

SUSTAINABLE PROCUREMENT SUPPLIER CODE OF CONDUCT

Policy Area	Procurement
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Purpose

The purpose of this document is to support ITABs ongoing sustainability goals and establishing requirements for labour rights, human rights, ethics, health and safety and the environment in the supply chain.

Scope

This standard is the detail behind the ITAB Procurement Policy. This document defines the requirements to meet the principles laid out in the ITAB procurement Policy.

The code of conduct needs to be sent to, signed, and returned to the sender by all suppliers to ITAB.

The ITAB Code of Conduct is the governing document and all standards in the supplier code of conduct are derived from the that standard.

Requirements

Introduction

This Supplier Code of Conduct (further referred to as the "**Code of Conduct**") applies to all suppliers and other business partners of ITAB Shop Concept AB (publ.), a limited company registered in Sweden with Company Registration Number 556292-1089, and all companies fully or partially, directly or indirectly owned by ITAB Shop Concept AB ("ITAB").

The Code of Conduct was drafted in English, and the English version is binding. If there are other language versions of the document, such translations shall be treated purely as reference materials, and in case of discrepancies the English version shall prevail.

The Code of Conduct defines our requirements in relation to suppliers, as well as our other business partners. Through the Code of Conduct, we fulfil obligations toward ITAB's Board of Directors, employees, customers, shareholders and other stakeholders. ITAB's suppliers and other business partners are encouraged to inform their suppliers of ITAB's Code of Conduct. Most of the requirements are based on internationally accepted standards such as the United Nations Universal Declaration of Human Rights, the UN Convention on the Rights of the Child and applicable ILO Conventions, and legislation in individual countries.

Legal Requirements

We require that the business activities of our suppliers and other business partners always comply with the local legislation in the respective countries of operation. If the requirements under the Code of Conduct differ from the national legislation in a country or territory, the legislation always prevails. In such cases, suppliers must notify ITAB immediately, before the Code of Conduct is signed. However, ITAB's requirements may in some cases be more stringent than the national legislation.

Human Rights

We do not accept forced labour or modern slavery in any form. We do not accept undeclared workers manufacture goods or perform services on behalf of ITAB.

Employees must be treated with respect and dignity. We do not accept the use of offensive treatment or bodily punishment by our suppliers, their sub-suppliers or other business partners. No employees may be harassed or offended physically, sexually, psychologically, or verbally.

No employees may be discriminated against in connection with recruitment or allocation of tasks based on gender, marital status, skin colour, age, pregnancy, sexual orientation, faith, political opinion, nationality, ethnicity, illness, or disability.

Labour Practices

ITAB does not accept child labour. No employee may be under 16 or younger than the minimum age for employment, if over 16. The company must take such preventive measures as are required to ensure that no person younger than the statutory minimum age for employment is employed.

ITAB recognises that all employees have the right to organise themselves, to join organizations of their choice and to negotiate collectively, and as such it is required of our suppliers. ITAB does not accept the use of disciplinary or discriminating measures by employers in relation to employees who organise themselves or who join an organisation for the peaceful protection of their statutory rights.

All employees have a right to a written employment contract in the language of the relevant country. The terms of employment must be specified in the contract. The employer must ensure that all employees are informed of their statutory rights and obligations.

Salaries must be paid regularly and in a timely manner. When salaries are fixed, the employee's experience, qualifications and performance must be taken into account. ITAB's minimum requirement is that the employer must at least pay the statutory minimum wage, a customary industry salary or a salary determined by way of a collective agreement (the highest level applies). Additionally, all other forms of statutory benefits and compensation shall be payable. Unreasonable deductions are not allowed. Employees have a right to a written salary specification including the basis of calculation.

The Environment

ITAB's suppliers and other business partners must comply with all environmental laws and regulations applicable in their countries of operation.

The company must have relevant environmental laws and operating licenses.

All waste, in particular hazardous waste, must be disposed of in a responsible manner and in accordance with local regulations.

Sourced wood should, where possible, come from Forest Stewardship Council (FSC), Program for Endorsement of Forest Certification (PEFC) or Sustainable Forest Initiative (SFI) controlled sources.

All waste, in particular hazardous waste, must be disposed of in a responsible manner and in accordance with local regulations.

All efforts must be made to ensure energy consumption, plastic in packaging and waste, are minimised as much as possible.

Fair Operating Practices

All tin, tantalum, tungsten and gold must originate from scrap or recycled sources and the supplier of these must comply with the Conflict Minerals Regulations in force in Europe. Any use of these materials requires the declaration of them and the sourcing route for them.

ITAB also complies with European regulations REACH and RoHS, as such ITAB maintains a banned and restricted substance list which must be complied.

ITAB is committed to the rules governing free and fair competition and complying with all laws regarding competition. It is a requirement that all suppliers to ITAB also comply with all competition laws and regulations.

Suppliers to ITAB must comply with all valid and applicable laws when importing and exporting goods and services.

Suppliers must not directly or indirectly offer, promise, accept or receive bribes, facilitation payments or other undue advantages in the purpose to obtain advantage in business.

Suppliers must recognise and follow ITAB's regulations for hospitality, gifts and expenses. Hospitality and gifts shall be modest and infrequent. Hospitality and gifts may, under no circumstances, be offered or received under or in connection with contract bidding, evaluation or award. Any conflict of interest should be resolved using the 4D model, disclose, distance, delegate and disassociate.

Health and Safety

We require our suppliers and other business partners to always prioritise their employees' safety. We do not accept the use of hazardous equipment or operations in substandard buildings. The workplace premises must be maintained and cleaned regularly and offer a healthy working environment.

Employers must actively prevent that employees are injured in accidents at the workplace. Risk assessments of hazards must be documented and control measures for unacceptable risks implemented. All employees must be trained to perform the tasks that are required of them.

All employees at the workplace, including managers and other staff, must be trained regularly in how to act in case of a fire or other emergencies. Evacuation drills must be performed regularly and involve all employees. Evacuation plans and fire safety equipment must be available.

If the company provides accommodation for its employees the accommodation must be separate from the workplace with a separate entrance. Entrance to the accommodation must be free for residents.

Systemic Approach

In order to comply with ITAB's Code of Conduct and local labour law and environmental regulations, our suppliers and other business partners must have policies and management systems in place required in relation to their operations.

Inspections and Compliance

ITAB expects all suppliers and other business partners to respect the Code of Conduct and make their best efforts to comply with its requirements. We also expect our suppliers and other business partners to be transparent.

We believe in cooperation and will be happy to cooperate with our suppliers and other business partners to achieve sustainable solutions and support suppliers and other business partners who comply with our Code of Conduct. Please report any breaches of ITAB's Code of Conduct immediately to the local ITAB management, or to hrgroup@itab.com.

All suppliers and other business partners must notify ITAB continuously of where each product is manufactured. This information must also comprise sub-suppliers. Relevant documents must be saved and presented in case of an audit.

We reserve the right to make unannounced visits at any time at any entity that manufactures goods or performs services on behalf of ITAB. We also reserve the right to hire an independent third party to carry out audits and to assess compliance with our Code of Conduct.

ITAB's Code of Conduct applies to our companies, direct suppliers, other business partners and producers of goods and services on behalf of ITAB. However, we would like our suppliers and other business partners to impose similar social and environmental requirements on their own suppliers.

The purpose of ITAB's audits is to find out if the actual circumstances and conditions in a workplace differ from the requirements set forth in the Code of Conduct. The audited company is given the chance to improve by proposing and implementing a plan of action. ITAB will review the implementation of the plan and verify that the deficiencies have been corrected.

If the company fails to carry out sustainable improvements by the applicable deadline, the business relationship with ITAB may suffer. Failure to cooperate or repeated serious infringements of ITAB's Code of Conduct or local legislation may result in reduced orders or assignments and, as a last resort, termination of the business relationship.

Signature

We will comply with ITAB's Sustainable Procurement Supplier Code of Conduct

ITAB's Code of Conducts apply to the entire ITAB Group to all suppliers. By signing this document, We confirm that we have read and understood the content and will comply with the document.

Date:

Signature:

Clarification of Signature:

Company Name:

Company Address:

Related Documentation

ITAB banned and prohibited substances list

S301 – Procurement Standard – Procurement Policy

Document Control

Revision	Changes made	Who	Date
0.1	Document creation	Jim Murray	22/07/21
0.2	Review and update	Per Eklund	20/08/21
0.3	Review by Sourcing Board	Sourcing Board	17/09/21
0.7	Update to new standard	Jim Murray	11/10/21
0.8	Revision based on 2018 version cross reference	Jim Murray	20/10/21
0.9	Revision after review with Legal, minor word changes	Jim Murray	22/11/21
1.0	Approval by group Management	Jim Murray	16/12/21

