

# CODE OF CONDUCT



# KFIVE+KINNARPS

## BASIC VALUES

Strenuous Rights at Work and labour standards, respect for the environment and social responsibility is a natural part of the Swedish culture. These issues are reflected in the Kinnarps basic values which are important to us and we work systematically to ensure that they are adopted by the whole organisation. Kinnarps basic values are a direct heritage from Kinnarps' founders which colours all our operations – all the way from how we do business to how we interact together

# 1

### **FORWARD-THINKING SPIRIT AND CREATIVITY**

We endeavour to pursue development and always see opportunities. We aim to be creative, dare to be different and dare to do what nobody else has done. We work effectively, persevere and always strive to do better

# 3

### **HONESTY AND HUMILITY**

We endeavour to be open and honest in all communication and behave respectfully towards all people, regardless of their status or role. We comply with laws and regulations and keep your promises.

# 2

### **INDEPENDENCE AND PROFESSIONALISM**

We endeavour to trust our own knowledge and skills and believe in the opportunities that present themselves. We perform our work in such a way that you can be proud of your profession and strive after personal development.

# 4

### **RESPONSIBILITY AND UNDERSTANDING CONNECTIONS**

We endeavour to take responsibility, be thrifty with resources and carry out operations in such a way that they can be sustained. We go to the source with problems and find out the real needs for a long term solution. We understand connections, predict consequences, take all aspects into consideration, evaluate and balance.

# HOW KFIVE+KINNARPS FULFIL THEIR RESPONSIBILITIES

To ensure that our way of doing business in a responsible manner is maintained in all aspects of the company, we have created the Kinnarps Code of Conduct. Its purpose is to stipulate conditions in the fields of human rights, labour standards, environmental management and anti-corruption criteria to be followed and respected by all persons who work for or in partnership with Kinnarps. In order to ensure that our work with these issues is carried out in an accountable way, Kinnarps has based its Code of Conduct on the United Nations Global Compacts\* ten principles. This is done in order to make the commitment clear to employees, suppliers, customers and other stakeholders. The principles are regulated and monitored through our management systems and Kinnarps compliance to the Code of Conduct is monitored through internal auditing and supplier evaluation.

## **CORPORATE COMPLIANCE**

We work in accordance with our basic values and our corporate strategy to protect human rights, promote fair employment and working conditions, to fight corruption and to achieve long term sustainability in our daily operation. Through this, Kinnarps requires that all its international operational units and employees comply with the Code of Conduct in addition to compliance with all relevant national and international laws, regulations and standards– even if Kinnarps Code of Conduct stipulates a higher standard. Employees who violate Kinnarps Code of Conduct are subject to disciplinary action. If violations against this Code are reported the person reporting are not to be retaliated in any way for making such a report. In all instances the rights and privacy of both the reporting person and the one accused of violations are to be adequately protected and assured.

## **KINNARPS SUPPLIER CODE OF CONDUCT**

To clarify Kinnarps expectations of responsibility in the supply chain we have created Kinnarps Supplier Code of Conduct. Even if Kinnarps Supplier Code of Conduct stipulates a higher standard than is required by national regulations, laws or standards Kinnarps demands that the supplier respects and comply with the Code. Kinnarps Supplier Code of Conduct is presented in a separate document.

# REQUIREMENTS

## **HUMAN RIGHTS**

We support and respect the protection of international human rights and will ensure that we are not complicit in human rights abuse.

## **LABOUR STANDARDS**

Freedom of Association. All employees are, as far as any relevant laws allow, free to form and to join or not to join trade unions or similar external representative organisations and to bargain collectively if they are a member of such a group. Forced Labour. Employees are free to leave their employment after reasonable notice as required by national law or regulated through contract. No forced, bonded or compulsory labour is used and employees are not required to lodge deposits of money or identity papers as part of their employment.

Employment Conditions. We work to ensure that employees understand their employment conditions. The conditions are based on terms that ensure fair and reasonable pay that comply with national laws or industry standards (whichever is higher) and stipulate minimum wages. Working hours are included in these employment conditions to ensure compliance with national laws and that they are not excessive. Child Labour. We support the ILO Convention on minimum age and child labour. No person below the minimum legal age is employed, which means the age of completion of compulsory schooling, or no less than 15 years of age. Children, persons below the age of 18, are not employed for hazardous work or work that is incoherent with the child's personal development (health, physical, mental, spiritual, moral and/or social development). All work that is carried out by children (15-18 years) is supported and supervised to ensure the best interest of the child and national law. Elimination of Discrimination. All employees are treated with respect and dignity. All forms of corporal punishment, physical or verbal abuse, unlawful harassment, threats and/or intimidation are prohibited. All kinds of discrimination based on prejudice or partiality is prohibited, such as discrimination based on sex, race, colour, sexual orientation, pregnancy, parental and/or marital status, religion, political opinion nationality, ethnic, indigenous and/or social background or status, disability, age, union membership and any other characteristic protected by local law as applicable. Employees with the same qualifications, experience and performance shall receive equal pay for equal work with respect to their relevant comparators. Working Conditions. In accordance with international standards and national laws, we provide a safe and healthy working environment for employees. This includes appropriate information and training to employees regarding health and safety. We shall systematically work with occupational health in order to minimize health and safety risks. One part of this is to document, address and follow up incidents in order to decrease the risk for recurrence.

## **ENVIRONMENT**

We work with environmental questions within our work for reaching a long-term sustainability. Our efforts are characterized by our view of sustainability, derived from The Natural Steps four system conditions that state;

In the sustainable society, nature is not subject to systematically increasing:

1. concentrations of substances extracted from the Earth's crust,
2. concentrations of substances produced by society,
3. degradation by physical means and, in that society....
4. people are not subject to conditions that systematically undermine their capacity to meet their needs.

This means that the use of finite resources shall be minimized as far as possible. We make this possible by creating smarter and innovative products and processes which means a minimised environmental burden through a lesser use of energy, raw materials, chemicals and water. We take it upon ourselves to ensure that our raw materials are produced in a responsible manner and that we take back any of our products from customers for reuse and recycling whenever this is possible.

## **ANTI-CORRUPTION**

We do not tolerate any form of extortion and/or bribery to or from employees or organisations. This includes improper offers for payment in order to influence any form of business negotiation that includes employees, customers, suppliers or any individual working for, with or on behalf of Kinnarps. Our definition of bribes and corrupt behaviour is based on chapter VII in the OECD's guidelines for multinational corporations. Companies or corporate representatives shall not, direct or indirect, give, offer or provide improper payment or bribe to second party on the premises of gaining improper advantage for own or other parts benefit. Further on, companies or corporate representatives shall not, direct or indirect, accept or demand improper payment, bribe or improper advantage from second party. Employees or individuals working for, with or on behalf of Kinnarps shall avoid conflict of interest in relation to employee, relative, existing or potential business partner or other stakeholder where such conflict of interest can compromise the credibility in Kinnarps or is in conflict with Kinnarps business interests.

# SUPPLIERS CODE OF CONDUCT



# INTRODUCTION

We are convinced that sustainable growth will be achieved along with suppliers that share our vision and ambition. We can do good business while being a good business, through co-operation, mutual trust and respect between the supplier and Kinnarps. Kinnarps encourages suppliers to promote environmental, social, and economic development and to contribute to the sustainability of the communities in which they operate. To ensure that our way of doing business in a responsible manner is maintained in all aspects of the company, we have created the Kinnarps Supplier Code of Conduct. Its purpose is to stipulate conditions in the fields of human rights, labour standards, environmental management and anti-corruption criteria to be followed and respected by all persons who work in partnership with Kinnarps. In order to ensure that our work with these issues is carried out in an accountable way, Kinnarps has based its Supplier Code of Conduct on the United Nations Global Compact's ten principles.<sup>1</sup> This is done in order to make the commitment clear to suppliers, customers and other stakeholders. The term "Supplier" in this document refers to any company, corporation or individual supplying and/or delivering products, components, materials or services to Kinnarps. The term "Worker" in this document includes own hired workers as well as on-site temporary workers, piece rate workers, contracted workers, trainees and workers on trial or probation.

## SUPPLIER COMPLIANCE

- The Supplier Code of Conduct is applicable to all Kinnarps operations and to any part that contributes to Kinnarps products, services or business activities from the supply chain. Kinnarps therefore requires suppliers to comply with the Kinnarps Supplier Code of Conduct – even if the Code stipulates a higher standard than is required by law.
- Acceptance and compliance of the requirements in the Supplier Code of Conduct shall be effective immediately upon a reached agreement.
- Evidence and verification of compliance shall be presented upon request. Compliance is verified and maintained through audits (second or third party) or through other appropriated verification.
- The Supplier is requested to accept responsibility to ensure that its workers and subcontractors are informed and in compliance with the Kinnarps Supplier Code of Conduct.
- Identified and/or reported violation of the Code is properly investigated. Violations can lead up to and including termination of contract.

# REQUIREMENTS

## HUMAN RIGHTS

The supplier shall support and respect the protection of international human rights and ensure that the supplier is not complicit in human rights abuse.

## LABOUR STANDARDS

### Freedom of association

The supplier shall:

- ensure that all workers are, as far as any relevant laws allow, free to form and to join or not to join trade unions or similar external representative organizations and to bargain collectively if they are a member of such a group. Collective bargaining is defined as negotiations between employer and worker representatives (freely and independently chosen by the workers).
- not accept punishment of workers for associating with a trade union or equivalent organization.
- ensure that there is a possibility for workers to organize in work meetings or equivalent when freedom of association is not allowed.

### Forced Labour

The supplier shall:

- ensure that workers are free to leave their employment after reasonable notice as required by national law or regulated through contract.
- not use forced, bonded or compulsory labour. Forced labour means work executed involuntarily or under threat of punishment.
- not require lodge deposits of money or identity papers as part of a worker's employment.
- not use, or threat to use, physical or verbal punishment.

## Employment Conditions

The supplier shall:

- provide all workers with a written contract which indicates the nature of work, working hours, salary and vacation.
- ensure that workers understand their employment conditions.
- regularly pay its workers fair and reasonable salaries that comply with national laws or industry standards (whichever is higher). Kinnarps encourages the supplier to pay living wages so that the workers can satisfy their basic needs.
- ensure that working hours comply with national laws and that they are not unreasonable. Except in.
  - emergency or unusual situations, a work week shall be restricted to 60 hours, including overtime.
- ensure that requested overtime is voluntarily and compensated according to national law.
- ensure that all workers have at least one day off per week.
- ensure that all workers have breaks during their working day.
- ensure that all workers have the right to paid vacation.
- approve of worker's absence due to illness and parental leave.
- not dismiss worker due to parental leave.
- not require workers or potential workers to undergo medical tests that could be used in a discriminatory way except where required by applicable laws or regulations or prudent for workplace safety.

## Child Labour

The supplier shall:

- support the ILO Convention on minimum age and child labour. No person below the minimum legal age shall be employed, which means the age of completion of compulsory schooling, or no less than 15 years of age. This Code does not prohibit participation in legitimate workplace apprenticeship programs that are consistent with Article 6 of ILO Minimum Age Convention No. 138 or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.
- ensure that children below the age of 18 are not employed for hazardous work or work that is incoherent with the child's personal development (health, physical, mental, spiritual, moral and/or social development).
- support and supervise all work that is carried out by children to ensure the best interest of the child.
- establish a policy for what type of work a child in the age 15-18 is allowed to execute.

## Elimination of Discrimination

The supplier shall:

- ensure that all workers are treated with respect and dignity.
- prohibit all forms of corporal punishment, physical or verbal abuse, unlawful harassment, threats and/ or intimidation.
- not accept any kind of discrimination based on prejudice or partiality, such as discrimination based on sex, race, colour, sexual orientation, pregnancy, parental and/or marital status, religion, political opinion, nationality, ethnic, indigenous and/or social background or status, disability, age, union membership and any other characteristic protected by local law as applicable.
- ensure that workers with the same qualifications, experience and performance receive equal pay for equal work with respect to their relevant comparators.

## Working conditions

The supplier shall:

- provide a safe and healthy working environment for the workers in accordance with national laws
- establish a written policy, signed by the management, regarding health and safety at the workplace.
- minimize workplace accidents and work related illnesses and keep records of work incidents and accidents. An incident is an event in the workplace that could have caused an accident. Where physical hazards cannot be eliminated, Suppliers shall provide appropriate engineering controls such as physical guards, interlocks, and barriers. Where appropriate engineering controls are not possible, Suppliers shall establish appropriate administrative controls such as safe work procedures.
- provide workers with general safety instructions as well as relevant training and instructions to operate machinery and other equipment.
- ensure that temperature, air quality and noise level at the workplace comply with national laws and regulations. Where the work environment cannot be changed protective equipment shall be provided to workers free of charge.
- have documented routines for handling chemicals and safety data sheets shall be provided. Suppliers shall identify, evaluate, and control worker exposure to hazardous chemical, biological, and physical agents. Suppliers must eliminate chemical hazards where possible. Where chemical hazards cannot be eliminated, Suppliers shall provide appropriate engineering controls such as closed systems and ventilation. Where appropriate engineering controls are not possible, Suppliers shall establish appropriate administrative controls such as safe work procedures.
- ensure that the workplace is clean and safe and provide hygienic facilities for the workers.
- anticipate, identify, and assess emergency situations and events and minimize their impact by implementing emergency plans and response procedures, including emergency reporting, worker notification and evacuation procedures, worker training and drills, appropriate first-aid supplies, appropriate fire detection and



suppression equipment, adequate exit facilities, and recovery plans.

- identify, evaluate, and control worker exposure to physically demanding tasks, including manual material handling, heavy lifting, prolonged standing, and highly repetitive or forceful assembly tasks.
- have documented routines to ensure compliance and continuous improvements in the health and safety area with regards to objectives, audits and action plans.

## **ENVIRONMENT**

The supplier shall:

- conduct a risk assessment of the areas where the supplier has the greatest environmental impact and shall ensure that the precautionary principle is used regarding environmental risks.
- take initiatives to promote environmental responsibility and encourage the development and adoption of environmental technology.
- have a documented and communicated environmental policy, signed by the management.
- establish short- and long-term objectives along with action plans in order to ensure continuous improvement.
- have documented routines to monitor and measure the supplier's environmental performance.
- have a system to ensure compliance with applicable laws and regulations relating to environmental protection.
- provide environmental training to all workers.
- obtain, maintain, and keep current all required environmental permits (for example, discharge monitoring) and registrations and follow the operational and reporting requirements of such permits.
- endeavor to reduce or eliminate solid waste, wastewater, and air emissions, including energy related indirect air emissions, by implementing appropriate conservation measures in their

## **ANTI-CORRUPTION**

The supplier shall:

- not tolerate any form of extortion and/or bribery to or from workers or organisations. This includes improper offers for payment in order to influence any form of business negotiation that includes workers, customers, suppliers or any individual working with or on behalf of Kinnarps. Our definition of bribes and corrupt behaviour is based on chapter VII in the OECD's guidelines for multinational corporations.
- not, direct or indirect, give, offer or provide improper payment or bribe to second party on the premises of gaining improper advantage for own or other parts benefit.
- not, direct or indirect, accept or demand improper payment, bribe or improper advantage from second party.
- have a systematic process for detecting, remediating and handling corruption.
- avoid conflicts of interest that may compromise the supplier's credibility in Kinnarps or other exterior
- parties' confidence in Kinnarps. An example of such conflicts of interest may be if the Supplier is a member of an association whose core values are contrary to those of Kinnarps.
- accurately record and disclose information regarding their business activities, structure, financial situation, and performance in accordance with applicable laws and regulations and prevailing industry practice.

**OPEN**

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Concepts  
Ideas  
for Change  
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Standards**