



AGES INDUSTRI CODE OF CONDUCT FOR SUPPLIERS

AGES Industri are committed to being the first choice partner for all customers looking for world class manufacturing of machined and turned products, tube products, welded and assembled products. We shall do this by providing high-quality, innovative productions methods, services and added-value solutions.

Resources shall be used in a sustainable, socially and environmentally responsible manner.

In order to build trust and confidence and to show our commitment to Corporate Social Responsibility (CSR) throughout the entire value chain of our operations, including our suppliers, we ask all our suppliers to agree with our Code of Conduct for Suppliers.

The Code of Conduct for Suppliers specifies the minimum standards expected of all suppliers to AGES Industri. Within their sphere of influence, AGES Industri also expects suppliers to apply these minimum standards to their subcontractors and sub-suppliers. Furthermore, it is expected that suppliers always strive to live up to both international and industry best practices.

It is of course expected that suppliers adhere to all laws, rules and regulations in the countries where they carry out their activities.

AGES Industri expects compliance with the Code of Conduct for Suppliers, but recognizes that embracing these fundamental principles is a dynamic rather than static process and encourages suppliers to support our mission through a never ending search to improve.

In order to demonstrate and communicate work and improvement toward the principles, the supplier is expected to possess necessary internal instruments (e.g. measuring procedures, tools and indicators).

AGES Industri or a third party assigned by AGES Industri may conduct reviews or onsite audits to assess the supplier's progress towards the principles.

All AGES Industri employees with supplier relations are to make sure that the Code of Conduct for Suppliers is well known and understood by the suppliers.

MAKES THINGS EASIER®

LABOR AND HUMAN RIGHTS

SUPPLIERS MUST UPHOLD THE HUMAN RIGHTS OF WORKERS, AND TREAT THEM WITH DIGNITY AND RESPECT AS UNDERSTOOD BY THE INTERNATIONAL COMMUNITY.

ANTIDISCRIMINATION

Suppliers shall not discriminate against any worker based on race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, national origin, or marital status in hiring and employment practices such as applications for employment, promotions, rewards, access to training, job assignments, wages, benefits, discipline, and termination. In addition, Suppliers shall not require workers or potential workers to undergo medical tests that could be used in a discriminatory way except where required by applicable laws or regulations or prudent for workplace safety.

FAIR TREATMENT

Suppliers shall commit to a workplace free of harassment. Suppliers shall not threaten workers with or subject them to harsh or inhumane treatment, including sexual harassment, sexual abuse, corporal punishment, mental coercion, physical coercion, verbal abuse, or unreasonable restrictions on entering or exiting company provided facilities. Suppliers shall prohibit harassment and unlawful discrimination in the workplace.

PREVENTION OF INVOLUNTARY LABOR AND HUMAN TRAFFICKING

Suppliers shall not traffic in persons or use any form of slave, forced, bonded, indentured, or prison labor. This includes the transportation, harboring, recruitment, transfer, or receipt of persons by means of threat, force, coercion, abduction, fraud, or payments to any person having control over another person for the purpose of exploitation. All work must be voluntary and workers shall be free to leave work or terminate their employment with reasonable notice. Workers must not be required to surrender any government-issued identification, passports, or work permits as a condition of employment.

PREVENTION OF UNDERAGE LABOR

Child labor is strictly prohibited. Suppliers shall not employ children and take the appropriate measures to ensure that no child labor occurs at their own place of production or operations or at their sub-contractors' place(s) of production or operations. The minimum age for employment or work shall be 15 years of age, the minimum age for employment in that country, or the age for completing compulsory education in that country, whichever is higher. Suppliers shall obtain documentation to legally prove the date of birth for all their workers. A register carrying all such records shall be maintained by the suppliers. This Code does not prohibit participation in legitimate workplace apprenticeship programs that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.

JUVENILE WORKER PROTECTIONS

Suppliers may employ juveniles who are older than the applicable legal minimum age for employment but are younger than 18 years of age, provided they do not perform work likely to jeopardize their health, safety, or morals, consistent with ILO Minimum Age Convention No. 138.

WORKING HOURS, WAGES AND BENEFITS

Except in emergency or unusual situations, a work week shall be restricted to 60 hours, including overtime, and workers shall take at least one day off every seven days. All overtime shall be voluntary. Under no circumstances shall work weeks exceed the maximum permitted under applicable laws and regulations. Suppliers shall pay all workers at least the minimum wage required by applicable laws and regulations and provide all legally mandated benefits. In addition to their compensation for regular hours of work, workers shall be compensated for overtime hours at the premium rate required by applicable laws and regulations. Suppliers shall not use deductions from wages as a disciplinary measure. Suppliers shall offer vacation time, leave periods, and holidays consistent with applicable laws and regulations. Suppliers shall maintain a transparent and reliable system for records on working hours and wages and pay workers in a timely manner and clearly convey the basis on which workers are being paid. In addition, Suppliers shall provide accident insurance covering medical treatment for work related accidents to all workers.

FREEDOM OF ASSOCIATION

Suppliers must respect the right of workers to associate freely with, form, and join workers' organizations of their own choosing, seek representation, and bargain collectively, as permitted by and in accordance with applicable laws and regulations. Suppliers shall protect against acts of interference with the establishment, functioning, or administration of workers' organizations in accordance with applicable laws and regulations.

HEALTH AND SAFETY

AGES INDUSTRI RECOGNIZES THAT INTEGRATING SOUND HEALTH AND SAFETY MANAGEMENT PRACTICES INTO ALL ASPECTS OF BUSINESS IS ESSENTIAL TO MAINTAIN HIGH MORALE AND PRODUCE INNOVATIVE PRODUCTS. SUPPLIERS SHALL COMMIT TO CREATING SAFE WORKING CONDITIONS AND A HEALTHY WORK ENVIRONMENT FOR ALL OF THEIR WORKERS.

OCCUPATIONAL INJURY PREVENTION

Suppliers shall eliminate physical hazards where possible. Where physical hazards cannot be eliminated, Suppliers shall provide appropriate engineering controls such as physical guards, interlocks, and barriers. Where appropriate engineering controls are not possible, Suppliers shall establish appropriate administrative controls such as safe work procedures. In all cases, Suppliers shall provide workers with appropriate personal protective equipment. Workers shall not be disciplined for raising safety concerns and shall have the right to refuse unsafe working conditions without fear of reprisal until management adequately addresses their concerns.

PREVENTION OF CHEMICAL EXPOSURE

Suppliers shall identify, evaluate, and control worker exposure to hazardous chemical, biological, and physical agents. Suppliers must eliminate chemical hazards where possible. Where chemical hazards cannot be eliminated, Suppliers shall provide appropriate engineering controls such as closed systems and ventilation. Where appropriate engineering controls are not possible, Suppliers shall establish appropriate administrative controls such as safe work procedures. In all cases, Suppliers shall provide workers with appropriate personal protective equipment.

EMERGENCY PREVENTION, PREPAREDNESS, AND RESPONSE

Suppliers shall anticipate, identify, and assess emergency situations and events and minimize their impact by implementing emergency plans and response procedures, including emergency reporting, worker notification and evacuation procedures, worker training and drills, appropriate first-aid supplies, appropriate fire detection and suppression equipment, adequate exit facilities, and recovery plans.

OCCUPATIONAL SAFETY PROCEDURES AND SYSTEMS

Suppliers shall establish procedures and systems to manage, track, and report occupational injury and illness. Such procedures and systems shall encourage worker reporting, classify and record injury and illness cases, investigate cases and implement corrective actions to eliminate their causes, provide necessary medical treatment, and facilitate the workers' return to work.

ERGONOMICS

Suppliers shall identify, evaluate, and control worker exposure to physically demanding tasks, including manual material handling, heavy lifting, prolonged standing, and highly repetitive or forceful assembly tasks.

HOUSING AND DINING

Suppliers shall provide workers with clean toilet facilities, access to potable water, and sanitary food preparation and storage facilities. Worker dormitories provided by the Supplier or a third-party agency shall be clean and safe and provide adequate emergency entrance, adequate heat and ventilation, reasonable personal space, and reasonable entry and exit privileges.

HEALTH AND SAFETY COMMUNICATION

In order to foster a safe work environment, Suppliers shall provide workers with appropriate workplace health and safety information and training, including written health and safety information and warnings, in the primary language of the workers. Suppliers shall post, in the primary language of its workers, Material Safety Data Sheets for any hazardous or toxic substances used in the workplace, and properly train workers who will come into contact with such substances in the workplace. Records of the training shall be kept including names of participants, dates of the training and an overview of the training content.

WORKER HEALTH AND SAFETY COMMITTEES

Suppliers are encouraged to initiate and support worker health and safety committees to enhance ongoing health and safety education and to encourage worker input regarding health and safety issues in the workplace.

ENVIRONMENTAL IMPACT

AT AGES INDUSTRI, ENVIRONMENTAL CONSIDERATIONS ARE AN INTEGRAL PART OF OUR BUSINESS PRACTICES. SUPPLIERS SHALL COMMIT TO REDUCING THE ENVIRONMENTAL IMPACT OF THEIR DESIGNS, MANUFACTURING PROCESSES, AND WASTE EMISSIONS.

SUBSTANCE OF CONCERN MANAGEMENT AND RESTRICTIONS

Suppliers shall comply with any applicable laws and regulations such as REACH1 and RoHS2 prohibiting or restricting the use or handling of specific substances. To ensure safe handling, movement, storage, recycling, reuse, and disposal, Suppliers shall identify, manage and list Substances of Concern as required by each AGES Industri entity (any presence of such substances shall be reported via prescribed reply form) and comply with applicable labeling laws and regulations for design, manufacturing, recycling and disposal.

- 1 EU Regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals
- 2 Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment

SOLID WASTE MANAGEMENT

Suppliers shall manage and dispose of non-hazardous solid waste generated from operations as required by applicable laws and regulations.

WASTEWATER AND STORMWATER MANAGEMENT

Suppliers shall monitor, control, and treat wastewater generated from operations before discharge as required by applicable laws and regulations. Suppliers shall take appropriate precautions to prevent contamination of stormwater runoff from their facilities.

AIR EMISSIONS MANAGEMENT

Suppliers shall characterize, monitor, control, and treat air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting chemicals, and combustion by-products generated from operations, as required by applicable laws and regulations, before discharge.

GROUND CONTAMINATION

Suppliers shall ensure compliance with applicable laws and regulations regarding ground contamination. Suppliers shall investigate and assess the possible risks of ground contamination, due to previous or ongoing activities on the site.

ENVIRONMENTAL PERMITS AND REPORTING

Suppliers must obtain, maintain, and keep current all required environmental permits (for example, discharge monitoring) and registrations and follow the operational and reporting requirements of such permits.

POLLUTION PREVENTION AND RESOURCE REDUCTION

Suppliers must endeavor to reduce or eliminate solid waste, wastewater, and air emissions, including energy-related indirect air emissions and substances of concern in articles, by implementing appropriate conservation measures in their production, maintenance, and facilities processes, and by recycling, reusing, or substituting materials. AGES Industri recognizes that integrating sound health and safety management practices into all aspects of business is essential to maintain high morale and produce innovative products.

Suppliers shall commit to creating safe working conditions and a healthy work environment for all of their workers.

ETHICS

SUPPLIERS MUST BE COMMITTED TO THE HIGHEST STANDARDS OF ETHICAL CONDUCT WHEN DEALING WITH WORKERS, SUPPLIERS, AND CUSTOMERS.

BUSINESS INTEGRITY

Suppliers shall not violate any international anti-corruption conventions, and applicable anti-corruption laws and regulations of the countries in which they operate, and shall not engage in corruption, extortion, or embezzlement in any form. Suppliers must uphold fair business standards in advertising, sales, and competition. Suppliers are to maintain a high ethical standard, above all in accordance with this Code of Conduct for Suppliers and good business practice. Suppliers are expected to avoid conflicts of interest that may compromise the supplier's credibility in the AGES Industri Group or other exterior parties' confidence in the AGES Industri Group. An example of such conflicts of interest may be if the Supplier is a member of an association whose core values are contrary to those of the AGES Industri Group.

GIFTS AND HOSPITALITY

Suppliers are expected not to give or receive improper benefits or benefits that may be regarded as improper remuneration in order to obtain, retain or direct business or in order to secure any other improper advantage in the supplier's business with AGES Industri. Such improper benefits (bribes etc.) comprise cash, items, pleasure trips, extravagant meals or services of another nature.

A benefit must comply with the following requirements:

- The benefit must be permitted by local laws, regulations and policies.
- The benefit must have a clear and legitimate business purpose.
- It must not be provided in exchange for an improper advantage.
- The nature, value and frequency of the benefit must be appropriate to the occasion on which it is given.
- The benefit must be provided in a transparent manner.

DISCLOSURE OF INFORMATION

Suppliers must accurately record and disclose information regarding their business activities, structure, financial situation, and performance in accordance with applicable laws and regulations and prevailing industry practices.

WHISTLEBLOWER PROTECTION AND ANONYMOUS COMPLAINTS

Suppliers shall create programs to ensure the protection of Supplier and worker whistleblower confidentiality and prohibit retaliation against workers who participate in such programs in good faith or refuse an order that is in violation of the AGES Industri Code of Conduct for Suppliers. Suppliers shall provide an anonymous complaint mechanism for workers to report workplace grievances in accordance with local laws and regulations.

COMMUNITY ENGAGEMENT

Suppliers are encouraged to engage the community to help foster social and economic development and to contribute to the sustainability of the communities in which they operate.

PROTECTION OF INTELLECTUAL PROPERTY

Suppliers must respect intellectual property rights and safeguard customer information; transfer of technology and know-how must be done in a manner that protects intellectual property rights.

MANAGEMENT COMMITMENT

SUPPLIERS MUST ADOPT OR ESTABLISH A MANAGEMENT SYSTEM DESIGNED TO ENSURE COMPLIANCE WITH THIS CODE AND APPLICABLE LAWS AND REGULATIONS; IDENTIFY AND MITIGATE RELATED OPERATIONAL RISKS; AND FACILITATE CONTINUOUS IMPROVEMENT.
ISO 14001, ISO 9001, OHSAS 18001, AND AUDIT SCHEME (EMAS) MAY BE USEFUL RESOURCES.
THE MANAGEMENT COMMITMENT SHOULD CONTAIN THE FOLLOWING ELEMENTS:

COMPANY STATEMENT

A corporate social and environmental responsibility statement affirming the Supplier's commitment to compliance and continual improvement, to be posted in the primary local language at all of the Supplier's worksites.

MANAGEMENT ACCOUNTABILITY AND RESPONSIBILITY

Clearly identified company representatives responsible for ensuring implementation and periodic review of the status of the Supplier's management systems.

- Risk Assessment and Management A process to identify environmental, health and safety, business ethics, labor, human rights, and legal compliance risks associated with their operations; determine the relative significance of each risk; and implement appropriate procedures and physical controls to ensure compliance and control the identified risks. Risk assessments for health and safety must include warehouse and storage facilities, plant and facility support equipment, laboratories and test areas, bathrooms, kitchens, cafeterias, and worker housing.
- Performance Objectives with Implementation Plans and Measures Written standards, performance objectives, targets, and implementation plans, including a periodic assessment of the Supplier's performance against those objectives.
- Audits and Assessments Periodic self-evaluations and routine in place to ensure that the Supplier, its sub-contractors, and its next-tier Suppliers are complying with this Code and that they are continuously updated with related applicable laws and regulations.

DOCUMENTATION AND RECORDS

Supplier shall have processes to identify, monitor, and understand applicable laws and regulations and the additional requirements imposed by this Code. Supplier shall obtain, maintain, and keep current a valid business license as required by applicable laws and regulations.

Supplier shall have processes for creation of documents and records to ensure regulatory compliance and conformity to this Code, with appropriate confidentiality measures to protect privacy.

TRAINING AND COMMUNICATION

Suppliers shall have programs in place for training managers and workers to implement their policies and procedures and to fulfill improvement objectives.

Suppliers shall have a process for communicating clear and accurate information about their performance, practices, and expectations to its workers, suppliers and customers.

WORKER FEEDBACK

Suppliers shall have an ongoing process to obtain feedback on processes and practices related to this Code and to foster continuous improvement.

CORRECTIVE ACTION PROCESS

Supplier shall have a process for timely correction of any deficiencies identified by an internal or external audit, assessment, inspection, investigation, or review.

REFERENCES

AGES INDUSTRI CONSULTED THE FOLLOWING REFERENCES IN PREPARING THIS CODE:

Eco-Management and Audit Scheme www.quality.co.uk/emas.htm

Ethical Trading Initiative www.ethicaltrade.org/

ILO Code of Practice in Safety and Health www.ilo.org/public/english/protection/safework/cops/english/ download/e000013.pdf

 $ILO\ International\ Labor\ Standards\ www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm$

ISO 14001 www.iso.org

OECD Guidelines for Multinational Enterprises www.oecd.org

OHSAS 18001 http://www.ohsas-18001-occupational-health-and-safety.com

United Nations Convention against Corruption www.unodc.org/unodc/en/corruption/index.html?ref=menuside8

United Nations Global Compact www.unglobalcompact.org

Universal Declaration of Human Rights www.un.org/Overview/rights.html

UN Norms on the Responsibilities of Transnational Corporations

and Other Business Enterprises with Regard to Human Rights www.ohchr.org

