

konfAir's Code of Conduct:

In this appendix you will find our Code of Conduct (CoC). Our CoC presents several standards that we expect ourselves and our suppliers to follow. These include fair treatment of employees and the local community, in addition to try to limit greenhouse gas emissions, waste and other environmental influences. We distribute our CoC to all our largest suppliers.

konfAir has made this CoC, because we want to describe how we work with sustainable development as well as human rights, and because our suppliers are very important in securing our products' sustainability. konfAir has one production site in Denmark and one in Lithuania, and our influence on nature, people and environment is very limited. Our products are part of a long value chain, and we want to affect positively the way our suppliers behave. konfAir wants to make sure that our purchases, to the best of our knowledge, come from responsible and sustainable sources.

We evaluate our suppliers through different types of assessments, including self-assessments. And konfAir must, by request, be granted access to a supplier's facilities as well as relevant documents and to speak to employees.

We also try to encourage our suppliers to make a CoC for their own suppliers. And in general, we want to start a discussion about sustainability among our stakeholders and in our surroundings.

Signature

15-03-2024

Date



konfAir a/s (Signature)

Table of Contents

Due diligence requirements	3
1. Human rights and labour rights	3
General provisions	3
Child labour and young workers	3
Forced labour	4
Employment conditions	4
Discrimination and harassment	4
Freedom of association and collective bargaining	4
Working hours and leave	4
Wages and benefits	4
Occupational health and safety	5
2. Environment (Scope 1, 2, 3)	5
General provisions	5
Circularity and resource management	5
Greenhouse gasses including CO ₂ , CH ₄ and O ₃	5
Chemicals	6
Water resources	6
3. Community relations	6
4. Anti-corruption	6
5. Animal welfare	6
6. Complaints/whistleblowing	7
7. Data protection	7
8. Collaboration and monitoring	7
Signature	7

Due diligence requirements

International guidelines call on businesses to exercise due diligence to detect, prevent, and mitigate any adverse impacts related to human and labour rights, the environment, including climate, and anti-corruption. These procedures are required for all groups, individuals, and entities that a business may impact, within all business and production units, the local community and the external environment.

Key steps of the due diligence procedures include developing policies within all relevant potential and actual impact areas in the business, such as health and safety, environmental protection and chemical management, and anticorruption. Such policies must be communicated to all employees, your subcontractors, and other relevant stakeholders. Procedures and management systems must be developed to ensure that policies are implemented and adhered to, and thereby ensuring that any potential and actual adverse impacts are prevented and decreased.

The standards of this Code of Conduct fall in below 8 sections. Each section defines a set of specific standards within the 8 areas. While a due diligence process may identify further areas of concern, the standards constitute minimum standards that all suppliers must meet.

- 1) Human rights and labour rights
- 2) Environment (Scope 1,2,3)
- 3) Community relations
- 4) Anti-corruption
- 5) Animal welfare
- 6) Complaints/whistleblowing
- 7) Data protection
- 8) Collaboration and monitoring

The standards of the Code of Conduct are based on internationally agreed conventions, including but not limited to: UN Sustainable Development Goals and UN Guiding Principle on Business and Human Rights, the International Bill of Human Rights, the International Labour Organizations' (ILO) Declaration of the Fundamental Principles and Rights at Work, and Human Rights, the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Business Conduct, the UN Convention Against Corruption, EU Extended Producer Responsibility, the Rio Declaration on Environment and Development. Ready for practical use in ESG reporting purposes.

Naturally, we expect business partners to comply with all applicable laws and regulations.

1. Human rights and labour rights

General provisions

We expect all suppliers to work proactively to support the UN's work with the 17 World Goals in relation to social responsibility and the UN Global Compact. A challenge where we work together fairly and properly in the short term for people involved in our business and in the long term creates a common future for our descendants.

Child labour and young workers

You must not use child labour below the age of 15, even if permitted by national law – unless a written confirmation has been made with us. All legal limitations regarding young workers between the age of 15 and 18 must be followed and young workers are only permitted to carry out light work at reduced hours. This means that they must be protected from any hazardous work, night shifts, and any kind of work that might hamper your physical development or impose any harm.

If child labour is detected at a facility, the supplier is responsible for developing, participating in, and contributing to policies and programs that provide for transitional arrangements to enable the child to remain in quality education until no longer a child

Forced labour

Employment must be freely chosen. Suppliers must not use or support any form of slavery and forced and bonded labour. Employees must not be subject to recruitment fees or deposits, withholding of salary and benefits, lodging of personal documents by the employer, or forced to overtime.

Employment conditions

Obligations to employees under international conventions and social security laws and regulations arising from the regular employment relationship must not be avoided by using short-term contracts, such as contract labour and casual labour. All employees, including temporary and casual workers, must have written and legal employment letters in a language they understand, specifying conditions of employment and termination.

Discrimination and harassment

You must not engage in or support discrimination in recruitment and in employment. Decisions about hiring, compensation, access to training, advancement, discipline, termination, or retirement must be solely based on the ability to perform the job and not on the grounds of gender, marital or parental status, pregnancy, race, caste, colour, age, sexual orientation, religion, political opinion, union membership, function as worker representative, nationality, ethnic origin, health status, or disability.

All workers must be treated with respect and dignity. Suppliers must prevent, not engage in nor support the use of bullying, intimidation, violence, threats of violence, corporal punishment, or physical, sexual, psychological, and verbal harassment or abuse. Procedures to ensure punitive measures in cases of harassment and/or discrimination must be put in place.

Special measures must be put in place to protect workers against gender-based violence and harassment in the workplace.

Freedom of association and collective bargaining

You must respect the rights of workers to join and organize associations of their own choice and to bargain collectively with no interference or sanctions from employers. The supplier must implement mechanisms, such as worker participation committees, for resolving disputes, including employee complaints, and ensure effective communication with employees and your representatives. If the rights to freedom of association and collective bargaining are restricted by national law, the supplier must allow workers to freely elect your own representatives, and alternative forms of worker representation must be supported.

Working hours and leave

Standard working hours must follow local regulations, collective bargaining agreements and industry standards. Employees must be allowed a minimum of 1 day off per week and paid annual leave. Maternity leave, sick leave, and other types of leave must be provided to all employees in accordance with relevant local regulations.

Wages and benefits

Wages for a standard working week must at a minimum meet the legal minimum wage, industry standards or negotiated wages, whichever is higher. Wages must be paid regularly and in a timely manner.

You should work towards providing a fair living wage, implying that wages are enough to meet the basic needs of employees and their families and provide some discretionary income. All overtime work must be compensated at a premium rate.

Deductions are only permitted if and to the extent prescribed by law or fixed by a collective agreement. It may not be used as a disciplinary practice.

Occupational health and safety

A safe and hygienic working environment must be provided for all employees.

To prevent accidents and injuries and promote a healthy and safe work environment, you must – at a minimum – ensure that below listed initiatives are in place. The list is not exclusive but outlines the most critical aspects of a health and safety management system. Special measures must be put in place to ensure a gender-sensitive approach.

- Management representatives for occupational health and safety.
- Incident and risk management procedures proportionate to the type and size of business.
- Health and safety training on occupational risks. This includes training in firefighting and handling hazardous materials and chemicals.
- Provision of appropriate personal protective equipment (PPE), free of charge and in good condition. Training in the proper use of the PPE must be provided.
- All premises on site, including company-provided dormitories, restrooms, changing rooms and canteen, shall uphold appropriate standards on hygiene, health, and safety. This includes adequate equipment for fire safety.
- Access to clean drinking water and access to sanitary facilities for employees at all times.
- Safe and healthy buildings. All relevant permits and certificates regarding building safety should be kept for review.
- Safe electrical installations installed and maintained by competent personnel.
- Reduce and control emissions to air according to applicable regulations. This includes noise, odor, and dust emissions.

2. Environment (Scope 1, 2, 3)

General provisions

We expect all suppliers to work proactively to support the UN's work with the 17 Global Goals in relation to environmental concern with the earth's resources. A job where we work together for a common future for our descendants.

You must conduct all operations in full compliance with all applicable environmental laws and regulations. This includes obtaining and maintaining all necessary registrations, permits, and licenses, including, but not limited to, below listed areas.

Moreover, you must have procedures and capabilities in place to ensure that you prevent and mitigate negative environmental impacts from your activities, or associated activities. At a minimum, procedures and capabilities must be in place for below listed issues.

We expect that you will request your own supply chain to comply with these requirements.

Circularity and resource management

It is our task together with you to continuously develop solutions which are based on a life cycle perspective and the circular thinking about optimal utilization of resources. We prefer continuously being involved in new sustainable solutions in close cooperation with you and our business partners.

We ask for your input and inspiration to innovate new sustainable solutions.

We encourage you to perceive waste as resources that can be used in other contexts. If this is not possible, waste fractions must be minimized as much as possible. You should minimize waste during production processes going to landfill, facilitate collection of waste to be re-used, reduce use of virgin raw materials, and optimize use of re-cycled materials. The goal should be no waste to landfill or burning of resources.

All waste must be managed responsibly and as a minimum according to applicable regulations. Hazardous waste must be handled by an authorized company/organisation.

Greenhouse gasses including CO₂, CH₄ and O₃

We expect you to work actively to reduce greenhouse gasses. In the future, we expect to receive statements for the work how to reduce greenhouse gases in general including carbon footprint. We intend to use these statements in our documentation to our customers.

Our goal is to have clear traceability in our supply chains, so that greenhouse gases can be documented at all stages of our supply chains. You should work towards clear traceability and mitigate negative impact on climate change by carrying out the following

measures: implementing energy efficiency measures in the value chain, starting with high-impact processes, using renewable energy sources if available; and calculating emissions and setting targets to reduce the emissions using recognized standard-setting tools.

Chemicals

You must conduct your operations in accordance with below requirements on chemicals:

- The European Union REACH Regulation (EC) No 1907/2006 Annex XVII and later amendments.
- The “substances of very high concern” (SVHC) i.e. the European Union REACH Regulation (EC) no. 1907/2006 Candidate List. You are requested to check the list on a regular basis as this list is continuously updated.
- Country specific regulations on export markets.

We urge you to substitute chemicals. Substitution means replacing a chemical substance or process harmful to health or environment with a less dangerous substance or process with the same properties. Good practice and legal laws say that you must substitute a dangerous chemical with a less dangerous one as soon as possible.

Local laws must be followed in the storage, handling, use and disposal of all chemicals and must comply with the Material Safety Data Sheet (MSDS) for each chemical product.

Water resources

You must carry out all operations in full compliance with all applicable laws, regulations, and industry guidelines on water conservation, water quality, and wastewater.

Measures must be put in place to clear wastewater. You should work towards minimizing the use of clean water during production processes, including introducing water saving techniques and waste-water recycling. This is particularly pertinent for suppliers with wet processing. You without wet processes are also expected to manage and measure water consumption.

You should work towards measuring the impact of your operations on the local/regional water supply to avoid negatively contributing to water stress.

3. Community relations

Business Partner will engage and consult with potentially affected local communities, including indigenous peoples, and avoid causing or contributing to negative impacts on their human rights. This may include impacts on culture, the environment, natural resources, land, infrastructure, or other factors that are important to the fulfilment of human rights for local communities, including their health and livelihood.

4. Anti-corruption

You are expected to act according to high ethical standards and with integrity in all matters related to your business and have adequate procedures to prevent corruption in your operations.

No form of corruption, extortion, kickbacks, facilitation payments, or bribery must be offered, received, or promised.

5. Animal welfare

You are expected to ensure that materials used in the products derive from animals that have been treated according to all applicable regulations, conventions, and standards. The animals must be fed and treated with dignity and respect. No animal must deliberately be harmed nor exposed to pain in their lifespan.

Taking the lives of animals must always be conducted using the quickest and the least painful and non-traumatic method available, and approved by national and acknowledged veterinarians, and only conducted by trained personnel.

When using materials that derive from animals, the supplier should be ready to document the chain of origin of the product, e.g. via existing credible third-party certifications schemes such as the Responsible Down Standard (RDS) and the Responsible Wool Standard (RWS).

Please note that animals can be a part of the supply in many forms. From test and experimental animals, transporting, elements of products etc.

6. Complaints/whistleblowing

You must have a complaints mechanism in place allowing stakeholders to voice your concern if they find that operations of the supplier are adversely affecting human and labour rights, environment, including climate, anti-corruption, and animal welfare. The complaints mechanism should be appropriate to the size of the company and can take the form of a whistle-blower function, worker representation committee, etc. The complaints mechanism should be widely communicated, and accessible to all workers (including temporary workers), and managed in a confidential, unbiased, timely, and transparent manner.

7. Data protection

The supplier commits to meet the reasonable expectations of their client, the subcontractors, customers, consumers, and employees with regards to the protection of private information. The supplier must adhere to the laws on data protection and information security as well as the official regulations when collecting, storing, distributing, transmitting, and forwarding personal information.

8. Collaboration and monitoring

Open and transparent dialogue on the standards of this Code of Conduct is essential for our relationship with you. As part of this, you are expected to inform about all sub-contractors. Hidden factories or interested parties are not accepted. All suppliers are evaluated against the standard of the Code, and we prioritize those suppliers who are committed to demonstrating compliance and continued improvements.

You are evaluated through different types of assessment, including self-assessments and internal assessments. We and eventual appointed third-party auditors must be granted access to all facilities, including sub-contractors, as well as relevant documents and to speak to employees as requested.

We trust that you as our supplier will embrace the requirements of this Code. If you are requested to improve certain procedures and practices, we expect you to be committed to adjust within a specific timeframe. We believe that achieving good social and environmental standards is a process, and we are committed to working together with you in your efforts.

Signature

Date

Supplier (stamp and signature)