

Code of Conduct for Suppliers

Introduction

Kvist has decided to join the UN initiative, Global Compact. The Global Compact was announced in 1999 as a UN initiative for the business community to help promote sustainable development in the world. Kvist's participation in this initiative is relevant to the content of the Code of Conduct for Suppliers. The Global Compact lays down 10 principles in four important areas: human rights, labor rights, environment and anti-corruption.

Kvist urges all suppliers to support Global Compact.

General demands on suppliers

Acceptance of and compliance with this Code of Conduct form an integral part of every Business Agreement with Kvist. The Code of Conduct establishes a minimum requirement and Kvist urges its suppliers to strive for continued improvement within all areas covered by this Code of Conduct

Kvist suppliers must take all relevant and necessary initiatives and measures to ensure compliance with this "Kvist Code of Conduct for Suppliers". To prove compliance, suppliers must be prepared to provide Kvist with information concerning subjects mentioned in this Code of Conduct.

Suppliers must act according to the countries in which they operate, and support and respect internationally proclaimed human rights.

Suppliers must respect that Kvist employees are committed to acting with honesty, integrity, and trustworthiness and that Kvist employees cannot accept, either directly or indirectly, anything, which could appear to influence decisions with respect to Kvist relationship with a particular supplier.

Violation of this "Kvist Code of Conduct for Suppliers" can bring the relationship to an end.

The supplier's suppliers

Kvist also encourages you to use this Code of Conduct as a basis for your co-operation with your suppliers.



Legal compliance

Suppliers must comply with all applicable local laws, regulations, and industry standards. Kvist encourages its suppliers to comply with ILO and UN Conventions.

Employment Practices:

Child Labour

Child labour must not be engaged in or benefited from. The minimum age for fulltime employment shall not be less than the age of completion of compulsory schooling and, in any case, shall not be less than 15 years (or 14 years were established by local laws in accordance with the ILO developing-country exception). Employees under 18 years of age are not to be involved in hazardous work or to work at night regardless of the number of hours worked. For this kind of work, workers must be older than 18 years of age and vendor must comply with all local laws and regulations. The minimum age for light work/spare time employment (work that does not interfere with education) shall not be less than 13 years (or 12 years were established by local laws in accordance with the ILO developing-country exception).

If child labor is detected, then, in addition to other actions pursuant to this Code of Conduct, Kvist reserves the right to involve local or international organizations to secure a proper remediation process.

Forced Labour and Freedom of Movement

Forced or compulsory labour must not be used or benefited from. Employees must have the freedom of movement during their employment. Guards must only be posted for normal security reasons to protect employees and the property of the company. Personal papers, work deposits or compensation to employees must not be withheld, thereby preventing the employees from ending their employment.

Disciplinary Practices

Physical punishment, threats of violence or other forms of mental or physical coercion or abuse must not be used. Monetary fines or deduction in compensation as a means of disciplinary measure is not allowed.

Discrimination

Discrimination, directly or indirectly, in hiring and employment practices on grounds of race, color, sex, language, religion, political or other opinion, age, national, social or ethnic origin, property, sexual orientation, birth or other status must not be engaged in or supported. It must not be required that female employees are subjected to mandatory pregnancy tests. It must not be required that employees are subjected to mandatory HIV/AIDS tests.



Wages, Benefits & Holidays

Employees shall be paid a decent living wage and at least the minimum wage required under local laws and regulations. Additionally, all benefits required by local laws and regulations must be provided. Wages must be paid in legal tender and not less frequently than monthly. Employees are entitled to sick and maternity leave as provided by local laws and regulations.

Working Hours

Kvist has a fundamental belief that the maximum allowable working hours in a week shall not on a regular basis exceed 48 hours with a maximum of 60 hours per week, including overtime. Overtime hours are to be worked solely on a voluntary basis, and must be planned in a way that ensures safe and humane working conditions. Working hours must be compensated consistent with local laws and regulations. However, Kvist does accept that supplier's employees can work more than 60 hours if it is voluntary and are permitted according to local laws and regulations. Consecutive working days must be in accordance with local laws and regulations and, as a minimum; employees must be entitled to at least one day off per week.

Employment Terms

Employees must be provided with written confirmation of employment terms, if and as required by local laws and regulations.

Freedom of Association and the Right to Collective Bargaining

The rights of the employees to choose to be a member of a trade union and to bargain collectively as permitted by local laws and regulations must not be interfered with or restricted. In situations or countries in which the rights regarding freedom of association and collective bargaining are restricted by law, parallel means to freedom of association and collective bargaining must be facilitated for all personnel by the vendor.

Health and Safety

A safe and healthy working environment must be provided, in compliance with all local laws and regulations. One or more management representatives are responsible for establishing written policies and procedures regarding health, safety, welfare, and general facilities and that these policy topics are adhered to.

Environment

Local laws and regulations regarding the protection of the environment must be complied with. Suppliers must strive to have management systems in place and to reduce waste, energy and emissions to air, ground and water, handle chemicals in an environmentally safe way.



handle, store and dispose of hazardous waste in an environmentally safe manner; contribute to the recycling and reuse of materials and products; implement environmentally friendly technologies.

Corruption and Bribery

Bribes must not be offered, promised, given, accepted, knowingly benefited from, or demanded.

Monitoring and Evaluation

Suppliers shall maintain, on site, any documentation that may be necessary to demonstrate compliance with the Code of Conduct. All suppliers are required to provide full access to on-site inspection, by Kvist by or its designated representatives and access to all records that might determine compliance or non-compliance with the Code of Conduct.

For and on behalf of:

Company Name: _____ and its affiliates.

Signature and stamp _____ Date: _____

Material-specific compliance documentation

As Kvist Industries A/S is met with global requirements, much documentation is needed to make sure all demands are met. In the following, the relevant requirements for each material category will be listed and described. If you as a supplier can provide the necessary documentation, Kvist takes responsibility of ensuring that any additional demands are evaluated based on existing requirements in this document in order to minimize the amount of time spent by suppliers on compliance questions.

If suppliers have issues with declarations, certificates, test reports or generally understanding the requirements, Kvist can provide consulting and coordination of the testing process. Please contact Dorte Andersen, HQSE – Environment & Compliance, tel. +45 29 69 60 35 or email da@kvist.com and your respective category manager from Kvist (see the last page in this document).

Suppliers are responsible of informing Kvist immediately after a “change” has been decided. In this case “change” refers to change of chemical composition of the supplied component(s), country of origin or change of sub-supplier of the component(s) as well as other changes that could have consequences regarding the validity of the provided compliance documentation. If a “change” has been decided, it is the supplier’s responsibility to provide updated declarations latest 14 days after implementation. Furthermore, suppliers will be requested to update declarations on a yearly basis.

FSC

Kvist Industries A/S is FSC certified and is already purchasing most solid wood and veneer as FSC certified. It is required that solid wood and veneer is supplied as FSC certified to the highest possible extent, excluding wood sorts that are not possible to purchase with an FSC claim. An FSC certificate must be provided.

EUTR

The European Timber Regulation focuses on avoiding trade with illegally harvested wood. EUTR declarations are distributed yearly to all suppliers of solid wood and veneer where it is requested to provide information on the country of origin of each wood type supplied as well as guarantee that the EUTR legislation is fulfilled.

SDS

It is required that safety data sheets (SDS) are provided for all chemical substances (e.g. adhesives, surface treatments such as paints, varnishes, stains, oils, waxes, and other chemicals like sealants, flame retardants or flame retardant treatments).

REACH Appendix XVII

The REACH appendix XVII regulates [specific substances](#) if the use of the product in which it is contained is not except from the regulation. A declaration stating compliance with the REACH appendix XVII is required.

Proposition 65

This Californian list of [restricted substances](#) is very extensive and covers over 950 different substances. Most substances are connected to a [safe harbour level](#) indicating the level below which the consumer can safely be exposed to the chemical. If this level is exceeded for a given material/component/product, a warning label must be applied to the item. Suppliers have the responsibility of proving a warning is not required based on knowledge of the use of chemicals and the business operations. See more information on the [FAQ](#) on Proposition 65.

A declaration stating compliance with Proposition 65 is required.

SCIP database

The [SCIP](#) (**S**ubstances of **C**oncern In articles as such or in complex objects (**P**roducts)) database was implemented on January 5th 2021 by ECHA (the European Chemicals Agency) and requires all manufacturers of articles to register their products in the SCIP database if they contain substances of very high concern (SVHC) in amounts over 0,1 weight percent. A declaration stating compliance with the SCIP database is required.

TSCA Title VI

Test reports and certificates showing compliance with the [formaldehyde emission limits](#) in the TSCA Title VI regulation are required.

EN 16516/ChemVerbotsV

The German Umweltschutzamt (UBA) introduced a new European test method, EN 16516 as the national standard for formaldehyde emission testing in January 2020. In practice, this means that according to the more generally used EN 717-1 method, the emission limit is halved from 0,124 mg/m³ to 0,062 mg/m³. Test reports showing compliance with this limit is required.

EN ISO 11469 and EN ISO 1043 (parts 1-4)

These European standards dictates how different plastic types should be marked and how the layout of the marking should be. Picture(s) of the marking of the supplied plastic component(s) must be provided along with a declaration stating compliance with the standards.

BS 5852 crib 5

In the UK, there are stricter requirements for flammability of upholstered furniture requiring foams to be treated with flame retardants (CMHR foams) either in the finished foam or as an additional treatment. For these types of foam, it is required that a test report on BS 5852 crib is provided.

TB 117

The American standard for flammability is less strict than for the UK and can be fulfilled with foam types without flame retardants. It is required that TB 117 test reports are provided.

No flame retardants

It is required that foams used for products for the American market are not treated with flame retardants. A declaration stating compliance is required.

BS 5852 cigarette and match test

It is required that test reports on BS 5852 cigarette and match tests (Schedules 4 and 5 part 1) are provided.

	EUTR	SDS	REACH Appendix XVII	Proposition 65	SCIP database	TSCA Title VI	EN 16516/ Chem VerbotsV	EN ISO11469 and ENISO 1043 (parts 1-4)	BS 5852 Crib 5	TB 117	No flame retardants	BS 5852 cigarette and match test
Solid woodand veneer	X											
Compositewood boards	X		X	X	X	X	X					
Laminateand linoleum			X	X	X							
Chemicals		X	X	X	X							
Metal			X	X	X							
Plastic			X	X	X			X				
Foam (UK)			X	X	X				X			
Foam (US + EU)			X	X	X					X	X	
Textile and leather(UK)			X	X	X							X
Textile andleather (US + EU)			X	X	X					X	X	
Straps and webbing cord			X	X	X							

KVIST®

Industries

Webbing - paper cord	X	X		X	X	X							
Cardboard and paper packaging	X			X	X	X							
Plastic packaging				X	X	X			X				