

## Introduction

Hilding Anders is a leading SLEEP company within the health and wellness industry, offering a wide array of products that help people sleep better. As a team of close to 5 000 individuals based across Europe and Asia, we are driven to become the global leader in sleep products and services. Combining global reach with local presence, our mission is improving lives through sleep. With a broad portfolio ranging from luxury & premium to private label and international to local brands, we are proud to deliver sleep products and services for all needs in over 40 countries worldwide. The Hilding Anders Group is headquartered in Malmö, Sweden.

This Code of Conduct for suppliers and business partners set out certain principles and minimum standards for the conduct of business by Hilding Anders' suppliers and business partners, which Hilding Anders considers essential and which Hilding Anders requests to be respected by their suppliers and business partners.

## 1. Legal requirements

Hilding Anders' general rule is that all our suppliers and other business partners must, in all their activities, follow the national laws in the countries in which they operate. Should any requirement in this Code conflict with applicable national laws in any country or territory, the laws must always be followed. In such cases, the supplier must notify Hilding Anders immediately, before signing this Code. However, Hilding Anders' requirements may go beyond the requirements set out in national laws.

## 2. Ethics

Hilding Anders values the fact that all the operations of the Company are characterized by honesty, integrity and fair play. Thus, it is vital to ensure that dishonesty, disloyalty or corruption does not harm Hilding Anders good reputation.

Hilding Anders has a zero-tolerance policy on bribery and corruption. This applies to all the Company's business dealings and transactions in all the countries in which the Company or its subsidiaries and business partners operate.

What is considered a bribe is regulated in each country' legislation.

Hilding Anders particularly wish to point out, that the Company does not take any commission from our suppliers. Should any of our Company employees, openly or implied, ask for a commission of any kind, the supplier is requested to immediately inform Hilding Anders. This could be done directly to Hilding Anders International (by report to any member of Hilding Anders' executive leadership team) or via our external whistleblower service provider. <https://secure.ethicspoint.eu/domain/media/en/gui/106802/index.html>

### 2.1 Advantages

Hilding Anders employees are not allowed to request, accept, arrange for, offer or give any kind of personal advantages. The term "advantage" could include, but is not limited to: gift, loan, money (regardless currency), fee, reward, journeys, service, bonus, vouchers of any kind, order samples for personal use, employment contract, discount on private purchases and other favors such as sponsoring and event tickets with a value that exceeds what is accepted by the tax authorities as deductible expense.

## 2.2 Confidential information

Employees and/or business partners of Hilding Anders must never disclose confidential Company information to any person outside or within the Company, unless disclosure is made on a need-to-know basis due to such person's involvement in the underlying business transaction, or such disclosure is made on the basis of a prior permission from the Company.

Confidential information includes but is not limited to; Hilding Anders financial and commercial relationships, buying, offers, strategies, supplier information, information on suppliers' capacity, IT solutions, campaigns, new sales markets, analyses, sensitive personnel data, information concerning Hilding Anders and/or the business carried on within Hilding Anders and which is not generally known outside the Company; in other words, has not been published or otherwise communicated by or through Hilding Anders.

## 3. Child Labour Is Not Accepted

(Refer to the UN Convention on the Rights of the Child that could be found on the UN website).

### 3.1 Child Labor

Hilding Anders does not accept child labor. No person shall be employed at an age younger than 15 (or 14 where the national laws so allow) or younger than the legal age for employment under applicable laws if this age is higher than 15. The business partner must take the necessary preventive measures to ensure that it does not, directly or indirectly, employ anyone below the legal age of employment.

### 3.2 Young Workers

All legal limitations on the employment of persons below the age of 18 years must be followed. We acknowledge that according to the UN Convention on the Rights of the Child, a person is a child until the age of 18. We recognize the rights of every child to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development. The minimum age for admission to hazardous work is 18 years.

## 4. Health And Safety

### 4.1 Building Safety

We require our suppliers and other business partners to make employees' safety a priority at all times. No hazardous equipment or unsafe buildings are accepted, local legislation applies.

### 4.2 Fire Safety

Emergency exits on all floors must be clearly marked, well lit and unblocked all the way out of the building. Evacuation through emergency exits must always be possible during working hours. Everyone working on the premises, including managers and guards, must be regularly trained in how to act in case of fire or other emergency. Regular evacuation drills for all employees are required; evacuation plans and adequate firefighting equipment must be in place.

### 4.3 Accidents and First Aid

The employer must work proactively to avoid accidents causing harm to any employee in the workplace. Relevant first aid equipment must be available and other legally required medical supply or help.

### 4.4 Working Environment

The premises must be regularly maintained and cleaned and must provide a healthy working environment.

## 5. Workers' Rights

### 5.1 Basic Rights

5.1.1 We do not accept any form of forced or bonded labour and we do not accept the use of prison labour or illegal labour in the production of goods or services for Hilding Anders. (Refer to ILO Conventions 29 and 105)

5.1.2 Migrant workers shall have exactly the same entitlements as local employees. Any commissions and other fees in connection with employment of migrant workers must be covered by the employer. Workers employed through an agent or contractor are the responsibility of Hilding Anders' supplier or, as the case may be, other business partner, and are thus covered by this Code.

5.1.3 Every employee shall be treated with respect and dignity. Under no circumstances does Hilding Anders accept if Hilding Anders' suppliers, their subcontractors or other business partners use humiliating or corporal punishment, and no employee shall be subject to physical, sexual, psychological or verbal harassment or abuse.

5.1.4 All employees have the right to form or join associations of their own choosing, and to bargain collectively. Hilding Anders does not accept disciplinary or discriminatory actions from the employer against employees who choose to peacefully and lawfully organize or join an association. (Refer to ILO Conventions 87, 98 and 135)

5.1.5 No employee shall be discriminated against in employment or occupation on the grounds of sex, race, color, age, pregnancy, sexual orientation, religion, political opinion, nationality, ethnic origin, disease or disability. (Refer to ILO Conventions 100 and 111)

5.1.6 All employees are entitled to a written employment contract, in the local language, stipulating the employment terms and conditions. The employer has a responsibility to ensure that all employees are aware of their legal rights and obligations.

### 5.2 Wages, Benefits, Working Hours and Leave

As background to this chapter, we quote from the United Nations' Universal Declaration of Human Rights Article 23:3, as guidance concerning our ambition for our suppliers and business partners:

"Everyone who works has the right to just and favorable remuneration ensuring for himself and his family an existence worthy of human dignity..."

5.2.1 Wages must be paid regularly, on time, and must reflect the experience, qualifications and performance of the employee. Hilding Anders' minimum requirement is that employers shall pay, as applicable, at least the statutory minimum wage, the prevailing industry wage or the wage negotiated in a collective agreement, whichever is higher.

5.2.2 Ordinary working hours must not exceed the legal time limits. Overtime hours must not exceed the numbers allowed by the law of the country.

5.2.3 The employees shall be granted and correctly compensated for any types of leave to which they are legally entitled. Examples of such leave include annual leave, maternity/parental leave and sick leave.

## 6. Housing Conditions

If a company provides housing facilities for its employees, the requirements regarding fire safety and cleanliness under point 3 above should also cover the dormitory. The dormitory must be separated from the workplace and have a separate entrance. Employees should have free access to the dormitory.

## 7. Environment

The environment is of increasing concern globally and Hilding Anders expects its suppliers and other business partners to act responsibly in this respect. Our suppliers must comply with all applicable environmental laws and regulations in the country of operation. In particular, we are concerned about how the production of our material and other products contributes to climate change and water stress.

Up on request, the supplier or business partner shall provide complete environmental information, for example, by means of product information documentation or material safety datasheets for the items included in the purchase. This concerns the contents of the products, their environmental characteristics and handling instructions both for the use of the product and for any occurring residue. In addition, the supplier pledges to answer any occurring environmental questionnaires from Hilding Anders.

On request, the supplier shall satisfy Hilding Anders' requirements for product information by means of life cycle analyses, environmental statements, etc.

### 7.1 Environmental Permits

The company must have the relevant environmental permits and licenses for its operations.

### 7.2 Handling of Chemicals

Chemicals used must be in compliance with applicable environmental laws and regulations in the country of operation. Chemical containers must be properly labelled and safely stored.

The supplier shall register or pre-register all the chemical substances in their products, intended for use within Hilding Anders, according to the European Union's REACH regime (Registration, Evaluation, Authorization and Restriction of Chemicals).

The supplier must at all time, also after the business relationship has terminated, act according to and be compliant with EU legislation and any national legislation regarding REACH, if and to the extent necessary in relation to the supplied goods.

### 7.3 Water Management and Wastewater Treatment

Water is a scarce resource in many parts of the world and should be used as efficiently as possible. All outgoing wastewater from wet processes must be treated before it is discharged. The treated wastewater quality must meet the requirements in local legislation.

### 7.4 Waste Management

Any waste and in particular hazardous waste must be taken care of in a responsible manner and in accordance with local laws.

## 8. Systems Approach

In order to maintain compliance with Hilding Anders' Code of Conduct for suppliers and other business partners, local labor laws and environmental laws, it is important that Hilding Anders' suppliers and other business partners have the necessary and adequate policies and management systems in place.

## 9. Monitoring And Enforcement

### 9.1 Supply Chain

This Code of Conduct applies only to our direct suppliers, other business partners and manufacturers of goods or services for Hilding Anders, their affiliates and their downstream subcontractors. However, we expect our suppliers and other business partners to use reasonable efforts to impose requirements corresponding to those defined herein upstream in their supply chain, for example on their suppliers of products and raw materials. Examples of such requirements include banning the use of forced labor and child labor, chemical restrictions and treatment of wastewater.

### 9.2 Transparency and Co-operation

Hilding Anders expects all its suppliers and other business partners to respect this Code of Conduct and to actively do their utmost to achieve our standards. We also expect our suppliers and other business partners to be transparent and not intentionally mislead any auditors in the event of audit. We believe in co-operation and we are willing to work with our suppliers and other business partners to achieve sustainable solutions and to promote suppliers and other business partners who are in compliance.

Ethical behavior is required by Hilding Anders and any breaches of Hilding Anders' Code of Conduct for suppliers must immediately be reported to Hilding Anders International leadership team.

### 9.3 Monitoring

All suppliers of key raw materials and other business partners are obliged to keep Hilding Anders informed at all times of where each product is being produced, including subcontracting. Relevant documentation must be maintained for follow up purposes. We reserve the right to make unannounced visits to all units producing goods or services for Hilding Anders, at any time. We also reserve the right to appoint an independent third party of our choice to conduct audits in order to evaluate compliance with our Code of Conduct. In the event of audit, we require unrestricted access to all areas of the premises, to all documents and to all employees for interviews.

## 9.4 Corrective Action

If Hilding Anders performs an audit it is to identify gaps between the requirements between this Code of Conduct and the actual practices. If gaps are identified the supplier or other business partner should suggest adequate corrective actions which can be decided together with Hilding Anders. If supplier does not comply or presents unwillingness to take action to correct gaps it may lead to reduced business and ultimately the end of the business relationship with Hilding Anders.

Date: \_\_\_\_\_

Company: \_\_\_\_\_

Title: \_\_\_\_\_

Name: \_\_\_\_\_

Signature: \_\_\_\_\_