

BUFAB GROUP POLICY

Code of Conduct

BUFAB

Document owner	Group Sustainability
Version	5.0
Adopted by the Bufab Board of Directors	2025.05.05
Document type	Policy

Content

1. Background and purpose	2
2. Audience.....	2
3. Policy statement.....	2
3.1. Requirements of suppliers and business partners	3
3.2. Business principles	3
3.3. Sustainability and Quality principles	6
3.4. Bufab companies shall be able to demonstrate	7
4. Roles and responsibilities	7
4.1. Identification of failure	8
4.2. Remedial action plan for supplier escalation and red flag process	8
4.3. Report on violation of the code of conduct	8
4.4. Deviations	9
4.5. Conclusion	9
5. Exceptions	9
6. Monitoring and compliance	9
7. Bufab Best Practices.....	10
8. References to associated documents	10
9. Log of updates	11

1. Background and purpose

The Bufab Group, referred to as Bufab, promotes a positive, respectful, professional work environment that encourages ethical behaviour, personal integrity, and mutual respect. This policy outlines the fundamental principles and expectations for all Bufab employees, contractors, and affiliates.

It aims to ensure that everyone associated with Bufab conducts themselves in alignment with Bufab's values, legal obligations, and ethical standards. It provides clear guidelines to uphold a culture of integrity, accountability, and transparency within our organisation.

2. Audience

This Code of Conduct applies to all employees, contractors, consultants, and business partners associated with Bufab globally. It is intended for anyone representing Bufab, both internally and externally, ensuring that Bufab's values are upheld in every aspect of our operations.

3. Policy statement

Bufab is dedicated to maintaining the highest standards of ethical conduct and compliance with applicable laws and regulations. All employees and affiliates must adhere to the principles outlined in this Code of Conduct, which include acting with integrity, fairness, and respect in all business dealings. This policy sets forth specific expectations, including but not limited to:

- **Integrity:** Employees should act honestly, transparently, and fairly in all interactions and communications.
- **Respect for Others:** Everyone deserves to be treated with dignity and respect, free from harassment and discrimination.
- **Conflicts of Interest:** Employees should avoid situations in which personal interests might conflict with their professional duties and responsibilities.
- **Confidentiality and Privacy:** Sensitive information must be treated carefully and in compliance with privacy laws.
- **Compliance with Laws and Regulations:** Employees must adhere to all relevant local, national, and international laws, regulations, and corporate policies.

Bufab strives to operate responsibly, fostering trust, accountability, and a positive reputation in the business community.

3.1. Requirements of suppliers and business partners

Bufab collaborates with suppliers, consultants, distributors, and other business partners who share the principles expressed in this Code of Conduct.

Bufab requires its business partners to continuously improve in all areas of this Code of Conduct, ensuring that they and their subcontractors produce goods and services for Bufab sustainably and ethically.

3.2. Business principles

3.2.1. Accounting and reporting

All financial transactions must be reported in accordance with generally accepted accounting practices, and the accounting records should accurately reflect the nature of all transactions in a clear and non-misleading manner.

Bufab shall report transparently, truthfully, and timely, with the aim of conveying a true view of its performance.

Ref. The Bufab Group Financial policy

3.2.2. Anti-corruption

Representatives of Bufab shall not offer customers, potential customers, suppliers, consultants, governments, agencies of governments, or any representatives of such entities any rewards or benefits that violate applicable laws or established business practices that are stricter than applicable laws to obtain or retain business or gain any other improper advantage.

Bufab employees shall not accept payments, gifts, or other kinds of reimbursement from a third party that could affect or appear to affect their objectivity in their business decisions.

Ref. Bufab Group Anti-Bribery Policy

3.2.3. Money laundering

Bufab shall not accept, facilitate, or support money laundering.

3.2.4. Conflicts of interest

All representatives of Bufab shall conduct their private and other external activities and commercial interests in a manner that does not conflict with or appear to conflict with the group's interests.

Employees' private interests shall not influence, or appear to influence, their judgment or actions in performing their duties as group representatives.

3.2.5. Company property and resources

Bufab's property and resources shall be used for business objectives.

The property and resources shall not be used for personal gain, fraud, or in any other inappropriate manner.

3.2.6. Taxation

Bufab shall comply with the tax laws and regulations of each country in which it operates. Where tax laws do not clearly provide guidance, prudence and transparency shall be the guiding principles.

3.2.7. Customer offering

Bufab shall ensure its products meet all applicable regulatory, quality and safety requirements.

3.2.8. Marketing and sales

Bufab shall accurately present its products and services and comply with applicable regulatory and legal requirements.

Bufab shall not make false statements or provide misleading information regarding its products or their performance, including their safety and environmental attributes.

3.2.9. Fair competition practices

Bufab shall compete fairly and with integrity.

Bufab shall not exchange information or enter into agreements or understandings with competitors, customers, or suppliers in a manner that improperly influences the marketplace or the outcome of a bidding process.

Bufab shall use legitimate methods to gather information about competitors.

3.2.10. Political involvement

Bufab shall observe neutrality regarding political parties and candidates for public office. Neither the names nor the assets of group companies shall be used to promote the interests of political parties or candidates for public office.

3.2.11. Principles of human rights and social justice

Bufab believes in treating our employees equally and with respect.

3.2.12. Human rights

Bufab shall support and respect the protection of internationally proclaimed human rights, such as the ILO (International Labour Organisation) core conventions and the Universal Declaration of Human Rights, and ensure that the group is not complicit in human rights abuses.

3.2.13. Non-discrimination

All employees shall have equal opportunities based on competencies, experience, and performance, regardless of race, ethnicity, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national origin, social origin, or any other forms of discrimination prohibited by regional regulations and national laws. All employees shall be treated with respect. Discrimination, physical or verbal harassment, and illegal threats are unacceptable.

3.2.14. Workplace practice

All employees shall be provided with the necessary conditions for a safe and healthy working environment. This includes ensuring fire safety, hygiene and sanitation requirements, lighting, noise control, ventilation, personal protective equipment, emergency protocols, and access to drinking water.

3.2.15. Health and safety

Striving for sustainable leadership means that all our workplaces should be safe, and we focus on the health and well-being of our employees. This is the common culture of safety shared throughout all Bufab companies.

Ref. Bufab Group Health & Safety Policy

3.2.16. Forced labour and child labour

Bufab will not engage in, or support forced, bonded, or compulsory labour, nor will it require any form of deposit of or confiscate employee identification papers. Bufab shall ensure that no employee is younger than the legally established age for employment. The minimum age is the age for completing compulsory schooling, but not younger than 15 years in countries where the education system is inadequately developed. For young workers between the ages of 15 and 18, special attention should be given to health and safety. Bufab adheres to the UN Global Compact Conventions 182 and 138.

Bufab will influence subcontractors, suppliers, and other business affiliates to combat child labour. If an instance of child labour is identified at a supplier's site, the children must be removed from the workplace and provided with viable alternatives. These measures include enrolling the children in schools and offering income-generating options for their parents or older family members. Furthermore, Bufab shall comply with all relevant national and international laws, regulations, and provisions applicable in its country of production or operations.

3.2.17. Freedom of association

Bufab respects the rights of all employees to join associations that represent their interests, to organise, and to bargain collectively or individually. Bufab shall respect the recognised unions. An employee's right to refrain from joining a union is equally respected.

Bufab shall notify employees' representatives and relevant government authorities of significant changes in our operations as required by law.

3.2.18. Working hours and compensation

Bufab shall comply with applicable laws regarding working hours. Where such laws do not exist, the work week should not exceed 60 hours, including overtime. Employees shall be entitled to at least one day off every seven days. Each employee shall have a written employment contract detailing their terms and conditions in a language they understand. Records of employees' working hours must be maintained.

Compensation provided to workers should not be lower than legal standards and must be at least equal to minimum living wages based on the place of work. This must include legally mandated worker benefits, such as social security, paid leave, and more.

3.3. Sustainability and Quality principles

Bufab has signed the international Science-Based Targets initiative (SBTi) as part of our efforts to further reduce global greenhouse gas emissions.

Bufab will continually improve its environmental performance by focusing on greenhouse gas emissions, energy and water consumption, logistics, efficient use of raw and recycled materials, and minimising waste and residual products. It will also refrain from engaging in lobbying that negatively impacts the environment, humans, and nature.

Bufab believes in the strict management of sustainability and quality issues. To support management and employees, Bufab has adopted sustainability, quality, and environmental policies.

3.3.1. Precautionary principle

When suitable alternatives are available, Bufab will avoid materials and methods that pose environmental and health risks. Particular emphasis shall be placed on evaluating the potential risks of present and future substances and operations to minimise the negative ecological impact.

Supplier warrants that all the products and components provided to Bufab do not directly or indirectly contain “conflict minerals,” such as from mines located in areas under the control of armed groups.

3.3.2. Quality first!

Bufab shall emphasise understanding customer needs and choosing the right material, processes, and sources to meet or exceed the customer's expectations. Bufab employees strive to always deliver “Right from me,” ensuring efficient processes.

Ref. Bufab Group Quality Policy

3.4. Bufab companies shall be able to demonstrate

- How has your company implemented this policy and informed your employees and suppliers of their rights, duties, and responsibilities?
- How your company and all employees comply with local law and Bufab policies.
- How the company has established an adequate human rights due diligence process.
- How the company has incorporated international human rights and labour conditions into operations, business processes and decision-making, including the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, which consist of the Universal Declaration of Human Rights and the two covenants that implement it, as well as the International Labour Organizations' Declaration on Fundamental Rights and Principles at Work and the core conventions that underpin it.
- How the company promotes employee awareness of compliance with all applicable competition and anti-corruption laws and regulations.
- How your company acts fairly, accurately and ethically when conducting business.
- How your company treats our employees, business partners and other stakeholders equally, respectfully, and in accordance with established international legislation.
- How does your company reduce greenhouse gas emissions in line with our signed international Science-Based Targets initiative (SBTi)?
- What activities does your company have in place to: reduce energy & water consumption, reduce logistic emissions, show efficient use of raw and recycled material, minimise waste and residual products?
- How does your company verify that it acts according to the UN Global Compact with its business partners worldwide?
- How does your company manage sustainability and quality issues?

4. Roles and responsibilities

Bufab Group Management and the Managing Directors of each company are responsible for implementing this policy, informing their employees and suppliers of their rights, duties, and responsibilities, and demonstrating the content and spirit of this document within their respective organisations. All employees must comply with local laws and Bufab policies. Both explicit and implicit approval of questionable actions that conflict with the Code of Conduct will not be tolerated and may result in disciplinary actions, including dismissal and legal proceedings.

4.1. Identification of failure

If a violation of forced labour, modern slavery, or child labour is identified, it is crucial to follow the correct procedures for addressing the failure. The identification process involves:

- Clear documentation of the specific violation.
- Gathering evidence to support the identification.
- Ensuring a fair and impartial investigation.

4.2. Remedial action plan for supplier escalation and red flag process

If the event of forced labour, modern slavery, or child labour is identified, the following remedial action plan will be implemented:

- **Immediate Suspension:** Suspend the individuals/suppliers involved in the violation pending further investigation.
- **Thorough Investigation:** Conduct a thorough investigation to collect all relevant information and assess the extent of the violation.
- **Notification:** Notify all relevant parties, including law enforcement, the affected supplier, and the child.
- **Corrective Actions:** Determine appropriate corrective actions based on the severity of the violation. These may include:
 - Immediate termination of employment or business relationships.
 - Legal actions against individuals or entities involved.
 - Implementation of measures to address the consequences of the violation.
- **Training and Awareness:** Provide additional training on forced labour, modern slavery, and child labour for all employees to prevent future violations and raise awareness of the consequences within the organisation.
- **Continuous Monitoring:** Implement monitoring mechanisms to ensure ongoing compliance with forced labour, modern slavery, or child labour and review and update policies regularly as needed.
- **Communication:** Appropriately communicate the remedial action plan and its outcomes to employees and stakeholders. Emphasise Bufab's commitment to eradicating forced labour, modern slavery, and child labour.

4.3. Report on violation of the code of conduct

All Bufab employees are encouraged to report suspected violations of this Code of Conduct to their direct superiors or the managers of their superiors. If a report is not taken seriously, or if an employee feels uncomfortable reporting the matter to his or her superior, the employee should escalate the matter per the whistle-blower procedure. A confidential reporting mechanism is in place to protect whistleblowers.

Ref. Bufab Group Whistle blower policy

4.4. Deviations

Only Bufab's board of Directors may approve deviations from this policy. The board reviews this document periodically.

4.5. Conclusion

By adhering to our Code of Conduct and the policies outlined in this handbook, you contribute to creating a workplace free from forced labour, modern slavery, and child labour while promoting ethical practices and fostering a culture of integrity, responsibility, accountability, and sustainability in all aspects of our operations. Thus, you contribute to building a better world.

5. Exceptions

There are no exceptions to this policy. Any request for exceptions must be clearly defined and documented. All exceptions shall be approved by the board of directors of Bufab.

6. Monitoring and compliance

Bufab takes compliance with the Code of Conduct seriously. Monitoring mechanisms will be implemented to ensure adherence to this policy. These may include:

- **Regular audits:** Routine checks to assess compliance with company policies and legal requirements.
- **Reporting mechanisms:** Secure and confidential channels for employees and third parties to report violations or concerns.
- **Training and Awareness:** Regular training sessions will be conducted to ensure that all employees comprehend the code's principles and how to apply them in their roles.

Non-compliance with this Code of Conduct will result in disciplinary actions, which may range from counselling to termination, depending on the severity of the violation.

The board of directors of Bufab has overall responsibility for implementing, reviewing, and complying with the policy.

The company's MD is responsible for ensuring that this policy is followed by all affected employees or persons acting on behalf of the company.

All employees and third parties who act on behalf of the company are responsible for participating in and understanding the policy's meaning.

The MD of each company is responsible for updating the CEO on the policy's compliance annually, and the CEO will update the board of directors.

7. Bufab Best Practices

Bufab's best practices aim to align with industry standards and foster a culture of excellence. We encourage all employees to:

- Engage in continuous learning to improve ethical decision-making.
- Demonstrate transparency and honesty in all business dealings.
- Foster inclusivity and diversity within the workplace.
- Actively participate in sustainability initiatives and corporate social responsibility programs.

By adhering to these practices, we aim to maintain Bufab's position as our industry's leading and responsible corporate entity.

8. References to associated documents

In addition to this Code of Conduct policy, Bufab has several related group-wide policy documents available on SolutioNet / Our way of working. More details can be found in the Bufab Group's policies:

- **Financial policy:** Describes managing the group's financial activities.
- **Anti-Bribery policy:** We shall always conduct business in accordance with the policy and shall not engage in or support corruption.
- **Quality policy:** All employees shall strive to always deliver "Right from me", ensuring efficient processes.
- **Environmental policy:** We believe in strictly managing environmental and quality issues to support management and employees.
- **Human Resources policy:** We believe in treating our employees equally and respectfully. The HR policy details the company's and the employees' responsibilities to support our daily operations.
- **Whistleblower policy:** It enables coworkers to raise serious concerns about matters occurring within or concerning Bufab.
- **Bufab Supplier Code of Conduct:** It ensures our suppliers' commitment to our guidelines.



Erik Lundén
CEO Bufab Group



Carina Lööf
Group Sustainability & Sourcing Director

BUFAB

[illegible]