strongly prohibited, as are any kinds of intimidation or other threats.

Employees with the same qualifications, experience and performance shall receive equal pay for equal work.

Workers shall be provided with reasonable accommodation for religious practices. In addition, workers or potential workers should not be subjected to medical tests or physical exams that could be used in a discriminatory way.

## **HEALTH AND SAFETY**

We provide a working environment that is healthy, safe and in accordance with international standards and local laws for all employees.

### **Occupational Safety**

Worker exposure to potential safety hazards are to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures, and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards. Workers shall be encouraged to raise safety concerns.

### **Emergency Preparedness**

Potential emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures including: emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment and property.

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### Occupational Injury and Illness

Procedures and systems are to be in place to prevent, manage, track and report occupational injury and illness including provisions to: encourage worker reporting; classify and record injury and illness cases; provide necessary medical treatment; investigate cases and implement corrective actions to eliminate their causes; and facilitate return of workers to work.

### Industrial Hygiene

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. Engineering or administrative controls must be used to control overexposures. When hazards cannot be adequately controlled by such means, worker health is to be protected by appropriate personal protective equipment programs.

### Physically Demanding Work

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.

### Machine Safeguarding

Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

### Sanitation, Food, and Housing

Workers are to be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage, and eating facilities. Worker dormitories are to be maintained to be clean and safe, and provided with appropriate emergency exits, hot water for showering, adequate heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges.

### Health and Safety Communication

Employees are to be provided with appropriate workplace health and safety training in their primary language. Health and safety related information shall be clearly posted in the facility.

## ENVIRONMENT

### Permits and reporting

All required environmental permits are to be obtained and maintained and their operational and reporting requirements are to be followed.

### Precautionary approach and proactive management

Sustainable development is a key concept and finite resources are avoided as often as possible. We also have a precautionary approach towards environmental challenges whereby dangerous materials are avoided when suitable and more environmentally friendly alternatives are available.

We will actively work with and provide information and documentation with regard to:

- Chemical and hazardous material management
- Waste management
- Storm water management

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- Emissions to air, water and soil
- Energy management

### Environmental responsibility

We strive to improve environmental performance in our own operations and to promote environmental responsibility within our sphere of influence. We support innovative developments in products and services that offer environmental and social benefits as well as greater environmental responsibility.

## ETHICS

### Anti-corruption

#### General

We have a zero tolerance of corruption and support the 10<sup>th</sup> principle of Global Compact: *"Businesses should work against corruption in all its forms, including extortion and bribery."*

Transparency International's definition of corruption is "the abuse of entrusted power for private gain". This can mean not only financial gain but also non-financial advantages.

Employees make business decisions based on the best interests of the Employer, not on personal considerations or relations and avoid situations in which their personal interest may conflict with, or even appear to conflict with, the interests of the Employer.

#### Sales

We will only participate in business where we can compete fairly for business based on the quality and price of our offerings and not by offering bribes or engaging in any other unethical behavior.

#### Board memberships and similar

Service on a board of directors or similar body for a for-profit company or government agency is not permitted if creating a potential conflict of interest. All such service must be approved in advance by your grandfather (the manager of your manager). Serving on board of non-profit or community organizations only requires approval in case there is a potential conflict of interest.

#### Procurement

Suppliers are evaluated prior to any business relation. In order to ensure a fair process, all competing suppliers must be provided with the same documentation, information and time frame in order to compete on the same conditions.

Suppliers may attempt or challenge purchase personnel to leak information or to provide them with personal benefits to become in a favourite position. No employee shall accept such challenges or benefits, or in any other way put themselves into a position of being under undue influence or even the suspicion thereof.

Payments to suppliers must be appropriate, reasonable and justifiable in return for legitimate products or services.

#### Gifts, hospitality and expenses

We do not offer or accept gifts, benefits, reimbursements or entertainment to or from a third party that would constitute a violation of laws or that could be perceived to affect the outcome of a business transaction or potentially expose our business to undue influence.

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Particular attention should be taken in all relationships with public or government officials and employees.

Gifts, hospitality and expenses paid for must never:

- be perceived as excessive or luxurious,
- be offered on a frequent basis,
- leave the recipient into a position of obligation or elsewhere provide anything in return

### *Gifts*

Gifts typically include low value items given professionally without any expectation of compensation or value in return. Gifts shall have no role in a business process other than as a mark of appreciation between companies.

- A gift should be of modest value and must never leave the recipient in a position of obligation. Common and acceptable gifts are e.g. company promotional items.
- A gift should never consist of money, loans or anything else that can be exchanged to a monetary value.
- Gifts from suppliers or other third parties should whenever possible be respectfully declined. In those instances when this is not possible (e.g. mailed items or in specific countries or cultures), the gifts shall be put into a common display or donated to charity.

### *Hospitality*

Hospitality typically includes meals and/or entertainment (e.g. music-, sports- or theatre events) when a company intends to initiate or develop its business relationships with existing or prospective customers and business partners.

- For hospitality to be permitted, it must always be in connection with a business meeting where the business content is predominant.
- Hospitality requires that the host be present and that the hospitality is fairly provided and modest in value.

### *Expenses*

Sometimes customers will be invited to reference sites for product demonstration/testing, trainings or conferences.

- We may pay for reasonable travel and modest accommodation costs incurred by attending customers, while participating in abovementioned activities.
- All expenses paid must be in connection with a business meeting where the business content is predominant.

### *Bribes, kickbacks, etc.*

We will not, directly or indirectly, demand or accept, offer or give any kind of bribe, kickback or any other unlawful or unethical benefit.

### *Disclosure of information*

Information regarding labor, health and safety, environmental practices, business activities, structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records or misrepresentation of conditions or practices in the supply chain are unacceptable.

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### Intellectual property

We respect intellectual property rights. Transfer of technology and know-how is to be done in a manner that protects intellectual property rights, and customer information is to be safeguarded.

### Personal information

We handle personal information responsibly and in compliance with laws and regulations in the countries where we operate.

### Conflict minerals

"Conflict minerals" contain tantalum, tin, tungsten (and the ores from which they originate) and gold, regardless of where they are sourced, processed or sold. We endeavor not to purchase any material that contains these "conflict minerals" which directly or indirectly finance or benefit armed groups in the DRC or an adjoining country. We are implementing reasonable due diligence processes to avoid any use of "conflict minerals" in our products and within our supply chain.

### Consumer interests

When dealing with consumers, we act in accordance with fair business, marketing and advertising practices. We also ensure that the goods or services we supply meet all agreed and legal standards.

### Competition

We conduct our activities according to applicable laws and regulations and also refrain from entering into anti-competitive agreements.

### Reporting compliance concerns

We encourage our employees, suppliers and customers to report any conduct that you believe to be a violation of laws or this Code of Conduct through our website

<http://www.nefab.com/reporting-compliance-concerns>

We will not tolerate any form of harassment, discrimination or retaliation against any person raising concerns and acting in good faith in line with this Code of Conduct.