



SUPPLIER CODE OF CONDUCT

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INTRODUCTION

For Cervera AB, Kitchn Butikkdrift AS, Kitchen Butikdrifts Sverige AB and Tilbords Butikkdrift AS (“Buyer”), it is important to take responsibility for our actions throughout the whole value chain, to achieve sustainable development where products are made that respect people and the environment. We strongly believe in collaboration, and we want everyone who works with us to ensure that our products are made under fair and safe conditions.

This Supplier Code of Conduct is adopted by the Buyer to ensure that our suppliers are aware of our expectations and view on sustainability and operate in accordance with internationally recognised minimum standards on human rights, labour rights, working conditions, the environment, and anti-corruption. We expect each supplier and subcontractor to comply with it in a liable and transparent manner.

The core of the Supplier Code of Conduct is based on international agreements; the UN Universal Declaration of Human Rights¹, the International Labour Organization (ILO)², and the Rio Declaration on Environment and Development³.

SCOPE AND COMPLIANCE

This Supplier Code of Conduct applies to all suppliers and sub-suppliers of the Buyer. The term “supplier” includes suppliers and business partners as well as their subsidiaries, agents, affiliates, and subcontractors. The term also includes all employees working for the supplier, consisting of employees and consultants, regardless of whether they are permanently employed, temporarily contracted, directly employed, students, or supervised.

The supplier shall comply with relevant legislation as mentioned above, as well as the requirements set out in this Supplier Code of Conduct. It is the supplier’s responsibility to ensure that its sub-suppliers comply with The Supplier Code of Conduct or comparable requirements. We require our suppliers to have a systematic due diligence process established to evaluate, monitor, and secure that human rights are being respected throughout their supply chain, to comply with Norwegian Transparency Act and EU Corporate Sustainability Reporting Directive. Due to those legal reasons, we may ask the supplier to collect and provide to us, relevant information regarding social compliance e.g. social audit report.

By accepting The Supplier Code of Conduct, the supplier commits to meeting these requirements within its own operations and supply chain and allowing the Buyer’s to follow up. This would include providing us with relevant, accurate and complete documentation and records. In the case of identified non-compliances, the supplier or sub-supplier must provide the Buyer with a Corrective Action Plan (CAP) for the Buyer to approve.

If the supplier identifies or suspects any breaches of The Supplier Code of Conduct, the supplier must immediately inform the Buyer of these breaches. The information will not be used against the supplier or sub-contractors of the supplier. Violations of The Supplier Code will cause negative impact upon business relations with the Buyer, including, but not limited to, the risk of contract termination.

¹ <https://www.un.org/en/universal-declaration-human-rights/>

² <https://www.ilo.org/global/standards/lang--en/index.htm>

³ <https://sustainabledevelopment.un.org/content/documents/1709riodeclarationeng.pdf>

WORKING CONDITIONS

Healthy & safe environment

(ILO Convention 155)

The workplace must be a healthy and safe environment for employees. This means, at a minimum, that the workplace must comply with applicable laws, regulations, and standards.

The employer must provide a safe and hygienic working environment by implementing a regulatory framework to prevent accidents and injuries from occurring and minimising health risks. All employees shall be provided with appropriate protective equipment where necessary free of charge, with training on correct usage. They shall also receive regular health and safety training. No unsafe exposure to hazardous machines, equipment, substances and/or facilities is permitted.

Fire Safety shall be maintained by adequate facility conditions, regular firefighting training, and prevention of fire hazards. The facilities must be clearly marked with exit and emergency exit signs. Fire alarms and fire extinguishers must be easily accessible on every floor. First aid equipment must be easily accessible.

Employees shall have access to clean drinking water and toilet facilities. Lighting, heating, cooling, and ventilation systems shall be designed to ensure a good working environment.

HUMAN RIGHTS

Discrimination, diversity, and equality

(ILO Conventions 100, 111 and 159)

All employees must be treated fairly, with respect, and with dignity at all times, regardless of gender, religion, sexual orientation, ethnic or national background, political view, union affiliation, age, parental status, or disability. No form of physical, verbal, psychological or sexual harassment or abuse of employees or business partners is tolerated.

There should be no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on gender, sexual orientation, race, colour, age, pregnancy, marital status, religion, political opinion, nationality, ethnicity, disease, or disability.

In addition, employees should have the right to education and training.

Female workers should not be discriminated against due to pregnancy or maternity leave and should be given equal access to employment.

There is a grievance mechanism in place enabling employees to put forward complaints without risk of retaliation.

LABOUR RIGHTS

Employment, wage, working hours, freedom of association & collective bargaining

(ILO Conventions 122, 158, 175, 001, 014, 106, 030, 131, 135, 154 and ILO Recommendation 166)

All employees, permanent, temporary or supervised, shall have written contracts. The contracts shall be written in a language which the employees understand and contain the following information: Working hours, overtime compensation, salary, payment frequency, and information on notice period.

Terms and salaries shall be determined based on working effort and role and be same as or exceed the national legal minimum wage, including allowances and benefits. Overtime payments are to be premium to regular salaries. Employees shall be entitled to take statutory vacation and sick leave without negative reprisal.

Working hours may not exceed national legislation or 48 hours per working week, whichever is higher. The employees shall have at least one (1) working free day per a seven (7) day period. The total hours in any 7-day period shall not exceed 60 hours. Overtime shall be voluntary and not exceed 12 hours per week and shall always be compensated at a premium rate or in accordance with national legislation or collective agreements.

Wages and benefits for a standard working week should always meet a minimum national legal level, industry level, or collective bargaining agreement, whichever is higher. The fair living wage should always be sufficient to meet basic needs. Wages shall be paid on a regular basis as agreed and at least once a month. Deductions from wages as a disciplinary measure or any other reasons not provided by national law are not permitted. The employee should be granted and correctly compensated with all the legal social benefits, such as pension or paid leave, to which they are legally entitled.

All employees shall have the right to exercise their legal right to join or form a trade union of their own choosing and to bargain collectively without being subject to threats or harassment. Where the right to freedom of association and collective bargaining is restricted by law, alternative forms of collective bargaining and worker representation must not be prevented by the employer.

Child labour and young employees

(ILO Conventions 138, 182 and the United Nations Convention on the Rights of the Child)

Child labour is not accepted. Employment of children and minors under the minimum legal working age or 15 years old, whichever is higher, is not allowed. People are considered children until the day they turn 18 years old, according to the UN Convention on the Rights of the Child⁴. In those countries where the legal age is less, all national legislation related to young employees must be complied with.

Young employees under 18 years old are not allowed to work night shifts, carry out heavy work or work with hazardous materials and chemicals. All legal limitations regarding the employment of persons below the age of 18 shall be followed. They should be protected from any hazardous work, night shifts, and any kind of work that might hamper their development or impose any physical harm. Young employees must be treated with special consideration, with working hours and tasks adapted to their low age. For example, they must not do excessive overtime or night work.

⁴ <https://www.ohchr.org/en/professionalinterest/pages/crc.aspx>

Forced labour

(ILO Conventions 29 and 105)

All form of forced and illegal labour is forbidden. This means that no employees are required to provide a deposit or original identification papers to the employer. The employees must be free to leave their employment after reasonable notice and they shall be allowed to move freely without any restrictions.

Employees shall not be punished or receive retaliation in the case where the employees raise concerns regarding their working environment, terms or conditions. Salary deductions and disciplinary measures are not allowed. Physical punishment, unlawful detentions, sexual, psychological or verbal harassment or abuse are not permitted.

ANTI-CORRUPTION

For us, ethical behaviour is the core value with to establish and maintain legitimate and productive relationships between suppliers, business partners, and organisations.

All forms of corruption are strictly forbidden. Corruption includes, but is not limited to, the following acts:

Bribery – occurs when a person requests, receives, accepts, offers, pays, seeks or accepts an offer or an improper advantage or reward in connection with his or her position, office or assignment. Gifts and hospitality are not accepted – which means that the supplier is prohibited from arranging, offering or giving advantages such as gifts, loans, sums of money, fees, rewards, services, journeys, bonuses or vouchers to individuals. All compensation to employees and representatives for the organisation must be suitable and only given for legitimate products and services.

Extortion – is a direct or indirect act of utilising one's power, position or knowledge to demand unmerited cooperation or compensation as a result of coercive threats.

Facilitation payments – are a direct or indirect unofficial payment made to secure or expedite a performance of a routine or necessary action, to which the payer of the facilitation payment has legal or other entitlement.

Nepotism and cronyism – is a form of favouritism based on a relationship, where someone in an official position exploits his or her power and authority to provide a job or favour to a family member or friend, even though he or she may not be qualified or deserving.

Fraud – is any intentional or deliberate act to deprive someone of property or money by deception or other unfair means.

Money laundering – is any act or attempted act to conceal or disguise the identity of illegally obtained proceeds so that they appear to have originated from legitimate sources.

ENVIRONMENT

It is of high concern to keep environmental impact to a minimum throughout the whole value chain. The supplier shall follow applicable environmental legislation, regulations, and national laws and work towards minimising negative impact on the environment throughout their whole business operation. The supplier shall set up a waste management system that follows applicable legislation and regulations for handling hazardous waste, wastewater, air emissions, and energy efficiency, including maintaining valid permits.

In all situations the supplier shall constantly strive for a minimal use of resources such as water, energy, and raw materials in their daily operations. Environmental impact should be taken into consideration in all production processes, e.g. by careful choice of materials with renewable or recyclable qualities. Energy and water consumption shall be measured and minimised to reduce air and water emissions. The supplier shall have a system for environmental management including goals and measurement, such as ISO14001 or equivalent.

CHEMICALS

The supplier is responsible for ensuring that all products meet all applicable laws and regulations within the EU and the Swedish and Norwegian market for the specific product, regarding chemical use and disposal.

The supplier shall have a list of all chemicals used in production and ensure that all chemicals are stored, handled, used, and labelled correctly with valid SDS (Safety Data Sheets). The list shall include the chemical name of the product, the purpose of use, and a reference to SDS. The chemicals must be handled and disposed of in a safe and correct way, to ensure that environmental impact is minimised. The supplier shall constantly evaluate the usage of chemicals and substances on a regular basis and investigate if it is possible to replace them with less hazardous alternatives.

The supplier shall provide employees with training on a regular basis regarding safe chemical handling to eliminate risks and secure safe usage. Employees handling chemicals shall have and be provided with suitable personal protective equipment.

If a product contains more than 0.1% of a substance on the REACH Candidate list, the supplier must within 30 days of the enquiry being made advise the Buyer as to whether the product can be used safely, specifying the name of the substance which the product contains. Products must be free from restricted substances in Annex XVII from the REACH Regulation EC 190/2006 and substances listed in Persistent Organic Pollutants (POPs) Regulation 2019/1021.

ANIMAL WELFARE POLICY

We are against animal cruelty, no animal cruelty or harmful actions under any circumstance are acceptable in the making of products. Animal welfare is important to us, and all animals shall live under good animal husbandry, with the Five Freedoms defined by the EU Farm Animal Welfare Council applied as a baseline.

The Five Freedoms are:

1. Freedom from hunger and thirst – by ready access to fresh water and a diet to maintain full health and vigour.
2. Freedom from discomfort – by providing an appropriate environment including shelter and a comfortable resting area.
3. Freedom from pain, injury and disease – by prevention or rapid diagnosis and treatment.
4. Freedom to express normal behaviour – by providing sufficient space, proper facilities and company of the animal's own kind.
5. Freedom from fear and distress – by ensuring conditions and treatment which avoid mental suffering.

Materials must **not** originate from vulnerable or endangered species. All animals shall be stunned before slaughter. Animal welfare shall accommodate through-out the supply chain in the manufacturing of products of animal origin. The animals shall be handled at least in accordance with the Convention on International Trade in Endangered Species (CITES) or IUCN (International Union for Conservation of Nature) lists of endangered species and international laws. All Suppliers must comply with all requirements in this document and upon request provide us with all relevant information needed about the origin.

ANIMAL TESTING

- Product quality tests conducted on animals are **not** accepted.
- Animal testing on any cosmetic product, either during production or on finished products are **not** accepted.

DOWN AND FEATHERS

- Down and feathers must originate from slaughtered birds bred for meat production.
- Down and feathers must not originate from farms practicing live plucking or force feeding.
- Down and feathers must be certified according to RDS (Responsible Down Standard) or similar.

FUR

- Real fur is **not** accepted, exception is sheep fur that has been bred for meat production.

LEATHER

- Leather that are obtained from live-skinning or live-boiling are **not** accepted.
- Leather must originate from cow, buffalo, sheep, goat or pig that has been bred for meat production.
- Exotic skins from wild animals are **not** accepted.

WOOL

- Merino wool from farms that practice mulesing are **not** accepted.
All wool originating from Australia must be declared and certified as “non-mulesed”.
- All wool must be declared free from cruelty treatment, if possible certified according to RWS (Responsible Wool Standard).

PRODUCT POLICY

Our ambition is to ensure that all raw materials used in products provided to us is sourced in a responsible and sustainable way, where the social, biodynamic, and environmental impact is considered and secured thru the whole chain of custody.

Furthermore, the supplier is responsible for securing that the product meets all applicable product safety, environmental, health & safety, labor and social laws and regulations together with the Product Policy are being followed. The supplier shall upon request provide us with relevant information and documentation needed about the origin of natural raw material.

CHEMICALS

- Biocides, products containing or treated with antibacterial substances with the intention to give antibacterial properties are **not** acceptable. Exceptions are for cosmetics and hygiene products. However, the product must comply with the Biocidal Product Directive 98/8/EC.
- Flame retardants in textile products are **not** acceptable. Exceptions are for electronic and electrical equipment due to safety reasons. However, the product must comply with RoHS Directive 2011/65/EU.
- PFAS (Per- and polyfluoroalkyl substances) used as nonstick coating, water resistance or dirt repellent treatment in products are restricted from usage. All nonstick coating must be provided with a test report. Example of coating containing PFAS are PTFE or fluoropolymer-based coating. Our ambition is to phase out PFAS from all products.
- PVC (Polyvinylchloride) used in products or in packaging are **not** acceptable. Only exception is PVC for electronic products for cable cords. However, in that exceptional part it must not contain any substances on the REACH candidate list (Regulation EX 1907/2006) at levels above 0,1% (w/w).

CHILDREN'S PRODUCTS

- All products intended for children to use must meet all applicable law and regulations, which are but not limited to:
 - CE-marking EG/765/2008
 - Toys Safety Directive 2009/48/EG
 - Electric toys – Safety EN 62115:2005
 - Classification of toys – Guidelines CEN CR 14379:2002 & SFS 2011/579
- War toys, which means toys that look like modern weapons or products intended for children to use that looks eatable are **not** acceptable due to safety reasons.

COTTON

- Cotton originating from Uzbekistan, Turkmenistan or Syria are **not** acceptable due to severe human rights concerns related to the cotton sector.

ENDANGERED SPECIES

- Materials originated from vulnerable or endangered species are used in the production of the products are **not** acceptable.
 - All materials and component shall comply with Convention on International Trade in Endangered Species (CITES) or IUCN (International Union for Conservation of Nature) lists of endangered species.

ETHICAL

- Prints or other applications which can be perceived as offensive, racist, or sexist are **not** acceptable.
- Fireworks are **not** acceptable, due to safety and ethical reasons.

NATURAL STONE

- Only stone deriving from legal mining and quarrying activities are acceptable, child or forced labor are **not** allowed. All stone used in products requires to provide the country of origin and location of the mine/quarry.

TIMBER & WOOD

- Illegally harvested timber and timber products are **not** acceptable. The EU Regulation No 995/2010 (Timber Regulation) for traceability or similar legislation shall be followed. No vulnerable or endangered species are allowed to be used.
- Suppliers of wood and wood-based products such as (but not limited to) paper, bamboo, and cane from countries with tropical rainforest, primeval forest and/or threatened species must have Forest Stewardship Council (FSC) certification or equivalent.

PALM OIL

- Only RSPO (Roundtable on Sustainable Palm oil) certified palm oil used in products containing palm oil are acceptable.

PLASTIC

- Micro plastics are **not** acceptable, only abrasive particles in cosmetic scrubs, that are degradable and made from renewable resources are allowed.

COMPLIANCE COMMITMENT

By accepting the Supplier Code of Conduct, the supplier commits to meet the requirements within its own operations and supply chain and allowing the Buyer to follow up. If the Supplier Code of Conduct is not followed, conditions must be improved. The first step is to set a corrective action plan (CAP) to implement the needed improvements.

Non-improvement of conditions or any material breach can be grounds for termination of collaboration and any contracts with the Supplier. To ensure that the Supplier Code of Conduct is followed, the Buyer reserves the right to be provided with information regarding the content of the product when asked e.g Declaration of Conformity, test reports and material content and to receive a social audit report if needed. If the Supplier cannot, upon request, provide a Social Audit report, the Supplier is required to submit to the Self-Assessment questionnaire.

Information shared to the Buyer won't be shared with a third party. The information shall remain confidential and to be used only for sustainability and compliance related reasons as a part of the Buyer's due diligence work when it comes to human rights, climate change, chemical compliance, product safety etc. and legislation such as EU Corporate Sustainability Due Diligence or similar national regulation (Norwegian Transparency Act).

The undersigned hereby confirms that:

- We have read the Supplier Code of Conduct and accept the terms required of us as a supplier and our subcontractors.
- We agree to inform all our employees and our subcontractors' employees about the content of this Supplier Code of Conduct.
- We agree to send the Buyer our own applicable certifications, standards, test reports, documentations, audit reports and Declaration of Conformity upon request.
- We accept that the Buyer reserves the right to update and modify this Supplier Code of Conduct at any time.
- We accept that if the Supplier Code of Conduct is not followed, this may result in our contracts being declared void.

Company name

Name and Title of the Signing Representative

Signature and Date