



Written by <b>Mats Svanberg</b>	Approved by <b>EC</b>	Owned by <b>Group CEO</b>	Date <b>2014-07-30</b>	Rev <b>1</b>
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## Purpose and Scope

Definition of the Local Unit minimum requirement to meet the Group Code of Conduct.

## Background

HP Tronic Group is aware of its social responsibility, and the goal is to combine business with social and environmental responsibility. The Code of Conduct clarifies the Groups position and commitment to all customers, suppliers as well as to employees and with other partners. The overall goal is to ensure the respect of human rights, labor rights and environmental protection, both within the Group and with our business partners.

The Code of Conduct is based on internationally recognized conventions on human and labor rights, and international environmental regulations. Companies, or sub-contractors to companies, that supply products or services to HP Tronic Group are to comply with this Code of Conduct.

In some cases, political or cultural circumstances, will make it difficult for providers to meet certain requirements of the Code of Conduct. In such cases, HP Tronic Group will be open to alternative approaches.

## Legal requirements

### 1 Legal requirements

1.1 The general rule is that HP Tronic Group and its suppliers and their subcontractors are to comply with the national legislation of the countries where they operate. Should any of the requirements of the Code of Conduct differ from those set forth in National legislation, National legislation is regarded as the higher level.

## Workplace Conditions

### 2 Forced Labor

2.1 No form of forced labor, wage slavery or involuntary labor, may occur.

2.2 Employees should not be forced to pay any deposit or be forced to hand over their identity cards to the employer. Employees shall be free to terminate their employment after reasonable notice.

### 3 The right to freedom of association and collective bargaining

3.1 HP Tronic Group respect the right of employees to be represented by trade unions and other employee representatives and have the right to collective bargaining.

3.2 Employers may not discriminate against trade unionists or prevent them to carry out their union duties.

### 4 Child Labor

4.1 Children under the age of 18 may not engage in activities that are harmful to health and safety, including night work.



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4.2 Children under 15 years of age (14 or 16 in some countries) must not perform work in such a way that their schooling is hindered or adversely affected.

## 5 Discrimination

5.1 No employee shall be discriminated against because of their ethnic background, religion, age, disability, gender, marital status, sexual orientation, union membership or membership in a political organization.

5.2 Measures shall be taken to protect the employees against sexually harassment, being insulted or utilized, as well as discriminated against or dismissed on unfair grounds, such as marriage, pregnancy, parenthood or HIV status.

5.3 All employees with the same experience and qualifications should receive equal pay for equal work.

## 6 Intimidation and corporal punishment

6.1 Physical punishment, or abuse or threats of physical abuse, are prohibited. The same applies to sexual abuse and other forms of humiliation.

## 7 Work Environment

7.1 The working environment must be safe and promote good health, taking into account the general knowledge of the industry and specific risk factors. A clear set of instructions and descriptions of procedures for the work environment containing safety, fire protection and emergency preparedness shall be established and followed.

7.2 All employees must undergo regular and documented training in security. This shall also include seasonal employees.

7.3 Employees shall have access to clean sanitation and clean drinking water. The employer must also ensure access to places where food can be stored safely, if necessary.

7.4 If the employer provides accommodation, it must be clean, safe and adequately ventilated, and have access to clean sanitation and clean drinking water. Fire protection and emergency preparedness and response to the same standard as in the workplace.

## 8 Salaries

8.1 The employee wages must at least be in accordance with national laws regarding minimum wage, or industry practices. Furthermore, the salary should always be large enough to cover basic needs.

8.2 Wages, as well as procedures for how and when the wages are paid, to be agreed and documented before work begins. The agreement will be understandable formulated for the employee.

## 9 Hours of work

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9.1 Hours of work shall be in accordance with national laws or current industry practices and must not exceed the working hours as stated in the prevailing international conventions. It is recommended that the ordinary working hours shall not exceed 48 hours per week.

9.2 Employees shall be entitled to at least one day off per week.

9.3 Overtime shall follow industry practices or government regulations. It is recommended that it be limited to a maximum of 12 hours per week.

9.4 Staff shall always receive overtime compensation in accordance with applicable law.

## 10 Employment

10.1 All employees are entitled to an employment contract, which is written in a language they understand.

## Environmental Protection

### 11 National and international environmental law

11.1 Production must not be in conflict with national or international regulations.

11.2 Procedures and regulations for waste management, handling and disposal of chemicals and other hazardous substances and emissions treatment, must be established and must at least comply with legal requirements.

11.3 Consideration should be given to environmental aspects throughout the value chain and not only to its own operations. Local, regional and global environmental issues should be considered.

## Bribery and Corruption

### 12 Bribery and corruption

12.1 High levels of integrity expected in any business relationship. Every conceivable form of corruption, extortion and fraud is strictly prohibited. No form of bribery shall under no circumstances be given or accepted.

## Management

### 13 Management

13.1 The Group CEO is overall responsible for the Code of Conduct and its follow-up, the Group CEO will then in practical and everyday work delegate the responsibility to the General Manager of each legal entity within the Group.

13.2 Highest operational management within each legal entity shall be responsible for implementing and ensuring compliance with this Code of Conduct.

## Requirements for Suppliers

### 14 Trust and cooperation

14.1 HP Tronic Group expects all suppliers to respect the Code of Conduct and to actively do their utmost to achieve this standard.



## Standard Operating Policies & Principles

Document no.

01.Management

**QB0107**

Document name

Page (of)

### Code of Conduct

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14.2 The HP Tronic Group believe in collaboration and we are willing to work with our suppliers to find realistic solutions in each case. The HP Tronic Group is prepared to take into account cultural differences and other factors that may vary from country to country, but we will not compromise on the basic requirements of security and human rights.

#### 15 Inspections

15.1 The HP Tronic Group reserves the right at any time to make unannounced visits to all factories/suppliers that produce and deliver goods/services to the Group. The Group also reserve the right to have an independent party (e.g. an NGO or consulting firm), of our choice, make inspections to ensure compliance of this Code of Conduct.

#### 16 Non-Compliance

16.1 If the HP Tronic Group finds that a supplier does not comply with the requirements of this Code of Conduct, the business relationship will be terminated unless improvements are made within an agreed time period. If repeated violations of the code are found, the Group will immediately terminate the relationship with the supplier.