

CODE OF CONDUCT FOR BUSINESS PARTNERS

Introduction and Purpose

Our global presence demands that our employees and business partners take responsibility – for themselves and for society in broad. We have therefore created a set of principles derived from both international standards and our own cultural values which are outlined in Fagerhult’s Code of Conduct (“The Code”). Everyone in the Fagerhult Group is obligated to follow The Code including our employees, board members and management.

This policy, the Code of Conduct for Business Partners, aims to pass the core principles in our Code on to our business partners together with the expectation to comply with all applicable laws and regulations and their contractual obligations to us.

We expect our business partners such as, but not excluded to, suppliers, vendors, consultants, agents and service providers to read and comprehend the content in this Code of Conduct for Business Partners and comply with it in all aspects of their operations. In addition, business partners are obliged to inform their upstream partners of the existence of this policy to secure their awareness and compliance.

Ethics and integrity

Fagerhult acts as a reliable and honest Group that lives up to its commitments. We believe in long-term business relationships with our customers and business partners, which we aim to achieve through honesty, transparency and integrity.

- Our business partners shall comply with all applicable laws, regulations and provisions that affect their operations.
- Our business partners shall respect and follow all applicable laws and regulations on fair competition and anti-trust.
- Our business partners must ensure that no conflicts of interest arise between them and Fagerhult Group or, if such conflicts were to be discovered they should be reported in a timely manner.
- Our business partners must not engage in or tolerate any form of corruption, bribery, extortion, embezzlement or money laundering. Business partners must not request, accept, arrange any gifts or benefits or other means to obtain any undue or improper advantage. Such improper benefits may comprise cash, non-monetary gifts, activities or services and amenities of any other nature. Fagerhult Group will without notice take whatever action we deem is appropriate, if it should come to Fagerhult Group’s knowledge that any form of undue benefits or advantage is proposed or given to any of Fagerhult Group’s employees from our business partner or any of their associates.

- Business partners must respect intellectual property rights and protect confidential information by safeguarding it against misuse, theft, fraud or improper disclosure.
- We expect our business partners to procure goods and services in a responsible manner taking into account business ethics, respect for human rights and environmental considerations.

Social standards

At Fagerhult Group we respect international conventions on human rights and adhere to them in our operations. We also offer our employees a competitive, safe and healthy working environment where diversity is encouraged.

- We expect our business partners to respect the UN Universal Declaration of Human Rights, and to ensure that their business partners are not complicit in human rights abuses.
- Our business partners must not tolerate child labor, illegal labor, forced labor or any other form of compulsory labor and must ensure that their upstream partners adhere to similar principles. All work, including overtime work, shall be voluntary and workers shall be free to leave work or terminate their employment with reasonable notice.
- If applicable, business partners shall ensure that migrant workers have the same rights as local employees. The employer must not require any employees or contractors to submit identification documents as a deposit under any stages of the employment.
- Business partners shall grant their employees the right to form or join associations of their own choosing, and to bargain collectively.
- Business partners shall apply equal opportunities to all aspects of employment including recruitment and treat their employees equally irrespective of gender, marital status, ethnic or national affiliation, sexual orientation, transgender identity, race, religion, political views, age or disability.
- We expect our business partners to treat all their employees with respect and dignity. No employee shall be physically, psychologically, sexually, or verbally harassed or abused.
- Business partners shall ensure a safe, clean and healthy workplace environment or any other location where production or any other kind of operations is undertaken.
- Business partners shall ensure that employee-working hours comply with applicable laws and regulations. All other employment conditions such as written contracts, benefits and vacation time etc. must be consistent with applicable laws and regulations.
- We expect our business partners to pay employees a fair wage in a timely manner, which minimum is consistent with applicable laws, regulations and collective agreements.

Environment

The production of luminaries has set energy efficiency and life cycle assessment – from development, manufacture and use to recycling of our products at the heart of our environmental work. We are a proactive company that strive to exceed the relevant legal requirements.

- Business partners must comply with all applicable environmental laws and regulations regarding environmental protection. This includes required permits and licenses to be valid, complied with and presented upon request.
- Our business partners whose operations have an environmental impact shall have a structured approach to consider environmental aspects and reduce their environmental footprint with the use of adequate systems, training and policies.
- We expect our business partners to constantly strive to use natural resources mindfully and responsibly throughout all aspects of their operations. Business partners shall endeavor to minimize, categorize and monitor all sources of pollution and waste to air, water and land.
- When handling substances (materials, preparations, and products) that are classified as hazardous to the environment, concerned business partners must ensure that such substances are handled, transported, stored, recycled, and/or disposed safely.
- If applicable, concerned business partners shall implement a policy regarding conflict minerals and exercise due diligence to clarify the source of these minerals.

Governance and monitoring of this policy

This Code of Conduct for Business Partners is an integral part of all contracts between Fagerhult Group and its business partners. We expect a sincere commitment to the principles defined herein and a full cooperation in those cases where remedial actions are needed.

Fagerhult Group reserves the right to continuously monitor business partners compliance with principles set out in this Code of Conduct for Business Partners by asking business partners to provide relevant information and by conducting audits and reviews.

This Code of Conduct for Business Partners is safeguarded by our whistleblowing procedure. Business partners and other stakeholders can report any misconduct or unacceptable behaviors that could harm our business, but that are of such a nature that they cannot be reported under the standard procedures. For such cases, Fagerhult Group wants to facilitate anonymous reporting. Business partners and other stakeholders can all turn to Fagerhult Group's HR Manager at the following e-mail address: whistleblowing@fagerhult.se

Unwillingness to cooperate or repeated serious violations of this document and local law may lead to reduced business and ultimately termination of the business relationship with Fagerhult.

FAGERHULT

Fagerhult Group is committed to continuously review and update its policies and procedures, therefore this Code of Conduct for Business Partners can be subject to modification.

The undersigned hereby confirm that due notice have been taken of this Code of Conduct for Business Partners and commit themselves, in addition to other contractual commitments with Fagerhult Group, to fully comply with its principles and requirements. In addition the undersigned commit themselves to effectively communicate the principles in this Code to their employees and other relevant business partners.

Name: _____

Function: _____

Company Name: _____

Place, date: _____

Signature: _____