

Corporate -CMA(Corporate Management)

CMA.00.29 Version : 7.0

AH Industries Supplier Code of Conduct

AH Industries operates its business in a responsible manner and we want to contribute to sustainable development.

To ensure that we comply with our responsibility of ethics, we have established a CSR Policy and Code of Conduct for AH Industries. These CSR documents constitute the framework for our CSR activities.

We respect the ten principles of UN Global Compact on human rights, labour rights, environment and anti-corruption. We also want to collaborate with our suppliers in an on-going effort to promote their social responsibility. To achieve this, we have established a Supplier Code of Conduct, which forms the basis of dialogue and control with our suppliers with regard to responsibility.

Our Supplier Code of Conduct contains the minimum requirements that we expect our suppliers to meet. We also expect that our suppliers have a relevant business policy and appropriate management systems to ensure compliance with our Supplier Code of Conduct. In addition, we encourage our suppliers to endeavour to continue making improvements in all of the areas covered by the Supplier Code of Conduct.

In general, we encourage our suppliers to ensure and promote responsible production and business practices. The aim is to ensure that both our suppliers and their subcontractors produce components and supply services to AH Industries in an ethically responsible manner. It is crucial to us that all employees of our suppliers and subcontractors who are involved in the production of products and components for AH Industries are treated properly and with respect.

Our suppliers must ensure that the content of the Supplier Code of Conduct is made available to their employees and that the content is understood, e.g. by putting up internal notices in the company.

Our suppliers are responsible for ensuring that their subcontractors / suppliers comply with this Supplier Code of Conduct. We require our suppliers to sign a statement verifying that their suppliers also comply with the Supplier Code of Conduct. In this Supplier Code of Conduct, the term "supplier" also covers all subcontractors of our suppliers.

1 Complying with legislation

In addition to this Code of Conduct, we expect our suppliers to comply with all applicable international, national and local legislation and all applicable provisions and industry standards.

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2 Human rights

2.1 Human rights in general

AH Industries suppliers must respect international human rights and labour rights as expressed in the International Bill of Human Rights and the eight core conventions of the International Labour Organization, ILO. AH Industries suppliers must commit to avoid infringing on human rights and labour rights and to address and remedy any adverse impacts with which they are involved.

2.2 Privacy

AH Industries suppliers respect the right to privacy of their employees and customers.

AH Industries suppliers are provided with access to AH Industries goods and data in collaboration and during the supplier process. In regards to our goods and data, we expect that our suppliers maintain an appropriate degree of security in the prevention of unauthorised access. This security is to ensure the prevention of damage, removal or misuse and applies to both external persons and individual suppliers' employees.

2.3 Discrimination

AH Industries suppliers must not discriminate customers or others in their value chain on the basis of race, skin colour, gender, language, religion, political or other beliefs, age, disability, nationality, social or ethnic background, financial circumstances, sexual orientation, origin or other status recognized by international law.

2.4 Impacts on local communities

AH Industries suppliers must assess and address the impact of their activities on the human rights of local communities.

2.5 Country risk

AH Industries suppliers must take the necessary steps to avoid involvement in human rights violations in their countries of operation.

2.6 Health and safety

AH Industries suppliers must ensure a safe and healthy working environment. The suppliers must:

- Take responsibility for employee health and safety.
- Provide training and ensure that employees are trained in health and safety matters.
- Assess risks and take the best possible precautions in relation to accidents and occupational diseases.
- Use appropriate corporate health and safety management system.

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2.7 Salary, remuneration and leave

AH Industries suppliers must pay their employees a salary and remuneration that ensures they can maintain a reasonable standard of living and as a minimum must comply with local laws and regulations for minimum wages. Salaries must be paid via legal means of payment at least once a month. In situations where the statutory minimum wage cannot pay for basic living standards, suppliers are encouraged to supplement the wages of the employees so that their basic needs can be met.

Employees are entitled to sickness leave and maternity leave in accordance with local legislation.

2.8 Working hours

AH Industries suppliers must respect that the total number of working hours of a normal working week may not exceed 48 hours. With overtime included, the normal working week must not exceed a maximum of 60 hours in total. Overtime must be planned in a way that ensures safe and humane working conditions. The suppliers' employees may work more than 60 hours a week if they freely wish to do so, should local legislation permit it.

The total number of consecutive working days must comply with local legislation and employees are entitled to at least one day off a week.

2.9 Coercion and disciplinary sanctions

AH Industries suppliers must not use physical punishment, threats of violence or other forms of physical or psychological coercion or abuse.

Disciplinary sanctions in the form of fines or deduction in salaries must not be used.

2.10 Freedom of speech

AH Industries suppliers must not carry out reprisals to prevent employees from expressing their dissatisfaction with their working conditions in an open and loyal manner. In the context of inspection visits by AH Industries, employees must be able to inform inspectors of any breaches of this Supplier Code of Conduct without fear of reprisals.

3 Labour rights

3.1 Child labour

AH Industries suppliers must not become involved in child labour - either directly or indirectly.

In general, children should not work until they are above the compulsory school age. The minimum age for full-time employment is 15 years (or 14 years should local legislation permit

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it). Employees who are younger than 18 years old must not carry out hazardous work or work at night, regardless of the number of hours they work. The minimum age for light work/after-school work (work that does not interfere with a child's education) is 13 years of age (or 12 years should local legislation permit it).

With regard to all types of work, the supplier must seek to take special care when organising work tasks, working hours and workloads considering the young age of the employee.

3.2 Forced labour and freedom of movement

AH Industries suppliers must not use forced or bonded labour - either directly or indirectly. Forced or bonded labour is any kind of work or service that is performed involuntarily under threat of penalty. Employees must have the right to freedom of movement during their employment.

AH Industries suppliers must not withhold the personal documents, work permits or salaries of their employees as this can prevent the employees from leaving their employment.

Employees must be given a confirmation of their working terms and conditions, according to local legislation.

3.3 Discrimination

When hiring people or during employment, AH Industries suppliers must not discriminate on the basis of race, skin colour, gender, language, religion, political or other beliefs, age, disability, nationality, social or ethnic background, financial circumstances, sexual orientation, origin or other status - either directly or indirectly. Employees must not be required to undergo compulsory testing for HIV or AIDS.

3.4 Freedom of association and the right to collective bargaining

AH Industries suppliers must not interfere with the right of employees to join a union or their right to collective bargaining. In situations or in countries where freedom of association and collective bargaining is restricted by local legislation, AH Industries suppliers must recognise that employees can exercise their freedom of association and collective bargaining in some other way.

4 Environment

4.1 Environment management system

AH Industries suppliers must comply with all environment legislation to protect the environment.

The suppliers must endeavour to utilise environment management systems to:

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- Reduce the amount of waste and emissions into the air, ground and water.
- Handle chemicals in an environmentally responsible manner.
- Handle, store and dispose of hazardous waste in an environmentally responsible manner.
- Contribute to reusing and recycling materials and products.
- Implement environment friendly technologies.

4.2 Product safety

Products manufactured by AH Industries suppliers must comply with all laws and regulations relating to product safety.

5 Anti-corruption

AH Industries suppliers must not offer, promise or provide any form of bribe to exert any unlawful influence over a public employee, judge or business partner. AH Industries suppliers must refrain from receiving or accepting any form of bribery.

6 Inspection and evaluation

From time to time, a questionnaire or a similar document may be submitted to our suppliers and subcontractors. Within four weeks, this must be filled out truthfully and returned to AH Industries or to our representatives.

AH Industries reserves the right to inspect and control the suppliers at any time to ensure compliance with this Supplier Code of Conduct. All documentation that can be used to show that the supplier complies with this Code of Conduct must be kept by the company.

All suppliers are required to ensure full access to the inspection site, including unannounced visits from AH Industries and/or their appointed representatives. There must be full access to all information that can clarify whether the supplier is in compliance with the AH Industries Supplier Code of Conduct and the inspectors must be able to carry out confidential interviews with randomly selected employees during such inspection visits.

If an inspection of a site reveals a violation of this Supplier Code of Conduct, AH Industries will enter into a constructive dialogue with the supplier concerned to improve the conditions. AH Industries will require comprehensive action plans for the purpose of correcting any violations of the Code of Conduct and will carry out follow-up inspections to ensure that the necessary improvements have been made. If a supplier does not act constructively to improve conditions, AH Industries will terminate its collaboration with the supplier.

In case of a serious breach of the Supplier Code of Conduct, e.g. a serious infringement of human rights and/or a serious damage to the environment or an occurrence of corruption, AH Industries will immediately terminate its collaboration with the supplier concerned.

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Supplier Code of Conduct for signature - (Form)



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Signature sheet:

Company name

Title/Name/Surname

Date/Signature

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