

Kockums Maskin Code of Conduct

Foreword

Our code of conduct is our policy of responsible and ethical business behavior. The code of conduct applies to all Board members and all employees of Kockums Maskin AB. The rules describe our principles and norms for conducting business in an appropriate, accountable and transparent way.

You are prompted to report violations or suspected violations of our code of conduct. We wish, and hope, that you feel comfortable contacting the immediate manager or any other management representative about any problems. If this is not the case you have the opportunity to contact Kockum Maskins "whistleblower", Olle Sund. (olle.sund@kab.se)

The information you provide is treated confidentially and you have our guarantee that your complaint will be heard. In accordance with our Code of Conduct, we do not tolerate any reprisals against any person reporting irregularities against our Code of Conduct, regardless of the outcome of the investigation.

General principles

Kockums Maskin shall

- comply with the laws and regulations of each country in which it operates.
- demonstrate and promote its commitment to responsible business practice in policies, decisions and activities.
- integrate the principles of this policy into critical processes.

Requirements on business partners

Kockums Maskin prefers to work with suppliers, consultants, distributors and other business partners that share the principles expressed in this Code of Conduct.

Kockums Maskin encourages its business partners to apply standards of business conduct consistent with the principles of this Code of Conduct.

Business principles

Accounting and reporting

All financial transactions shall be reported in accordance with generally accepted accounting practices and the accounting records must show the nature of all transactions in a correct and non-misleading manner.

Kockums Maskin shall report in a transparent, truthful and timely manner with the aim of conveying a true view of *Kockums Maskin's* performance.

Anti-corruption

Kockums Maskin shall not participate in or endorse any corrupt practices.

Representatives of *Kockums Maskin* must not offer customers, potential customers, suppliers, consultants, governments or any representatives of such entities, any rewards or benefits in violation

of applicable laws or established business practices stricter than applicable laws, to obtain or retain business or to gain any other improper advantage.

Kockums Maskin employees shall not accept payments, gifts or other kinds of reimbursement from a third party that could affect or appear to affect their objectivity in their business decisions.

Money laundering

Kockums Maskin shall not accept, facilitate or support money laundering.

Conflict of interest

All representatives of *Kockums Maskin* must conduct their private and other external activities and financial interest in a manner that does not conflict or appear to conflict with the interest of *Kockums Maskin*.

Employees private interests must not influence, or appear to influence, their judgement or actions in performing their duties as representatives of *Kockums Maskin*.

Company property and resources

Kockums maskin's property and resources shall be used only for business objectives.

The property and resources must not be used for personal gain, fraudulent purposes, or in any other inappropriate manner.

Taxation

Kockums Maskin shall comply with the tax laws and regulations of each country in which it operates. Where tax laws do not give clear guidance, prudence and transparency must be the guiding principles.

Customer offering

Kockums Maskin must ensure that its products meet all applicable regulatory requirements.

Marketing and sales

Kockums Maskin must present its products and services accurately and shall comply with applicable regulatory and legal requirements.

Kockums Maskin shall not make false statements or provide misleading information regarding its products or their performance.

Fair competition practices

Kockums Maskin shall compete in a fair manner and with integrity.

Kockums Maskin shall not exchange information, enter agreements or understandings with competitors, customers or suppliers in a way that improperly influences the market place or the outcome of a bidding process.

Kockums Maskin must use legitimate methods to gather information about our competitors.

Principles of human rights and social justice

Human rights

Kockums Maskin shall support and respect the protection of internationally proclaimed human rights and make sure that the company is not complicit in human rights abuses.

Non-discrimination

All employees shall have equal opportunities based on competencies, experience and performance regardless of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social background or ethnic origin.

All employees must be treated with respect. Discrimination, physical or verbal harassment, or any illegal threats are not tolerated.

Workplace practice

The necessary conditions for a safe and healthy work environment shall be provided for all employees at *Kockums Maskin*.

Forced labor

Kockums Maskin shall not engage in or support forced, bonded or compulsory labour.

Employees are free to leave their employment after reasonable notice as required by law and contract.

Child labour

Child labour is not tolerated. The minimum employment age is the age of completion of compulsory school but never less than 15 years.

Freedom of association

Kockums Maskin respects the right of all employees to join an association to represent their interests as employees, to organize and to bargain collectively or individually. *Kockums Maskin* shall respect the recognized unions. An employee's right to refrain from joining a union is equally respected.

Working hours and compensation

Kockums Maskin shall comply with applicable laws, agreements and industry standards on working hours and compensation.

Environmental principles**Resource efficiency**

The products and processes of *Kockums Maskin* must be designed in such a way that energy, natural resources and raw materials are used efficiently and waste and residual products are minimized.

Precautionary principle

Kockums Maskin shall avoid materials and methods posing environmental and health risks when suitable alternatives are available.

This Code of Conduct has been adopted by the Board of Directors 2017-03-06