

**Human Rights Principles**

**Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights: and**

**Principle 2: make sure they are not complicit in human rights abuses.**

Pandinavia respects international human right and support firmly the core principle for equality of all human beings regardless of sex, age, ethic and religion.

We encourage our employee and business partner to work for the same approach.

In our employee handbook, it is also set clearly human rights of our employees are the same.

Based on our commitment, we have set up our code of conduct.

Pandinavia has our own Code of Conduct for issue of social responsibility.

Business partners must comply with all legal requirements relevant to the conduct of their business. A clear procedure is described for addressing complaints regarding this issue.

Employees are encouraged to participate decision making process of company policy through a periodically event.

No cases against human rights issues have been occurred.

In raising the awareness of issue of human right we will send out Code of Conduct to our business partners.

We want to ensure that our business partners having the same approach as our company.

**Labour Principles**

**Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right of collective bargaining;**

**Principle 4: the elimination of all forms of forced and compulsory labour;**

**Principle 5: the effective abolition of child labour; and**

**Principle 6: the elimination of discrimination in respect of employment and occupation.**

Pandinavia believes that every employee will have the same opportunities. Employees should be fairly treated and respected by the others in the company.

Our Company handbook covers employee rights, compensations and responsibilities. Our company management supports the freedom of expressing employee opinion. Regular meetings will be held for our employee expressing their opinions and helping them to solve problem they are encountering.

Outing or other activities are held as well to promote employees' creativity, belonging to company. Health and safety awareness training is important to us. Clear safety instruction & training will be provided for new employee. Home office would be possible when employee has difficulty in their family and because of long travelling distance. No case reported employee get inquiry during working hours.

Complaint related to this issue will be reported to Management and be seriously investigated.

Our company is committed to bear the social responsibility of our producers in risk countries. We have joined BSCI Organisation which is committed to improve factory working conditions. BSCI provides a system

that helps companies to gradually improve working conditions in their supply chain. Since 2010 we are member & we monitor our main producers practice by audits and visits. Audits made by third parties are organised to make sure our factory workers are working fairly & safely. For example, it covers workers occupational health & safety, no child labour, discrimination, working hours, fair remuneration.. and etc. After 6 years joining the initiative we meet our goal and 2/3 of our main suppliers has been audited and got "good" result.

In case our producers face financial problem, we also help them improve producers' factory facility. We will terminate doing business with suppliers who continuously cannot comply with our labour principles and requirement of social responsibility.

### **Environment Principles**

**Principle 7: Business should support a precautionary approach to environmental challenges;**

**Principle 8: undertake initiatives to promote great environmental responsibility;**

**Principle 9: encourage the development and diffusion of environmentally friendly technologies.**

Prevention and protection of environment is one of our important topics in our business and strategy. Pandinavia is committed to reducing the environmental impact on our daily operation. We aim at purchasing product from a factory having good anti-pollution system. Meantime, to our customer, we suggest an environmental product and transport way to our customer.

Internally we support paperless, re-use & recycle all related material in our daily business. Communication is encouraged in "digital form" and our catalogue is available in digital version in internet. Also our account department also send Invoices to our European suppliers and customers by digital form instead of sending out by Post. Internally communicated is encouraged when we. Thanks to this aim tons of paper is saved.

Periodically meeting is also held to arouse our employees' concern of this topic. On-going training is provided to our sales person. It helps suggestion our customer to have transport way which has the least impact on environment, e.g. Sea shipment. Whenever it is possible we would recommend products which are "environmental friendly" for our customer selection.

Recycling percentage is increased and paper usage is decreased in last year. Pandinavia encourages printing both sides of paper and re-using back side of used Paper.

As of this year, Pandinavia is a climate neutral company, offsetting its carbon emissions with our partner Climate Partner. Another new development is that our customers now have the option of climate neutral ordering of their promotional items.

Companies, products and processes are termed "climate neutral" if they have their carbon emissions calculated and offset them by funding internationally recognized climate protection projects. By engaging in carbon offsetting, the product or company in question attains the status of climate neutrality.

Along with avoidance and reduction of carbon emissions, offsetting is an important step in comprehensive climate protection. Regardless of where they are first generated, greenhouse gases, e.g. CO<sub>2</sub>, then disperse uniformly throughout the atmosphere, so they are present in approximately the same concentrations all over the planet. This means that emissions that cannot be avoided in one location can be offset through climate

protection projects at another, a practice which contributes towards a global reduction of greenhouse gas concentrations.

Pandinavia AG has chosen to support three different climate protection projects: the supply of clean drinking water in Madagascar, biogas production in Suzhou and rainforest protection in Brazil.

In 2020 and for the upcoming year 2021, we focus on the implementation of new, self developed products with a sustainable, circular approach.

### **Anti-corruption Principles**

**Principle 10: Business should work against corruption in all its forms, including extortion and bribery.**

One of our main goals is to increase the transparency between our company and business partners. We have established our anti-corruption principles and procedures set out in our Company handbook. Employee would avoid receiving any valuable gifts so as to minimise all risks. We have also our own Code of Conduct of this part for our main suppliers which our supplier has to respect and follow. We have tight financial control on employee extra expenses so as to make sure employee expenses are in correct way. Any valuable gifts are requested to report to Management. On the side of our supplier we request our main supplier to agreed and set their guidelines on this topic arousing their concern. A new employee will have related training with necessary information once joining our company.

No case is reported until now.

Our auditor has not found any case during audit of factories.