

# Code of business conduct

## Introduction

KABE's code of business conduct is a compilation of responsibilities, guidelines, procedures, values and goals that have been developed by and for our operations.

KABE shall comply with the relevant laws and regulations, be receptive to customers' wishes and needs and satisfy the market's environmental requirements. The code of business conduct shall influence not only the present and future behaviour of our employees, business partners and suppliers, but also their relations with each other, the company, external stakeholders and society in general. KABE's subcontractors are responsible for ensuring the implementation of this code of business conduct in their operations.

KABE takes responsibility on the basis of: our core values; the principles governing human rights, working conditions and the environment; and, relations with our customers, business partners and shareholders.

## KABE's core values

The core of a brand is the company's culture. KABE's culture is built on shared values and is the basis of what we stand for. KABE's core values shall lead the way in building the KABE brand and shall be ever present in the company's business models and market communications.

KABE's core values are:

- Quality,
- Technology,
- Choice,
- Functionality,
- Safety.

## Human rights

In the spheres that it can influence, KABE supports and respects the protection of international human rights (as, for example, formulated in the UN's declaration thereon). We ensure that the company does not contribute to breaches of human rights.

## Working conditions

### *Freedom of association*

KABE's employees have the right to join (or to not join) and be involved in (or not be involved in) any union organisation. They also have the right to a collective agreement.

### *Forced labour/child labour*

There must be no forced labour and we do not accept child labour or any other exploitation of children. These elementary rules of ethics in respect of workforces shall also be followed by our subcontractors and business partners.

*The workplace*

KABE shall offer all employees a work environment that is healthy and safe and which satisfies local laws and directives.

Our goal is that the work environment shall be so safe that there are no workplace accidents. To achieve this goal, we document all operational disruptions, incidents and events that can have a negative impact on the work environment. To avoid repetition of incidents, action plans are always drawn up. All managers and work supervisors are responsible for there being clear safety instructions and for each employee having access to the information necessary for the safe and efficient carrying out of the employee's work.

For our common safety and the individual's health, alcohol and drugs are forbidden at the workplace.

*Equality and diversity*

We see diversity amongst our employees as something very positive. We also adhere to the concept of equality. The equal rights and responsibilities of each individual (regardless of ethnic origin, nationality, gender, faith, sexual orientation, age, disabilities, parental status and union or political affiliations) shall be emphasised. Bullying or inappropriate conduct between employees is not tolerated.

*Reporting of irregularities*

Openly or anonymously, any employee can comment on suspected irregularities within the company. Actions that are in conflict with the code of business conduct are to be reported to the nearest manager, HR manager or group manager.

**Environment**

KABE shall, in an environment-friendly way, manufacture products that meet the market's (customers') needs. KABE has long run quality and environmental initiatives in which the group companies, through deliberate choices, strive to minimise any negative impact that their operations may have on the environment.

To the greatest extent that it is technically and economically feasible, KABE shall use materials and methods that have the least possible negative impact on the environment.

In collaboration with suppliers and customers, KABE shall use solutions that minimise the load on the environment. We impose environmental requirements on our business partners and suppliers. Working with these parties, we seek to develop solutions promoting environmentally correct technology and resource conservation.

**Relations with our customers***Professionalism and availability*

KABE shall act respectfully in meetings with customers and be receptive to their wishes and views. Without losing integrity, KABE shall be available and sympathetic.

In the development of new products, we listen to our customers' needs and wishes. We also provide customers with ample knowledge to make it easy for them to make economically sound and wise decisions. We show initiative and lead the way with value-enhancing innovations that benefit the market.

In its marketing and advertising, KABE shall act honestly and responsibly.

*Product responsibility/liability*

KABE is responsible for developing products that meet the severest requirements in respect of quality, function, safety and the environment. KABE also ensures that regulations, laws and other requirements are satisfied.

**Relations with our business partners**

*Choice of business partners*

KABE selects business partners who, in the fields of ethical, social and environment-related issues, adhere to the same principles as ourselves. KABE expects people and organisations who choose to be our partners to also adhere to the values expressed in our code of business conduct.

*Corruption*

KABE acts preventively in the fields of corruption, conflicts of interest and insider trading. We stand against all forms of corruption (blackmail and bribery included therein). Our employees must not give or accept gifts of a more than symbolic value or take part in activities that may affect, or may be presumed to affect, their objectivity in business decisions.

*Confidential information*

KABE's employees shall avoid situations where their personal or economic interests can come into conflict with those of the company.

We jointly take responsibility for not divulging information that may be harmful to a person or the company and for protecting the company's assets from loss, theft and misuse.

We do not divulge or discuss confidential information with anyone who is not authorised to receive it or does not need it to be able to carry out his or her work. Not divulging and not discussing applies even with colleagues. Similarly, when outside KABE, we do not discuss sensitive matters or talk about confidential information.

*Cartels*

KABE acts in accordance with relevant laws and directives. It refrains from having any involvement in agreements that conflict with the relevant rules on competition.

**Relations with our shareholders**

We comply with the regulations governing stock exchange listed companies. Our financial results are published in quarterly and annual reports. Our financial reports are readily available on our website.

**Application and observance**

KABE's group manager has ultimate responsibility for observance of the code of business conduct. Nonetheless, all managers and employees are responsible for knowing the code and for taking responsibility for its application. Group management annually monitors initiatives related to our code of business conduct. The code of business conduct is ratified annually by the board.