

## Procurement and purchasing policy

In order to harness Faberge's opportunities for cost synergies and maintain the company's good standing, it is essential that everyone participating in the procurement and purchasing processes shares the same fundamental view and has a sound knowledge of the laws and procedures that apply in relation to purchasing and procurement. To ensure purchasing activities are effective, Faberge has therefore adopted a policy that observes Faberge's own requirements, along with those of the company's customers, suppliers and contractors, for rational, efficient and ethical procedures.

All employees concerned must be aware of, and use the contracts that have been entered into.

**The following rules apply to all procurements and purchases made within Faberge and its subsidiaries:**

- Procurement and purchasing will be carried out in accordance with prevailing legislation and considering human rights aspects, where professionalism, competition, objectivity, equality and sound ethics are fundamental.
- Procurement and purchasing will be carried out in close cooperation between the purchasing organisation and the ordering party, and will be based on total cost.
- Procurement and purchasing will be planned, coordinated and standardised to ensure that the ordering party acquires the goods and services with the correct function, quality and a high level of security at the lowest possible total cost.
- Purchasing will be carried out based on Faberge's purchasing strategy.
- The ordering party is responsible for purchase decisions and for drawing up requirement specifications, according to the relevant delegation system..

We have compiled general requirements in our framework agreements under General Terms and Conditions. For new construction and redevelopment projects we have general requirements in Administrative Regulations, which are supplemented by environmental programmes and specific terms for each project. General Terms and Conditions, or Administrative Terms, together with the Environmental Policy and Code of Conduct for suppliers are included in the appendices of all signed contracts with suppliers. The Code of Conduct for suppliers specifies aspects including Faberge's requirements for working conditions and human rights.

Document name	Date	Approved by	Responsible for document	Most recent revision
Procurement and purchasing policy	2009-11-01	Management Group	Dick Larsen	2020-01-16

## Follow-up and implementation

The content of this policy is revised and followed up annually by the company's Group Management through internal follow-up procedures. All managers with personnel responsibility are charged with ensuring that employees affected by this policy are aware of it and ensure that it complied with in their specific department/sphere of responsibility.

All employees have access to all Faberge policy documents through the company's intranet.

Solna, 15 januari 2020

Stefan Dahlbo, President and CEO

## Underlying documents

- Responsibilities and rules in Faberge's procurement and purchasing process

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