

Plejd's Code of Conduct for Suppliers

Adopted by the Board of Directors of Plejd AB on the 2023-12-13

Introduction

The Plejd Group's ("Plejd" "we" or "us") mission is to produce and offer smart products for lighting control and home automation that our customers love and at the same time help create a more sustainable society. Our vision is to be a positive force when it comes to climate and ethical trading. We are therefore committed to act according to the highest ethical standards and conduct our business in a responsible and sustainable way.

It is however important to us to be transparent and to acknowledge that this is a work in progress that will take time and that there will always be room for improvement. We are also aware that our industry has several risk factors related to the working conditions under which products and components are produced and also with respect to sustainability and climate.

Our way of doing things should always be based on this Code of Conduct for Suppliers (we call it the "Code of Conduct"), which lays out what we expect from the companies we work with. The Code of Conduct is guided by various sources, including the UN Global Compact, the UN Guiding Principles, and the OECD Guidelines.

Plejd's Code of Conduct for Suppliers

For the purpose of this Code of Conduct a "supplier" means a legal entity or person involved in or getting involved in business activities with Plejd. This includes our suppliers, sub-suppliers, service providers and other business partners.

Our general requirements

Plejd requires its suppliers to comply with this Code of Conduct or an equivalent standard when doing business with us. We also expect our suppliers to ensure that their supply chains adhere to equivalent standards as set out in this Code of Conduct.

Management systems

Monitoring and ensuring compliance is essential. Suppliers are expected to have suitable management systems in place to manage risks and ensure they follow the Code of Conduct. The quality and functionality of these systems should match the size, complexity, and nature of the supplier's business. The management system must include a commitment to meet the requirements in this Code of Conduct through a statement of policy that is approved at the

Supplier's most senior level. Additionally, the management system must provide for effective due diligence and risk assessment as set forth in this Code of Conduct.

Suppliers should also make sure that their suppliers and sub-suppliers comply with the Code of Conduct, or their own equivalent code of conduct.

Implementation and compliance

Plejd verifies compliance with this Code of Conduct through a self-assessment questionnaire, which is part of our due diligence process. Furthermore, to ensure compliance, Plejd reserves the right to carry out reviews and audits on its suppliers and expect them to cooperate in a transparent manner.

We also do risk assessments to identify and assess actual and potential adverse impacts. Based on our risk assessments, we implement suitable measures to cease, prevent or mitigate any negative impact. To conclude the process we follow up on the measures taken to evaluate the results and to assess if any additional measures need to be implemented.

Continuous improvement

We strive to actively collaborate and keep an open dialogue with our suppliers and by doing so we hope to spread good practices throughout the value chain.

We recognize that tackling these issues will take time and effort and that there are no shortcuts or simple solutions. We also understand that incorporating the standards in this Code of Conduct into our suppliers' operations and supply chains is an ongoing, ever-evolving process. However, we believe in continuous improvement and we place great importance on our suppliers' commitment to embracing the ideals laid out in this Code of Conduct. We encourage them to continuously strive for improvement over time and to show progress in all areas addressed by this Code of Conduct.

Consequences for Violations

If we discover that a supplier is not meeting the standards, or is otherwise in violation of the requirements, laid out in the Code of Conduct, we may provide guidance on what they need to improve. We will also work together with our suppliers to find appropriate solutions to prevent or mitigate any violations. Suppliers are expected to respond and take prompt and suitable action to correct such issues.

If there is a significant or ongoing failure to comply with the Code of Conduct, or if a supplier repeatedly and without valid justification refuses to provide the necessary information, this may lead to the suspension or termination of their business activities with Plejd.

Plejd will report criminal activities and other serious violations of applicable laws and regulations which concern the public to the competent authorities.

Compliance with laws and regulations

Suppliers shall be knowledgeable about and comply with the laws and regulations that are applicable in the countries where they operate. In case the local laws and regulations are less strict than this Code of Conduct the requirements herein shall apply. If there is a direct conflict between the applicable laws and regulations and this Code of Conduct the applicable laws and regulations shall prevail. The suppliers shall however in such cases inform Plejd and strive to fulfill the intentions of this Code of Conduct.

Human rights and decent working conditions

We require our suppliers to treat all people with respect and to comply with the internationally recognized human rights principles as outlined in the Universal Declaration of Human Rights. Suppliers shall implement measures to avoid causing, contributing or be linked to negative human rights impacts. This includes all rights holders, such as workers, affected communities, indigenous people and human rights defenders.

This Code of Conduct is applicable to all workers associated with the supplier, including those who are temporary, migrant, student, or contract workers, in addition to their regular employees (the “Employees”).

We require our suppliers to ensure decent working conditions for all its Employees, which means that they must safeguard fundamental human rights and ensure health and safety in the workplace, as well as the other requirements, as set forth below.

Child labor

Plejd does not tolerate child labor and suppliers shall work against and prevent all forms of child labor. The minimum working age is the age of completing compulsory school in the relevant country but never less than 15 years. In addition, suppliers shall never employ workers under the age of 18 years to perform any work that is likely to harm their physical or mental health or that poses a risk to their safety.

Modern slavery and forced labor

All forms of modern slavery and forced labor are unacceptable to Plejd.

Suppliers shall not participate in or benefit from any form of modern slavery or forced labor. This includes practices such as forced, bonded, or involuntary prison labor, as well as any work performed under the threat of punishment or coercion.

In practical terms, this includes that suppliers shall not take part in or tolerate any restrictions of movement, excessive recruitment fees or any recruitment fees paid by migrant workers, confiscation of identity documents and/or passports, withholding wages, abusive working conditions, bonded labor, violence or any other kind of exploitation or abuse and that all Employees must have the right to freely enter into and terminate their employment, without punishment or threat of punishment, and that work is to be carried out on a voluntary basis.

Working hours

Suppliers shall respect and comply with laws and collective bargaining agreements, as applicable, on working and resting hours, including overtime working hours, as well as annual, sick and parental leave and any other applicable leave regulations.

Wages and benefits

Suppliers shall pay and provide their Employees wages and benefits in accordance with applicable laws and relevant collective bargaining agreements that cover their basic needs and strive to provide some discretionary income. Suppliers shall furthermore strive to ensure that overtime is compensated at higher rates than regular working hours.

Suppliers should work towards reducing gender-based inequalities in pay and benefits for Employees doing equal or comparable work.

Employment contracts

Employees should receive clear and comprehensible information, in a language that they understand, about their employment terms, working hours, benefits, and wages, in accordance with applicable legal requirements.

Non-discrimination and fair treatment

Plejd does not tolerate any discrimination of Employees on the basis of gender, race, ethnicity, political affiliation, sexual orientation, religion or other illegitimate grounds for discrimination. Suppliers are encouraged to promote equality, diversity and inclusion and shall provide equal employment opportunities and conditions based on each individual's abilities.

Freedom of association and collective bargaining

Suppliers shall recognise and respect the rights of all Employees to freely associate, organize and bargain collectively if they wish. Employees shall be able to communicate and share concerns with the management regarding working conditions without fear of discrimination or reprisals.

If the right to freedom of association and collective bargaining is restricted by applicable legislation, Plejd expects our suppliers to allow for and not constrain alternative forms of worker representation.

Health and Safety

Suppliers shall ensure the health and safety of its Employees and provide a safe and healthy working environment in all locations where work is performed. This also applies to any housing facilities and transportation provided by the supplier.

Suppliers must have a documented risk management plan where potential physical, social and organizational risks to the health and safety of the employees are assessed and controlled through proper procedures.

Suppliers shall furthermore have adequate procedures and plans in place in order to identify and handle potential emergency situations.

While at work Employees shall have access to clean drinking water, hygienic toilet facilities, adequate ventilation, light and temperature levels and acceptable levels of noise and dust pollution.

Environment

Plejd expects its suppliers to work proactively to improve its environmental performance and to avoid adverse environmental impacts of their operations and supply chains. This includes having a well-established and appropriate management system that should involve setting clear targets and conducting regular follow-ups to ensure progress.

In case of any environmental issues or complaints, Plejd expects its suppliers to address such issues and complaints systematically and effectively and to communicate with the relevant stakeholders, including Plejd.

Environmental permits and licenses

Suppliers shall obtain and maintain all required permits and licenses, and also comply with the requirements associated with such permits and licenses.

Environmental protection

Suppliers shall identify substances that are potentially hazardous used in its production and ensure that such substances are handled, transported, stored and disposed of safely. Employees shall be properly trained and have access to adequate personal protective equipment to protect them from such hazardous materials.

Plejd requires that all substances used in products or components delivered to us shall be properly declared and compliant with all applicable European and local legislation, including but not limited to RoHS¹, REACH², POP³, and the Conflict Minerals Regulation⁴.

¹ Directive 2011/65/EU of the European Parliament and of the Council of 8 June 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment

² Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC

³ Regulation (EU) 2019/1021 of the European Parliament and of the Council of 20 June 2019 on persistent organic pollutants

⁴ Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017 laying down supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas

Business integrity

Fair competition

Suppliers shall comply with any and all applicable competition laws and regulations. This includes to refrain from entering into or carrying out anti-competitive agreements among competitors, including agreements to fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories or lines of commerce.

Anti-Corruption and financial crime

Suppliers shall not, directly or indirectly, engage in, endorse or tolerate any form of corruption. Corruption includes the bribery of public officials or the employees of persons or entities linked by business relationships. It may also include trading in influence, embezzlement and misuse of sponsorships and charitable donations. Suppliers shall not, for example, directly or indirectly, offer, promise, give, or demand a bribe or other undue advantage to obtain or retain business or other improper advantage. Suppliers must also resist any requests or pressures to engage in bribery or extortion.

Additionally, Plejd expects its suppliers to have zero tolerance for any activities related to money laundering, tax fraud, tax evasion, or other unlawful financial activities.

Export control and sanctions

Suppliers are required to comply with all relevant laws and regulations concerning export control, export restrictions, and economic sanctions.

Reporting misconducts to Plejd - Whistleblowing

If the supplier, its employees, consultants, contractors or any other stakeholder have concerns that this Code of Conduct is not being complied with or if they believe that Plejd is not complying with its own code of conduct, we encourage them to contact us at whistleblower@plejd.com.