

The supplier's commitments

Anti-corruption UN Convention Against Corruption

VAD does not tolerate any form of corruption or fraud. The Supplier shall not give, promise, offer, request or receive compensation or benefits that conflict with applicable legislation and good business practice or that can influence, or be perceived to influence, the objectivity of decisions.

Supplier's agreements with agents, intermediaries, subcontractors, and consultants, shall include a section on combating corruption and demanding that applicable law and good business practice shall be followed.

Human Rights

The supplier must support and respect the protection of internationally recognized human rights, as stated in the UN Universal Declaration of Human Rights (1948), including rights under the UN Convention on the Rights of the Child.

In cases where the Supplier identifies a risk that through its activities participates in violations of human rights, shall appropriate measures be taken.

Child labor

Child labor is prohibited (ILO 138 and 182, UN Child Rights Convention, Article 32).

No person is employed who is below the age of compulsory schooling or under 15 years, or younger than the minimum age of employment, if this age exceeds 15 years. Young people between the ages of 15 and 18 are not employed for hazardous work, or work that has a negative impact on the individual's personal development (physical, psychological, mental, spiritual, moral or, social development). Young people between 15 and 18 are not employed on condition that they have reached the legal age for employment and have completed national compulsory education. There is a policy in place for the types of tasks a person aged between 15 and 18 may carry out. If child labor is detected, VAD must take action based upon the best interests of the child and find suitable solutions in consultation with the child and the family of the child.

Forced labor (ILO 29* and 105*)

The supplier shall not use or take advantage of any form of forced labor. Forced labor refers to, among other things debt slavery or other form of slavery, work performed by prisoners, penal servitude, or human trafficking. Employees must be able to move freely during their employment and shall be free to leave their employment after termination in accordance with applicable laws and agreement. This means that the supplier should not withhold wages, benefits, property, or documents, such as ID documents and travel documents.

Freedom of association (ILO 87* and 98*)

The supplier shall not obstruct or counteract the right of each employee to join, or refrain from joining, trade unions or other organizations. The supplier shall recognize workers' elected representatives and negotiate with them in good faith about all the important issues in the workplace. If unions are not allowed in areas where the business is located, or if only state-approved organizations are permitted, the supplier must support instances where employees may meet the supplier management to discuss wage and labor conditions without risk of negative consequences.



Discrimination and harassment (ILO 100* and 111*)

Discrimination based on ethnic affiliation, sex, civil status, pregnancy, religion, social or ethnic origin, nationality, physical ability, political opinions, union membership, gender-crossing identity or expression, age, health condition, or sexual orientation, or other character trait that is protected by applicable legislation, may not occur. Discrimination refers to any distinction of employees that is not based on merits or qualities but involves differential treatment on biased grounds. The supplier shall in no case expose workers to harsh, inhuman, or abusive treatment or punishment.

Gender equality, diversity, and equal opportunities

All decisions concerning employment must be based on relevant and objective criteria such as skills, experience, and accomplishment. The supplier's employees must be treated with dignity and respect and given equivalent development opportunities. Discrimination, harassment, abuse, punishment, or threats in the workplace, shall not occur.

Terms of employment, wages, and working hours

The supplier must pay a living wage which meets the minimum wage requirements by law or agreement. The salary must be paid regularly and in form of legal tender. The supplier's employees must have a written, comprehensible, and legally binding employment contract. The supplier must comply with applicable laws, agreements, and industry standards regarding working hours. Workers have the right to at least one day off a week and should be given sufficient breaks during work and sufficient daily rest between work shifts. The supplier must provide their employees paid vacation each year as well sick leave and parental leave. The supplier must support the payment of the national or locally stipulated minimum wage. Overtime compensation must be paid according to national legislation and must be clearly specified in pay slips. Working hours per week must not exceed legal limits or a maximum of 60 hours per week, including overtime. The supplier must respect the employees' privacy and processing of personal data confidential and in accordance with applicable legislation. Workers must have access to clean, hygienic and, if necessary, heated facilities. This requirement also applies to housing which may be provided by the supplier. All employees must be covered by social insurances in accordance with national law.

Safe and hygienic work environment (ILO 155 and 170)

The supplier must offer employees working in the supplier operation a safe and healthy work environment in which preventive measures are taken to reduce injury and risks to health. A safe and hygienic working environment is one in which the employee, when occupying an area over which the employer has direct or indirect control, is guaranteed to be free from or protected from conditions that can constitute a hazard for the employee's physical and/or psychological health. The supplier shall register all accidents and incidents occurring. Incidents are such events that could have led to an accident. Employees must be trained on the potential health risks that the work can entail, including hazardous operations and general safety information. Employees must regularly be given relevant training and instructions for operating machines and other equipment. The supplier must give all employees access to all necessary protective equipment without having to pay for it themselves. Temperature, air quality, and noise levels must be regulated in accordance with local legislation. Where the work environment cannot be changed, the supplier shall mitigate with protective equipment. Chemicals must be handled safely, and safety data sheets must be available. Fire drills must be held regularly. Fire equipment, evacuation plans, and emergency exits must be available and clearly visible in all areas. The supplier shall ensure that the workplace is clean, fresh, and safe. Hygienic facilities must be available. This also applies to employee accommodation.



Environment

The supplier shall conduct its operations responsibly in relation to the environment and comply with local and national environmental legislation. The supplier shall have a system in place for checking compliance with legislation, along with lists of relevant legislation. This includes identify, measure and follow-up its choices of materials and manufacture of furniture and its component parts, the precautionary principle shall be observed regarding environmental risks. All employees shall be provided with environmental training, and the supplier shall implement suitable initiatives to promote greater environmental awareness. The supplier shall encourage the development of environmentally friendly technologies.

Generally

Conventions and legislation

VAD works to contribute to reaching the UN 17 global goals for sustainable development achieved. VAD supports the ten principles in UN Global Compact, International Labor Organizations (ILOs) eight core conventions and OECD multinational guidelines business. The code of conduct is based on these principles and clarifies what VAD expects of their suppliers. The supplier shall follow all applicable legislations, and if the provision of the Code is incompatible with legislations, law and regulations are to be given priority.

Implementation and control

The requirement for compliance with the code of conduct includes all employees connected to the supplier, such as permanent or temporary staff, but also persons engaged in other ways without formal employment. The supplier is responsible that sub-contractors have routines to follow up on the principles of the code of Conduct. It is the supplier's responsibility to communicate to all sub-contractors.

VAD expects the supplier to be able to report on their working methods to ensure that the code of conduct is followed. Checks are mainly done through regular self-evaluations to be completed by the supplier. VAD may also perform on-site inspections or audits when justified. Inspections and audits shall not affect the supplier's other activities negatively and should only take place for the purpose of, and to the extent that required, to assess compliance with the Code. Inspection will be agreed upon arrival from VAD.

Consequences of violations

Supplier's compliance with the content of the code of conduct is a contractual condition for VAD, both at conclusion as throughout the contract period. Serious violations of the requirements are always considered as a breach of contract that gives VAD right to end immediately the business relationship with the supplier. With serious crimes refer to shortcomings that occur intentionally. Serious crimes are also considered shortcomings regarding basic human rights such as the worst forms of child labor, all forms of forced labor, punishments, and life-threatening work. If requirements are not met in some respects, the supplier must urgently inform VAD. The supplier must also present and undertake to follow one action plan for remedial action. VAD can in some cases, which do not constitute repeated and / or serious offenses against requirements, assist the



supplier to ensure that the principles of the Code of Conduct are complied with. At repeated violations of the requirements reserve VAD the right to terminate the business relationship with the supplier. If VAD has reason to believe that the supplier had knowledge of a violation, or deliberately violated basic human rights through their activities, the supplier will be notified to the competent authorities.

Signing

We hereby confirm that we have taken note of VAD AS "Supplier Code of Conduct" and accept it in its entirety and understand that we are expected to ensure compliance.

City/date: _____

Supplier: _____

Signature: _____

Name clarification: _____

Title: _____

E-mail: _____

Phone: _____