



Erteco Rubber & Plastics AB

Code of Conduct

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1. Introduction

Erteco Rubber & Plastics AB (Erteco) operates in a world where businesses are expected to be aware of the impact they have on the community and the environment in which they conduct business. This includes addressing key areas such as environmental management, economics, human rights, labor standards and social interaction. This Code of Conduct describes Erteco's commitment to the various areas and how each of them relates to Erteco's business practices.

Additional company policies are complements to this Code of Conduct.

2. Core Values and Business Principles

Erteco's business practices are conducted in line with the company's vision, mission and core values and strive to contribute to a sustainable development of the company. Besides taking economic responsibilities, business goals and guidelines into account, Erteco furthermore ensures that business is conducted ethically and with high integrity.

Erteco and its employees are to conform to the following standards:

- Erteco shall comply with all relevant laws, regulations and standards in the countries in which they operate.
- Erteco respects the United Nation's Universal Declaration of Human Rights (www.un.org) and the ILO fundamental conventions (International Labour Organization) and accepts their responsibilities in regard to employees and the community's rights. Adjustments to Erteco's business practices are done wherever needed to ensure they are in accordance to these guidelines at all times.
- Erteco strives to follow the OECD Guidelines for Multinational Enterprises (www.oecd.org) as well as achieve the requirements of the United Nation's Global Compact.
- Erteco has an open-minded approach and encourages an open dialog with all parties that are influenced by the company's business practices. Erteco believes that ensuring effective communication between all parties is essential and will respond to business enquiries in a timely and effective manner.
- Erteco aims to encourage all their suppliers and subcontractors to conduct their businesses according to the relevant principles set out in this Code of Conduct.

All employees at Erteco are responsible for their own actions and must conduct themselves in accordance to the company values and business principles in which they operate. It is up to each individual employee to ensure they have sufficient knowledge about the laws, regulations and policies that relate to the activity they engage in, whether it be for business, personal or investment purposes.

All regional managers are responsible for ensuring this Code of Conduct is implemented correctly and that its principles are followed within all business practices. This involves reporting any potential case of fraud, misconduct or criminal offense to a member of the company's management team. If there is a breach of the Code of Conduct it should be informed to the closest manager that will, together with the CEO/management team, make a decision regarding disciplinary actions and, if required, potentially file a police report. Serious misconduct can lead to termination of employment.

3. Employees

Erteco aims to be a respected employer for current personnel and potential future employees. Erteco should aim to offer a healthy work environment, taking both physical and psychosocial aspects into account. Erteco should furthermore strive to be an attractive employer with respect to the employees' possibilities of professional and personal development. This policy covers the fundamental minimum requirements and values related to human resources.

The relationship between the employees and the employer, Erteco, should be built on mutual respect and dignity as well as a fair ability to influence the areas that affect the individuals work environment. All employees at Erteco should work in accordance with the company's fundamental requirements and core values.

- The terms of employment, including financial compensation and work hours, offered to employees should fulfill the minimum requirements of national legislation or industry standards.
- Erteco does not accept forced labor, slave labor or any other form of compulsory labor. Furthermore, it is not accepted to use methods that in any way restrict the right of freedom of the employee.
- Erteco does not employ any person under the age of 16 years, and where the legislation states a higher age limit no person below that limit will be employed.
- At Erteco every employee is valued and given the same possibilities despite skin color, gender, age, nationality, religion, ethnic belonging, sexual orientation or any other distinguishing quality. The company does not allow any discrimination or harassment. Further information can be found in Erteco's Equality and Diversity Policy.
- Erteco are aware of their employees' right to create or join unions in accordance with the respective countries laws and principles.
- Erteco strives to provide a healthy and safe work environment. Each regional manager is responsible for ensuring that work is conducted in a way where injuries and unhealthy practices are prevented.

4. Market, Customers and Suppliers

Erteco's business operations and partnerships are built on close and long-term relationships with customers and other business partners. Erteco aims to be perceived as a trustworthy, sustainable and reliable business partner that acts professionally, honestly and ethically correct in all practices. The company does not tolerate any sort of corruption, extortion, bribery, unfair anticompetitive actions or market manipulation. All sales and marketing of Erteco's products and services shall be conducted in accordance to relevant laws and regulations within the respective countries.

- Erteco will not participate in any cartels or activities that are a violation of the antitrust or fair competition laws. Erteco will not enter into any unlawful partnerships with competitors, customers or suppliers that may restrict or manipulate the market. If someone within the company is contacted and offered a proposition regarding an unlawful partnership, or if an employee suspects such a partnership is taking place, it should be reported to the management team and a report should be filed to the competition authority in that country.
- Erteco should not offer or give an unwarranted payment or other compensation, products or services to a person or organization for the purpose of getting that person or organization to act in violation of prescribed duties to employ Erteco or extend work contacts with the company.
- Erteco should not, direct or indirect, ask for or accept any form of unwarranted payment or other compensation, products or services to a person or organization for the purpose of getting that person or organization to act in violation against Erteco's prescribed duties.
- In order to avoid conflict of interest, employees should only give or receive gifts or services that are in line with the general business practices, does not breach any laws, is not equivalent to large financial values and cannot, within reason, be perceived as bribery.
- Erteco respects other companies' assets and protects all of the business assets, materialistic and intangible, from loss, theft, infringement or misuse.

Suppliers/Business Partners

In all markets where Erteco does business, the company should aim to encourage their suppliers and subcontractors to conduct their business according to the relevant principles set out in this Code of Conduct, including offering their employees a safe and healthy work environment. Erteco does not conduct business with suppliers that, upon request, are not able to provide a written insurance stating that child labor is prohibited within their production.

Erteco should maintain suitable processes to evaluate and select high quality suppliers and subcontractors. In the evaluation processes, the suppliers and subcontractor's ability to achieve the requirements set out in this Code of Conduct will be assessed. Erteco should continuously monitor contracted suppliers' ethical, social and

environmental commitments and if any unethical or abnormal practices are observed, immediate corrective actions that are in line with Erteco's Code of Conduct are demanded.

In accordance with Erteco's endeavor towards more transparency and reliability, the company has the right to conduct independent audits of suppliers' operations and physical facilities with the assistance of Erteco employees and/or with the help of external parties. The results gathered from the monitoring is discussed with the respective suppliers for the purpose of informing them and potentially contributing with beneficial changes.

5. Environment

Protection of the environment and corporate environmental responsibility is of high priority to Erteco. Erteco's Environmental Policy highlights the company's desire to take responsibility and doing their part in minimizing the environmental impact and promoting a long-term and sustainable development.

Environmental work should be well structured and, when necessary, follow internationally recognized environmental management systems such as ISO 14001. Environmental measures should be taken as long as they are technically viable, financially reasonable and environmentally justified. See Erteco's Environmental Policy for further information.

6. Community Involvement

Erteco makes every effort to be a responsible corporate citizen and strives to establish positive relationships and involvement within the community in which they operate. Business decisions that may influence the community should, if possible, be discussed with community representatives beforehand in order to identify the potential need of common goals and collaborations.

Erteco should be politically unbound and not directly contribute financially to political parties or candidates.

7. This Policy

Erteco Rubber & Plastics AB's Code of Conduct is normally established by the Erteco management team once a year. The issued date and version of the policy is stated on the documents cover page.

The latest updated version of the policy should always be available on Erteco's internal server along with relevant links to the company's adopted principles and guidelines from UN, ILO and OECD. All employees within the company are responsible for staying up to date with the latest revised policy. This Code of Conduct should be a part of the introductory training course for new employees within Erteco.