

Code of Conduct for suppliers

The requirements in this chapter are presented in detail in four areas. For each area, the requirements show the minimum level of compliance for the supplier in its own operation and in the supply chain.

The supplier must comply with national and local legislation in the countries in which operations are carried out. In cases where international provisions stipulate stronger protection for the individual than national legislation, the supplier must take reasonable measures to follow the international provisions.

Audits may be carried out of the supplier and its subcontractors. Full transparency is expected from the supplier regarding compliance with the requirements. In the event of the supplier or its subcontractors violating the requirements, corrective measures must be taken. A corrective measure means that the supplier ensures that the company, or the subcontractor, remedies the non-compliance as quickly as possible.

Human rights

Human rights refers to compliance with the UN Universal Declaration of Human Rights (1948), the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights.

- The supplier must support and respect human rights and has a responsibility to respect and promote the human rights, both within its own operations and in the supplier chain.
- The supplier must ensure that it does not participate, directly or indirectly, in violations of human rights. This also includes situations when the supplier fails to pose questions on violations of human rights or benefits from violations that are carried out by a third party.

Labour law

Labour law refers to compliance with the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, the UN Convention on the Rights of the Child, Article 32, the labour law legislation, including provisions on wages, working hours, leave, and social insurance protection, that applies in the country in which the work is carried out, and the labour protection and work environment legislation that applies in the country in which the work is carried out.

Child labour is prohibited (ILO 138 and 182, UN Child Rights Convention, Article 32)

- No person may be employed who is below the age of compulsory schooling or under 15 years, or younger than the minimum age of employment, if this age exceeds 15 years.
- Young people between the ages of 15 and 18 may not be employed for hazardous work, or work that has a negative impact on the individual's personal development (physical,

psychological, mental, spiritual, moral or social development). Young people between 15 and 18 may only be employed on condition that they have reached the legal age for employment and have completed national compulsory education. There must be a policy in place for the types of tasks a person aged between 15 and 18 may carry out.

- If child labour is detected, the supplier must take action based upon the best interests of the child, and find suitable solutions in consultation with the child and the family of the child.

Forced labour is prohibited (ILO 29 and 105)

Forced labour, including slave labour, bonded labour or involuntary prison labour may not occur, and all labour must be voluntary without threat of penalty or similar.

- The employee must have the right to terminate their employment following a reasonable period of notice.
- The supplier may not retain original copies of ID documents.

Discrimination and harassment is prohibited (ILO 100 and 111)

- Discrimination on the basis of ethnic affiliation, sex, civil status, pregnancy, religion, social or ethnic origin, nationality, physical ability, political opinions, union membership, gender-crossing identity or expression, age, health condition, or sexual orientation, or other character trait that is protected by applicable legislation, may not occur. Discrimination refers to any distinction of employees that is not based on merits or qualities, but involves differential treatment on biased grounds.
- The supplier must work to promote diversity and equal opportunities in the operation.
- Harassment may not occur in the operation. Harassment refers to instances when employees are exposed to harsh or inhuman treatment, including sexual harassment or some form of psychological or physical punishment.

Freedom of association and collective bargaining (ILO 87 and 98)

- The supplier must recognise and respect the rights of employees (and employers) to organise, to join organisations in which they themselves choose to participate, and the right to collective bargaining. Collective bargaining refers to formalised and/or non-formalised forms of cooperation to support and defend employees' interests in working life and in the relationship between employers and employees.
- In countries where freedom of association is limited or under development, the supplier must support instances where employees may meet the company management to discuss wage and labour conditions without risk of negative consequences.

Terms of employment, wages, and working hours

- All employees must have a written employment agreement that includes information about the nature of the work, working hours, wages, and holiday leave.
- The employer must ensure that all employees understand their terms of employment, for example with the help of a staff handbook and training.
- Wages must be paid directly to the employee within the agreed timeframe and in full.
- The supplier must support the payment of living wages to employees, and under no circumstances pay less than the national or locally stipulated minimum wage.
- Overtime compensation must be paid according to national legislation, and must be clearly specified in payslips.
- Working hours per week must not exceed legal limits or a maximum of 60 hours per week, including overtime.
- The employees must have at least one day of rest per week.
- The supplier must ensure that the employees have breaks during the working day.
- Leave, including vacation, holidays, sick leave, and parental leave must be approved and compensated in accordance with national legislation.
- All employees must be covered by social insurances in accordance with national law.

Safe and hygienic work environment (ILO 155 and 170)

- Employees working in the operation must be offered a safe and healthy work environment in which preventive measures are taken to reduce injury and risks to health. A safe and hygienic working environment is one in which the employee, when occupying an area over which the employer has direct or indirect control, is guaranteed to be free from or protected from conditions that can constitute a hazard for the employee's physical and/or psychological health.
- A register is to be kept of accidents and incidents. Incidents are such events that could have led to an accident.
- Employees must be trained on the potential health risks that the work can entail, including hazardous operations and general safety information. Employees must regularly be given relevant training and instructions for operating machines and other equipment.
- Employees must have access to all necessary protective equipment without having to pay for it themselves.

- Temperature, air quality, and noise levels must be regulated in accordance with local legislation. Where the work environment cannot be changed, it must be mitigated with protective equipment.
- Chemicals must be handled safely, and safety data sheets must be available.
- Fire drills must be held regularly. Fire equipment, evacuation plans, and emergency exits must be available and clearly visible in all areas.
- The workplace must be clean, fresh, and safe. Hygienic facilities must be available. This also applies to employee accommodation.

Environment

Environment refers to compliance with the environmental protection legislation that applies in the country in which the work is carried out, and the operation must be carried out with consideration for the supplier's surrounding environment.

- The supplier must conduct its operations responsibly in relation to the environment and comply with local and national environmental legislation. There must be a system in place for checking compliance with legislation, along with lists of relevant legislation.
- The supplier must identify, measure and follow-up its environmental impact, and long- and short-term environmental goals, with associated action plan, must be drawn up to ensure continuous improvement.
- In choices of materials and manufacture of furniture and its component parts, the precautionary principal must be observed regarding environmental risks.
- All employees must be provided with environmental training, and the supplier must implement suitable initiatives to promote greater environmental awareness.
- The supplier must encourage the development of environmentally friendly technologies.

Anti-corruption

Anti-corruption refers to compliance with the UN Convention Against Corruption and the bribery legislation that applies in Sweden, in the country in which all or parts of the product are manufactured, and other countries' laws that otherwise govern the supplier's operation.

- The supplier must combat all forms of corruption, including blackmail and bribery.
- The supplier must not, directly or indirectly, offer undue payment or other forms of compensation to any person or organisation with the aim of obtaining, maintaining, or directing business operations, or receive other undue advantages within the framework of its

operation.

- The supplier must not, directly or indirectly, request or accept any form of undue payment or other forms of compensation from a third party that can affect the objectivity of business decisions.

Confirmation

We hereby confirm that we have read the Code of Conduct for suppliers and accept it in its entirety.

We set corresponding requirements on our subcontractors, including the obligation to ensure that all the requirements in the Code of Conduct are enforced throughout the entire supply chain.

We will, if non-compliances occur, report these to the receiver of this document.

The code of conduct must be signed by the most senior person in the business.

Supplier:
Place and date:
Signature:
Printed name:
Title:
Address:
E-mail:
Telephone: