



Code of Conduct

General

Ahlseil's reputation is our most valuable asset and is affected by our actions. We are committed to maintain the highest ethical standards, to fulfil our undertakings and to act with complete integrity within the financial, social and environmental dimensions.

This Code of Conduct applies to all Ahlseil's companies and employees. To ensure that we can meet our obligations, it is also binding on all our suppliers of goods and services. The Code of Conduct has been developed to help us achieve our environmental, financial and social ambitions along with the group's principles and values; customer value, respect, reliability and continuous improvement.

Assuming responsibility and observing the law

All those to whom this Code of Conduct applies shall observe the laws and regulations of the countries in which they work, shall fulfil their undertakings in a credible way and assume responsibility for their actions. They shall never place themselves in situations in which their personal or financial interests conflict with those of Ahlseil.

Transparency

All our companies shall be characterised by openness towards our prospective customers. All business transactions shall be correctly presented in accordance with agreed auditing principles and the applicable laws and regulations.

Ethical behaviour

Ethically correct behaviour based on honesty, fairness and integrity is a basic requirement for everyone covered by our Code of Conduct.

Due respect and consideration for prospective customers

Contacts with prospective customers shall be active and continuous in order to provide a constantly updated picture of our collaboration and to pool shared views. These contacts shall comply with all parts of our Code of Conduct.

Observance of international standards of conduct

All those concerned shall at all times ensure that they act according to the accepted standards established by national and international authorities, as well as by the UN.

Respect for human rights

In the case of business contacts with companies in countries, where the protection of human rights by law is uncertain, Ahlseil shall assess each business partner prior to concluding any agreement on the basis of special criteria. These shall among other issues assure the following conditions:

1. **National legislation:** The legislation of those countries in which suppliers operate must be observed and always represents a minimum standard for the employees' working conditions. If national legislation makes more rigorous demands than the ILO conventions or the UN Declaration of Human Rights, it shall be given precedence in all cases.
2. Suppliers shall respect **human rights** as defined by the UN and the **right for workers Freedom of Association** and Collective Bargaining (ILO 87,98,135 and 154).

3. **Child labour** is completely prohibited (ILO 79, 138, and 182).
4. **Forced labour** is completely prohibited (ILO 29 and 105).
5. **All forms of discrimination** are completely prohibited (ILO 100 and 111).
6. **The rights of association and organisation** must be respected (ILO 87 and 98).
7. **Wages and Working Hours:** Minimum rates of pay must be in line with the respective national legislation. Minimum payment must never be below the subsistence level in the country where the supplier is operating. Employees must be paid at all times. Overtime work must be in line with national legislation and shall always be paid with an extra premium, of the ordinary payment. Payment shall always be reported as a monthly wage (e.g. payment per item shall be recalculated into its corresponding monthly wage) (ILO 1, 14 and 131)
8. **Health and Safety Requirements:** Ahlsell's suppliers and their subcontractors shall provide a safe, healthy and sound working environment for their employees. (ILO 155, 164 and the ILO Guidelines on Occupational Safety and Health ILO –OSH-2001)
9. **Housing Conditions:** The living area per employee must comply with the stated minimum requirements, be hygienic, safe and offer personal integrity.

This assessment shall be carried out by examining the Code of Conduct as well as via separate questionnaires that form the basis for a total assessment of the supplier.

The environment

All those to whom this Code of Conduct applies must satisfy at least the national environmental requirements that apply in their respective country of activity as well as the environmental requirements expected by Ahlsell on the basis of its ISO 14001 certification as well as other requirements linked to products relevant to their current agreement with Ahlsell. (ILO 170 and REACH regulations)

Responsibility for implementation

Ahlsell's Management Board has appointed the Group CEO and the Heads of Operations in each respective country of activity to be responsible for implementing this Code of Conduct and ensuring that it is observed. This implementation shall be supported by the policies and regulations that all Ahlsell's employees must be aware of.

Suppliers who conclude agreements with Ahlsell shall also assume responsibility for implementing Ahlsell's Code of Conduct and following up its observance in their organisation.

Follow-up and observation of requirements

This Code of Conduct is based on the principles of the ISO 26000 standard and is regularly updated within Ahlsell. By accepting this Code of Conduct, the supplier agrees to observe it and to permit Ahlsell and its customers to check its observance by means of various types of inspections or in some other way.

Ahlsell requests all interested parties who discover divergences from its Code of Conduct to report these to Ahlsell.

Stockholm, October 2015
 AHLSELL AB



Johan Nilsson
 Group CEO