

Pro Analysis & Process Control Document Front Sheet



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1 INTRODUCTION

1.1 Scope and objective

The objective of this document is to state the requirements for business practice and personal conduct for Pro Analysis AS and Process Control AS, hereinafter called the Company Group as well of what is required of the Company Group's suppliers and partners. *The Ethics Code of Conduct* describes the Company Group's commitment and requirements in connection with issues of an ethical nature that relate to business practice and personal conduct.

The Ethics Code of Conduct applies to the organisation and to its individual employees, board members, hired personnel, intermediaries, lobbyists and others who act on the Company Group's behalf, hereinafter referred to as "the individual" as well as suppliers.

The intention is to be as clear and direct as possible in terms of difficult issues the individual may face in their work with the Company Group. In working with ethical issues, it is important to follow a few basic rules:

- Making sure all actions are within the law and well within the Company Group's own ethical requirements. Operating in a grey zone increases the risk of things going wrong.
- Being open regarding ethical issues. If in doubt, a person should consult colleagues or raise the issue with their line manager.
- Spending sufficient time on difficult decisions. Failure to give adequate consideration to matters will often result in wrong decisions, and individuals may allow themselves to be pressured into making a rash judgement.

The Company Group aspires to be recognised for its high ethical standards. Breaches of laws and ethical requirements are therefore a threat to the company's competitiveness and reputation.

1.2 Other definitions and abbreviations

Abbreviation / term	Statement
The Company Group	Pro Analysis AS and Process Control AS
The individual	Individual employees, board members, hired personnel, intermediaries, lobbyists and others who act on the Company Group's behalf
NCR	Non-Conformity Report
CSR	Corporate Social Responsibility
CEO	Chief Executive Officer
CFO	Chief Financial Officer
QHSE	Quality, Health, Safety, Environment

1.3 The Company Groups commitment and responsibility

In its business activities, the Company Group will comply with applicable laws and regulations, and will act in an ethical, sustainable and socially responsible manner. Respect for human rights is an integral part of the Company Group's core values.

Owner and person responsible for this procedure is the QHSE Manager. Other personnel involved have responsibilities as outlined in this procedure.

1.4 Liability disclaimer

None of the provisions in this document are intended to be construed as creating any right(s) enforceable by a third party, and all third-party rights implied by law are, to the extent permissible by law, excluded.

2 ETHICAL CODE OF CONDUCT

2.1 Code of business practice

The Company Group's ability to create value is dependent on establishing high ethical standards as the basis for a trust-based and binding relationship with the community and the company's owners, employees, partners, customers and suppliers. The Company Group will maintain an open dialogue on ethical issues, internally as well as externally. The Company Group also requires its suppliers and partners to comply with the ethical codes of conduct, mainly addressed in section 2.1 *Code of business practice*.

2.1.1 Correct information, accounting and reporting

The Company Group business information will be communicated accurately and in full, both internally and externally. All accounting information must be correct, recorded and reproduced in accordance with laws and regulations, including relevant accounting standards.

2.1.2 Fair competition and anti-trust laws

The Company Group will compete in a fair and ethically justifiable manner within the framework of the anti-trust and competition rules for the markets in which The Company Group operates. This applies in relation to competitors as well as to customers and suppliers.

2.1.3 Combating corruption

Corruption includes bribery and trading in influence. Corruption undermines legitimate business activities, distorts competition, ruins reputations and exposes companies and individuals to risk. The Company Group is against all forms of corruption, and will make active efforts to ensure that it does not occur in the company's business activities.

Bribery exists when an attempt is made to influence someone in the conduct of their duties, through the provision of an improper advantage. Trading in influence exists when an improper advantage is provided to someone in order to influence the performance of a third-party's duties. Such improper advantage can take different forms, for example cash, objects, credits, discounts, travel, accommodation or services.

The prohibition against bribes and trading in influence applies to the party providing or offering an improper advantage as well as to the party requesting, receiving or accepting such advantage. It is not a prerequisite that the improper advantage accrues to the person upon whom an attempt is being made to exercise influence. The prohibition against bribery and trading in influence applies to both the public and private sectors.

Facilitation payments are payments aimed at expediting or securing the provision of products or services to which a person has a rightful claim. The Company Group is opposed to the use of this type of payment, even in cases where it may be legal. See also section 2.2.3 *Corruption*.

2.1.4 Public officials

A "public official" is defined as any officer or employee of a government, government body or entity, any employee of a state-owned or state-controlled enterprise, any person acting in an official capacity for or on behalf of a government or government entity, or a public international organisation, any political party or party official and any candidate for political office. Public officials include elected officials as well as consultants holding government positions, employees of companies owned by a government or public authority and political party officials.

The Company Group shall not authorise any gift or payment or offer anything of value to public officials, except as expressly provided in this document.

The Company Group may, to a reasonable extent, cover the expenses of public officials related to the purposes of (i) promotion, demonstration or explanation of products or services, or (ii) execution or performance of a contract with a government or government agency.

Such expenses may include reasonable costs for travel to the Company Group's premises, accommodation or training-related expenses, when there is a legitimate purpose in terms of the Company Group's relationship with the relevant authorities. Advance written approval from the CEO must be obtained for all promotional, contract or training related expenditures benefiting public officials.

No authorisation for coverage of expenses related to public officials is to be made if it violates any applicable laws on corruption or the regulations of the public official's employer, or may be perceived by the public as a bribe or improper payment.

2.1.5 Relations with suppliers, partners and customers

The Company Group will conduct its business in a manner that instils confidence in the company among its suppliers, partners and customers. Suppliers and partners are expected to adhere to ethical standards which are consistent with the Company Group's ethical requirements.

2.1.6 Use of intermediaries

Intermediaries include agents, consultants and others who, in the company's business activities, act as links between the Company Group and a third party. Before intermediaries are hired, the person's reputation, background and abilities must be checked and found to be appropriate and satisfactory, see section 2.3.3 *Mandatory integrity due diligence*. The Company Group expects intermediaries to act in accordance with its ethical requirements, and this condition must be included in the intermediary's contract with the Company Group.

Agreements with intermediaries are to be in writing, and shall describe the true relationship between the parties. The agreed compensation must be proportionate to the service rendered. Payments must only be made against satisfactory documentation, and must be accounted for in accordance with generally accepted accounting principles.

2.1.7 Use of lobbyists

A lobbyist is a special kind of intermediary used to influence decisions, both in the public and private sectors.

Use of lobbyists is only permitted if such persons fully disclose to the person or body the Company Group wishes to influence that they represent the Company Group. It is therefore an absolute requirement that all contracts with lobbyists impose an obligation on the lobbyist to disclose this information.

The principles for use of intermediaries set out in section 2.1.6 *Use of intermediaries*, also apply to lobbyists.

2.1.8 Political activity

The Company Group does not support individual political parties or individual politicians.

The Company Group may participate in public debates when this is in the company's interest.

Individual employees are free to participate in democratic political activities, but this must be without reference to or in connection with their relationship to the Company Group.

2.1.9 Equality and diversity

The Company Group will show respect for all individuals and make active efforts to ensure a good working environment characterised by equality and diversity.

The Company Group does not accept any form of discrimination of its own employees or others involved in the Company Group's activities. It may, however, at times be legal and justifiable to use positive discrimination to achieve equality and diversity. Discrimination includes all unequal treatment, exclusion or preference on the basis of race, gender, age, disability, sexual orientation, religion, political views, national or ethnic origin or other similar circumstances that result in the principle of equality being set aside or compromised.

2.1.10 Child labour

Child labour is, in the UN Convention on the Rights of the Child, defined as work that is harmful to children's health, or damaging to their education, and that is an exploitation of children due to a low salary level.

The Company Group does not accept child labour in its own organisation, or in the organisations of its suppliers, customers, agents or other collaboration partners.

2.1.11 Minimum wage

The Company Group commits to pay at least minimum wage to all its employees, to provide all employees with a legal contract and job description, and requires that all its suppliers, partners, agents and other intermediaries commits to the same.

2.1.12 Slavery and human trafficking

The Company Group is opposed to slavery, human trafficking and exploitation of human lives. The Company Group commits to follow these Ethical Codes of Conduct, and by addressing these issues to its customer, suppliers and individuals, The Company Group will minimize the risk of being part of any exploitation of human lives and rights. Specially sections 2.1.10 *Child labour*, 2.1.11 *Minimum wage*, 2.1.13 *Conflict Materials*, 2.2.8 *Purchase of sexual services* will prevent slavery, human trafficking and exploitation of human lives.

2.1.13 Conflict Materials

Conflict material as tantalum, tin, tungsten and gold are natural resources extracted in a conflict zone. These minerals are essential in the manufacture of a variety of devices, including electronics. There are international efforts to reduce trade in conflict resources, which try to reduce incentives for extraction and related conflicts, as well as the risks of human trafficking.

The Company Group have surveyed the use of conflict materials in its value chain by sending out Conflict Minerals Reporting Template (CMRT) to the relevant suppliers. Suppliers using these kinds of materials directly in their production have this traceability in place, however suppliers using products from their sub-suppliers with these materials do not always have a traceability or are not aware of the issue. The Company Group will always look for alternative suppliers, and by proper examination and setting requirements The Company Group will be part of setting the agenda on these matters.

2.2 Code of personal conduct

The Company Group sets high ethical standards for everyone who acts on behalf of the company. Individuals must abide by applicable laws and regulations, and carry out their duties in accordance with the requirements and standards that apply in the Company Group. They shall not assist in any breach of laws by business associates.

The Company Group expects individuals to treat everyone with whom they come into contact through their work or work related activities with courtesy and respect. Individuals must refrain from all conduct that may have a negative effect on colleagues, the working environment or the Company Group. This includes any form of harassment, discrimination, or other behaviour that colleagues or business associates may regard as threatening or degrading. Individuals must not behave in a manner that may offend local customs or culture.

2.2.1 Protection of the Company Group's property and assets

The use of the Company Group's time, assets or equipment for purposes not directly related to the Company Group's business operations is prohibited without authorisation from the management. This also applies to the removal or borrowing of the Company Group's assets without permission. For private use of IT equipment, see section 2.2.7 *Information and IT systems*.

Individuals are obliged to protect the Company Group property and assets against loss, damage and abuse.

2.2.2 Confidentiality

The duty of confidentiality is in place to prevent unauthorised persons from gaining access to information that may harm the Company Group's business or reputation. Furthermore, this duty is intended to protect the privacy and integrity of the individual. Careful consideration should therefore be given to how, where and with whom the Company Group -related matters are discussed to ensure that unauthorised persons do not gain access to internal Company Group information. The individual must comply with the requirements for confidential treatment of all such information, except when disclosure is authorised or required by law.

Sensitive information concerning security, individuals, commercial, technical or contractual matters, and information protected by law, must not be disclosed to unauthorised personnel in the Company Group or to persons outside of the Company Group. The duty of confidentiality continues to apply after termination of the employment relationship or after an assignment has been completed. Information beyond general work

experience and knowledge of the enterprise acquired by the individual in connection with execution of the work shall be considered confidential and treated accordingly.

2.2.3 Corruption

The prohibition against corruption described in section 2.1.3 *Combating corruption* applies to individuals acting on the Company Group's behalf. In case of violations, the company may be fined and individuals may be fined and/or imprisoned.

The prohibition includes facilitation payments. However, if the individual believes that their own or others' life or health may be in danger, making a payment will not be a violation of this prohibition. Payments must be correctly described in the accounts and reported to the management.

2.2.4 Gifts, hospitality and expenses

The individual must not, directly or indirectly, accept gifts except for promotional items of minimal value, normally bearing a company logo. Other gifts may be accepted in situations where it would clearly give offence to refuse. In such circumstances, the gift must be handed over to the Company Group and will be regarded as the Company Group's property and may be entered in a raffle among the employees.

Individuals may accept hospitality, such as social events, meals or entertainment, if there is a clear business reason. The cost of any such hospitality must be kept within reasonable limits. Travel, accommodation and other expenses for the individual in connection with such hospitality should be paid for by the Company Group.

The above principles also apply in reverse in the sense that no individual acting on behalf of the Company Group may, in their dealings with customers, suppliers and other parties, offer or agree to pay for gifts, hospitality or other expenses that would violate these principles. Particular care should be exercised in the company of public officials.

Members of the management team may, on special occasions where required by custom and where there can be no perception of impropriety, on behalf of the Company Group approve the offer, or the acceptance, of a gift of a higher value than indicated above.

All matters concerning the acceptance or offer of gifts, hospitality and similar advantages should be discussed and agreed with a superior. Occasional attendance at local sporting events or social gatherings does not require such advance agreement, but the line manager should be informed to ensure transparency.

2.2.4.1 Awareness questions for hospitality

Before responding to an invitation, you should consider the following awareness questions for hospitality:

1. Why am I being offered this, and is anything expected in return?
2. Is there a clear business reason for the Company Group, and am I the right person to attend?
3. Are there ongoing negotiations, procurement processes, or other matters requiring a particularly careful approach?
4. What is the extent of the hospitality, are the costs reasonable and is travel/accommodation covered by the Company Group?
5. Could I defend my participation in public?
6. Am I frequently offered hospitality by the same host?
7. Are representatives from other companies attending?
8. If I am the only participant from the Company Group, is there a special reason for this and has it been approved by my line manager?
9. If spouses or partners are participating, is there sufficient reason for this and has it been approved by my line manager?
10. Has the hospitality/entertainment been discussed with my line manager?

And would the Company Group offer similar hospitality?

2.2.5 Conflict of interest

The individual must behave impartially in all business dealings and not give other companies, organisations or individual improper advantages. Furthermore, the individual must not become involved in relationships that could give rise to an actual or perceived conflict with the Company Group's interests, or could in any way have a negative effect on their own freedom of action or judgement.

No individuals must work on, or deal with, any matter in which they themselves, their spouse, partner, close relative or any other person with whom they have close relations, have direct or indirect financial interest. Nor may individuals work on, or deal with, any matter where there are other circumstances that could undermine the confidence in the employee's own impartiality or in the integrity of the work.

Individuals are not entitled to use the company's property or information acquired through their relationship with or position in the Company Group for personal advantage or for the purpose of competing with the company. Any suspected conflict of interest shall be reported to a superior.

2.2.6 Directorships, employment or other assignments

All directorships, employment or other assignments held or carried out by the Company Group employees in other enterprises which have, or may expect to have, commercial relations with the Company Group, must be approved in writing by the Company Group. The Company Group employees must not engage in other paid directorships, employment or assignments of any significance outside the Company Group without the approval of the Company Group. Should a conflict of interest arise, or if the ability of an employee to perform duties or fulfil obligations to the Company Group is compromised, such approval will not be granted or will be withdrawn.

2.2.7 Information and IT systems

Individuals' use of information, IT systems and, in particular, internet services must be governed by the needs of the business and not by personal interests.

Information produced and stored on the Company Group's IT systems is regarded as the company's property. Therefore, the Company Group reserves the right to access all such information except where limited by law or agreement.

Each individual is responsible for keeping electronic files and archives in an orderly manner. Information that may be considered illegal, offensive or inappropriate must under no circumstances be processed, downloaded, stored or disseminated. All downloading, storing or disseminating in breach of copyright law or provision is prohibited. All use of software in breach of any copyright law or provision is prohibited.

2.2.8 Purchase of sexual services

The Company Group is opposed to the purchase of sexual services. Purchase of sexual services may support human trafficking. Human trafficking is illegal and a violation of human rights. Individuals must refrain from buying sexual services when on assignments and business trips for the Company Group.

2.2.9 Intoxicants

The Company Group is a drug-free workplace. Consequently, it is not permissible to be under the influence of intoxicating substances, including alcohol, while at work for the Company Group. Limited amounts of alcohol may, however, be served when appropriate according to local custom and occasion, and provided that the consumption is not combined with operating machinery, driving or any other operation that is incompatible with the use of alcohol. No one should use, or encourage others to use, intoxicants in a manner that can place the user, The Company Group or any of its business associates in an unfavourable light.

If an individual appears intoxicated in the workplace, the line manager must be notified and the individual sent home without pay for the period the individual is not at work. If this is repeated, the issue must be discussed with the management team and measures are required to safeguard the employee as well as the workplace.

2.3 Practice and follow-up

2.3.1 Personal responsibility

Individuals have a duty to ensure that they are familiar with, and perform their duties in accordance with, the requirements set out in this document and applicable laws and regulations.

2.3.2 Managerial responsibility

Managers have a duty to ensure that activities within their area of responsibility are carried out in accordance with the requirements set out in this document. It is the responsibility of managers to communicate the requirements and provide advice in respect of the interpretation and application of the rules.

2.3.3 Mandatory Integrity Due Diligence

Business relations with a potential agent, distributor, consultant or other form of link between the Company Group and a third party, shall only be established or amended if the resulting relationship satisfies the Company Group's ethical standards. Prior to entering a contract, such intermediary shall complete an Integrity Due Diligence questionnaire which is to be signed by the CEO or other person authorised to sign on behalf of the company. If this review raises any doubts or concerns, the circumstances shall be investigated further prior a contract being signed. Local subsidiaries of international corporations shall initially be treated as separate entities for Integrity Due Diligence purposes.

2.3.4 Handling of doubt and breach of rules

If an individual experiences circumstances in which there are ethical uncertainties or breaches of the Company Group's ethical requirements, these concerns must be reported immediately. Concerns may be reported through the regular channels; to the line manager, or to the Managing Director. Managers informed of such concerns must consult their own superior if in doubt.

If, however, the individual for any reason is uncomfortable using regular channels, the concern may be reported to the Company Group's Chairman of the Board. The individual may remain anonymous to the extent this is possible in a small workplace. Details on the practical procedure are available in the personnel manual.

The Company Group will not impose sanctions of any kind on individuals who, in a responsible manner, inform persons responsible, internal entities or relevant authorities of possible breaches of the Company Group's ethical guidelines or applicable laws, or other unsatisfactory circumstances in the Company Group's business operation.

2.3.5 Consequences of infringement

Breaches of the company's ethical guidelines or relevant statutory provisions may result in disciplinary action or dismissal with/without notice, and may be reported to the relevant authorities.

2.3.6 Responding to enquiries from the press and others

In order to ensure coordinated interaction with external parties, general enquiries about the Company Group or its employees, as well as all enquiries from media, shall be directed to the management team. Enquiries from financial analysts, investors or external solicitors are to be forwarded to CEO or CFO. Public statements from other employees and Board Members shall be coordinated in an appropriate manner and in accordance with the above specifications.

3 RECORDS AND MONITORING

The management conducts "Integrity Due Diligence" of agents and other relevant intermediaries as outlined in section 2.3.3, and these are stored on the server under O:\ProAnalysis\3 - Sales and Marketing\34-Distributors:

- 31-Market information
- 32-Quotations
- 33-Customers
- 34-Distributors
- 35-Promotion
- 36-Conferences and events
- 37-Quotation documents

A NCR is to be prepared for all incidents relating to the areas covered in this document, and these reports are filed in the NCR Index under the category CSR. All NCRs are available on the server under O:\ProAnalysis\4 - Operations\48-Quality Management\481-Non-Conformity System:

- 481-Non-Conformity System
- 482-Measurement Devices
- 483-Certifying & Approval Issues
- 484-HMS
- 485-KPI Measurements
- 486-Management Review
- 487-Quality Standards
- 488-Audits

4 AMENDMENTS FROM PREVIOUS REVISIONS

Amendments made in previous revisions:

Revision	Amendments implemented
01	Issue of first revision
02	Included Process Control AS
03	Included Gas Optics AS
04	Updated graphics and added chapter 6 signature
05	Removed Gas Optics AS due to merger with Pro Analysis, added chapter 2.1.11-2.1.13 about minimum wage, human trafficking and conflict materials, added the declaration under chapter 6

5 REFERENCES

References to other procedures and documents:

Document no:	Document title
00-G0-LA-015	NCR Index
00-G0-RA-001	Non-Conformity Report (NCR)
00-G0-RA-005	Due Diligence Questionnaire
00-G0-KA-031	Vendor Evaluation Form

6 DECLARATION AND SIGNATURE

By signing this document, you confirm that you will as individual or representing a company fulfil the requirements and ensure that they are met. Further you grant The Company Group or its end-customer the right to perform audits and inspections in accordance with the above and are aware that serious and/or persistent breaches of the requirements set out herein shall be deemed breaches on any binding contract, and shall entitle The Company Group to terminate any contracts with you or your company.

By your signatures to this document the signatories confirm your authority to sign on behalf of the company and to make the commitments herein contained.

Place: _____ Date: _____

Name (capital letters): _____ Signature: _____

Company: _____