

Svedbergs Group Code of Conduct

1 Introduction

The parent company Svedbergs in Dalstorp AB was founded in 1920 by Holger Svedberg. The business started out as a tin factory, manufacturing milk churns, with customers in the agricultural and industrial sectors as well as private customers.

In 1962, the company changed direction and started manufacturing bathroom furniture. Holger Svedberg's sons, Sune and Stig, had the innovative idea of creating a combined bathroom mirror and cabinet, and a new bathroom company was born. Over the years, Svedbergs expanded its product range to include wooden bathroom furniture, showers, bathtubs, heated towel rails, WCs, mixers and more.

Since the early 1960s, bathrooms have developed from being a purely functional room for hygiene needs to a space for pleasure and relaxation.

In 2016, the Swedish company Macro Design was acquired and in 2020 the Danish company Cassøe. At the end of 2021, the UK company Roper Rhodes Ltd was acquired.

2 Svedbergs Group's vision and strategy

Svedbergs Group operates in the Nordic region and in the UK. The Group's companies develop, design, and sell bathroom furniture and related products. Under the motto collaboration without confusion, the Group's companies continuously develop their product range for the entire bathroom. Through close cooperation with partners, the consumer's desires are satisfied. The Group operates under the brands Svedbergs, Macro Design, Cassøe, Roper Rhodes, Tavistock and R2. The parent company Svedbergs i Dalstorp AB conducts its operations in Dalstorp outside of Ulricehamn and its subsidiary companies Macro Design in Laholm, Cassøe A/S in Herning Denmark and Roper Rhodes, including Tavistock and R2, in Bath, England.

2.1 Vision

The Group's vision is to become the leading bathroom interior designer in selected markets.

2.2 Strategy

The strategy to achieve the vision consists of three strategic legs: strategic acquisitions, independent companies, and effective corporate governance.

The companies in the group are based on a common foundation for sustainability, efficient processes and improvement work as well as leadership and values, but managed independently by own strategic focus areas.

Strategic acquisitions

Growing through acquisitions is an important part of Svedbergs Group's growth strategy. The group is targeting strategic acquisitions that complement current operations through a broader geographical presence, strengthening competence or new product categories.

Acquired companies is expected to continue to operate independently under their own brands in order to build local leadership, while benefiting from the Group's key operations and experience.

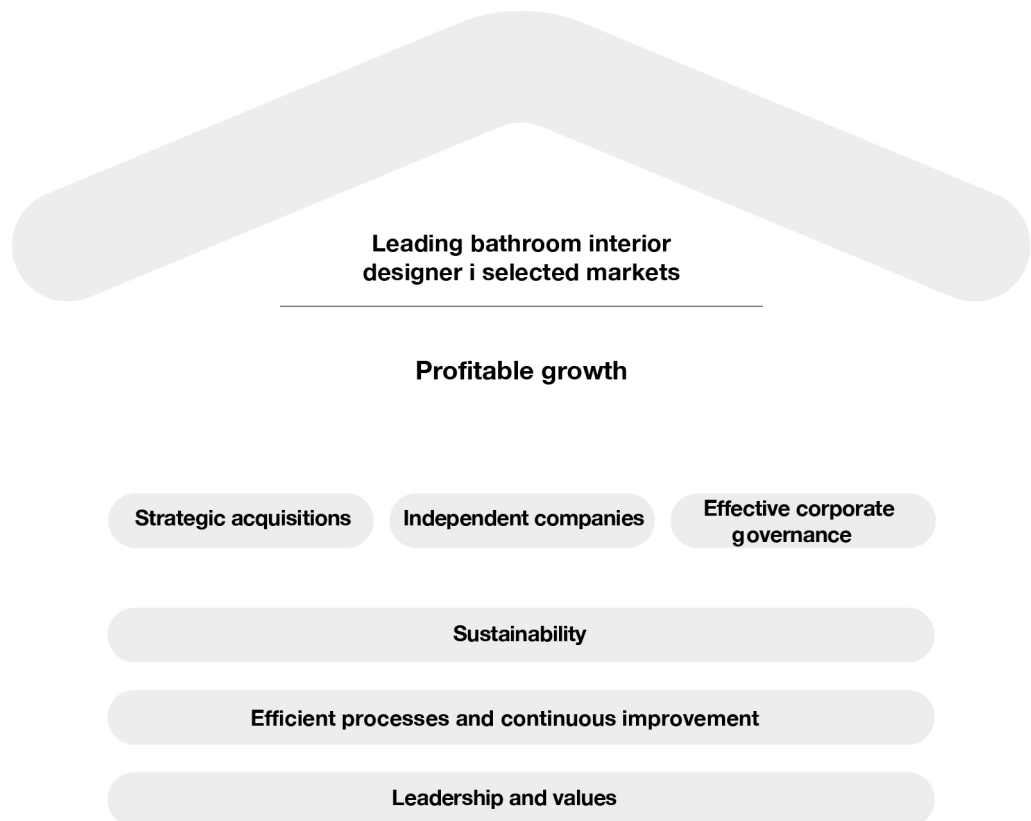
Independent companies

Svedbergs Group strives to maintain and develop its position in the market by letting each company act and develop independently. The companies rest on one common strategic basis but operate independently with separate sales, marketing, and product strategies to attract each market in the best way. A high degree of autonomy also ensures a strong drive and entrepreneurial spirit.

Please note that if you have printed this document, the latest version is available online.

Effective corporate governance

The Group shall provide key functions and routines for efficient corporate governance that enables companies to collaborate without confusion. The central functions include finance, IT, HR, and purchasing. Through a central purchasing organization, the group can coordinate larger purchasing volumes and supplier agreements and thus create economies of scale through good cost control, competitive prices, and sustainable solutions. Through the Group, the companies receive support and guidance as well as the opportunity to exchange knowledge.



Sustainability

Svedbergs Group will be a leading player in sustainable bathroom fittings in all markets in which the Group operates. Sustainability permeates the work and should be an integrated part of the companies' daily operations. Every company must work purposefully in line with the Group's sustainability strategy and set goals.

Efficient processes and continuous improvements

The Group, together with the companies, will conduct continuous improvement work with the aim of streamline processes and routines. Efficient and responsible processes throughout the value chain can ensure long-term sustainable and profitable growth. An important area with good efficiency potential is the utilization of digital solutions. By succeeding in reaping the benefits of digitalisation in a good way throughout operations, the group can strengthen its competitiveness.

Leadership and values

A good corporate culture and clear leadership strengthen and develop employees and the Group. The companies within Svedbergs Group should have clear values that

Please note that if you have printed this document, the latest version is available online.

permeates the business and to work continuously with leadership is therefore of high priority.

3 Svedbergs's commitment

Sustainability is an important issue for Svedbergs. We are affiliated with the UN Global Compact which is a UN initiative aimed at mobilising a global movement for sustainable companies and stakeholders to create a sustainable world. The ten principles contained in the Global Compact concern's issues of human rights, working conditions, the environment and anti-corruption which Svedberg fully support.

We created the Svedbergs Code of Conduct to ensure that Svedbergs's operations are conducted responsibly within all parts of the Group.

The Svedbergs Code of Conduct has two purposes: on one hand to define Svedbergs's principles regarding human rights, working conditions, environmental care and anti-corruption, and on the other hand to clarify these principles to suppliers, employees and other stakeholders working in and outside Svedbergs.

The Code of Conduct is established and monitored in Svedbergs's management system and is reviewed during audits and supplier evaluations to ensure that it is followed.

Through continuous follow-up of the activities, it is ensured that applicable laws, regulations, permit conditions and other binding requirements are met. We also work preventively to reduce our external environmental impact and assess in advance the effects of new businesses and products.

By constantly improve in everything we do, customers and other stakeholders should feel confident that we live up to our lofty goals and that we also exceed expectations.

3.1 General commitments

Svedbergs operates according to Svedbergs's values and Code of Conduct in order to protect human rights, promote fair working conditions, fight corruption, conflicts of interest, insider trading and contribute to long-term sustainability in the Group's daily operations.

Svedbergs requires all the international units and employees in the organisation to respect and comply with relevant national and international laws as well as the Svedbergs Code of Conduct, even if the Svedbergs Code of Conduct makes higher demands than national regulations, laws, or standards.

Any employees who violate the Svedbergs Code of Conduct will be subject to disciplinary measures.

In case of violation or suspicion of violation of the Code of Conduct, a report must be made. Anyone who suspects a breach of Code of Conduct should in the first instance contact their immediate manager or the manager who is responsible for the business where the irregularity occurs. It is inappropriate, the HR manager can be contacted. If the violation or the suspicion of a violation relates to serious irregularities and misconduct, this must be reported via our whistleblowing service. The function is not for reporting minor offenses to your general dissatisfaction and complaints.

In our whistleblowing service, you can submit a report on suspicion of serious misconduct.

We have hired an independent recipient function that manages our reporting system to maintain an independent and unattached handling of the reports. All received reports and messages are handled in a way that ensures confidentiality of your identity. Your report will be encrypted, and no IP addresses can be tracked.

To ensure your anonymity – keep the following in mind:

Please note that if you have printed this document, the latest version is available online.

- Copy this link and type in your web browser.
<https://whistle.gnister.com/Svedbergskoncern/en-GB>
- Do not use the company's computer or network.

3.2 The supplier's commitments

The Svedbergs Code of Conduct applies to all operations and divisions that are concerned with Svedbergs's products, service concept or business activities. For this reason, Svedbergs requires all its suppliers and their subcontractors to respect and comply with the Svedbergs Code of Conduct, even if the Svedbergs Code of Conduct makes higher demands than national regulations, laws, or standards. To allow compliance with the Code of Conduct to be verified satisfactorily, the supplier shall provide Svedbergs with information and access to its facilities.

The requirements in the Code of Conduct shall be accepted and complied with as soon as an agreement is entered. Proof and verification of compliance must be produced on request.

Compliance is ensured through audits (second or third party) or other appropriate verification methods. In addition to accepting responsibility and following the Svedbergs Code of Conduct, the supplier shall also ensure that all its employees and subcontractors are familiar with and accept the Code of Conduct.

Any detected and/or reported violations of the Svedbergs Code of Conduct shall be investigated as necessary. Violations may result in termination of the contract.

4 Svedbergs's requirements

4.1 Human rights

We aim to support and uphold internationally recognised human rights and ensure that we do not contribute to violation of these rights. Svedbergs requires its suppliers and their subcontractors to uphold and respect human rights and ensure these rights are not violated.

4.2 Working conditions

4.2.1 Trade union freedom

All employees shall have the right to organise or join trade unions or similar organisations to the extent permitted by relevant laws. Employees are free to decide whether to be involved in such an activity.

4.2.2 Forced labour

Employees shall be free to leave work after a reasonable time, as regulated by agreements or national laws. Forced, involuntary or unpaid labour is not tolerated in any form. Moreover, employees may not be forced to hand over their identity documents or pay a deposit to the employer.

4.2.3 Employment conditions

All employees shall be familiar with their employment conditions. All employees have the right to receive a written and signed employment contract. Employees shall be paid at least the minimum legal wage or the standard wage in the local industry (if higher than the minimum legal wage). Wages shall be paid regularly and on time. Overtime pay shall be regulated and in compliance with national laws. Working hours shall be specified in the employment conditions and shall comply with national laws and/or industry standards. Employees shall not be required to work unreasonable hours. Employees shall be allowed to exercise their legal rights, such as holidays, sick leave, and parental leave, without any negative consequences.

Please note that if you have printed this document, the latest version is available online.

4.2.4 Discrimination

Employees shall be treated with respect and dignity. All forms of corporal punishment, mental or verbal abuse, victimisation, threats and/or intimidation are forbidden.

All forms of discrimination on basis of gender, ethnicity, skin colour, sexual orientation, pregnancy, parental or marital status, religion, political beliefs, national origin, ethical values, social background, disability, age, trade union membership or other similar grounds, is strictly forbidden. All employees with equal experience and qualifications shall earn equal wages for the same work if they put in the same effort.

4.2.5 Child labour

Svedbergs is a responsible partner and takes a serious view of illegal practices, such as child labour. Unless otherwise specified in local laws,¹ persons under the age of 15 are regarded as children and persons under 18 are regarded as young persons. Children shall be protected from financial exploitation and from performing work that could interfere with their education. Persons aged 15 to 18 shall not be allowed to perform work that is hazardous, including night shifts, or that could negatively affect their personal development (physical, psychological, mental, spiritual, moral or social) according to the ILO convention on child labour.

4.2.6 Working conditions

According to international standards and national laws, we strive to create a safe, healthy working environment for our employees. This includes offering employee's suitable information and training in health and safety.

4.3 Environment

Svedbergs is continuously working to reduce environmental impact from its operations. This includes making the minimum possible use of non-renewable resources. We achieve this by creating smart, innovative products and processes that reduce environmental impact by using less energy, raw materials, chemicals, and water. It is each supplier's responsibility to guarantee that the raw materials they use are responsibly produced. We also aim to promote recycling and reuse of materials and disused products to the maximum possible extent.

Svedbergs prefers its suppliers to have a documented environmental management system or a similar system for documenting their environmental management efforts, such as an environmental policy, plan, and targets.

4.4 Anti-corruption

Svedbergs does not tolerate any form of extortion or bribery involving employees or organisations. Employees, customers, suppliers, or individuals working for or on behalf of Svedbergs may not be involved in any form of illegal limitation of competition.

Svedbergs and Svedbergs's suppliers and their subcontractors may not give, offer, or promise bribes to other parties, either directly or indirectly, or otherwise engage in acts of corruption, either for their own gain or on other parties' behalf. Svedbergs and Svedbergs's suppliers and their subcontractors may not accept or demand bribes from other parties, either directly or indirectly, or otherwise engage in acts of corruption, either for their own gain or on other parties' behalf.

If one of Svedbergs's employees, customers or suppliers is subjected to or suspects acts of corruption, they should report this to Svedbergs, who will take appropriate action.

Any person who reports dishonest activities can do so without risk of reprisal or other negative consequences. Violations can be reported anonymously, and the reporting individual's identity shall be protected in all divisions of the organisation.

¹ The definition of a child varies from age 14 to age 16 in different countries' national legislation. If there is no applicable law, persons aged under 15 shall be regarded as children