

MBH

MB Hydraulikk AS



Adresse: **6693 Mjosundet,
NORGE**

Telefon : 71 64 77 00

Telefax : 71 64 77 01

E-post : kjetil@mbh.no

Web : www.mbh.no

Bankgiro: 7441.05.15834

Org.nr. : NO 987 050 454 MVA

Dato: 06.06.2023

MBH CODE OF CONDUCT

PART I. INHOUSE MATTERS

1. IN GENERAL

The purpose of this Code of Conduct is to establish a set of common principles describing MB Hydraulikk AS (hereinafter referred to as MBH) commitment and requirements for compliance and ethical business practices and personal conduct.

This Code of Conduct applies to MBH and its affiliated companies, hereunder all employees, directors, officers, hired personnel, consultants, company representatives and any person conducting work on behalf of or otherwise representing MBH (hereinafter referred to as MBH Personnel).

MBH respect and support the International Bill of Human Rights and the core conventions of the International Labor Organization (ILO). MBH further endorse the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises as applicable.

All managers are responsible for ensuring that MBH Personnel are familiar with relevant laws, regulations, guidelines and frameworks referred to herein. This also includes facilitating anonymous whistleblowing as further set out below.

The individual employee is responsible for ensuring that they understand the MBH Code of Conduct. This includes, as a minimum, developing a fundamental understanding of the requirements made in the Code of Conduct and an in-depth understanding of the parts of the Code of Conduct that are particularly relevant for the individual employee's position.

Moreover, the individual employee must address concerns and queries regarding the company's Code of Conduct or possible breaches of the Code of Conduct. The individual employee must be familiar with the different channels via which they can address possible breaches.

Managers at all levels are assigned responsibility for acting as role models and ensuring that the employees understand and comply with the Code of Conduct. Managers and employees shall understand that business results are never more important than compliance with the company's Code of Conduct. The management must identify the possible risk of breaches of the company's Code of Conduct and take action to minimise such risk. In the event of a breach of the Code of Conduct, the individual manager must act quickly to resolve the detected breach and follow up on this with appropriate disciplinary reactions and correct reporting.

The individual employee is obliged to remain up to date of amendments to the Code of Conduct. The most recent version is always available on MBH's website: www.MBH.no.

As an employee of MBH, you must comply with prevailing laws and regulations and carry out your duties in accordance with the requirements and standards which apply in MBH.

A breach of the regulations may result in consequences for the employee, such as verbal or written warnings. Serious breaches of the regulations may result in discharge or dismissal. A breach of regulations may also result in criminal liability both for the company and the employee, such as corruption or trading in influence.

2.PERSONAL CONDUCT

2.1 Working environment

All employees shall contribute to a positive working environment based on respect and tolerance. Employees shall behave in a manner which displays social consciousness and professionalism and shall show respect for colleagues and other partners.

2.2 Conflict of interest

MBH Personnel shall not seek to obtain advantages for themselves or a related party that are improper in any way or that is against the interests of MBH when you are representing the company. You should avoid situations with actual, potential or perceived conflict of interest.

Do not work in connection with any MBH or MBH related transaction, procurement, contract award or other matter in which you have, or a related party has a financial interest. A related party means your partner, close relative or any other person with whom you or they have close relations. The same restriction applies where there are other circumstances that undermine trust in your ability to act in the best interest of MBH.

If you become aware of a potential conflict of interest, you shall without delay notify your immediate superior.

2.3 Prohibition of prostitution and purchase of sexual services

MBH is strictly against prostitution and purchase of sexual services. Employees travelling for work or other assignments where travel is paid for by the company shall refrain from prostitution, purchasing or accepting sexual services. This also applies to the employees' leisure time when on such assignments.

2.4 Avoid mixing roles by taking part in other enterprises.

Full-time employees of MBH shall not have any other main occupation than employment with MBH, and are not permitted to have any material private business enterprise without the specific and written consent of their employer.

All employees shall notify their immediate superior in writing of any paid employment outside of MBH. The employer is entitled to oppose such employment if it is thought that such employment may have a negative impact on the employee's work for MBH or may impair confidence in MBH.

The employees shall be open about any board positions and other offices which may be of significance for their performance at work or in conflict with the employer's legitimate interests. Board positions and other offices must be clarified in advance with the employee's immediate superior.

The employee is obliged to notify his/her manager of any conflicts of interest/ roles in relation to the company's partners. Examples of the above may be purchases from suppliers who are in the same family as the employee or similar.

2.5 Political activities

MBH does not support individual political parties or individual politicians. MBH will take part in public debate, when in the interests of MBH.

Employees have the right to take part in democratic political activities, but this must take place without reference to or in connection with the employees' relationship to MBH.

2.6 Travel and expenses

Employees in MBH shall display moderation when incurring costs for MBH and shall not incur unnecessary costs for the company when travelling, entertaining customers etc.

Transactions entered into on behalf of MBH shall be documented in line with good business practice and in accordance with applicable laws. Employees must be able to explain and document any expenses, and these must be signed by a superior.

2.7 Use of social media

Employees are not permitted to publish work-related content via text, photographs or videos on social media without gaining the permission from the marketing manager. All content regarding contracts, sea trials, delivery etc. shall be published from MBH's official social media accounts or official webpage. Employees are free to share content from the official accounts. The term "social media" is defined as websites and apps developed to create and share content, and to take part in social networks such as Facebook, Twitter, Instagram, Snapchat and Youtube.

Employees also require the consent of persons shown in photos and videos before publishing such. All employees are also expected to act with respect and according to the code of conduct when using private social media accounts.

During working hours and when on occupational travel, employees shall not announce any work-related status via social media. The term "work-related status" is used to imply e.g. stating your location, who you are visiting or where and with whom you are dining.

All employees are obliged to show due care when publishing on social media as a representative for MBH. This also involves showing due regard for the company's values and the employee's duty of loyalty to their employer.

2.8 Substance use

MBH is a drug and alcohol free workplace, and being under intoxicating substances at work, including alcohol is strictly forbidden.

3. INFORMATION MANAGEMENT AND DUTY OF CONFIDENTIALITY

3.1 Duty of confidentiality

All employees have a duty of confidentiality regarding information of a sensitive, private or confidential nature which relates to MBH's business. This also applies once employment has terminated.

No individual shall use, or help others use, information regarding MBH or other companies which is of a sensitive, private or confidential nature, to subscribe to or trade securities, whether on a private basis or on behalf of MBH.

All employees shall protect sensitive and confidential information and shall store documents and data in a safe manner in accordance with applicable data protection and privacy laws, as well as instructions and guidelines from MBH, including guidelines as further set out in the Employee Handbook.

3.2 IT systems

Use of the company's IT systems shall be based on work-related requirements. Use for private purposes shall be restricted to a minimum, and must not have any negative impact on costs, information security or productivity. Information found in the company's IT systems belongs to MBH. All access and information in the company's systems shall comply with the prevailing Personal Data Act and internal requirements.

Cyber-attacks and other malicious activities represent a threat to the company's operations. Use of the company's IT systems and equipment may be monitored in order to maintain control of such threats. The individual employee must be constantly on alert to detect possible malicious activities, such as phishing, and any incidents must be reported immediately. It is prohibited to use the company's systems to carry out illegal or unethical activities, including downloading or forwarding offensive material. MBH expects every employee to respect copyrights for software and to comply with prevailing licence terms.

4. ANTI-CORRUPTION

MBH has zero tolerance for corruption in any form, including bribery, facilitation payments and trading in influence and adheres to all applicable anticorruption laws and regulations. MBH will take active steps to ensure that corruption does not occur in relation to MBH's business activities. We are committed to conducting our business activities in an open and transparent manner, promoting transparency in our industry and supporting efforts to combat corruption worldwide.

MBH Personnel must never engage in, authorize or tolerate corruption at any time for any reason and not offer any party anything of value in order to obtain an improper advantage in selling goods and services, conducting financial transactions or representing MBH's interests to governmental authorities.

No employees shall directly or via an intermediary offer, pay for, invite or accept payments which are inconsistent with Norwegian legislation or any other applicable legislation.

If in doubt whether an item is unacceptable, consult with a superior. Always know your business partner and follow the MBH integrity due diligence requirements and never engage others to do something we cannot ethically or legally do ourselves.

Participate in required anti-corruption training and understand the risks you face in your work.

4.1 Gifts, hospitality and entertainment

The following principles apply;

- Gifts, hospitality and entertainment, which may affect the integrity of the recipient, shall not be accepted or offered.
- Gifts, hospitality and entertainment, which are accepted, shall be reported to the employee's immediate superior.
- Employees do not have the right to give or accept any form of personal fees, commission, discount or other monetary contributions.
- Employees do not have the right to give or accept any form of gift or hospitality in connection with negotiations or as appreciation for a certain contract or behaviour on the part of the counterpart, which may be intended to affect the recipient of the gift during the process.
- Customary gifts in connection with for example anniversaries or other special occasions are not covered by this regulation.
- Lunch, dinner and other refreshments are acceptable to the extent that they are directly linked to normal business and do not involve an inappropriate sum of money or scope. This item must be assessed in relation to cultural conduct. The main principle is that employees shall not give/receive anything that affects the recipient's/employee's integrity.
- It is not permitted to cover costs for business associates, or receive cover for costs from business associates, which involve travel and accommodation for employees or their escorts. One exemption to this rule is for normal costs incurred locally for work-related visits, ferry crossings, bus transport, car hire etc. Special cases require agreement and approval by a manager prior to the visit/activity.
- If in doubt, ask your superior.

Reference is also made to the applicable Employee Handbook for MBH.

4.2 Use of intermediaries

Particular caution shall be exercised in relation to payments made via intermediaries (agents, brokers or others). Such agreements shall be documented and reported, specifying what the payment involves and to whom the payment is made.

4.3 Bribes / facilitation payments

Facilitation payments are payments made to secure the performance of a routine or necessary action to which the payer has a legal or other entitlement. Such payments are most often small but can also be substantial.

Such payments may be punishable offence pursuant to Norwegian legislation and international conventions by which Norway is governed.

MBH does not permit the use of bribes/facilitation payments. MBH Personnel shall never initiate nor encourage facilitation payments.

If you become aware of a facilitation payment or any suggested or attempted facilitation payment you shall without delay notify your immediate superior.

5. EXPORT, IMPORT AND TRADE

MBH is committed to complying with all applicable export, import, and trade compliance laws in all countries in which MBH operates.

This includes laws and regulations pertaining to trade embargoes and economic sanctions, export control, anti-boycott, cargo security, import classification and valuation and free trade agreements.

In conducting business across borders, MBH Personnel must be aware of and comply with these laws and regulations.

6. WHISTLEBLOWING

MBH is committed to providing an open and transparent working environment. MBH encourages MBH Personnel and relevant parties in good faith to report any suspected or actual wrongdoing.

All notifications will be treated confidentially and should be reported in the notification system in Simployer as further set out in the Employee Handbook.

A notification may also be raised with the relevant employee's immediate supervisor, and notification may always also be made to HR or the Managing Director.

Notifications made by relevant third parties should be raised with the Managing Director.

MBH appreciates and respects that whistle blowers may have worries or concerns about possible reprisals. In MBH, whistleblowing is regarded as loyalty and will not result in negative consequences for the whistle blower and MBH will ensure that the relevant person has a continued good working environment. MBH will protect and support any person raising a suspicion or concern in good faith, and based on a reasonable belief, irrespective of the outcome of the matter.

MBH shall ensure that the report is being investigated as soon as possible and within reasonable time. If necessary, MBH will ensure that measures are being implemented to avoid retaliation for the relevant person.

7. PERSONAL LIABILITY

All employees must ensure that they are aware of and perform their duties in accordance with the requirements specified in this document and with prevailing laws and regulations.

7.1 Personal Data

The Personal Data Act provides protection for personal integrity and personal data for individuals. MBH is obliged to protect the personal data of the company's own employees and partners. MBH will only process personal data for purposes that are legitimately required for own operations and in line with the prevailing Personal Data Act and MBH's in-house requirements and guidelines. MBH expects individual employees to be familiar with and comply with the requirements that apply to processing of personal data when working for MBH.

7.2 Processing information and confidentiality

Information in the company's systems is of decisive importance for the company's business-related integrity. MBH will protect all information that belongs to MBH or that is provided to MBH by our partners by ensuring sufficient confidentiality, availability and integrity. It is important to share information throughout the organisation in order to ensure efficient operations. However, all transfer of and access to information shall comply with the external and internal requirements related to information exchange. MBH expects the individual employee to be familiar with and comply with external and internal requirements on securing information in the company's systems, and not to make use of information to which the individual employee has access to at work for his/ her own gain or the gain of others. All employees have a duty of loyalty to the company. This also applies after employment has come to an end.

8. ENQUIRIES FROM THE PRESS AND OTHER PARTIES

Enquiries from the media or other parties shall be directed to the CEO of MBH.

PART II. RELATIONSHIPS WITH THE COMPANY, SUPPLIERS AND SUBCONTRACTORS.

1. IN GENERAL

1.1 Introduction

MBH is strongly committed to its social responsibilities. Our aim is to combine healthy business management with a clear responsibility for society and the environment.

As a general rule, MBH with suppliers and subcontractors shall fully comply with the legislation in respective countries and the company's own or MBH's quality systems/procedures. MBH has a principal rule that the strictest requirements shall be met.

In the event of non-conformances, measures shall be implemented to improve the situation. Employees who work with independent third parties such as suppliers, consultants, advisers, agents

etc. must inform these parties of the company's Code of Conduct and ensure that such parties consent to complying with the relevant parts of the Code of Conduct.

In the event of non-conformances, action must be taken to ensure that such parties comply with the Code of Conduct.

If it becomes evident that such parties are unable to comply with MBH's Code of Conduct, all cooperation with them shall be terminated.

Our goal is to contribute towards influencing work on human rights, labour rights and environmental protection, both within MBH, in relation to our suppliers and subcontractors and in relation to our trading partners.

1.2 MBH Business Associates

MBH Business Associates are defined as all customers, suppliers, partners, agents and other intermediaries, and all other parties to which MBH has a business relation.

All Business Associates are expected to have implemented ethical standards corresponding to those of MBH. Before entering into agreements with or commitments to Business Associates, MBH Personnel must ensure that an integrity due diligence is carried out as deemed necessary to ensure that the relevant Business Associate has the necessary commercial, financial and ethical business standard.

MBH Personnel must inform existing and potential Business Associates about MBH's Code of Conduct and other relevant procedures in particular relating to MBH requirements with respect to human rights, upholding decent work conditions and anti-corruption. MBH standard terms and conditions should be presented to the relevant Business Associate including relevant representations and warranties on adherence to human rights and anti-corruption legislation.

1.3 Regulations for business practice

MBH's business information shall be precisely and elaborately communicated, both internally and externally. All accounting information and information with reporting obligation must be correct and presented in accordance with laws and regulations, including relevant accounting standards.

2. HEALTH, SAFETY AND THE ENVIRONMENT

Safety and health are of utmost importance at MBH. No matter the reason, no compromises shall be made at the cost of safety.

Employees shall have a safe and healthy working environment. Necessary measures shall be implemented to prevent and minimise accidents and damage to health as a result of, or in relation to, conditions at the workplace.

MBH is subject to laws and regulations designed to protect the environment. These include laws and regulations relating to air and water quality, imposing limitations on discharge of pollutants into the environment and establishing standards for treatment, storage and disposal of toxic and hazardous wastes. MBH takes the environmental responsibilities seriously and take necessary steps to limit the impact of its operations on the environment.

Employees shall complete regular and documented training in health and safety. Health and safety training shall be repeated for new recruits.

3. HUMAN RIGHTS AND DECENT WORK CONDITIONS

3.1 Introduction

MBH is committed to respecting internationally recognized human rights and decent work conditions in our own operations as well as in our value chain.

MBH will as a matter of policy always comply with any applicable laws and regulations including internationally recognized conventions regarding the protection of human rights and decent work conditions.

MBH support and endorse the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, and the core conventions of the International Labor Organization (ILO).

MBH will contribute positively to the work relating to the respect for human rights and in particular related to the prevention of child labour and protection of labour rights, both within MBH and in its value chain, hereunder the supply chain and its business partners, with particular focus on the following issues;

a. Regular employment

Obligations in relation to the employees, in line with international conventions and/or national legislation and regulations relating to regular employment shall not be evaded via utilisation of short-term positions (such as use of contract workers, casual workers and day workers), subcontractors or other employment relationships.

All employees are entitled to an employment contract in a language they understand. The apprenticeship programme shall be clearly defined in terms of duration and content.

b. Child and youth labour

Children under the age of 18 shall not perform work that represents a health or safety hazard, including night shifts. As a main rule, children under the age of 15 shall not be employed.

Where permitted by national laws or regulations, exceptions may be made in special cases in accordance with the guidelines in appendix 1.

c. Salary

Salaries paid to employees shall as a minimum comply with the national provisions regarding minimum wage or the industry standard and shall always be sufficient to cover basic needs.

Payroll conditions and payment of salary shall be agreed upon in writing before employment starts. This agreement shall be in a format and language which the employer understands.

Disciplinary deductions from salary are not permitted.

d. Working hours

Working hours and work life balance shall comply with national legislation and shall be in accordance with prevailing international conventions.

e. Discrimination and harassment

All forms of discrimination or harassment at work based on ethnicity, religion, age, disability, gender, marital status, sexual orientation, trade union membership or political beliefs are strictly prohibited.

Measures shall be established to safeguard against sexual harassment, threatening, insulting or exploitative behaviour and to prevent discrimination or dismissal on unfair grounds.

f. Physical cruelty

Physical cruelty or punishment, or threats of physical cruelty, are strictly forbidden. The same applies to sexual or other abuse and different types of humiliation.

g. Local environment and community engagement

MBH shall make a positive contribution towards sustaining a good environment for the local communities where our companies are located. The local environment and production site shall be protected from pollution damage.

MBH is committed to an open and transparent approach when engaging with local communities on human and labor right issues related to our business and our value chain.

4. FAIR COMPETITION

MBH shall compete in a fair and ethical responsible manner within the frames of antitrust regulations and competition laws applicable to the markets in which it operates.

5. IMPLEMENTATION AND FOLLOW-UP

MBH is implementing measures aimed at ensuring compliance with the requirements of this policy. These measures include;

- (a) the identification of risks of causing or contributing to adverse impacts on human rights and decent work conditions through MBH's own activities and address such impacts when they occur;
- (b) the performance of adequate due diligence processes to prevent such risks of materializing,
- (c) seeking to prevent or mitigate adverse impacts on human rights or decent work conditions that are directly linked to MBH's operations or contributed to by our business relationships, and
- (d) assess, monitor and report on our progress and performance.

6. POLICY OWNERSHIP AND IMPLEMENTATION

The CFO at MBH is the owner of this document and is responsible for updates.
The policy has been approved by the MBH Board.

The CEO of MBH has overall responsibility for the policy.

APPENDIX 1

GUIDELINES FOR CHILD AND YOUTH LABOUR

Employees under the age of 18 shall not perform work that endangers their health, safety, school attendance or development, including night shifts.

As a main rule, children under the age of 15 shall not be employed. If permitted by local laws or regulations, persons aged 13 to 15 may be employed or work within the following limitations:

- (i) light work, if the child is 13 or older;
- (ii) work as a part of the child's school attendance or for practical career orientation approved by the school authorities, if the child is 14 or older.

Children under the age of 13 shall not be employed in any circumstances.

Working hours

Children aged between 13 and 15 may work:

- two hours per 24-hour period on school-days and 12 hours a week during school weeks
- seven hours per 24-hour period on days when there is no school, and 35 hours per week during weeks when there is no school
- eight hours per 24-hour period and 40 hours per week total working and school hours, where the work is part of a scheme involving alternating theoretical and practical education.

For youth aged between 15 and 18 years who are not of compulsory school age, working hours shall not exceed:

- eight hours per 24-hour period – 40 hours per week
- If children or youth are employed by several employers, the total working hours shall be taken into consideration. The employer is obliged to find out the number of hours worked by children and youth for any other employers.

Employees under the age of 18 must not be used for overtime work or assigned tasks involving control of technical equipment or responsibility for individual work areas.

Children aged 13 and 14 may be assigned:

- light tidying work
- other work that does not have a negative impact on the child's safety, health or development, and does not affect their school attendance.

Children cannot be assigned work without the consent of the child's parents or other guardians. Guardians shall be informed of any risk involved in the work.

Children under the age of 15 shall not be assigned work between the hours of 20.00 and 06.00.

Youth aged between 15 and 18 may be assigned work involving:

- feeding and control of feed
- maintenance and inspection of the equipment at facilities
- daily tidying of the facility

Youth (persons aged 15-17) who are not of compulsory school age shall have a work-free period of minimum eight hours including the time between 23.00 and 06.00. Work between 21.00 and 23.00 is defined as a night shift and is not permitted unless the nature of the work requires it or there is a special and time-limited requirement for night shifts.

Employers who employ children and youth shall keep a list of such employees containing the following information:

- name, address and personal identification number of the employee
- name and address of the employee's guardians
- nature of the work
- length of daily working hours and at what time of the day the work is carried out
- length of ordinary school hours
- when leisure time is taken during the summer holidays

If children under the age of 15 are employed, information on such working conditions shall be submitted to the HSE responsible at MBH on a monthly basis.