

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Assessment, Policy and Goals

Bufab adheres to the Universal Declaration of Human Rights. We have established our Code of Conduct which supports the two Human Rights Principles and form the foundation of how the Bufab Group and its global subsidiaries operate. Our Code of Conduct is published on our website to make our commitment readily available to all stakeholders. A Whistle-Blower Policy and process is established, encouraging all coworkers to report any matter of potentially illegal and/or unethical practices.

Bufab's Purchase Agreement requires suppliers and their sub-suppliers to comply with Bufab's Code of Conduct and other policies. The supplier further warrants that it will comply with all applicable laws and regulations having jurisdiction over the supplier.

100 most important suppliers should be audited and shall sign Supplier Code of Conduct. All new suppliers are required to sign Supplier Code of Conduct prior to initiating business with Bufab.

Implementation

Bufab has taken the following measure to prevent Human Rights violations

- A Whistle-Blower Policy and process is established, encouraging all coworkers to report any matter of potentially illegal and/or unethical practices.
- A project is initiated to develop systematic approach in accordance to ISO 26000 and ISO 14001
- A program has been put in place to audit suppliers and sign Code of Conduct for 100 most important suppliers
- Approval criteria for all new suppliers has been updated to include the signing of Supplier Code of Conduct

Measurement of outcomes

No complaints on any wrongdoing have been filed during 2015.

52 of 100 most important suppliers audited. 31 of 100 most important supplier has signed Purchase agreement.

Labor Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals

There is a strong focus within Bufab to ensure the best possible work environment and conditions for our employees. Furthermore, as part of our Purchase Agreement and Supplier Code of Conduct, we also put requirements on our large number of suppliers and all new suppliers to live up to the four Labor Principles, e.g. we have a zero tolerance for child labor at our suppliers.

Implementation

Bufab has approved the Human Resources Policy in 2013, which together with the Code of Conduct supports the four Labor Principles.

- A program has been put in place to audit suppliers and sign Code of Conduct for 100 most important suppliers
- Approval criteria for all new suppliers has been updated to include the signing of Supplier Code of Conduct

Measurement of outcomes

52 of 100 most important suppliers audited. 31 of 100 most important supplier has signed Purchase agreement.

Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals

Bufab has a high focus on taking all necessary and possible actions to protect the environment. Bufab impacts the environment in three basic ways: in the manufacturing and surface treatment operations of our suppliers, in our own manufacturing operations and through our transportations.

Implementation

During 2014, Bufab has mapped all of our parts in reference of compliance to the requirements in RoHS, REACH and Conflict Minerals. We have also launched tools which will alarm us if any new parts do not comply with the regulations of RoHS, REACH or Conflict minerals.

During 2016, one of our more important global projects is to develop our Global Management System (Bufab Best Practice) to fulfill the requirements and guidelines in ISO 14001 and ISO 26000 and thereby form the foundation for all Bufab companies in to be certified to ISO14000 and follow the guidelines of ISO26000.

Measurement of outcomes

We are working together with our customers to replace the noncompliant substances.

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

Assessment, Policy and Goals

Bufab has a strict zero tolerance policy against all forms of corruption as part of our Code of Conduct. Bufab has also during 2013 implemented our Whistle-Blower Policy, encouraging employees to make any wrongdoing known to management.

Implementation

The implementation of our Code of Conduct and Whistle-Blower Policy at all our global subsidiaries was completed during 2013.

Measurement of outcomes

Through the harmonization, including the Code of Conduct, we have strongly emphasized our zero tolerance for corruption at all our global subsidiaries.