

# POLICY

## Working Conditions

**Purpose:** Observing human rights and guaranteeing the best working conditions are the essential elements on which Fagerhult Group culture and strategy is based and which constitutes an absolute priority. This policy document covers Fagerhult Group's commitment to ensure a high ethical approach and compliance with applicable laws and regulations regarding working conditions.

**Areas of responsibility:** HR, Operations, Sustainability

Fagerhult Group works comprehensively to ensure ethical, sustainable business in all areas of its operations. The guiding document is the Group's Code of Conduct, which includes underlying policies and principles for how to conduct responsible business.

Everyone within the Group, from the Board of Directors and management to individual employees must follow the Group's Code of Conduct.

All production units within the Fagerhult Group must operate in full compliance of the laws and regulations governing the activities they conduct in the countries they are located in. Fagerhult Group respects international conventions regarding human rights. We support and respect basic human rights in all our activities. We will not tolerate, under any circumstance, child labor and we respect the minimum employment age in compliance with local legislation. We reject any use of forced or obligatory labor, including slave labor, forced labor for prison inmates and any form of harassment or physical, sexual, psychological or verbal maltreatment, intimidation or abuse.

Employees within the Fagerhult Group cannot be requested to work beyond the limits established by the legislation in force in the local area. The salaries paid and the services supplied in compliance with the standards stipulated for the category in question, including overtime and other compensation, must be equal to or above the minimum level guaranteed by the law and collective labor agreements for the category. In this respect, we are committed to act in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation (ILO) on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Fagerhult Group is committed to offering high safety standards in the workplace for both its own employees and the people who work with us on a daily basis (e.g. suppliers, customers). Every production unit must adopt the

provisions required for the prevention and management of potential occupational accidents and illnesses. In accordance with the relevant national regulations, Fagerhult Group operates in such a way as to identify, assess and reduce all occupational health and safety risks.

At the same time we continuously aim and work to improve the working environment for our personnel. Our goal is to reach a stable level of 'zero accidents' and guarantee the operating conditions required to reduce the risk of occupational illnesses.

Fagerhult Group recognises and respects diversity and cultural differences, regardless of gender, family status, ethnicity, nationality, sexual orientation, religion, political opinions, age or disability. In every sphere of professional life (recruitment, promotion, remuneration, provision of benefits, training, dismissal and termination of employment) every employee will be considered and treated in a fair and non-discriminatory way.

We are committed to train our employees in order to encourage their development and make the Fagerhult Group competitive with regard to business and market requirements. The training courses offered within the Fagerhult Group shall be designed to adapt the knowhow and skills required by the role in question and to boost the professional development of the employees. Fagerhult Group respects all the legal obligations regarding mandatory training activities in the countries we are operating in. Every company in the Fagerhult Group is responsible for ensuring that the mandatory training legally required by the country they are operating in, is provided.

All employees are free to exercise their legal right to constitute organisations representing their interests and to become members of them or not. No employee must be subject to intimidation or harassment when exercising these rights. Every employee's right to collective bargaining must be respected.

In compliance with the European Regulation 679/2016 (GDPR) and the regulations in force in each of the countries we operate in, Fagerhult Group is committed to protecting the integrity, confidentiality and availability of the personal data of each employee, consultant, supplier, customer and/or third party that works with the Fagerhult Group continually and not temporarily.

We believe that responsible supply chain management is indispensable for guaranteeing high product and service quality standards and achieving continuous process improvement. Quality, ethics, human rights and working conditions, health and safety, the environment and energy are all aspects that are carefully considered and assessed throughout our production and distribution supply chain, from our selection of suppliers to their systematic monitoring and the implementation of training and awareness raising initiatives.

**Process:** This policy is to be adopted and complied with by all companies within the Fagerhult Group. The policy also take aim at our suppliers and business partners and therefore important to ensure adoption and compliance there.

This policy has been approved by the GMT in November 2022.