

# Hilding Anders COP 2020/21

*July 2022*

*Hilding Anders is a leading bed manufacturer in Europe and Asia, with headquarters in Malmö, Sweden. What started as a family business in 1939, has grown into a company with more than 9,000 colleagues in over 40 countries. Through selected core brands and private label concepts, we're able to offer beds and mattresses for all needs, and bring a good night's sleep to people around the world.*

## SCOPE OF REPORTING

- Includes an explicit statement of continued support for the UN Global Compact and its ten principles
- Description of actions or relevant policies related to Human Rights
- Description of actions or relevant policies related to Labour
- Description of actions or relevant policies related to Environment
- Description of actions or relevant policies related to Anti-Corruption
- Includes a measurement of outcomes

### Statement of continued support by the Chief Executive Officer

To our stakeholders:

I am pleased to confirm that Hilding Anders International reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,



**Henrik Sjögren**  
Group CEO

## HUMAN RIGHTS

### Assessment, policy and goals

The Group has since before installed a company-wide initiative focusing on Corporate Governance, Visual communication and Performance Management. Training materials include all areas of UN Global Compact, namely Human Rights, Labour, Environment and Anti-corruption.

### Implementation

2015 was the year when we included an interactive online course as part of our induction process for new employees. This course provides new employees information and understanding of who we are as a company, our values and our support of all principles in UN Global Compact. In 2019, we started a project with the purpose of improving our internal communications channels to better provide employees with information concerning Hilding Anders' corporate governance. This is a project that has continued since.

We use our communication channels to communicate our support of the Ten Principles of UN Global Compact.

Measurement of outcomes are assessed both systematically under the lead of our HR department follow up system as well as ad hoc by Group Management and the relevant Group functions. Outcome and issues are put on the table as part of Group Management meetings.

## LABOUR

### Assessment, policy and goals

In 2020, Hilding Anders started the project of rolling out a Group-wide employee engagement survey to get a better and deeper understanding of employee engagement levels across the Group. Management has carefully reviewed the results in 2021 and developed action plans for the things the company can do to improve.

Health and safety for our employees is a high priority issue and all plant managers are instructed to inform and educate staff on how to conduct their work to safeguard their health & safety. Best practice cases are also communicated internally and is high on the agenda of every plant manager's meeting. Further, we are tracking regularly our Health & Safety performance at the ultimate holding level.

### Implementation

Health and safety issues are highly prioritized within the group and on the agenda of several periodic management meetings, including our supply chain meetings and the meetings of our Group Board of Directors with the aim of sharing and promoting best practices across the group.

Recently, an employee engagement survey has been carried out, using the expertise of an external consulting firm.

### Measurement of outcome

The amount of lost time injuries was the same as opposed to the previous year (comparing 2021 to 2020). We continue to operate our whistleblowing regime, that was set up back in 2012. However, we have not received any notification during the last year, neither in relation to health & safety issues nor in relation to any other labour-based topics.

## ENVIRONMENT

### Assessment, policy and goals

In line with UN Global Compact principles 7-9, the Group focuses strategically on the following areas:

- Centralization: affect overall policies on travel, company cars, meeting structures.
- Construction of beds and mattresses: waste per bed, non-conformity and recyclability.
- Fill rates: affect transportation costs and CO2 footprint.
- Product packaging: affect amount of plastic and cartons used without increasing product damages which would affect transportation and returns negatively.

### Implementation

In 2019, a Group-wide project was initiated with the purpose of outlining specific actions by each business unit to undertake initiatives focusing on the production of our products in a more sustainable manner. In 2020, the Group has started to share learnings among the plants, and Group Management is looking at ways on how to implement similar procedures across all of our plants e.g. recycling of used beds and mattresses. This work has continued in 2021. The Group also invested in research performed by external advisors to produce a report on the carbon footprint calculation of mattresses, boxes, and beds at one of the largest production facilities within the Group. We are further in the process of establishing procedures for the tracking GHG emissions. This exercise, which focuses on our 15 European factories at the outset, shall then allow us to evaluate what is a realistic target to reduce our GHG emissions within the group.

#### Measurement of outcomes

Outcome is followed continuously and General Managers in different business units work with continuous improvement programs.

## ANTI-CORRUPTION

#### Assessment, policy and goals

In 2011, we overhauled our entire corporate governance set up including all relevant policies with the Ten Global Compact principles as starting point. 2015 was the year where we took further action. Continuous training sessions are provided to the staff of respective operational business entity within the Group.

#### Implementation

In 2015, we revised our business compliance policy, adding the section “Competition and Antitrust”. This section highlights Hilding Anders’ policy to engage in fair competition wherever we conduct business, and to be in full compliance with local and global competition and antitrust laws and regulations. In 2016, we revised our business compliance policy adding the section “Anti-Corruption” which references to our Anti-Corruptions policy and clearly states that Hilding Anders is committed to conducting all aspects of its business in keeping with the highest legal and ethical standards and expects all employees and other persons acting on the company’s behalf to uphold this commitment.

#### Measurement of outcome

Hilding Anders measures the outcome of our approach in two ways: Corporate Governance issues are very much on the agenda of our business meetings and hence get the attention it deserves. Secondly, our Whistleblower system allows the organization to challenge management and improve Hilding Anders’ organization further.