

## **CODE OF CONDUCT**

V004

Gunnar Engstrand AB operates based on core values of quality and continuity. We promote and require high standards in terms of working conditions, environmental performance, and ethical business practices from our suppliers and their subcontractors.

This Code of Conduct is based on the Ten Principles of the United Nations Global Compact, covering human rights, labour, environment, and anti-corruption. It reflects our commitment to responsible business conduct across all operations and throughout our supply chain.

The Code applies to Gunnar Engstrand AB, our suppliers, subcontractors, and cooperation partners. Through close cooperation, transparency, traceability, and open dialogue, we aim to promote sustainable development and uphold ethical standards in every aspect of our business.

Suppliers are expected to ensure that their subcontractors in the next underlying stage acknowledge and actively apply the principles of this Code within their respective activities.

### **Laws and regulations**

Gunnar Engstrand AB, its cooperation partners and suppliers shall comply with all applicable national laws, regulations, and relevant industry standards in every country where they operate.

### **Human rights and fair treatment**

We are committed to respecting human rights and ensuring that no operations are complicit in their violation. All individuals shall be treated with dignity and respect. No form of discrimination or harassment is tolerated on the basis of ethnic background, nationality, religion, gender, marital status, pregnancy, sexual orientation, disability, age, political opinion, or trade union affiliation. Our partners must work proactively to prevent discrimination and promote diversity and equal opportunity.

### **Salary and benefits**

Employees shall have written employment contracts in a language they understand. Wages must meet or exceed the legal minimum and be paid on time and in full. Payment details must be documented for each pay period. Employees shall receive all statutory benefits, including holidays, annual leave, and severance pay. No unauthorized deductions may be made as disciplinary measures. Remuneration agreements must be clear and understandable.

### **Working hours**

Working hours must not exceed legal limits or 60 hours per week, including overtime. Employees must receive at least one day off after six consecutive working days. Overtime must be voluntary and compensated in accordance with national legislation. Local holidays and rest periods must be respected.

### **Health and safety**

All employees shall be provided with a safe and hygienic working environment in accordance with applicable laws and regulations. Employers must implement clear procedures to identify and mitigate risks to both physical and mental health. Employees shall receive regular training about fire safety and hazardous work practices. Safety information shall be communicated in a language the employee understands. As a minimum, employers must provide clean drinking water, appropriate lighting, ventilation, sanitation, personal protective equipment, and ergonomically safe workstations. If accommodation is provided, it must meet equivalent standards and be separate from the workplace.

### **Child labor and young workers**

Child labor is strictly prohibited. No individuals under the age of 15 may be employed, or a higher minimum age when required by national law. Young workers aged 15 to 18 may only be employed under conditions that do not endanger their health, safety, or development, and must not perform hazardous work.

### **Forced and compulsory labor**

All labor must be voluntary. The use of forced, bonded, or involuntary labor, including human trafficking, is strictly prohibited. Workers shall not be required to lodge deposits or surrender identity documents. Employees shall have the right to freely resign from their employment, subject to reasonable notice as defined by law or contract.

### **Freedom of association**

Employees have the right to form and join trade unions and to engage in collective bargaining. Employers shall not hinder or interfere with legitimate union activities nor discriminate against union members or representatives. In countries where such rights are restricted by law, employers shall facilitate alternative means of worker representation.

### **Non-discrimination**

All forms of employment discrimination are prohibited. Employers shall ensure equal opportunities and fair treatment of all employees regardless of race, gender, religion, age, disability, sexual orientation, or any other protected characteristic.

### **Environmental responsibility**

Gunnar Engstrand AB, its cooperation partners and suppliers shall operate with full respect for the environment. This includes complying with applicable environmental laws, possessing relevant permits, and implementing environmental management systems (e.g., ISO 14001) where applicable.

Suppliers are expected to continuously identify, measure, and reduce their environmental impacts through responsible use of resources, reduced emissions, and adoption of circular and sustainable practices. We encourage innovation and the adoption of environmentally friendly technologies.

### **Anti-corruption**

No form of bribery, extortion, or corruption shall occur in any part of the business relationship. All business activities must be conducted with transparency and integrity. Suppliers must have procedures to prevent corruption and promote ethical business conduct, including systems for whistleblower protection and reporting of misconduct.

### **Implementation and follow-up**

Gunnar Engstrand AB, its suppliers, subcontractors, and cooperation partners are expected to implement the principles of this Code throughout their operations. These principles must be clearly communicated in a language understood by all employees, and relevant staff should be trained where necessary.

Suppliers must have internal systems in place to monitor compliance and ensure that subcontractors meet or exceed the requirements. Gunnar Engstrand AB may request documentation, initiate dialogue, or conduct on-site audits to verify compliance.

### **Violations and consequences**

Gunnar Engstrand AB reserves the right to take appropriate measures, including termination of the business relationship, in cases of repeated or serious violations of this Code of Conduct.

### **Verification and commitment**

By signing this Code of Conduct, suppliers and subcontractors confirm that they accept its principles and commit to implementing them throughout their operations. Compliance shall be demonstrable upon request.

*Klas Engstrand, CEO*

### **Approval of Gunnar Engstrand AB's Code of Conduct**

Company name:

Date:

Name:

Position:

**Signature:**