

# CODE OF CONDUCT - SUPPLIERS

LAMMHULTS DESIGN GROUP AB

## PRESIDENT'S STATEMENT

Anders Rothstein  
President & CEO

October 28th, 2011

All LAMMHULTS DESIGN GROUP suppliers and subcontractors shall follow LAMMHULTS DESIGN GROUP conditions in specific areas such as environment, work environment in factories and our refusal to accept child labour. Our staff visits factories regularly and we also reserve the right to carry out visits unannounced, on occasions by independent agencies to ensure that no basic guidelines are violated. Should such guidelines be violated, LAMMHULTS DESIGN GROUP may choose to terminate the co-operation.

These requirements are applicable for all first tier suppliers of LAMMHULTS DESIGN GROUP. These suppliers shall be responsible for ensuring that their suppliers and contractors are compliant with these requirements.

## LEGAL REQUIREMENTS

All suppliers must as a matter of course follow the national laws in their countries of operation as well as international conventions and standards.

## CHILD LABOUR

LAMMHULTS DESIGN GROUP does not accept child labour. Children shall be protected from economic exploitation and from performing any work that is likely to interfere with a child's education or otherwise be harmful to the development of the child. Our policy is based on the UN Convention on The Rights of the Child, article 32.1.

## FAIR EMPLOYMENT ARRANGEMENTS

All suppliers shall apply fair employment conditions and meet the following requirements;

- **Contracts**  
All employees are entitled to written employment contracts. Long term employment shall be the case wherever possible.
- **Compensation**  
Wages must be paid promptly and directly to the employee; wages should exceed the legal minimum according to national law.
- **Working hours**  
Working hours, including overtime, must not exceed the legal maximum according to national law. National legislation

regarding paid leave and vacation must be observed. Overtime is to be voluntary and must be paid at a premium rate. All employees should have at least 24 hours of consecutive rest every week.

- **Forced labour**  
No forced, bonded or illegal labour whatsoever is permitted. Work that has not been offered voluntarily by those concerned is forbidden. Employees shall be free to leave their employment after reasonable notice to the employer.
- **Discipline**  
For disciplinary purposes, no financial or corporal punishment is allowed under any circumstances.
- **Discrimination**  
Employees must have equal access to employment, equal terms and conditions and equal remuneration for work of equal value. Suppliers must respect the equality of opportunity and treatment in employment without any discrimination, distinction, exclusion or preference based upon sex, age, race, colour, religion, nationality, political opinion or social origin. This includes, but is not limited to, recruitment, salary, training, promotion and dismissal.
- **Social security**  
The employer must ensure that all employees are covered by (where available) appropriate insurance that provides adequate protection and benefits with regard to invalidity, injury and pension. Employees who are injured at work must be compensated for loss of income.

## HEALTH AND SAFETY

The work environment must be safe, pollution free and healthy to ensure the well being of the employees. The supplier must have a management system or documented procedures to ensure the proactive management of issues related to health and safety.

Workplaces, machinery and equipment must be safe and risk-free when appropriate protective measures have been taken. Protective clothing and protective equipment must be provided to employees free of charge and wherever necessary. Employees must have appropriate training in occupational health and safety, as well as in measures for dealing with emergencies and accidents. Workplace accidents and injuries shall be prevented and eliminated by the employer. Employ-

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Employees and their labour organizations must be consulted on occupational health and safety issues.

All chemicals must be handled in a safe manner and information on chemicals, such as Material Safety Data Sheets or equivalent, must be available to all employees concerned. All chemical containers must be appropriately labelled and marked, employees shall be protected from hazardous chemicals and there must be readiness to appropriately handle spills and leakages of chemicals.

Where housing is provided for employees, it should ensure reasonable privacy, quietness and personal hygiene.

## RIGHT TO ORGANIZE AND COLLECTIVE BARGAINING

Employees are free to independently exercise their right to organize and join trades unions. Collective bargaining and negotiations regarding terms and conditions of employment by trade union organizations must also be permitted.

## ENVIRONMENTAL REQUIREMENTS

LAMMHULTS DESIGN GROUP suppliers must:

- Meet national legislations related to environmental issues,
- Preferentially have an environmental management system in place in accordance with ISO 14001 or equivalent.
- Strive towards, and have a plan for, the continuous reduction of waste and emissions to air, ground and water.
- Handle, store and dispose of hazardous waste in an environmentally safe manner.
- Contribute to the recycling of materials and used products.
- Minimize the amount of materials and energy used in their production.
- Minimize and phase out hazardous substances in their products and production.
- Strive towards using as much recycled material as possible in production and packing.