

A background image showing a close-up of two hands shaking in a firm grip, symbolizing a business agreement or partnership. The hands are wearing dark suit sleeves. The background is slightly blurred, showing other people in business attire and a desk with papers and a laptop.

Code of Conduct for Business Partners

The code of conduct defines the common set of principles that all business partners shall follow in their daily work. Automotive Components Floby AB prefers to work with suppliers and customers that share the principles outlined in this code of conduct.



GENERAL RESPONSIBILITIES

Business partners shall comply with the laws and regulations that apply in the countries where they operates and apply responsible business practices that are reflected and supported in guidelines, decisions and documentation.

Business partners shall operate honestly and be transparent with facts and data in relation to the requirements in this policy, and ensure that the requirements are cascaded to and complied with within its own operations and by its direct suppliers.

ECONOMIC AND ORGANISATIONAL RESPONSIBILITIES

Business partners shall maintain the highest standards of integrity and always operate honestly and equitably throughout their operations and business relationships. AC Floby believes that earning business fairly and in compliance with applicable legal requirements is essential to build trust with customers.

Fair Competition

Business partners shall neither exchange information nor enter into contracts or agreements with competitors, customers or suppliers in a way that may improperly influence the market or the outcome of a bidding procedure. Business partners shall use only legitimate methods to gather information about its competitors.

Conflicts of Interest

Business partners shall conduct business in an open and transparent way and in a manner that avoids situations where private, financial or other external interests conflict with the job responsibilities of the employee.

Anti-Corruption

Business partners shall neither participate, endorse nor tolerate any form of bribery or corruption. Representatives of business partners shall not offer nor accept any form of improper benefit to or from a third party in order to obtain or retain business or gain any other improper advantage.

Confidentiality and Intellectual Property Rights

Business partners shall respect AC Floby confidential information and intellectual property rights by safeguarding against misuse, mishandling, counterfeit, theft, fraud or improper disclosure in accordance with applicable law and the contract terms with AC Floby.

Financial Responsibility

Financial transactions shall always be accounted for in accordance with generally accepted accounting principles, and the accounting records shall display the nature of all transactions in a correct and non-misleading manner.

In all countries where a business partner conducts operation, the tax laws and regulations of each country must be followed. Where the tax legislation does not provide clear guidance, prudence and transparency must be the guiding principles.

Money laundering shall not be accepted, facilitated, nor supported.

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Marketing and Sales

Business partners shall present its products and services in a correct manner and comply with applicable regulatory and legal requirements. Business partners shall not make false statements or provide misleading information about its products or their performance, for instance, with regard to the safety or environmental characteristics of these products.

Customer Offering

Business partners shall ensure that their company products and/or services meet all applicable legislative requirements and design these with a focus on the core values of quality, safety and regard for the environment.

Political Involvement

Business partners shall adopt a neutral position with regard to political parties and candidates for public administration. Neither the names nor assets of business partners companies may be used to support the interests of political parties or candidates for public administration.

Data Privacy

Business partners shall safeguard personal information about individuals, and take appropriate steps to protect it from misuse. All applicable data privacy laws and contractual terms with AC Floby shall be observed when personal information about individuals is handled at any way.

SOCIAL RESPONSIBILITIES

AC Floby believes that the employee are a company's most important resource and the respect for human rights forms the basis of any successful business.

Human Rights

Business partners shall support and respect the protection of internationally proclaimed human rights and ensure that the company is not complicit in the abuse of human rights.

Forced Labour

Business partners shall neither engage in nor support any forms of forced labour or modern slavery, including debt bondage, trafficking, restrictions of movement, confiscation of identity documents, withholding of wages, abusive working conditions, violence or any other kind of exploitation or abuse. All employees shall be free to leave their employment once reasonable notice has been given as required by law and contract.

Child Labour

Child labour will not be tolerated. The minimum age of employment is the age reached upon completion of compulsory schooling, but never less than 15 years. Young employees within the age of 15-18 years shall not be exposed to work that is likely to harm their physical or mental health, safety or morals.

Workin Hours and Leave, Wages and Benefits

Business partners shall comply with applicable laws and collective bargaining agreements, if applicable, regarding working and resting hours, sick and parental leave and any other applicable leave regulations, wages and benefits.

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All employees shall be provided with information about their employment terms and conditions, including benefits, in a format they can easily understand, such as a written employment contract and a timely wage statement.

Non-Discrimination and Fair Treatment

Business partners shall treat everyone with dignity and respect and provide equal employment opportunities and conditions based on the individual's ability to do the job, regardless of (but not limited to) gender, gender identity or expression, age, nationality, race, ethnicity, skin colour or cultural background, religion or belief, disability, genetics or health information including pregnancy, sexual orientation, union affiliation or political opinion.

Freedom of Association and Collective Bargaining

Business partners shall respect the right of all its staff members to join a labour union in order to represent their interests as employees, to form any kind of organisation, and to negotiate wages, whether collectively or individually. All employees shall have the right to seek representation and join worker's councils in accordance with local law and international conventions. Employees shall be able to openly communicate with management regarding working conditions and management practices without fear of discrimination, intimidation or retaliation.

Labour union representatives and relevant authorities shall be notified of any major changes in the business in accordance with applicable law.

Responsible Sourcing of Raw Materials

Business partners shall respect all internationally recognized human rights and conduct responsible supply chain management of any materials critical to the industries in which AC Floby operates, and in particular of those from conflict affected and high-risk areas.

Business partners shall exercise adequate due diligence with respect to sourcing, extraction and handling of 3TG (tantalum, tin, tungsten, gold) and cobalt to make a reliable determination of the origin and source of such minerals. Business partners shall have a policy and process in place to ensure that any of these minerals contained in the manufactured products do not directly or indirectly finance or benefit armed groups that are perpetrators of human rights abuses or in any other way directly or indirectly contribute to human rights violations.

We require our business partners to ensure that all smelters and refiners in its 3TG and cobalt supply chain take part and actively engage in third party audit programs and to provide any information on such smelters and refiners upon request to AC Floby.

WORKING ENVIRONMENTAL RESPONSIBILITIES

Business partners shall provide employees a safe and healthy working environment that minimizes the incidence of work-related injuries and enhances worker retention and morale. Relevant measures for preventing accidents and injuries must be taken. These include minimising inherent risks and providing adequate safety equipment for the employees. Emergency plans, fire safety and response procedures shall be implemented. Fire safety procedures shall be periodically reviewed and approved by local authorities.

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Employees shall have access to clean drinking water, hygienic toilet facilities and food preparation, storage and eating facilities, adequate ventilation and acceptable levels of light, temperature, noise and dust pollution.

ENVIRONMENTAL RESPONSIBILITIES

AC Floby expects its business partners to reduce their negative environmental impacts by protecting the environment and continuously striving towards reducing the environmental footprint throughout their entire life-cycle. Business partners are expected to handle environmental violations and complaints methodically and communicate them to affected employees and to the relevant external stakeholders.

Resource Efficiency, Emissions and Waste Management

Business partners products and processes shall be designed in such a way that natural resources such as water and raw materials, as well as sources of energy, are used efficiently, and that emissions to air, water and soil from its facilities and transports as well as the wastewater and solid waste generated are minimized. Consumption and all output shall be monitored, tracked and documented and provided to AC Floby upon request.

The composition of the packaging material which becomes waste at AC Floby shall also be monitored, tracked and documented in order to facilitate steps towards circular economy.

Hazardous Substances

Business partners shall identify potentially hazardous substances in chemical products and articles used in its production and ensure that they are handled, transported, stored, recycled and disposed of safely. Hazardous substances shall be substituted with those less hazardous, if possible.

We require 100 % declaration of all substances used in the products delivered to AC Floby, reported through the International Material Data System (IMDS).

RESPONSIBILITY FOR COMPLIANCE

Business partner managers are responsible for implementation and for informing employees about their rights, obligations and areas of responsibility, as well as for conveying the content and spirit of this document throughout the organisation. In introducing this document, managers are responsible for directing information as appropriate to ensure that it is received by all employees.

Floby, Date: 20/05/21

Established by the AC Floby Management team

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