

SUSTAINABLE PROCUREMENT SUPPLIER CODE OF CONDUCT

Policy Area	Procurement
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Contents

Purpose	3
Scope	3
Requirements	3
Introduction	3
Legal Requirements	3
Human Rights	4
Labour Practices	4
The Environment	5
Fair Operating Practices	5
Health and Safety	6
Systemic Approach	7
Inspections and Compliance	7
Continuous Improvement	7
Confidentiality	8
Non-Competition	8
Signature	8
Related Documentation	10
Document Control	10



Purpose

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

Scope

The Code of Conduct must be signed and followed by all approved suppliers to ITAB Group and subsidiaries.

The ITAB Group Supplier Code of Conduct represents the views on the importance of taking care of both people, planet and society throughout the value chain.

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, The supplier code of conduct should be valid for all approved suppliers of the ITAB Group and all its subsidiaries; La Fortezza SpA, Financiere HMY SAS, Checkmark, Nordic Light, ITAB Shop Products and all others.

The English version of the Code of Conduct is binding. All translations into other languages are for information only, and in case of discrepancies the English version shall prevail.

The Code of Conduct defines our requirements in relation to suppliers own operations and the supply chain that supports them, as well as our other business partners and their supply chain. ITAB group requires that suppliers and partners to have a signed code of conduct with their first tier of suppliers, as a minimum standard.

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, and as well, on our values. Our values are deeply rooted into our company and are the pillars on which our core principles are built upon, and our social commitments are based. Our philosophy defines who we are, what we are, what we do and why we do it. It determines the behaviour of all those that are part of our team and the global response of our organisation towards society.

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 local legislation always prevails. In such cases, suppliers must notify ITAB Group immediately, before the Code of Conduct is signed. However, ITAB Group requirements may in some cases be more stringent than the national legislation and in that case ITAB Group would reserve the right to compliance with ITAB Group's standards.



Human Rights

We do not accept forced labour or modern slavery in any form. Subcontracting with correctional facilities that use forced labour is strictly prohibited. Forced labour including prison labour in any form is not accepted by ITAB Group. We do not accept undeclared workers manufacture goods or perform services on behalf of ITAB Group. In addition to all relevant legislation all relevant International Labour Organisation (ILO) conventions and the Universal Declaration of Human Rights (UDHR) should be complied with.

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 person shall be discriminated against based on protected characteristics, whether during the recruitment process or in the assignment of tasks after employment. The protected characteristics are; gender, marital status, skin colour, age, pregnancy, sexual orientation, faith, political opinion, nationality, ethnicity, illness, disability or any other legal defined protected characteristic.

Labour Practices

ITAB Group 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. The company must ensure that a dedicated young persons risk assessment is conducted and maintained, this must contain that they are not allowed to operate heavy machinery, operate in hazardous areas and that they will not be allowed to work unsupervised.

ITAB Group 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 Group 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.

There shall be no requirement for documentation or financial guarantees as a condition to remain employed or to be provided with appropriate Personal Protective Equipment (PPE). Operators must provide their consent in writing to undertake overtime work.

It is imperative to ensure that no systems are in place that would compel individuals to work in the factory, furthermore, no official personal documents shall be confiscated under any circumstances.

All employees have a right to a written employment contract in the language of the relevant country which complies with local legislation in countries of operation. 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 Group'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), which does not discriminate by gender or any other protected characteristic. 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.



Workplace Environment and Facilities

Suppliers shall provide workers with clean and safe facilities, including adequate restrooms, access to potable water, appropriate changing rooms, break areas, and meal spaces. Rest and meal breaks must be provided in accordance with applicable laws, but always in a manner that ensures workers' health, well-being, and dignity. Facilities should be maintained in hygienic and secure conditions and accessible to all workers regardless of gender.

The Environment

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

The company must possess the necessary operating licenses, where applicable, and actively address environmental issues with the goal of reducing its carbon footprint and waste. This should be supported by a documented environmental policy, an assessment of environmental risks, and established mechanisms to mitigate or minimize both actual and potential environmental risks.

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

The new Regulation (EU) 2023/1115 on deforestation-free products aims to reduce greenhouse gas emissions and prevent biodiversity loss by promoting the use of deforestation-free products and minimizing the impact of ITAB GROUP and its suppliers on global deforestation and forest degradation. Under this regulation, all ITAB suppliers must ensure that certain products sold within the European Union (EU)—including commodities like cattle, wood, cocoa, soy, palm oil, coffee, rubber, and related products such as leather, chocolate, tires, and furniture—are not linked to deforestation or forest degradation, in line with the directive's framework.

All efforts must be made to ensure energy consumption, carbon and water footprint, plastic in packaging and waste, air noise and odour pollutions are minimised as much as possible based on a circular economy principles, and to promote continuous improvements and sustainable developments

Supplier should proactively work to increase percentage of products and services which have been designed with environmental considerations in mind, as: Minimise the use of energy, water and raw materials and maximise the use of recyclable and renewable materials including energy.

Fair Operating Practices

All tin, tantalum, tungsten and gold must originate from scrap, recycled sources or virgin that 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 Group also complies with European regulations REACH and RoHS, as such ITAB Group maintains a banned and restricted substance list which must be complied.

EU REACH – Regulation 1907/2006/EC that restricts and prohibits certain use of hazardous substances.

Substances listed in REACH Annex XVII are forbidden in the listed applications.

ITAB Group intends not to use any of the Substances of Very High Concern (SVHC) on the EU REACH candidate list for authorisation. Therefore, these substances shall be considered prohibited.

[Link to REACH Regulation](#)



[Link to candidate list](#)

[Link to Annex XVII – Restricted substance list](#)

EU RoHS II – Restriction of Hazardous Substances in Electric and Electronic Equipment

The EU's RoHS Directive, 2011/65/EU, prohibits hazardous substances in any electrical and electronic equipment as defined in Article 3 and Annex I of the above-mentioned Directive.

[Link to EU RoHS](#)

ITAB Group 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 Group also comply with all competition laws and regulations.

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

Suppliers must not directly or indirectly engage in bribery, facilitation payments, or any form of undue advantage to gain a business advantage. This includes a prohibition for suppliers to offer any personal gifts, provide any personal services or engage in any non-business-related social activities with ITAB Group employees with whom they have or are about to have business relations.

Suppliers must recognise and follow ITAB Group'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.

Suppliers are encouraged to report any suspected illegal or unethical behaviour at ITAB Group or within the supply chain. By using the ITAB Group whistleblowing website (<https://ITAB.whistlelink.com/> or <https://hmy-group.com/incidents/>) the confidentiality of the whistleblower can be always guaranteed.

After the invasion of Ukraine by Russian forces and the subsequent war, ITAB Group has made the decision that no steel with a Russian origin will be purchased through our steel supply chain. A declaration of origin may be required upon request.

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. Accident incident statistics must be tracked via relevant KPIs and investigation must establish root cause and demonstrate countermeasures to prevent reoccurrence.

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. Employees must be trained and provided with the relevant Personal Protective Equipment (PPE) required for the tasks they are required to complete.

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 in every working shift. 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.

We do not accept the use of hazardous equipment without workers receiving suitable health and safety training and proper PPEs. We do not accept workers conducting operations in substandard buildings

Systemic Approach

In order to comply with ITAB Group'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 Group 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 Group's Code of Conduct immediately to the local ITAB Group management, or to hrgroup@itab.com.

All suppliers and other business partners must notify ITAB Group 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.

Suppliers must consistently ensure that their procedures, products, and services meet ITAB Group's requirements, taking full responsibility not only for the products themselves but also for appropriate packaging to ensure safe delivery. To uphold this commitment, suppliers must maintain insurance coverage for any liabilities arising from product failures and bear the full cost of non-compliance, including administrative expenses.

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

The purpose of ITAB Group'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 Group 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 Group may suffer. Failure to cooperate or repeated serious infringements of ITAB Group's Code of Conduct or local legislation may result in reduced orders or assignments and, as a last resort, termination of the business relationship.

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

Continuous Improvement

Suppliers are expected to consistently seek improvements in pricing, lead times, and overall quality to enhance efficiency and competitiveness. They must take full responsibility for any



costs arising from non-compliance with quality standards, including rework, replacements, and associated administrative expenses.

Additionally, suppliers must adhere to agreed delivery schedules, ensuring timely and reliable supply. The quality of the products must be maintained at all stages, including proper handling, storage, and packaging, to meet specified standards and prevent damage during transportation.

Confidentiality

We kindly request that all information and documents shared between our companies, including but not limited to business discussions, pricing, and proprietary data, be treated as strictly confidential and not disclosed to any third party without prior written consent. This obligation applies in accordance with applicable local and EU laws.

Non-Competition

If a Non-Competition Period has been established and signed by parties, the Supplier, in a same geographical area, will not:

- Solicit business from ITAB Group Customers, nor use ITAB Group Customers' Confidential Information, to solicit and provide quotes and/or transfer business to any competing entity if no business relationship directly exists.
- Attempt to sell, license, or provide to any ITAB Group Customers, the same or similar products or services as are now provided to any ITAB Group Customers.
- Directly or indirectly, hire, or solicit for hire, any active employees of or individuals providing consulting services to any member of the ITAB Group, or any former employees of or individuals providing consulting services to any member of the ITAB Group within two years of the termination of their employment with or consulting services to the member of the ITAB Group, without ITAB Group's consent; provided that the foregoing shall not prohibit any solicitation activities through generalized non-targeted advertisement not directed to such employees or individuals that do not result in the hiring of any such employees or individuals by the Supplier Group within the Non-Competition Period.

Signature

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

ITAB GROUP'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, and agreed the content and will comply with the document, and we have the commitment to extend this principal as far as possible in my full supply chain management.

Date:

Signature:

Name of authorised representative

Company Name:

Company Address:

Related Documentation

S301 – Procurement Standard – Procurement Policy

Document Control

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0.1	Document creation	Jim Murray	22/07/21
0.2	Review and update	Per Eklund	20/08/21
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0.7	Update to new standard	Jim Murray	11/10/21
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0.9	Revision after review with Legal, minor word changes	Jim Murray	22/11/21
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