

# HEMARGROUP

## Code of Conduct

**May 12, 2022**

### Introduction

Hemargroup is determined to manage its business in compliance with high ethical standards and applicable law. Employees shall act accordingly. This attitude is not only vital to preserve Hemargroup's good reputation and to prevent possible sanctions under civil or criminal law, but also reflects Hemargroup's values.

The Code of Conduct applies to all Hemargroup employees, both with respect to business practices in relation to external partners and with respect to internal cooperation.

A culture of trust and credibility also means that employees get in touch with the contact person responsible should they have any questions or in the event of perceived violations of either applicable law or ethical standards.

## Employee conduct

These fundamental principles were formulated to govern internal cooperation, although they also apply to conduct in relation to external partners.

- **We act with integrity**

We abide by the law and by all additional external and internal regulations. We exercise care in our handling of confidential information of any kind. We recognize and avoid situations which could lead to conflict between personal interests and those of Hemargroup. We disclose existing or possible conflicts of interest..

- **We generate trust and act in an authentic manner**

We are reliable partners and make only those promises that we can keep. We make sure that customers, suppliers, and colleagues can rely on what we say.

- **We are respectful in our dealings with one another and support one another**

We respect personal dignity, privacy, and the personal rights of every individual. Every employee has a right to be protected against discrimination and harassment. Constructive criticism is welcome.

- **We promote letting everyone have his or her say**

We actively participate in the design of structures and processes. Participation in employee surveys and the implementation of measures resulting from them are apart of our effort to become ever better.

- **We advocate safety and health protection**

We feel that we share responsibility for occupational safety and health protection in our own areas and act accordingly.

## Conduct in the working environment

We adhere to the following provisions taking local conditions into account:

- **Ban on corruption and bribery** in dealings with business partners. Corruption and bribery of any kind are not tolerated, nor is it permissible to become involved in such acts in any way.
- **Conflicts of interest** are consciously avoided. We make decisions based on the wellbeing of the company not personal interests.
- **Employees' basic rights are respected.** <sup>1</sup> We promote equal opportunities and the equal treatment of employees regardless of the color of their skin, race, nationality, social origin, disability, sexual orientation, political or religious conviction, gender, or age. The personal dignity, privacy and personal rights of each and every individual are respected.
- **Prohibition of child labor.** <sup>2 3</sup> No employees shall be hired who have not yet reached the minimum age of 15 years.
- The company is also responsible for the **health and safety of its employees**, and this forms an integral part of its health and safety management. We ensure that risks are minimized and that appropriate precautions are taken to prevent accidents and occupational illnesses.
- **Environmental protection.** We strive to use our resources sparingly and avoid the use of materials that place an unnecessary strain on the environment and are difficult to discard. We are mindful of energy consumption. Environmental protection is considered in compliance with legal and international standards<sup>4</sup>.
- **Responsible procurement of raw materials / conflict minerals.** Suppliers are required to disclose the

origin and sources of the raw materials used by them, on request and to take reasonable effort to exclude the use of raw materials affected by embargoes or other import restrictions, such as conflict minerals, and to identify these raw materials in manufactured products in the supply chain.

- <sup>1</sup> United Nations, The Universal Declaration of Human Rights,  
<http://www.un.org/en/documents/udhr/>
- <sup>2</sup> International Labor Organization, The four fundamental principles and rights at work,  
<http://www.ilo.org/declaration/principles/freedomofassociation/lang--en/index.htm>
- <sup>3</sup> United Nations, Convention on the Rights of the Child,  
<https://www.unicef.org/child-rights-convention>
- <sup>4</sup> OECD Guidelines for Multinational Enterprises, Rio Declaration on Environment and Development  
<http://www.oecd.org/dataoecd/56/40/1922480.pdf>

## Conduct in relation to suppliers

We strive to establish a close partnership with suppliers in which we have the same expectations in the working environment of suppliers as we do of ourselves. Specifically, we are aware of our responsibility toward the environment and society, in the role of both supplier and customer, as well as beyond our own added value.

## Conduct in relation to competitors

In relation to competitors, customers, and suppliers we are committed to engage in fair competition and observe the applicable anti-competition and anti-trust provisions.

In compliance with local regulations, we abide by the following prohibitions:

- **Price agreements:** Agreements with competitors to fix prices or the terms and conditions of sale.
- **Market/customer division:** Agreements with competitors to divide markets and/or customers.
- **Collusive tendering:** Agreements with competitors to refrain from submitting a tender, offer a certain price or submit a tender that is generally known to be less favorable than a competitor's offer.
- **Disclosure of sensitive information** to competitors, about current prices, future price development, margins, costs, bids, market shares, distribution practices, terms and conditions, development or production plans.
- **Misuse of a market-dominant position** in agreements with customers and suppliers which contain provisions that restrict or distort competition (exclusivity, price regulations, package deals, territory limits, price differentiation, non-competition clauses and the exchange of sensitive technical or business information).

Furthermore, we recognize and act in accordance with pertinent international trade restrictions and regulations of various countries and international organizations, e.g. the United Nations

## Reports of violations of the Code of Conduct

To be able to consistently implement the company's commitment to the highest level of integrity, Hemargroup relies on appropriate information about grievances. Every employee is jointly responsible for compliance with the Code of Conduct. Either managers, the Human Resources department or the Hemargroup Integrity Team must be informed via the Integrity Channel as appropriate.

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