

## Code of Conduct

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### 1. Policy Statement

Clas Ohlson is committed to being a responsible employer and a good corporate citizen, with products and solutions that contribute to help and inspire people to improve their everyday life by offering clever and convenient practical solutions at great value. All our activities – including the sourcing, distribution, sale, repair and end of life treatment of products – must be conducted with respect and consideration for human rights, for human health and safety, and for the environment.

The Clas Ohlson Code of Conduct (hereinafter referred to as “the Code”) is an integral part of our business and specifies requirements in relation to human rights, employee rights, the environment, the impact on children’s rights and business ethics.

The Code is based on the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, UN Guiding Principles on Business and Human Rights, The OECD Guidelines for Multinational Enterprises and the Children's Rights and Business Principles. Clas Ohlson supports the UN Global Compact.

### 2. Scope

The Code applies to the entire value chain of Clas Ohlson’s products and services, including all our business operations, employees and “Partners”. Partners include actors in the value chain such as suppliers of products and services, contractors, agents and franchisees.

### 3. Accountability

It is the responsibility of the management to implement and ensure compliance with the Code.

Management shall make a local language version of the Code available to employees involved in any business relations with Clas Ohlson.

Employees are responsible for acting in accordance with this Code.

Employees and managers who violate the Code may be subject to disciplinary action, up to and including dismissal, depending on the facts and circumstances.

Partners of Clas Ohlson shall agree to comply with the Code. It is the responsibility of the partner to require that their employees, suppliers and partners comply with the provisions in the Code. On request, the Clas Ohlson partner shall be able to inform Clas Ohlson which suppliers they use, and demonstrate that these have received and understood the provisions of the Code.

In case of serious breaches of the Code, Clas Ohlson has the right to take actions, including ending agreements with Partners.

### 4. Provisions

#### 4.1 Legal Requirements

All Clas Ohlson units and Partners shall operate in full compliance with relevant laws and regulations applicable to the operations and employment in the countries in which they operate. This is a minimum requirement in all sections of this Code.

In case the Code is in conflict with national legislation it is required to follow the law and inform Clas Ohlson immediately.

## 4.2 Business ethics

Clas Ohlson does not tolerate corruption, bribery or unethical business practices in any form. All Clas Ohlson units and partners, and their employees, shall refrain from offering, giving, demanding or receiving bribes or any other improper benefits.

Clas Ohlson employees and partners shall abide by applicable competition laws.

The full version of our Code of Business Ethics is available at <https://about.clasohlson.com>.

## 4.3 Health & Safety

All employees shall be provided with a safe and healthy working environment and, when applicable, safe and healthy residential facilities, with applicable local law as a minimum. Appropriate action to prevent, and manage, potential workplace accidents and illnesses should be taken.

## 4.4 Non-discrimination

Clas Ohlson values and respects diversity and cultural differences. All employees shall be treated strictly according to his or her abilities and qualifications in any employment decisions, including but not limited to hiring, advancement, compensation, benefits, training, layoffs and termination.

## 4.5 Harassment & abuse

No employee shall be subject to physical, sexual, psychological or verbal harassment, intimidation or abuse.

## 4.6 Forced Labor

Forced, involuntary, uncompensated or trafficked labor is not tolerated in any form. This includes indentured, bonded, and unapproved prison labor, and other forms of working against one's own will or choice.

Employees shall not be required to lodge deposits or identification documents and shall be free to leave work at any time or terminate their employment after reasonable notice.

## 4.7 Security arrangements

Security practices must at all times be performed in full respect of human rights and applicable legislation. The means of coercion must be kept at a minimum.

## 4.8 Child labor and authorized minors

Child labor is not tolerated in any form. Unless local law stipulates a higher age limit, no person younger than the age for completing compulsory education or younger than 15 shall be employed.

For authorized minors, management is responsible for providing age-appropriate working conditions, hours of work and wage, in compliance with applicable local law.

If a child is found working at a site where Clas Ohlson products or components are produced, all actions taken must be in the best interest of the child, and all remediating actions must be taken to maintain or improve the child's social situation.

If rectification actions and agreement on remediation plan is not according to Clas Ohlson's requirement, Clas Ohlson will stop doing business with the Partner.

## 4.9 Human rights abuses in conflict-affected risk areas

Clas Ohlson does not accept that sourcing of materials in products, parts or components directly or indirectly contribute to human right abuses in conflict-affected and high-risk areas.

#### 4.10 Disciplinary practices

Disciplinary actions shall be conducted in a manner to ensure the fair and humane treatment of employees. No employee shall be subject to corporal punishment or any form of physical, sexual or psychological punishment, harassment or coercion.

Pay deductions shall not be made for disciplinary reasons unless this is regulated by collective agreement or permitted by law.

Progressive disciplinary action shall be applied.

#### 4.11 Employment contract

All employees are entitled to a written contract of employment.

#### 4.12 Working hours

Clas Ohlson recognises the need for a healthy balance between work and free time for all employees. Employees shall not, on a regularly scheduled basis, be required to work a standard work week of more than 48 hours per week or a total work week of more than 60 hours (including overtime).

Except in extraordinary business circumstances, all workers shall be entitled to at least one day off in every seven-day period.

#### 4.13 Compensation

Wages, including overtime compensation and benefits, shall equal or exceed the level required by applicable law. Clas Ohlson encourages that the cost for meeting basic needs of the workers and their families is taken into consideration when defining wage levels.

#### 4.14 Freedom of association and collective bargaining

All employees shall be free to exercise their legal rights to form, join, or refrain from joining organizations representing their interests as employees.

If the right to freedom of association is restricted or prohibited under law, the employer shall not restrict alternative forms of independent and free workers' representation.

The employees' right to collectively bargaining shall be respected.

No employee shall be subject to intimidation or harassment in his or her peaceful exercise of these rights.

#### 4.15 Environmental management

All Clas Ohlson units and partners shall operate in full compliance with applicable environmental legislation and Clas Ohlson-specific requirement. Relevant environmental aspects shall be identified and appropriate actions taken to address these, including resource consumption, emissions, chemicals and waste.

### **5. Monitoring, compliance & grievances**

The management is responsible for regular and documented monitoring and review of the compliance with this Code by its unit. Management is also responsible for maintaining adequate documentation to demonstrate compliance by partners.

As a condition of doing business with Clas Ohlson, suppliers must permit Clas Ohlson and its designated agents (including third parties) to perform audits, including confidential employee interviews.

Clas Ohlson's employees and partners are encouraged and expected to report incidents of non-compliance with the Code. Reported information will only be processed to the extent reasonably necessary for the investigation. There will be no retaliation or other negative consequences for individual reporting on such incidents.

**Adopted for the first time by the Clas Ohlson Board of Directors on June 25, 2014.**