

Ejendals Code of Conduct for Business

Purpose: Ejendals Code of Conduct for Business provides direction on how to comply with international law and obligations in an ethical, socially respectful, and environmentally friendly manner when conducting Ejendals business. This Code of Conduct (hereinafter referred to as “CoC”), was created to make Ejendals position clear towards all Ejendals employees and Business partners*.

Scope: This Code of Conduct is based on UN declarations, core ILO conventions and UN Global Compact’s 10 principles for sustainable development, and OECD Guidelines for multinational enterprises. This CoC should be understood by and implemented for all Ejendals employees and Business partners*.

Responsibility: Management of Ejendals and Business partners is responsible for implementation and compliance of this CoC. All Ejendals and Business partner* employees, responsible for the product or service within or supplied to Ejendals, shall understand and endorse this CoC.

*) Business partners include Ejendals operating subsidiaries and affiliates, Ejendals suppliers, and subcontractors.

Introduction

Ejendals has during a long time built good relations with both our customers, employees, and suppliers/subcontractors. We are convinced that business relationships, when based on common values, mutual respect and trust, become the foundation of long worthy relation with sustainable growth, between Ejendals and our business partners.

Ejendals responsibility also stretches towards all the people taking part in the manufacturing of our products. This Code of Conduct specifies what Ejendals expects and requires from our business partners, and compliance with its contents is a non-negotiable requirement.

As in several of the stated (see Scope above) declarations, conventions, principles, and guidelines, some areas have elements that should be assessed against ‘zero-tolerance’ criteria (i.e. without exception). These will be elaborated on in the main text of this CoC, but here only listed briefly, including human rights (discrimination, harassment etc), child labour, forced labour (slavery, trafficking etc), freedom of association, minimum wages, bribery (corruption etc), and certain health & safety basics (building/fire/work safety based on risk level).

1. Legal requirements

Ejendals general rule is that all our employees and business partners must, in all their activities, follow applicable local, national, and international laws/regulations in the countries in which they operate. When any differences between Ejendals Code of Conduct and local or international laws and regulations occur, the higher requirements should be applied. Ejendals CoC is based upon UN’s Global Compact’s 10 principles, OECD Guidelines for multinational enterprises, The Universal Declaration of Human Rights (UN 1948) and the International Labour Organization (ILO) Conventions, according to Appendix 1 in this document.

2. Human rights

Ejendals employees and business partners shall support and respect the protection of international human rights and ensure that no one is involved in abuse of human rights.

Discrimination and fair treatment

Ejendals employees and our business partners shall maintain a workplace free from discrimination based on a person's status such as sex, race, gender, religion, nationality, ethnic origin, political orientation, sexual orientation, marital status, age, union membership, disability or other status in accordance with ILO Conventions Nos. 100 and 111.

Every employee shall be treated with respect and dignity. Ejendals do not under any circumstances accept any humiliating or corporal punishment of any employees or their relatives. No employee or relative shall be subject to physical, sexual, psychological, or verbal harassment or abuse.

3. Employment and labour standards

Ejendals and our business partners have the responsibility to ensure that all employees have information and are aware of their legal rights and obligations.

Workers employed through an agent are the responsibility of Ejendals and our business partners and are therefore covered by this CoC.

Freedom of association

All Ejendals employees and all our business partners employees have the right to form and to join or not to join associations, trade unions, or similar external employee representative organizations and to bargain collectively. Ejendals do not accept disciplinary or discriminatory actions taken from the employer against employees who have chosen to peacefully and lawfully organize or join such an association.

Forced labour, slavery, and human trafficking

Ejendals strictly prohibits any form of forced or bonded labour, slavery or human trafficking and we do not accept the use of prison labour or illegal labour in the production of goods and services for Ejendals. This statement is based on ILO Conventions Nos. 29 and 105, California transparency in supply chains act of 2010 (SB 657), and the UK Modern Slavery act of 2015.

Employees should be free to leave their employment after reasonable notice and as required by national law or contract. Resignation by an employee must be voluntary and without threat of punishment.

Employees shall not be forced or required to lodge deposits of money or original identification papers, including passports with their employer.

Employees should not be forced to incur any debt related to obtaining or keeping their job regardless of who holds the debt.

Employees must have freedom of movement; there cannot be any unreasonable restrictions.

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Employment conditions

Ejendals and our business partners have the responsibility to offer a written contract including employment terms and conditions. Employment contract shall be written in a language understood by the worker.

Migrant workers or seasonal workers shall have the same rights as local or full-time employees.

Any commissions or other fees in connections with employment of workforce should be covered by the employer.

Child labour

Ejendals do not accept any form of child labour younger than 15 years of age, following ILO Convention No. 138.

Children below the age of 18 shall not be employed for hazardous work or work that is incoherent with the child's personal development (health, physical, mental, spiritual, moral and/or social development), described in article 32 in UN convention on the Rights of the Child.

Ejendals and our business partners shall take appropriate measures to ensure that no child labour occurs at their own place of production or operations or at their subcontractors' sites of production or operations.

Ejendals and our business partners shall establish a policy for what type of work a child between 15 and 18 years old is allowed to perform.

Ejendals and our business partners shall where young workers are employed, support and supervise all the work that is carried out by children to ensure the best interest of each child.

Working hours shall not prejudice children's attendance at school, their participation in vocational orientation approved by authority or their capacity to benefit from training or instruction programs.

Ejendals and our business partners shall have a certified copy of an official document which shows the worker's date of birth.

If Ejendals receive information that Ejendals or a business partners use any kind of child labour, according to this CoC, Ejendals will immediately take legal actions against the responsible persons involved.

4. Working conditions

Ejendals and our business partners shall ensure that ordinary working hours do not exceed the legal limit. The normal work week, not including overtime, shall be defined by law but shall not exceed 48 hours.

All overtime work must always be voluntary and properly compensated in accordance with national laws and shall not exceed 12 hours per week and not be requested on a regular basis.

Ejendals and our business partners shall pay wages on regular basis on time and include overtime pay, in accordance with national provisions regarding minimum wages or with current legislation, industrial standards or the wage negotiated in a collective agreement, whichever is higher.

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Ejendals and our business partners shall pay employees with same experience and qualifications equal salary for equal works regardless sex, race, gender, religion, nationality, ethnic origin, political orientation, sexual orientation, marital status, age, union membership, disability or other status in accordance with ILO Conventions Nos. 100 and 111.

No unfair deductions are allowed, and the employee has the right to a written specification of how the wage has been calculated. Ejendals and our business partners shall ensure that all employees are entitled to at least one day off in every seven-day period.

Ejendals and our business partners shall ensure that all employees are entitled to have correct numbers of breaks during their working day, in accordance with national laws, industrial standards or negotiated in a collective agreement.

Ejendals and our business partners shall ensure that the employees shall be granted and correctly compensated their stipulated annual leave, maternity/parental leave, and sick leave, to which they are legally entitled to, without any form of repercussions.

Ejendals and our business partners shall ensure that they will not dismiss employees due to annual leave, maternity/parental leave, or sick leave.

Ejendals and our business partners shall ensure that they will not require employees to undergo medical tests that could be used in a discriminatory way except where required by applicable laws or regulations or necessary for workplace safety.

5. Health and safety

Ejendals and our business partners shall ensure compliance with applicable laws and regulations relating to health and safety issues.

Ejendals and our business partners shall be aware of industry specific risks and continuously carry out risk assessments and take all reasonable precautions to protect the safety and health of all employees and members of the public.

Ejendals and our business partners shall maintain records of non-minor work-related incidents and accidents including corrective actions. If required by law, the accidents shall be reported to the authorities.

Ejendals and our business partners shall ensure that appropriate health and safety information and training is provided to all employees.

Ejendals and our business partners shall ensure that: exits are clearly marked and unblocked, emergency exits are well lit, evacuation plans exist for each floor of the facility, and all exit doors should open outwards.

Ejendals and our business partners shall ensure that fire alarms and evacuation drills are frequently tested, and that all employees should have knowledge about how to use fire extinguishers and first aid equipment.

Ejendals and our business partners shall ensure safe and correct handling, marking, and labelling of chemicals, machinery, and work processes. It should be ensured that personnel handling hazardous chemicals must be trained and informed regarding the risk and have access to the PPE necessary.

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Ejendals and our business partners shall ensure employees have appropriate safety equipment for all relevant working activities.

Ejendals and our business partners shall ensure that: the workplace, and if applicable, housing facilities are clean and free from pollutions, temperature and noise level in the workplace is tolerable as a working environment.

Ventilation should be adequate, and heaters or fans should be available if needed. Furthermore, the lightning at each working place should be sufficient for the work taking place, at all working hours.

The number of sanitary facilities should be adequate for all employees. The sanitary should be clean and the employees should have access without unreasonable restrictions. Sanitary facilities should preferably be separated for men and women.

There should be possibility to have access to clean water and sanitary facilities for food and beverage storage.

If Ejendals or our business partners provide housing facilities for its employees, the requirements regarding health and safety 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 and there should be no restriction leaving the dormitory during time off.

All employees must be provided with their own individual bed, and the living space per employee must be compliant to applicable laws and regulations. Separate dormitories, toilets and shower facilities should be provided for both men and women.

6. Business Integrity

Ejendals and our business partners shall comply with applicable laws concerning bribery, corruption, fraud, and any other prohibited business practices.

Ejendals and our business partners shall be committed to take prompt action to investigate and address any allegations or indications of bribery, corruption, fraud, or any other prohibited business practices.

Ejendals and our business partners are encouraged to implement a complaint mechanism, such as a whistle-blower system, hot line or equivalent to promote follow up of reported concerns. The anonymity of anyone reporting concerns shall be protected.

Ejendals and our business partners shall not offer, promise or given any improper benefit, favour or incentive to any public official, international organization, or other party.

Ejendals and our business partners shall not, directly, or indirectly, offer gifts to Ejendals employees or persons representing Ejendals or any one closely related to these, unless the gift is of insignificant value.

Ejendals and our business partners shall avoid conflicts of interest that may compromise the credibility in Ejendals or other external parties' confidence in Ejendals. An example of such conflicts of interest may be if a business partner is a member of an association whose core values are contrary to those of Ejendals.

Ejendals and our business partners shall under no circumstances cause or be part of any breach of general or special competition regulations and laws, such as illegal corporation on pricing or illegal market sharing.

Production and extraction of raw materials for production shall not contribute to the destruction of resources and income base for marginalized populations, such as claiming large land areas or other natural resources on which these populations are dependent.

7. Security

Ejendals and our business partners shall produce products/services in secure ways that do not conflict with respect of human rights and applicable legislation. The means of coercion must be kept at a minimum.

Facilities used by Ejendals and our business partners shall be secured against illegal trespassing and action should have been taken to reduce risk for unauthorized access, this includes storage areas, docking areas and loading areas or other areas which may be relevant.

Ejendals and our business partners shall secure handling of goods/services to reduce risk of maladministration or manipulation of loading units.

Ejendals and our business partners shall identify employees with working duties that may have an impact on security and do background check-ups on a regular base when necessary.

8. Quality

Ejendals and our business partners shall produce, test and package, Ejendals products according to specifications and according to requested instructions.

Ejendals and our business partners shall work systematically with continuous improvements regarding product quality, process quality and have a system for internal quality control.

Ejendals and our business partners shall have a system for finding deviations and report corrective and preventive actions for nonconforming products.

Ejendals and our business partners shall on a frequent basis train and educate employees in continuously improvements, for those who have a direct impact on product quality.

Ejendals and our business partners shall on a frequent basis plan and perform internal audits to find improvements.

Ejendals and our business partners shall on a frequent basis evaluate supplier/subcontractor based on this CoC and have a documentation of qualified suppliers.

Ejendals and our business partners shall have routines for, inspection on receiving goods and final inspection of produced products.

Ejendals and our business partners shall have documented routines and keep production journals.

9. Environment

The Environment is of increasing concern globally and Ejendals expect our business partners to act responsibly in this respect.

Ejendals and our business partners must comply with all applicable environmental laws and regulations in the country of operation.

Ejendals and our business partners shall conduct a risk assessment of the areas where the supplier has the highest environmental impact and shall ensure that the precautionary principle is used regarding environmental risks.

Ejendals and our business partners shall ensure that there are documented routines to monitor and measure the impact of the environment.

Ejendals and our business partners shall provide all employees with environmental training.

Handling of Chemicals

Ejendals and our business partners shall ensure that they do not produce products that contain (above stipulated amounts) substances listed in annex XVII, candidate list or annex XIV, according to European Regulation (EC) 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). In addition to REACH, Ejendals and our business partners shall be compliant with many other rules and regulations within the chemical compliance area, non-exhaustively listed in Appendix 2.

Ejendals and our business partners shall ensure that chemical containers will be properly labelled and safely stored. Material data sheets (MSDS) must be available (in the local language) in the production site. The instructions in the MSDS must be followed.

Ejendals and our business partners shall ensure that all the hazardous chemicals warehousing facilities shall consist of a secure and designated area that is clearly identified. The storage facilities must be free of possible leakage.

Ejendals and our business partners shall ensure that personnel handling hazardous chemicals must be trained and informed regarding the risks and that they are given clear and visible instructions regarding how to handle the waste.

Ejendals and our business partners shall ensure that personnel handling hazardous chemicals must be given equipment to carry out safe and proper handling of hazardous chemicals, and that they are instructed how to act if an accident and/or other emergency incident occurs.

Waste management and wastewater treatment

Ejendals and our business partners shall endeavour to reduce or eliminate solid waste, waste water, and air emissions, including energy-related indirect air emissions, by implementing appropriate conservation measures in their production, maintenance, and facilities processes, and by recycling, reusing, or substituting materials.

Ejendals and our business partners shall ensure that treated wastewater quality and handling waste, should meet the requirement in local legislation.

10. Management

Ejendals and our business partners shall take positive actions to respond to the requirements of this CoC and to incorporate the principles of the CoC into its operations. Ejendals believe in co-operation and we are willing to work with our business partners to achieve workable solutions in each individual case.

Ejendals are willing to take into consideration cultural differences and other factors, which may vary from country to country, but Ejendals will not compromise on our basic requirements according to this CoC.

11. Obligation to inform

Ejendals and our business partners are obligated to ensure that employees, direct suppliers, and subcontractors comply with this Ejendals CoC, with commitment proved by signing.

The direct suppliers are further obligated to, via their own procedure (“CoC” etc), ensure that sub-suppliers are informed and comply with at least the level of the Ejendals CoC, with key topics assessed against ‘zero-tolerance’ criteria, e.g. human rights, child and forced labour, and bribery etc.

Ejendals and our business partners are obligated to always keep responsible persons informed about any inconformity towards this CoC, as well as about any changes that will affect the possibility to fulfil this CoC. In case of any uncertainty, unclarity or unavailability of a contact person, the (highly access-restricted) e-mail address compliance@ejendals.com should be used to report on such situations. If desired the information can be handled anonymously, via a Web Form available on <https://www.ejendals.com/compliance> (see also Appendix 3).

Ejendals and our business partners are obligated to always keep information about where each order is being produced, if asked for.

12. Monitoring and enforcement

Ejendals and our business partners shall periodically and systematically review how its own operations match the requirements of this CoC.

Ejendals will continuously evaluate and, if needed, improve our own policies and purchasing practices in order to facilitate our business partners’ compliance with this CoC.

Ejendals and our business partners must also take steps to follow-up on these requirements to own suppliers, and subcontractors.

Ejendals reserve the right to make unannounced visits to all business partners and its premises, at any time, to conduct audits in order to evaluate compliance against Ejendals CoC.* (*see next page)

Ejendals reserve the right to appoint an independent third party of choice to conduct audits in order to evaluate compliance against Ejendals CoC.

Ejendals and our business partners is obligated to upon request, provide Ejendals responsible persons with information and/or allow Ejendals, or any of its representatives, to access premises of Ejendals and our business partners for verification of Ejendals CoC.

13. Non-compliance/Corrective actions – Termination of contract

This CoC is expected to be met by all Ejendals and our business partners throughout the value chain. If the requirements in this CoC are not met, the parties will discuss corrective actions through an open dialogue.

Ejendals and our business partners shall do their utmost to implement corrective actions as soon as possible and should inform Ejendals responsible persons about any such actions.

If Ejendals find that corrective actions are not taken within agreed time limits or if Ejendals find repeated violations against this CoC, Ejendals will immediately investigate the co-operation with the business partner and this could lead to legal actions or cancellations of existing orders.

We hereby confirm that we endorse and will comply with this Code of Conduct.

Place and date

Company Name

Position/Title

Name

Signature

*An unannounced visit is defined as an appointment or audit at the business partner's production site or similar, where our products are made or handled, with short notice, just enough to arrange the necessary organization to perform such event. This audit / visit could then be expected to take place within 5 business days from the initial contact was taken, during normal business hours and excluding holidays. Unannounced visits shall be limited to one (1) per calendar year.

Exception of this, and in addition in cases where Ejendals has credible evidence of a substantive violation of Ejendals CoC, that constitutes issues of great concern, such as threat to life, health or safety or other serious breakage of legal regulations. An audit and permission to get access to those areas, due to these circumstances, that involve serious and great concerned issues, might then be motivated to be performed also outside normal business hours.

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Appendix 1: References to declarations, conventions, principles, and guidelines etc

The Universal Declaration of Human Rights (UN 1948) – www.un.org

UN's Convention on the Rights of the Child

UN's Global Compact 10 principles – www.unglobalcompact.org/

OECD Guidelines for multinational enterprises – www.oecd.org/corporate/mne/

ILO Convention No. 29 (Forced or Compulsory Labour)

ILO Convention No. 87 (Freedom of Association and Protection of the Right to Organise)

ILO Convention No. 98 (Right to Organise and Collective Bargaining)

ILO Convention No. 100 (Equal Remuneration)

ILO Convention No. 105 (Abolition of Forced Labour)

ILO Convention No. 111 (Discrimination in Respect of Employment and Occupation)

ILO Convention No. 138 (Minimum Age for Admission to Employment)

ILO Convention No. 182 (Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour)

California Transparency in Supply Chains act of 2010 (SB 657)

United Kingdom Modern Slavery act of 2015

European Regulation (EC) 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (Reach), Annex XIV, Annex XVII and Candidate list. *See other chemicals legislations etc in Appendix 2.*

Appendix 2: Complementary to REACH regulations, suppliers need to follow additional regulations, sometimes market-limited, although not limited to the below list

Stockholm Convention Regulation (POP). POPs Regulation (EU) No 2019/1021 on persistent organic pollutants Associations (Persistent Organic Pollutants, POPs).

Biocidal Products Regulation (BPR). (EU) No 528/2012 of the European Parliament and of the Council on the making available on the market and use of biocidal products.

Volatile Organic Compounds (VOC) Directive. The VOC directive 2004/42/EC, also known as the paint directive, aims to limit the emissions of substances which promote the forming of ground-level ozone.

Restriction of Hazardous Substances (RoHS) Directive. The RoHS Directive (2011/65/EU) applies to electrical equipment and electronic products and this includes products such as powered by power or battery.

UAE Regulation for Restriction of Hazardous Substances (UAE RoHS). The RoHS Regulation was introduced in 2017 and is modelled after the European Union Directive 2011/65/EU.

UAE Product Safety Law. On 18 December 2018, the United Arab Emirates Government enacted Federal Law No. 10 on Product Safety, to improve the product safety standards in the Emirates.

Toxic Substances Control Act (TSCA, EPA, 1976). The TSCA provides EPA with authority to require reporting, record-keeping and testing requirements, and restrictions related to chemical substances and/or mixtures in the United States of America.

Safe Drinking Water and Toxic Enforcement Act (SDWA) or California Proposition 65 (CA Prop 65) of 1986. CA Prop 65 requires maintaining and update a list of chemicals known to the state of California to cause cancer or reproductive toxicity.

Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA, EPA, 1910). FIFRA is federal statute that governs the registration, distribution, sale, and use of biocides in the United States of America.

Turkish KKDIK Regulation (TurkREACH). On 23 June 2017, the Ministry of Environment and Urbanization (MoEU) in Turkey published its REACH-like TURKREACH KKDIK regulation.

Turkish Biocidal Products Regulation (TR-BPR). This BPR came into force on December 31st, 2009.

Eurasia REACH. The Technical Regulation (TR) of Eurasian Economic Union (EAEU) on Safety of Chemical Products TR.No.041/2017 approved on March 3rd, 2017 ("Eurasia REACH") of the EAEU countries (Russia, Armenia, Belarus, Kazakhstan, and Kyrgyzstan).

Responsible Minerals Initiative (RMI). The RMI was founded in 2008 as the Conflict Free Sourcing Initiative (CFSI). The aim of this global standard is to provide resources and tools to help businesses obtain conflict-free minerals.

UK REACH. The United Kingdom's independent chemicals regulatory framework UK REACH started on January 1, 2021.

Technical regulation for Restriction of Hazardous Substances in the Kingdom of Saudi Arabia. This TR has been proposed on November 19th, 2020.

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Appendix 3 Report of Non-Compliance Form (also on <https://www.ejendals.com/compliance>)

I am aware of a situation that may not be in compliance with the contents of the *Ejendals Code of Conduct for Business*. Below is a description of the potential or actual non-compliance situation.

Name and preferred contact details (not mandatory), *anonymous* reporting is possible only via web <http://www.ejendals.com/compliance>

The web Form (<http://www.ejendals.com/compliance>) must be used if you need/want to report anonymously (leave the second question empty). However, this can limit our ability to properly investigate and take required steps to assess and manage any risks based on your report.

Otherwise, you can report non-compliance to Ejendals with an e-mail message (with optional attachments etc), directly to compliance@ejendals.com. This e-mail address has very restricted access, currently limited to only the company's CEO and EHSQ&Sustainability Manager.

Ejendals is committed to protecting your personal data according to GDPR (see our web at https://www.ejendals.com/about-us/our-responsibility/gdpr_en/).