



Supplier Code of Conduct

AJ Products Group



INTRODUCTION

The AJ Products Group provides feel-good work environments. With a focus on innovation, sustainability, products that are designed in-house and three factories of our own, we create smart solutions for the modern workplace. With a presence in 20 countries, we help to improve the working environment in over half a million workplaces across Europe every year.

Sustainability will play an increasingly large role in the AJ Products Group's work and development going forward, and we care about responsible action throughout the value chain. The AJ Products Group wishes to work with suppliers and other business partners who take great responsibility for their operations, goods and services, follow ethical business principles, respect and uphold good working conditions, have solid environmental credentials and work systematically to maintain good standards in regard to ethics, the environment and working conditions. We also expect them to require and follow up corresponding standards with their respective business partners.

This Code of Conduct is based on international frameworks¹.

All suppliers of the AJ Products Group and its subsidiaries are expected to comply with this Code of Conduct.

DEFINITIONS

Supplier - a supplier of goods and services, sub-suppliers, agents, forwarders and carriers, consultants, representatives and intermediaries.

Employee – full-time and part-time employees, seasonal workers, trainees, contract workers.

GENERAL REQUIREMENTS

The supplier must comply with national and regional legislation in the countries in which they operate. The supplier must operate in accordance with international conventions and declarations (see footnote), and fulfil the requirements of this Code of Conduct.

Management system

The supplier must implement management systems in the business, systematically ensure processes and follow-up over time, continuously improve its environmental work and ensure good working conditions.

Business partners are advised to have certified management systems to ensure continuous improvement in the business.

The supplier is responsible for imposing corresponding requirements according to this Code of Conduct on its suppliers and sub-suppliers. At the latest by the time the EU's Corporate Sustainability Due Diligence Directive (CSDDD) comes into force, business partners, and in particular suppliers of products to the AJ Products Group, must work in accordance with the directive to minimise risks in their business partner chain, i.e. identify, assess, prevent, monitor, communicate, report and follow up risks. If a risk is identified, it must be managed in such a way that it ceases to exist or is mitigated.

The supplier is advised to implement its own code of conduct and associated whistleblowing function.



¹ The International Bill of Human Rights, including the UN's Universal Declaration of Human Rights and the UN's Global Sustainable Development Goals, along with the International Labour Organization's Fundamental Conventions on Rights at Work, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the OECD Convention on Combating Bribery and its recommendations.

BUSINESS ETHICS AND PRINCIPLES

The supplier takes responsibility for countering all economic crime including fraud, corruption, money laundering and conflicts of interest, as well as ensuring healthy competition.

It is recommended that the supplier adopt guidelines on conflict of interest.

Competition

The supplier must comply with applicable competition and antitrust laws and regulations.

Money laundering

The supplier must comply with applicable laws aimed at countering money laundering and must not tolerate, facilitate or support money laundering.

Processing of personal data

The supplier must comply with applicable laws regarding the processing of personal data.

Anti-corruption

The supplier must comply with applicable laws regarding anti-corruption.

The supplier must not participate in or tolerate, whether directly or indirectly, any form of corruption, bribery or extortion. The supplier may therefore not grant, promise or offer immoderate gifts or benefits to employees of the AJ Products Group or other actors. Gifts or benefits may include, for example, cash, gift cards or other cash equivalents, job offers, services, travel, entertainment, promises of debt payment or monetary loans.

Trade restrictions

The supplier is expected to comply with the trade restrictions, trade sanctions and trade rules issued by the UN, EU or national authorities in the countries in which the supplier operates at any time.

The supplier is advised to have procedures in place for compliance with trade restrictions.



HUMAN RIGHTS AND WORKING CONDITIONS

The supplier must show respect for human rights and ensure good health and safety in the workplace.

Health and safety in the workplace

The supplier must comply with all applicable human rights and labor laws.

The supplier must ensure that the work environment, including associated spaces (e.g. toilets, canteens) are safe, healthy and hygienic.

There must be a good working environment in regard to aspects such as sound, light and ventilation, and workplaces, machines and equipment must be safe and risk-free after appropriate protective measures have been taken. Risks in the working environment must be prevented, avoided and remedied.

The requisite protective clothing and safety equipment must be provided free of charge to employees wherever necessary.

Employees must have received appropriate training on health and safety enabling them to deal with emergencies and accidents in the workplace.

Other spaces in the workplace such as toilets and canteens must be hygienic, and drinkable water must be available. If the supplier provides accommodation, it must be of a good standard and allow for reasonable privacy, tranquillity and personal hygiene.

Employees and their trade unions must be consulted on matters relating to the working environment and safety.

It is recommended that the supplier implement a certified management system for the working environment, and/or third-party audits according to any established risk minimisation system, such as Sedex or Amfori BSCI.

It is recommended that the supplier carry out due diligence audits regarding human rights.

Discrimination, inclusion and diversity

Employees must have equal conditions and equal pay for equal work. The AJ Products Group's suppliers and business partners must respect everyone's right to equal opportunities and equal treatment at work without discriminating, differentiating, excluding or giving preference to anyone on the basis of race, skin colour, nationality, political opinion or social origin, gender, gender non-conforming identity or expression, ethnic affiliation, religion or other belief, disability, sexual orientation or age.

It is recommended that the supplier actively foster diversity and inclusion.

Employment security

Employees must have written contracts in a language they can easily understand. The supplier must ensure that the employees are aware of the terms of employment. At a minimum, the notice period for employed personnel must correspond to the supplier's notice period.

Compensation

The supplier must offer fair and reasonable pay and conditions that comply with legislation, industry standards and, at a minimum, the established minimum wage. Wages must be paid immediately and directly to the employee.

It is recommended that the supplier offer a so-called living wage based on the conditions in the country in which the supplier operates.



HUMAN RIGHTS AND WORKING CONDITIONS

Working hours

Working hours must not exceed the maximum permitted working hours according to national legislation. National legislation regarding paid leave and holidays must be complied with. Overtime must be voluntary and compensated according to applicable legal requirements. All employees must have at least 24 consecutive hours of rest each week.

Involuntary labour and forced labour

Under no circumstances may the supplier permit or be involved in modern slavery practices such as human trafficking, forced labour or work linked to any form of threat or punishment. Work that is not carried out voluntarily may not occur. Employees must be free to leave the workplace after their shift ends and have the right to terminate their employment according to the contract of employment.

The employee's salary or parts thereof, other benefits that accrue to the employee, or documents such as ID cards or passports, must never be confiscated for the purpose of forcing labour. Employees must not be forced to deposit valuables, identity papers or similar with their employer.

Disciplinary punishment

Disciplinary punishment is not permitted in any form and must not occur.

Union work and collective bargaining

Employees must be free to independently exercise their right to organise and join trade unions. The supplier must also permit collective bargaining and negotiations on terms of employment with trade unions. If trade unions are not permitted under national legislation, the supplier must find alternative forms to safeguard the employees' views and their opportunity for negotiation.

Workers must be able to exercise these rights without impediment and without fear of punishment, threats or other reprisals. Discrimination against union representatives and employees who are union members must not occur.

Social security

In situations where legislation is not present or is deficient, the supplier must ensure that all employees are covered by suitable insurance that provides adequate protection and benefits in regard to disability, injury and retirement. Employees who are injured during work must be compensated for loss of income.

Child labour

The supplier must ensure that under no circumstances does harmful child labour or any other form of child exploitation occur, and must take measures to prevent this. "Child" means anyone under the age of 18. The statutory minimum age for employment must be observed.

Children under 18 may not perform tasks that are harmful to health, safety or their social and psychological development. Work must also never hinder or negatively affect the child's schooling.

For young workers under the age of 18, the supplier must comply unconditionally with applicable rules, legislation and regulations concerning working conditions, working hours, tasks and other aspects of the employment.

Should the supplier identify child labour in its own operations or among sub-suppliers, measures must be taken immediately and the AJ Products Group must be informed.



THE ENVIRONMENT

Increasingly stringent requirements are imposed by customers and legislation in regard to reducing environmental and climate impact. The AJ Products Group aims to comply with the requirements of customers and the authorities, which means that information must be provided and measures taken throughout the value chain in regard to climate and environment work as well as the development of more circular business models.

At a minimum, the supplier must comply with legislation and ensure that the requisite permits are in place and adhered to, and must have an environment policy or equivalent, as well as goals and an action plan that is continuously tracked and updated.

It is recommended that the supplier be certified in accordance with a recognised environmental management system such as ISO 14001.

Emissions to air, land and water

The supplier ensures that emissions to air, land and water are minimised, and works to continually reduce them. Local requirements must be met unconditionally. Procedures and processes must be in place to prevent emissions in the event of a crisis or emergency. The supplier must respect and minimise negative effects on biodiversity.

Reduce climate impact and climate adaptation

The supplier must actively reduce its climate impact, primarily by reducing energy consumption and phasing out fossil energy sources, preferably in line with the goals set by the UN.

It is recommended that the supplier calculate its emissions of greenhouse gases in accordance with the Greenhouse Gas Protocol, primarily for Scope 1 and 2, but preferably also for Scope 3, and share this information with the AJ Products Group.

The supplier must conduct risk analyses, take preventive measures and ensure that the business (including people, buildings and equipment) is prepared for future climate changes such as increased risk of drought, floods and storms.

Circularity and waste

The supplier must work to streamline material flows in order to minimise the use of materials and energy. Waste arising in production must be recycled where possible and, failing that, recycled as energy.

The supplier must actively work to use recycled material in products and packaging, subject to quality requirements. When recycled components are used, the AJ Products Group requires verification from a third party regarding recycled material in order to communicate this added value.

The supplier must handle, store and dispose of hazardous waste in an environmentally safe manner, and comply at a minimum with national legislation.

Chemicals

The supplier must work according to the precautionary principle, which means continuously evaluating whether chemicals with less impact on the environment and health can replace those used in products and production. At a minimum, chemicals in production and products must comply with REACH, RoHS and the AJ Product Group's Restricted Substances List (RSL).



COMPLIANCE AND FOLLOW-UP

The supplier is expected to comply with this Code of Conduct and notify the AJ Products Group without reservation of major deviations from this Code in its own operations or if it becomes aware of major deviations among its suppliers and sub-suppliers.

The supplier must have a good knowledge of its supply chain and inform the AJ Products Group of any actors involved upon request.

The supplier must have a procedure or a formal whistleblowing function in place in its business and such whistleblowing function must comply with any potential requirements that may exist in applicable laws. The employees must be made aware of the whistleblowing function and the supplier must handle any complaints with integrity. There must be no reprisals against people who have reported deficiencies or deviations.

The AJ Products Group personnel visit factories regularly and we reserve the right to carry out unannounced visits, by our own personnel or a party appointed by us, to ensure compliance with this Code of Conduct. If the Code of Conduct is not complied with, the AJ Products Group may terminate the partnership.

For questions about this Code of Conduct or to report a deviation:
sustainability@ajprodukter.se

This Code of Conduct is revised annually and is adopted by the Board of Directors of the AJ Products Group.

Adopted by the Board of Directors in April 2024





Happiness at work™