

Supplier Code of Conduct

Date
21.4.2017

1 Message from the CEO

At Fastems, we believe in building long-lasting partnerships with our trusted suppliers. Such relationships are established based on sound business reasons. In order to grant them a sustainable foundation we are introducing the Code of Conduct. The code stems from the Fastems company culture which is applicable also in network relationships. We as Fastems commit to living up to the same ethical standards as we expect from our partners.

Let's harvest the mutual benefits of adhering to these standards and rules.



Tomas Hedenborg

CEO

2 Fundamentals

2.1 What is Code of Conduct

Fastems seeks reliable and fair relations with its suppliers for the mutual benefit of Fastems and its suppliers. Fastems Supplier Code of Conduct ("Code") defines our general principles and values how we treat others and operate globally. Fastems expects from its suppliers competence and continuous improvement in quality, cost control, innovation and reliability.

The Code is not a substitute for nor should it be considered to override the applicable laws and regulations, but sets the minimum standards of behavior that is to be followed. The supplier shall comply with all applicable laws and regulations. To the extent the supplier is unable to comply with the Code due to mandatory laws and regulations, the supplier shall, to the extent reasonably possible, adhere to the spirit of the Code.

The supplier shall ensure that its suppliers, subcontractors, consultants and partners comply with the principles of the Code.

2.2 Business Integrity Statement

Fastems Group is a member of the Helvar Merca group of companies. All companies within Helvar Merca share the same Business Integrity Statement that outlines the core principle of integrity in all activities we engage in and reflect the values of the owners:

Integrity is the guiding principle in all of the business activities of the Helvar Merca Group companies. Integrity means sound corporate governance, honoring contracts, acting sustainably and respecting environmental values, complying with applicable laws and regulations, zero tolerance for bribery, fair competition, acting ethically and respecting human rights.

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The Business Integrity Statement of Helvar Merca Group is the foundation of Fastems Code of Conduct.

2.3 Fastems Culture

We at Fastems believe that organizational culture aligned with the strategic goals of the company is absolutely vital. Our culture is about alignment. We readily acknowledge that we are different and have no intention of turning everybody into a copy of each other. That's what co-operation really is about: different people working together towards the same goal.

Culture is a high priority for us - you can't work with Fastems without paying attention to it.

Fastems Culture is embodied by three core manners, everyday behaviors that guide what we choose to do and how we choose to do it.



Backbone



Sharing = Caring



Water is water. Rock is rock.

Backbone

We believe that making good decisions, driving change and being an industry leader requires backbone. Backbone highlights the importance of clear processes, roles and responsibilities. We have to have the courage to be open and honest. We also need courage to learn from our mistakes.

Sharing = Caring

A large organization like Fastems desperately needs good communication. That's why Sharing = Caring is all about how we should deal with each other – including our customers and suppliers. By Sharing = Caring we mean that our work run smoother when we understand and listen to each other, that others may have a ready solution for our problem and that success is always the result of teamwork.

Water is Water. Rock is rock.

Water is water. Rock is Rock. We believe in continuous improvement and we strive for excellence. We praise simplicity and therefore we continuously seek opportunities to eliminate unnecessary complexity. Water is Water. Rock is rock also directs our focus into recognizing that our satisfaction is the satisfaction of our customers and suppliers.

More information about Fastems Culture can be found in our 'The Way We Rock' culture book.

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3 Business ethics

3.1 Complying with applicable laws and regulations

The supplier shall comply with all applicable laws and regulations, including all applicable export control laws and international trade sanctions.

The supplier shall in all its operations be committed to ethical conduct and the respect for human rights in the spirit of internationally recognized standards.

3.2 Prohibition of Corruptive Practices

Fastems expects its suppliers to have zero tolerance towards bribery and corruption.

The supplier shall ensure that its directors, employees and third parties acting on its behalf do not offer, promise, give or accept any bribes, or make or accept improper payments to obtain new business, retain existing business, or secure any other improper advantage. In particular, the supplier shall not engage in any form of bribery or kickback scheme or otherwise offer any incentive to Fastems employees or their family or friends in order to obtain or retain any business.

The supplier should not provide any business courtesies to a Fastems employee or his/her family members in any situation in which it might influence, or appear to influence, an employee's decision in relation to the supplier. Therefore, the supplier should use restraint in offering business courtesies to Fastems employees and his/her family members. Any business courtesies must be reasonable both to their scope, value and frequency, and must reflect ordinary local business customs. Cash or equivalent, such as gift cards, can never be offered.

3.3 Conflicts of Interest

The supplier should avoid any interaction with Fastems employees that may conflict, or appear to conflict, with that employee's duty to act in the best interest of Fastems. The supplier shall disclose to Fastems all conflicts of interests or situations giving the appearance of a conflict of interest in its engagement with Fastems.

The supplier must inform Fastems if a Fastems' employee or his/her immediate family member holds a material financial or other interest in the supplier. The supplier must also inform Fastems if a Fastems' employee or his/her immediate family member holds a managerial position at the supplier, or works for the supplier and such employment creates a conflict of interest or the appearance thereof.

3.4 Fair Competition

The supplier shall compete in a fair manner in compliance with all applicable competition laws and regulations. For example, the supplier shall not enter into any agreements with its competitors to increase prices or to restrict the availability of products.

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4 Respecting human rights

4.1 Human and labor rights

Supplier shall comply with fair employment practices and honors internationally accepted human and labor rights and labor standards.

Supplier is committed to complying with all laws and regulations related to freedom of association, privacy, collective bargaining, working time, wages and salaries, as well as laws prohibiting forced, compulsory and child labor and employment discrimination.

4.2 Health & safety

The supplier shall provide its employees a safe and healthy working environment in compliance with all applicable laws and regulations.

Appropriate health and safety information, training and equipment shall be provided to the supplier's employees. The supplier shall also have effective safety programs in place covering at least human safety, emergency preparedness and exposure to dangerous chemicals and biological substances. The supplier's employees shall not be under the influence of alcohol or illegal drugs while working for Fastems.

4.3 Discrimination

The supplier shall treat its employees in a fair and equal manner. The supplier shall not discriminate in the hiring or promoting of employees whether based on gender, age, religion, marital status, sexual orientation, political opinion, or national or ethnic origin, or other similar characteristic that does not relate to the individual's qualifications or the inherent requirements for the job.

4.4 Wages and Benefits

The supplier shall ensure that compensation paid to its employees complies with all applicable wage laws, including those relating to minimum wages, overtime hours and mandatory benefits.

5 Environment

The supplier shall make all reasonable efforts to protect the environment, and to keep the impact of its activities and products on the environment as low as possible. In particular, the supplier shall obtain, maintain and comply with all environmental permits, licenses and registrations necessary for its operations.

The supplier shall monitor, control and appropriately treat waste generated from its operations. The supplier shall strive to reduce waste to the extent possible.

The supplier shall have an adequate and systematic approach to take environmental aspects into account that includes, if applicable, establishing a suitable environmental management system. The supplier shall adhere to all applicable environmental laws and regulations and Fastems requirements regarding the prohibition or restriction of specific substances including labeling for recycling and disposal if applicable.

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6 IPR

The supplier shall conform to all applicable laws and international treaties on intellectual property rights. The supplier shall not infringe Fastems' or any third party's intellectual property rights.

7 Counterfeit parts prevention

The supplier warrants that only new, unused, authentic, genuine and legitimate parts shall be supplied to Fastems. The supplier shall not deliver counterfeit parts or suspected counterfeit parts to Fastems. The supplier shall only purchase products to be delivered or incorporated as work to Fastems directly from the original component manufacturer (OCM) or original equipment manufacturer (OEM), or through an OCM/OEM authorized distributor chain.

8 Publicity

Unless otherwise agreed, the supplier is not entitled to publicize its cooperation with Fastems or Fastems' customers or utilize the trademarks of Fastems or Fastems' customers without the express prior written consent of Fastems.

9 Monitoring

The supplier shall regularly monitor its conformance with the Code.

The supplier shall upon request provide Fastems access to all relevant information and documents needed to verify the supplier's conformance with the Code. Should Fastems have a reason to believe that the supplier may be in breach of the Code (e.g. based on media reports), Fastems may itself or through a third party auditor survey the supplier's premises to validate the supplier's conformance with the Code.

Should the supplier have, in the reasonable opinion of Fastems, materially violated the Code, Fastems is entitled to terminate the business relationship with the supplier with immediate effect.

If the supplier has a serious concern that something is not consistent with this Code, the supplier shall report the matter to Fastems.