



# CODE OF CONDUCT

FOR PARTNERS & SUPPLIERS

# Why do we need a Code of Conduct?

A key in becoming a successful company is an open-minded, forward-looking and unpretentious spirit. In order to secure that every employee and business partner can take part of our company spirit, this Code of Conduct was established by the management board of mother company Pervanovo Invest AB in January 2018. It follows applicable laws and regulations and shall ensure sustainable business practices.





## Responsibility, implementation & compliance with the code

The CEO and management team has ultimate responsibility for implementation of the Code of Conduct and compliance by all employees, as well as for incorporation of relevant parts into agreements with business partners. The CEO is also responsible for ensuring that the Code of Conduct is regularly reviewed and revised as needed and suggestions regarding amendments should be sent to the Group management. The executive team and all managers must serve as positive role models. The day-to-day effort of activating and monitoring compliance with the Code of Conduct is the responsibility of all managers.

### EXTERNAL PARTIES

Contributing to sustainable development and acting as a responsible company requires us to place demands not only on ourselves but also on all external parties that we purchase or exchange goods and services with. Therefore, price and quality are not the only criteria that determine the choice of business partners. Prior to entering into an agreement, we must communicate this Code of Conduct to the other party and verify that the party generally supports and follows the same relevant principles for responsible business practice as we do. We must confirm that the party meets these conditions before signing any agreement.

We must monitor the actual delivery from our business partners and, under particular circumstances, the sustainability effort that they pursue. Our business partners are responsible in turn for keeping track of their suppliers in this respect. We must be able to demand improvements at any time any problems are identified in the supplier chain. If serious problems are not corrected within a reasonable period of time, we must be able to terminate the business relationship.

# Social ethics & human rights

We support and respect the protection of internationally proclaimed human rights and makes sure that we are not complicit in human rights abuse. Furthermore, we are of the deepest conviction that all humans are equal, regardless of race, colour, sex, sexual orientation, nationality, parental status, marital status, pregnancy, religion, political opinion, ethnic background, social origin, social status, education, job position, age, union membership or disability. Diversity amongst the employees is a positive attribute. Any kind of discrimination, harassment, threat or intimidation is not tolerated and will be dealt with by immediate effect.

## LABOUR

We are not complicit in any form of child labour or other forms of exploitation of a child. No one is employed below the completion of compulsory school or under the age of 15 and no one under the age of 18 is employed for hazardous work. No form of forced or compulsory labour is tolerated and all employees have the right to leave their employment as stated by contracts or local laws.

As local or relevant laws allows, all employees are free to form, join or not to join unions and have the right to collective bargaining.

## WORK ENVIRONMENT

People can only perform in the most efficient way when they are healthy, both physically and mentally, as well as feeling safe and secure. Thus we are constantly working on improving the working environment in every work place as well as helping its employees achieving a healthier living and social security.

We regard our employees as an important asset and we must not subject anyone to unnecessary risks. We have rules and requirements for security that cover all of our operations and employees. All employees must report incidents and other circumstances that have the potential to compromise security or safety. WE aim to make continual improvements on the basis of these reports. Structured working methods permit us to minimize the number of incidents and mitigate the consequences of those that nevertheless occur. Managers must see to it that all employees receive basic safety training and information about relevant rules in the area as part of their orientation.



## SOCIAL RESPONSIBILITY

As a part of our social responsibility, we pay taxes in the countries they physically are located in. Thereby we contribute to the development of the society we arise from. Our policy is to give our employees long-term perspective and job security. As a result of this we avoid temporary employment as far as reasonable.



# Environmental responsibility

Innovative developments that offer environmental and social benefits are—as well as a greater environmental responsibility—promoted and supported.

Sustainability is a key word and finite resources are avoided as often as possible. We also have a precautionary approach towards environmental challenges which means that we avoid dangerous materials if possible and choose more environmentally-friendly alternatives when available.

Recycling of material is of high priority in all our companies' projects. Waste management follows local laws. We focus on using renewable raw materials and actively choose materials from evidently sustainable sources only. That is why the core of our business is based on wood material, which in addition to being renewable, also has the capacity to store large amounts of CO<sub>2</sub>.





# Business ethics

Efficient competition on equal terms is a key component of a well-functioning economy. It promotes the development of business enterprises, which benefits both customers and the community in general. In other words, we must not conduct any activities that improperly restrict efficient competition.

Our technologies are protected by strong patents and thereby put us in a strong position. We do not misuse that position. We treat suppliers fairly and behave respectfully towards both competitors and customers. We shall never use our patents to block competition. We shall respect patents owned by other parties and the aim is to enter into cross license agreements on fair and reasonable terms in order to provide legal security for our licensees.

Company assets must be used for the intended purpose only, and no employee may take advantage of them for any kind of personal gain. Decisions may not be influenced by personal interest such as financial gain, kinship, friendship, other personal interests or other considerations that are not relevant to the company's business.

## **CUSTOMER AND QUALITY COMMITMENT**

When dealing with customers, we act in accordance with fair business, marketing and advertising practices. We also ensure that provided goods or services meet all agreed and legal standards. Customers can rely on our competence and support. Our customers shall become successful using our technologies for decreasing costs and increase profits.

## **COMMUNICATION**

Dialogue is one of the tools we use to cultivate and maintain good and productive relationships with our customers and business partners.

Communication must be transparent, correct, clear and relevant. All information and advertisement, both for internal and external use, is reviewed in order to secure that given information is correct and not misleading.

## **CONFIDENTIALITY**

We respect confidential information related to Välinge and its stakeholders and take all reasonable measures to prevent confidential information from being disclosed to any person who does not need and have the right to that information in the course of their work.

# INNOVATING EVERYDAY

Innovation has been at the heart and soul of our business since the company was founded in 1993. Our progress is built on always challenging today's technological solutions with new ways of thinking. That's how we revolutionized the way people install and use floors. That's also the way we introduced a groundbreaking method to assemble furniture without any tools.

Today, our licensees can be found all over the world. All our development activities take place at our R&D center in Viken, Sweden. From here we develop new concepts and provide pilot manufacturing, testing and technical support.

Each day, we make sure our licensees get access to the latest flooring, furniture and surface technologies used in people's everyday lives.



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