

# Code of Conduct

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# A good night's sleep in all aspects

Hilding Anders has the mission of giving the world a good night's sleep. With more than 9,000 employees at 23 factories and operating on 40 different markets the company has a true global footprint. Having leading positions means also to act in a responsible manner wherever we go and towards whomever we are in contact with.

It starts with our employees, continues to our suppliers, customers, consumers and ends with the public in general, investors and governmental institutions. All groups have to be treated with the same respect as we want to be treated by them. At large, the principles you will find written down on the coming pages are common sense. However in a de-centralized organization rules have to be established how these relationships shall be developed, nurtured and protected.

Hilding Anders has decided to focus on four main areas:

Area	Objective
Business Control	<ul style="list-style-type: none"><li>▪ To clarify how we steer and follow-up on laid plans and create stake- and shareholder value.</li></ul>
Health & Safety	<ul style="list-style-type: none"><li>▪ To take care of our employees and secure that they are treated human, fair and equal</li></ul>
Environment	<ul style="list-style-type: none"><li>▪ To describe the impact our operations have on the environment and implement actions to decrease our impact in a meaningful way</li></ul>
Ethics	<ul style="list-style-type: none"><li>▪ To manifest a set of rules how we conduct our business and how we interact with important stakeholders</li></ul>

Our commitment to our stakeholders is that we embrace all four aspects wholeheartedly and we install viable routines to nurture, develop and protect these principles.

Malmö, 02 January 2017

**Pepyn Dinandt**  
*Group CEO*

## Business Control

Being in control of the business is a pre-condition for being able to be considered as sustainable company. Company stakeholders as mentioned before have to rely daily on our actions and we have to make sure as company that they can.

It is a lot about common sense thus we in Hilding Anders pursue the following mantra:

- We are in full control of financial key data
- We continuously seek the dialogue with internal and external stakeholders to update them how we are doing and where we are heading
- We have an excellent understanding about future business risks
- We keep our factories in order
- We don't allow unethical business behavior as defined e.g. in the 10 UN Global Compact principles

Do we see that we have to improve in certain areas as we don't comply with the above mentioned set of rules, then we do so.

## Employee Relations

Hilding Anders strives for being an open company based on the core values of one step ahead, integrity and passion for well-being.

Especially management gives attention to the following basic criteria:

- Equal opportunity for all employees without regard to their gender, marital or parental status, ethnic or national origin, sexual orientation, religious belief, age or disability
- Fair wages and benefits in accordance to relevant standards in the country we are operating in
- The fundamental right for collective organization, either through recognized unions or assisted in negotiation situations.
- Open and transparent communication within the boundaries for commercial confidentiality

Trust is a two-way street: all employees are obliged to treat company secrets in line with their overall employment agreement and see themselves as good corporate ambassadors when communicating about their work, independently whether it is on- or offline.

## Health & Safety

Hilding Anders strives for keeping up safe working environments for all employees. All our units - as minimum - strictly obey to national laws and/or collective agreements.

## Environment

Hilding Anders' products are not dangerous to health and human beings. Our production is based on an array of rather uncomplicated raw materials (steel springs, latex, wood and foam) and substantial efforts have been made to optimize the use of resources.

- Hilding Anders complies with laws, procedures and control mechanism
- Hilding Anders minimizes the impact on the environment through continuous improvement
- Hilding Anders installs environmental management systems to comply with requested customer demands

However Hilding Anders acts due to its character of operations not as leader in environmental practices but as fast follower.

## Ethics

The reputation of Hilding Anders builds on trust and reliability. All our business activities shall therefore be guided by globally applicable standards. In particular the following behavior must be part of our daily work:

- Neither Hilding Anders nor any of its employees shall make illegal or improper payments or bribes.
- Neither Hilding Anders nor any of its employees may accept illegal or improper payments of any kind (gifts, reimbursements) which could affect trust into the company.
- Operating as global group Hilding Anders embraces laws and regulations designed to promote fair competition and encourage ethical and legal behavior. All Hilding Anders members of group management and local management have to sign a compliance competition clause in their labor agreements.
- Hilding Anders employees should avoid situations personal family or financial interest could interfere with general company objectives. If in doubt Group Human Resources is the source to turn to and get clarification.

## Appendix: The UN Global Compact Principles

- Launched in 2000, 8,000 companies connected
- Largest global and most credible sustainability initiative
- Lends credibility
- Encourages action
- Simple rules
  - Human Rights (1+2)
  - Labour (3-6)
  - Environment (7-9)
  - Anti-Corruption (10)



### UN Global Compact 10 principles

1. Business should support and respect the protection of internationally proclaimed human rights
2. And make sure that they are not complicit in human rights abuse
3. Business should uphold the freedom of association and the effective recognition of collective bargaining
4. The elimination of all forms of forced and compulsory labour
5. The effective abolition of child labour
6. The elimination of discrimination in respect of employment and occupation
7. Business should support a precautionary approach to environmental challenges
8. Undertake initiatives to promote greater environmental responsibility
9. Encourage the development and diffusion of environmentally friendly technologies
10. Business should work against corruption in all its forms, including extortion and bribery