

Ethical code of conduct



Höganäs
Borgestad

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Ethical code of conduct

1 Introduction

The Company, its employees and members of the Board of Directors recognize the importance of human rights. The Company values integrity and ethical conduct, and believes in honesty and fairness in all aspects of its business. This Ethical Code of Conduct outlines the ethical standards and requirements of the Company.

2 Applicability

The Company's Ethical Code of Conduct applies to all Company employees, as well as members of the Board of Directors regardless of whether they are employed or hold office within the Company or in any of its subsidiaries. The code also applies to hired personnel, consultants, temporary employees and any other person acting for or on behalf of the Company (hereafter referred to as "the individual"). The Company's Ethical Code of Conduct applies to any independent entity acting for or on behalf of Company.

3 Legal compliance

In conducting its business activities, the Company will comply with applicable laws and regulations and act in an ethical, sustainable and socially responsible manner.

All individuals acting on behalf of the Company shall ensure that all actions comply with applicable laws and regulations, and always within the Company's ethical requirements as presented in this Code of Conduct. In the event there is a risk for violation of law or the Company's ethical requirements, the individual should discuss the matter with a supervisor.

The Company expects the same conduct from its agents, representatives, business partners and subcontractors.

4 Compliance with anti-corruption laws

The Company is committed to conducting business in an honest and transparent manner, and it strictly prohibits all forms of bribery and corruption. All individuals acting on behalf of the Company must comply with applicable local and international anti-corruption laws and regulations.

No individual acting on behalf of the Company shall either directly or indirectly engage in the following activities:

Bribery

Offering, giving, receiving, or soliciting anything of value (such as gifts, payments, or favors) with the intent of influencing the decision-making process of a government official, client, vendor, or any other third party.

Kickbacks

Any form of return payment, reward, or favor exchanged as part of a business transaction or service agreement.

Facilitation Payments

Small, unofficial payments made to expedite routine government actions (such as processing permits or securing services), except where explicitly permitted by law.

5 Human & labor rights

The Company strive to uphold the basic human rights, as affirmed in the UN's Universal Declaration of Human Rights and the ILO Convention.

Child labor avoidance

The Company prohibits child labor and ensures legal working conditions for young workers.

Freely chosen employment

The Company has a zero tolerance approach towards any form of modern slavery, servitude and forced or compulsory labor and any form of human trafficking. This refers not only to all work performed involuntarily, but also to instances of coercion, mental and/or physical threat or abuse, abuse of power and deception.

Freedom of association

The Company recognize and respect the right of employees to freely associate, organize and bargain collectively in accordance with the laws of the countries in which they are employed.

Working time, wages and benefits

Working hours, overtime, breaks and leaves shall comply with relevant legal requirements, or with applicable collective agreements. Compensation shall be paid to employees regularly, in a timely manner and in full according to applicable laws and shall comply with applicable national wage laws. Compensation and benefits should be fair and competitive, equal for all and should aim at providing an adequate standard of living for employees and their families.

6 Environment

The company believes we must act now to preserve tomorrow. Protecting the environment and mitigating climate change is of great importance. The environmental impact from the business shall be minimized, and performance with respect to the environment shall be improved continuously.

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7 Agents and other intermediaries

Agreements with intermediaries shall be in writing and express the true relationship between the parties. The agreement with the intermediary shall contain a provision stating that the intermediary will respect the Company's no-bribe policy, expressly state that the Company does not accept that part of the payment is passed on by the agent as a bribe, and that the agreement will terminate if a bribe is attempted. The agreed compensation shall be appropriate for the legitimate service rendered by the intermediary. Payments may only be made against satisfactory documentation, and be accounted for in accordance with generally accepted accounting principles.

8 Conflict of interest

All individuals acting on behalf of the Company must act impartially in all business dealings and not give improper advantages to any individual, entity or organization. The Company does not tolerate either actual or apparent conflicts of interest of any individual acting on behalf of the Company. If a personal financial interest or other financial interest may undermine the trust in an individual's impartiality or the integrity of the work, the individual shall immediately disclose the matter to a supervisor.

9 Filing of accounting records

The Company shall retain and file accounting books and related records, including accounting vouchers, etc. All transactions must be fully and completely recorded in the Company's accounting records. All accounting information must be correct, registered and recorded in accordance with applicable laws and regulations, including generally accepted accounting principles.

The Company shall implement financial controls and systems that are sufficient to provide reasonable assurances that all transactions are performed in accordance with this Ethical Code of Conduct.

10 Procedures for compliance with the ethical code of conduct

All individuals acting on behalf of the Company shall ensure that they are familiar with and perform their duties in accordance with the requirements set out in this Ethical Code of Conduct, as well as applicable laws and regulations.

The Company shall distribute the information necessary for the individuals to familiarize themselves with the Ethical Code of Conduct.

The Company will furthermore conduct its own investigations into the background and repute of intermediaries prior to entering into contracts if those intermediaries are located in territories included as high-risk by OECD in its latest published review.

11 Reporting breaches of the ethical code of conduct

If any individual acting on behalf of the Company violates the Ethical Code of Conduct, he/she shall immediately inform his/ her supervisor.

If any individual acting on behalf of the Company becomes aware of an actual or potential violation of the Ethical Code of Conduct, he/she shall immediately inform his/her supervisor.

Any individual can also raise their concerns via the Company's stakeholder reporting channel [Report of concern - Höganäs Borgestad \(hoganasborgestad.com\)](https://hoganasborgestad.com)

12 Consequences of violation of the ethical code of conduct

Violation of this Ethical Code of Conduct or relevant laws and regulations may result in disciplinary action or dismissal without notice. In case of breach of laws or regulations, the Company may report the violation to the relevant authorities.

13 Public relations

The Company is committed to transparency and accuracy. In order to give the best and most correct information — and in order to co-ordinate the information requested, information given and the respect for confidentiality obligations — all information from the Company to the public regarding the Ethical Code of Conduct as well as alleged breaches of the Ethical Code of Conduct shall be given via the Public Relations Department.



Frode Martinussen

CEO, Höganäs Borgestad

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