

FOMECO Code of Conduct

1 General

FOMECO is an international group of companies (FOMECO Belgium, and FOMECO do Brasil) which affect many stakeholders including owners, investors, employees, customers, partners, suppliers, subcontractors, government and the society. All our stakeholders should be confident that the ways we do business do not only comply with legal requirements, but also meets the highest ethical standards to ensure that our reputation remains good.

The purpose of this Code of Conduct is to describe the ethical principles that we, FOMECO as well as all our employees, suppliers, subcontractors and all our other contracting parties to FOMECO (hereafter named as FOMECO), understands and adhere to it in our daily work. This Code of Conduct should be the guideline in our decision making process.

2 Law and Human rights

FOMECO supports the UN Declaration on Human Rights and the UN Global Compact's 10 principles* (<http://www.unglobalcompact.org>) and our Code of Conduct is based upon these principles in the areas of human rights, labor, the environment and prohibited business practices. In addition to complying with the provisions of these Conduct Principles (hereinafter "the Principles") FOMECO shall comply with applicable local laws. Where the provisions of applicable local laws and the Principles address the same subject, and are not in conflict, the highest standard shall be applied. Should any of the requirements in the Principles conflict with applicable local laws in the sense that it would represent a breach of applicable local laws if the Principles were applied, the highest standards consistent with applicable local laws shall be applied. FOMECO shall respect internationally proclaimed human rights, and shall avoid being complicit in human rights abuses of any kind. We shall respect the personal dignity, privacy and rights of each individual.

3 Labor Standards

3.1 Freedom of association and right to collective bargaining

FOMECO shall ensure and recognize the right of free association and, where a significant proportion of the workforce agree, collective bargaining of employees

FOMECO shall not discriminate against employee's representatives or members of trade unions, which shall also have access to carry out their representative functions in the workplace. Where the right to

freedom of association and collective bargaining are restricted under national law, the Supplier shall allow employees to freely elect their own representatives.

3.2 Forced Labor

FOMECO shall not use forced or compulsory labor, including, but not limited to, debt bonded labor.

We shall ensure that the work relationship between the employees and FOMECO and the supplier is freely chosen and free from threats. We shall ensure that all Workers shall be free to leave their employment/work after giving reasonable notice. Workers shall not be required to lodge deposits of money, identity papers or similar in order to get or keep their employment/work.

3.3 Child Labor

FOMECO and its suppliers shall not employ or use child labor. In these Principles “child” means anyone under 15 years of age, unless national or local law stipulates a higher mandatory school leaving or minimum working age, in which case the higher age shall apply. “Child labor” means any work by child or young person unless it is considered acceptable under the ILO Minimum Age Convention 1973 (C 138).

If any child is found working at the premises of FOMECO and its suppliers, we shall immediately take steps to solve the situation in accordance with the best interests of the child.

3.4 Non-Discrimination

FOMECO and its suppliers shall prohibit direct or indirect negative discrimination based on race, color, sex, sexual orientation, religion, political or other opinion, national or social origin, property, birth or other status, and shall promote equality of opportunity or treatment in employment and occupation.

FOMECO and its suppliers shall prohibit and refuse to tolerate, and shall not confer upon its employees, any unacceptable or degrading treatment, including mental cruelty, sexual harassment or discrimination gestures, language or physical contact, that is sexual, coercive, threatening, abusive or exploitative.

3.5 Employment Conditions

FOMECO shall provide remuneration that meets any national legal standard on minimum wage. The basis on which employees are being paid is to be clearly conveyed to them in a timely manner.

FOMECO secure that working hours are not excessive and as a minimum comply with

applicable local laws.

FOMECO shall respect the individual employee's need for recovery and secure that all

Workers have the right to adequate leave from work with pay.

FOMECO shall secure that all employees are provided with written agreements of employment setting out employment conditions in a language understandable to the employee.

3.6 Health and Safety

FOMECO shall secure that the employees are provided with a healthy, ergonomic and safe working environment in accordance with internationally recognized standards.

FOMECO shall do its utmost to control hazards and take necessary precautionary measures against accidents and occupational diseases. Whenever necessary employees are to be provided with, and instructed to use, appropriate personal protective equipment.

FOMECO shall provide training to their employers concerning machine safety, emergency preparedness, incident and accident management, work place ergonomics, handling of chemicals.

FOMECO shall have fully operational firefighting equipment, fire exits, first aid material, emergency plans, alarm procedures and signs easily accessible in sufficient number throughout the facility.

FOMECO shall secure that, where it provides accommodation, it shall be clean, safe and meet the basic needs of the employees, and, where appropriate, for their families.

4. Positive working environment

FOMECO commits to create a positive working environment based on mutual respect. The guideline is stated in our Core Values FOM091.

5. Sustainable Business

FOMECO shall act in accordance with relevant local and internationally recognized environmental standards. FOMECO is encouraged to establish an environmental management system.

FOMECO shall minimize its environmental impact and continuously improve its environmental performance. FOMECO shall control and implement actions taken to reduce the use of energy, water, raw materials and packaging materials. FOMECO shall implement systematic waste handling management for wastewater, hazardous and non-hazardous waste. Oils, chemicals, batteries and other hazardous waste shall be kept separated from other waste and handled to avoid leakage into air, water or soil. Waste should be sorted to be re-used or recycled.

FOMECO shall take a precautionary approach towards environmental challenges, undertake

initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies.

FOMECO shall minimize their carbon footprint and has a long term strategy to be carbon neutral.

6. Prohibited Business Practices

6.1 Corruption and other Prohibited Business Practices

FOMECO shall comply with applicable laws and regulations concerning bribery, corruption, fraud , intellectual property rights, counterfeit parts and shall deal with any other prohibited business practices.

6.2 Business Courtesies (Gifts, hospitality and expenses)

FOMECO shall not, directly or indirectly, accept and offer gifts or incentives from and to Customers, Suppliers, Subcontractors, public official, international organization or any other third party or representatives or anyone closely related to these, unless the gift or incentive is, on local reference, of modest value.

Hospitality, such as social events, meals or entertainments may be accepted or offered if there is a business purpose involved, and the cost is kept within reasonable limits.

Offered gifts and hospitalities to third parties are only allowed after formal approval from the Managing Director.

Travel expenses for the individual representing Purchaser shall be paid by Purchaser.

Received gifts and hospitalities must always be reported to the Managing Director.

Received gifts will be centralized collected and raffled fairly within the organization.

Fomeco supports certain charitable actions and sponsors certain events as a way to give back to the community. This cannot be seen as an indirect way of corruption or bribery.

6.3 Money Laundering

FOMECO shall be firmly opposed to all forms of money laundering and shall take steps to prevent its financial transactions from being used by others to launder money.

6.4 Competition

FOMECO shall under no circumstances cause or be part of any breach of general or special competition regulations, such as illegal cooperation on pricing, illegal market sharing or any other

behavior that is in breach of relevant competition laws.

6.5 Trade sanctions

Sometimes trade actions are imposed by the EU or UN on certain countries. Fomeco will not enter into trade relations with companies that are prohibited by the government. Fomeco respects all national and international export and embargo laws and regulations.

6.6 Protection of privacy, secrecy

FOMECO shall protect the personal data of employees, former employees, customers, suppliers and other persons concerned.

FOMECO shall only collect, process, use and store personal data where there is the consent of the person concerned, a contractual agreement or some other legal basis.

6.7 Conflict of interest

Personal interests or relationships shall not influence FOMECO in decision making, only objective and fact-based criteria are valid.

7. Product Safety and Quality

FOMECO has a mutual responsibility to guarantee to its customers and to their final customers, a reliable and safe product. We comply with the IATF standards valid in the automotive sector. We take immediate action if we notice a threat to product safety or quality.