

CODE OF CONDUCT

DATE: 2024 / 09 / 23 EDITION: 2

We hereby confirm that we have received, read and fully understood Holdit AB:s Code of Conduct.

We also confirm that we follow all relevant laws in the countries where we are operating. We confirm that we will oblige to the internationally agreed standards for responsible business behaviour as formulated by the International Labour Organisation (ILO), the UN Universal Declaration of Human Rights, including the Code of Labour Practice used by Fair Wear Foundation (FWF), and the UN Guiding Principles on Business and Human Rights. We confirm that we will keep an honest and transparent business relationship with mutual respect and understanding. We also understand that continuous non-compliance to the principles will force Holdit to withdraw from the business relationship.

We commit to comply with Holdit AB:s Code of Conduct and to take the responsibility to inform all of our employees, subcontractors and subsuppliers on the content of the Code of Conduct and to require that they comply with the code.

In case of discrepancies, we as suppliers will inform Holdit AB and suggest corrective actions immediately, to avoid hindering the usual business process.

THE COMPANY COMMITTED TO HOLDIT AB:S
CODE OF CONDUCT

SIGNATURE

DATE AND PLACE

POSITION

holdit[®]

HOLDIT AB CODE OF CONDUCT

To Holdit AB, when it comes to becoming a more responsible company, being honest is more important than being perfect. We want to be transparent about our commitment to more responsible business practices and continuously strive to improve. As a brand, we see this as our ethical responsibility. We take a holistic approach, considering everything from the materials we use and the partners we collaborate with to the environmental impact of our production.

The Holdit AB Code of Conduct defines standards for fair, safe and healthy working conditions and environmental responsibility throughout our supply chain.

Our Code is based on international regulations set by the International Labour Organization (ILO), the UN Universal Declaration of Human Rights, the UN Convention on the Rights of the Child and the UN guiding principles for business and human rights.

All Suppliers are expected to commit to the Code of Conduct in all production for Holdit AB. Suppliers must also ensure that their sub-suppliers follow the Code of Conduct. Should we find that the code is not followed, we will agree with the supplier on measures within a reasonable time frame. In case the code would be violated repeatedly, we will terminate the co-operation and cancel existing orders, without prejudice to any other rights of remedy available to Holdit AB under any purchase contract or the law.

IMPLEMENTATION

The supplier company shall define and implement a policy for social accountability, a management system to ensure that the requirements of this Code of Conduct can be met as well as establish and follow an anti-bribery / anti-corruption policy in all of their business activities. Management is responsible for the correct implementation and continuous improvement by taking corrective measures and periodical review of the Code of Conduct, as well as the communication of the requirements of the Code of Conduct to all employees. It shall also address employees' concerns of non-compliance with this Code of Conduct.

Supplier premises must at all times be available for the Holdit AB crew or any third party chosen by Holdit AB for assessment of compliance to the Code of Conduct.

Suppliers must ensure that national legislations are followed.

OUR VALUES

By endorsing Holdit's Code of Conduct our suppliers comply to the following values:

- Continuous improvement: Holdit expect that their business partners to ensure the continuous improvement of working conditions and all things connected to the Code of Conduct.
- Cooperation: By working together and taking a common approach, all parties will have a greater impact on, and a better chance on improving working conditions in their supply chains. The value of cooperation is equally important in the relationship with the business partners in the supply chain, particularly those that need support in order to improve.
- Empowerment: A central aim in Holdits daily work is to empower their business partners, particularly in the case of producers who will be monitored, to develop their supply chains in a way that respects human and labour rights as well as to provide business units in the supply chain with the tools needed to improve working conditions in a sustainable manner.

1. TRANSPARENCY

Transparency is a fundamental part of our business relationships and the core of the sustainability work. We expect our suppliers to be transparent with us on their ability to follow and incorporate the policies and standards in relation to this code of conduct.

We also see supply chain traceability as an imperative to improve social and environmental.

As such:

- The supplier reports the use of any subcontractor and provides the subcontractor's full company name, contact person and address. The supplier must ensure that subcontractors have taken part of and acknowledge our Code of Conduct and the supplier will be liable if any action is taken in violation of the Code of Conduct. The use of any subcontractor must be confirmed by Holdit in writing before any production can be started.
- Suppliers are expected to provide complete and accurate business records and documentation as mandated by law or for at least 12 months. The act of intentionally hiding, falsifying or altering information for the purposes of deceiving is strictly prohibited.

2. ENVIRONMENTAL CARE

Holdit AB and its suppliers should, within the framework of laws, regulations and administrative practices in the countries in which they operate, and in consideration of relevant international agreements, principles, objectives, and standards, take due account of the need to protect the environment, public health and safety and generally to conduct their activities in a manner that contributes to the wider goal of sustainable development.

Holdit AB's products must comply with the electrical and environmental safety regulations that apply on the markets in which we operate. In particular with respect to water, energy, hazardous chemicals, air emission and waste.

Holdit AB demands a progressive environmental work. That is why our designers and product developers take safety, quality and environmental consequences into consideration as early as the product's outline stage. We expect our suppliers to work on the same basis. Holdit AB wants to minimize or completely refrain from using chemicals and substances that can pose a hazard to humans and the environment; we require our suppliers to select better alternatives when possible. Holdit AB requires that its suppliers take responsibility for waste, emissions and chemical management, as well as continuously work to find smart solutions that minimize impact on the ecosystem.

ELIMINATE CARBON

Holdit AB is also a signatory of the Paris agreement which recognizes the crucial role that fashion and all production related business plays towards climate action. We have committed to a 7% reduction of our carbon emissions per year to 2030 according to the 2030 agenda.

We expect our suppliers to do their utmost and to go beyond compliance and take measures to continuously improve energy efficiency in buildings, production processes and transportation. We require suppliers to provide us with carbon and energy data upon request. Suppliers shall make reasonable efforts to use renewable energy or less carbon-intensive energy sources.

EU REACH STANDARD

We require all our suppliers to comply with the European legislation and regulations of chemicals. All suppliers must sign and adhere to our Chemical Requirements Specification, Statement of Compliance and our Restricted Substance List (RSL) which is based on the European chemical legislation REACH standard with a higher level of requirement. Suppliers are to adhere to all applicable laws and regulations regarding prohibition or restriction of specific substances including labelling laws and regulations for recycling and disposal.

RESPONSIBLE MATERIALS

Holdit requires that the supplier actively strives to use sustainable materials in its production. The supplier is expected to do its utmost to prioritize materials that have a low environmental impact, are recyclable, renewable or certified according to internationally recognized sustainability standards. The supplier must continuously evaluate and improve its material choices in order to minimize negative impact on the environment and promote more sustainable production.

3. NO CHILD LABOUR

Holdit AB does not accept child labour. The age for employment shall be no less than the age of completion of compulsory school and, in any case, not less than 16 years old. We acknowledge that according to the UN Convention on the Rights of the Child, a person is a child until the age of 18. All legal limitations on the employment of persons below the age of 18 years must be followed. Children in the age of 15-18 shall not perform work which, by its nature or the circumstances in which it is carried out, is likely to harm their health or physical, mental, spiritual, social or moral development.

4. SPECIAL PROTECTION FOR YOUNG WORKERS

Young workers are entitled to participate in education and training programs. Holdit AB has the right to immediately terminate all standing orders and all future business without economic compensation if it is found that the supplier or subcontractor is not working in accordance with the UN convention on The Rights of the Child. Working conditions and working hours for persons between the ages of 16 and 18 should be set in consideration of the person's low age. Official documentation stating workers age must be kept at factories. Workers below the age of 18 are not allowed to work at night or in hazardous environments.

ILO Conventions 138, 182 and 79 and UN Convention on The Rights of the Child

5. NO FORCED LABOUR

Employment shall be freely chosen. There must be no use of forced labour, including bonded or prison labour. These conditions must be met unconditionally for all workers including temporary and contract workers. The employer must not retain their employees original identity documents such as passports, identity cards or such.

ILO Conventions 29 and 105

6. DISCRIMINATION/EQUALITY/ DIVERSITY/INCLUSION

All employment relationships shall be based on the principle of equal opportunities, regardless of race, colour, sex, religion, political affiliation, union membership, nationality, pregnancy or childbirth, social origin or handicaps. There must be no discrimination in recruitment, wage policy, admittance to training programs, employee promotion policy or policies of employment termination and retirement.

ILO Conventions 100 and 111

Actions to promote equality, diversity and inclusion are implemented and communicated internally. Gender pay gaps should be assessed and actions should be taken to eliminate them.

7. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING

The right of all workers to form and join trade unions shall be respected. Workers representatives shall not be discriminated and shall have access to carry out their representative functions in the workplace. In those situations in which the right to freedom of association and collective bargaining are restricted under law, the employer shall facilitate other forms of independent and free association and bargaining for all workers. The employer shall develop and implement effective grievance mechanisms to resolve internal disputes and employee complaints in a respectful and transparent way.

ILO Conventions 87, 98, 135 and 154

8. COMPENSATION

Wages and benefits paid for a standard working week must meet at least legal and industry minimum standards. In any case where the minimum standard is not sufficient to cover the workers' basic needs and allow for discretionary income (some savings), the employer is urged to strive for a living wage. Deductions from wages which are not provided for by national law are not permitted. Workers should be informed about how their wages are made up and receive a pay slip with this information. The workers should also be entitled of all legal social benefits, like pension and health benefits. These benefits must be clearly marked on the pay slip.

ILO Conventions 26 and 131

9. WORKING HOURS

The regular work week shall not exceed 48 hours or the maximum allowed by the law of the country of manufacture, whichever is less. Overtime working hours do not exceed 12 hours per week.

Employees must have at least 24 consecutive hours rest in every seven-day work period. All overtime work shall be consensual. Employers shall not request overtime hours on a regular basis. The sum of regular and overtime hours in a week shall not exceed 60 hours or the maximum allowed by the law of the country of manufacture, whichever is less. All employees shall be entitled to contractual holidays, sick leave and parental leave.

ILO Convention 1 and 14

10. CONTRACT OF EMPLOYMENT

There should be a legally binding employment relationship for every worker.

All workers, including short term and part time employed workers should get a written contract of employment in the local language, stipulating the employment terms and conditions.

The employer has a responsibility to ensure that all employees are aware of their legal rights and obligations.

11. SAFE AND HEALTHY WORKING CONDITIONS, NO HARASSMENT OR ABUSE

Holdit AB requires that suppliers provide safe and healthy workplaces for their employees. The employer shall implement effective regulations and routines to prevent accidents and minimize health risks. First aid equipment must be easily available and a sufficient number of personnel shall have been trained in basic first aid. The employer must provide adequate protective equipment where needed and train workers to use it. Evacuation plans should be in place and well known to all workers, evacuation paths must be clearly marked and unblocked and firefighting equipment adequate.

Temperature should be tolerable for work environments and ventilation sufficient to remain indoor air fresh from any pollutions from processes. Lighting shall be adequate for all work stations. The employer must ensure free and unrestricted access to clean drinking water. Sanitary facilities should be clean and workers must have access without unreasonable restrictions. The number of sanitary facilities should be adequate and separated by gender. Every employee should be treated with respect and dignity. No employee should be subject to any physical, sexual, psychological or verbal harassment or abuse.

ILO Convention 155 & Recommendation 164

12. HOUSING CONDITIONS

If housing is provided by the employer, buildings must be safe and hygienic. Evacuation plans should be in place and well known to all workers, evacuation paths must be clearly marked and unblocked and firefighting equipment adequate. The living space per worker must meet the minimum legal requirement. Sanitary facilities shall be separated by gender. There must be no restrictions for access to dormitories.

13. ANTI-CORRUPTION

Businesses should work against corruption in any form, including extortion and bribery. Holdit prohibits all personell, or anyone working with them from offering, promising, giving, soliciting or accepting any bribe. This means that suppliers cannot offer gifts or other similar items to any Holdit AB employees in exchange for favours. We take a zero-tolerance approach to corruption and bribery and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate.

14. MANAGEMENT

The Management shall ensure a well-established and functional anti-corruption policy and handling of any eventual cases of corruption. Functional means for two-way communication between management and workers must be installed. There should be an appointed person in managerial position responsible for Social and Environmental compliance and implementation of the Code of Conduct. Holdit AB and its suppliers will not engage in bribery, either directly or indirectly.

15. MONITORING, EVALUATION AND TERMINATION

To ensure that the Code of Conduct is followed, Holdit AB reserves the right to, at any time, send representatives or external auditors to inspect the supplier and subcontractors. The supplier warrants that Holdit AB and/or its representatives can at all times, whether announced, semi-announced, or unannounced, be given full access to the premises (including relevant documents) and surroundings of the supplier and subcontractors.

If the Code of Conduct is not followed, the deficiencies must be addressed. Holdit AB will engage with the supplier to establish an action plan to implement the necessary improvements. Holdit AB is committed to supporting the supplier's continuous improvement and provides assistance that focuses on long-term solutions. However, failure to improve conditions may result in the discontinuation of our collaboration and termination of any contracts with the supplier.

If the supplier fails to address the identified deficiencies and implement the necessary improvements within six months from the date they were first notified, Holdit AB reserves the right to terminate any outstanding contracts and cease all business relations with the supplier. This action may be taken at Holdit AB's discretion, without further obligation or liability, to ensure compliance with the standards outlined in the Code of Conduct.