

# CSR & Quality Management

## Responsibility for environmental, ethical and social issues

As of 2013, OEM has an overall Code of Conduct that applies to all companies in the Group. The purpose of the Code of Conduct is for the Group companies to have a joint platform for CSR-related activities and to ensure that the development of OEM's accountability in environmental, ethical and social issues is consistent. Clear accountability strengthens both competitiveness and the position as an attractive employer while promoting a healthy business culture.

## Code of Conduct

OEM's Code of Conduct is based on 11 principles developed within the framework of the UN Global Compact. The Code of Conduct deals with human rights, labour law, the environment and anti-corruption. These areas cover the essential elements of social responsibility that is relevant for all of the Group's companies. The basic principles in the Code of Conduct are:

### Human rights

1. OEM supports and respects the protection of international human rights.
2. OEM is not involved in violations of human rights.

### Labour law

3. OEM maintains freedom of association in accordance with local legislation, and all employees are free to start or participate in trade union activities. OEM recognizes the right to collective bargaining regarding employment conditions. OEM complies with the national legislation on working hours and the principle of a living wage.
4. All forms of forced labour are prohibited, and employees are entitled to terminate their employment according to local legislation or their employment contracts.
5. OEM opposes all types of child labour. No person shall be employed under the age of 15, and in case of particularly demanding jobs, the person must be at least 18.
6. No person shall be subject to discrimination in employment, including hiring, based on ethnicity, colour, gender, religion, political opinion, national origin, social origin, age, disability, HIV / AIDS status, union membership, or sexual orientation. Physical or mental harassment is strictly prohibited.

### Environment

7. OEM supports the precautionary principle regarding environmental risks: "Where there is a threat of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation."
8. Innovative solutions that reduce environmental impact are encouraged, and OEM takes active initiatives to promote greater environmental responsibility.
9. OEM encourages development and dissemination of environmentally friendly technology. Sustainable development is a keyword, and OEM works with environmental issues from a preventive perspective.

### Anti-corruption

10. OEM combats corruption in all its forms, including extortion and bribery, and proactively develops strategies and concrete programmes to deal with corruption both internally and in the Group's supply chain.
11. OEM strives to avoid all types of conflicts of interest through, among other things, guidelines for internal representation and gifts as well as attestation rules.

## CSR activities

The Group's companies carry out at least three CSR-related activities annually, which are reviewed at board and management level. At least one of these activities must include anti-discrimination measures and measures promoting gender equality. The Group strives to achieve an open corporate climate with good business ethics, and employees have a key role in addressing any deviations from the Group's values and business ethics guidelines. OEM's whistleblower function allows for suspicions of irregularities to be reported, promoting good business ethics.

## Environmental responsibility

Environmental issues are an area within OEM's Code of Conduct. The Code encourages activities that lead to development of environmental responsibility and prevention efforts to prioritise environmentally friendly solutions. The areas at OEM with the greatest environmental impact are transport, travel, use of packaging materials and heating of premises. These areas have been in focus for many years, and OEM constantly strives to find the environmentally best solutions and to support development initiatives within these areas. Another important part of the environmental effort is to provide customers with climate-smart and high-quality components. OEM's high product competence makes it possible to influence the customer's choice of components from an environmental perspective.