



PANLINK CODE OF CONDUCT to Global Purchasing Agreement entered into by and between PanLink AB and [] on [date]

This Code of Conduct (hereinafter referred to as the "Code") is entered into by and between PanLink AB (publ), a company duly organized and existing under the laws of Sweden, having its principal place of business at Djurhagegatan 19, 21376 Malmö, Sweden (hereinafter referred to as "PanLink") and [_____], a company duly organized and existing under the laws of [country], having its principal place of business at [(hereinafter referred to as "Seller"). PanLink and Seller are each hereinafter also referred to as the "Party" and, collectively, as the "Parties".

Whereas

- a) The Parties have entered into a Purchase Agreement on [date] (hereinafter referred to as the "Agreement") regarding the terms and conditions under which Seller manufactures and sells Products (as defined in the Agreement) to PanLink;
- b) Seller is a company which itself or through outsourcing of some or all of its production to one or more of its partners (the "Partner"); carries out production in [country X, Y etc.].
- c) A precondition for PanLink to accept the aforementioned outsource is that Seller shall be responsible for and see to it that the working conditions of the employments of the Partner from time to time are in compliance with the standards as set out in this Code;
- d) The Parties have agreed that their cooperation shall be subject to the terms and conditions of this Code.

NOW, THEREFORE, the Parties agree as follows.

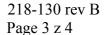
1. The Scope of the Code

- This Code shall form an integral part of the Agreement. Accordingly, the provisions of the Agreement shall apply *mutatis mutandis* to this Code. In case of any inconsistency between the Agreement and this Code, this Code shall prevail.
- 1.2 In this Code, unless the context otherwise requires, the capitalised terms used shall have the meanings given to them in the Agreement.



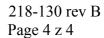
2. Working Conditions

- 2.1 The parties acknowledge and agree that the following criteria should be respected as minimum standard of the employment conditions of the employees of the Seller and Partner:
- (i) Any form of forced, bonded or otherwise compulsory labour shall not be utilized nor permitted and employees shall be free to leave their employment after giving notice in accordance with national law or contract of employment. Employees shall not be required or encouraged to deposit money or identity papers with the employer.
- (ii) Employees shall be treated with respect and dignity. Physical or verbal abuse or corporal punishment is prohibited; neither shall any other unlawful harassment or threats be permissible. No kinds of negative discrimination based on such things as (but not limited to) race, colour, sex, sexual orientation, religion, political views, nationality, ethnic background, social origin and status, disability and union membership is allowed and shall not be practiced. The principle of equal work equal pay shall be applied for employees with the same qualifications, experience and performance.
- (iii) No person shall be employed who is below the minimum legal age for employment as set out in the ILO Convention No. 138 on minimum age, i.e. the age of completion of compulsory schooling, or not below 15 years. Children shall not be employed in any hazardous work or work conflicting with the personal development of the child. A child is a person under 18 years of age in accordance with Article 1 of the United Nations Convention of the Rights of the Child. Personal development is defined as including physical, mental, spiritual, moral or social development in accordance with Article 32 of the Convention. If a child is employed the best interests of the child shall be the most important consideration.
- (iv) Working hours shall not be excessive and shall always comply with national laws.
- 2.2 Moreover, the Parties acknowledge and agree that the following shall always be adhered to:
- (i) The operations of Seller and the Partner shall comply with the laws of [relevant country];





- (ii) The working conditions of the employees of Seller and the Partner are decent, safe and hygienic;
- (iii) All employees shall be free, to the extent allowed by relevant laws, to form and to join trade unions or any such similar representative organizations and may bargain collectively. Correspondingly an employee shall always have the right not to join such an organization;
- (iv) Pay and other terms shall be reasonable and fair and comply with national law or other applicable standard, whichever is higher; and
- (v) Employees shall understand their employment conditions and shall be presented with them in writing.
- (vi) Resources shall be used responsibly and carefully. Work shall be conducted to reduce any environmental burden associated with the business activities and the operational practices shall come to reflect this. Active developments that lessen environmental and social effects of the business shall be supported.
- (vii) No form of extortion or bribery, including improper offers for payments to or from employees, or organizations, shall be tolerated.
- (viii) The Seller shall understand and work actively to comply with the Conflict Mineral Rules (CMR). PanLink AB Conflict Minerals Mission Statement can be found on www.panlink.se.
- (iv) The Seller shall be familiar to the standard ISO 26000 *Guidance on Social Responsibility (CSR)*.
- 2.3 The non-compliance by Seller or the Partner with said criteria shall lead to the following:
- (i) PanLink shall notify Seller of the non-compliance in writing setting out in reasonable detail the reason for the alleged non-compliance; upon receiving such notice Seller shall exert all reasonable efforts to remedy the situation.
- (ii) Should Seller or the Partner remain in a state of non-compliance after sixty (60) days of Seller's receiving of the written notice the non-compliance shall be regarded as a breach of the Agreement and such breach shall be considered to be material.





3. Effective Date, Duration and Termination

- This Code shall come into effect upon the date of the last signature hereon and shall remain in effect as long as Seller carries out its production in [country] either itself or through outsourcing its production to the Partner.
- This Code shall be terminated should the Agreement be duly terminated in accordance with sections 22 and 23 (Period and Termination of Agreement) of the Agreement or section 3.3 below.
- 3.3 Seller shall be obliged to twice a year provide PanLink with a written report from an audit made regarding the working conditions of its employees and those of the Partner, as stated in section 2 above. Should a material breach as set out in section 2 above occur, PanLink shall, regardless of whether the breach has occurred with the Seller or with the Partner, be entitled but not obliged to immediately terminate the Agreement and any Appendices thereto by way of written notice.
- 3.4 No delay or failure by PanLink to exercise any right or remedy under this Code will constitute a waiver of such right or remedy unless in writing and signed by an authorized representative of PanLink waiving its rights. A waiver by PanLink of any breach shall not be construed as a waiver of any succeeding breach.

IN WITNESS WHEREOF, the parties have executed this Code in duplicate, of which each party has taken one (1) copy, on the day and year written below.

For and on behalf of	For and on behalf of
PanLink AB	[Company name].
By:	By:
Typed Name:	Typed Name:
Title:	Title:
Date:	Date: