





CORPORATE SUSTAINABILITY & SOCIAL RESPONSIBILITY

The Rudholm Group meets or often exceeds legal requirements and regulations relating to sustainability and social responsibility, with commonsense, measured judgement while complying with the laws and regulations governing its activities, which make it at the frontline of good practice.

This document with its policies and content shows our commitment to employees, business partners, stakeholders and the Board of Directors for conducting business in an appropriate, responsible and transparent manner. We strive to follow and develop our business in a sustainable manner using GRI4 standards as foundation and we work to follow these standards.

The Group's core values (Code of Conduct) as shown on the following documents resonate throughout all aspects of the business and contribute to drive, build on and maintain the trust of customers, shareholders, employees, governments, and the general public worldwide.





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SUSTAINABILITY

Introduction

The Rudholm Group (RH) is a global distributor, with close partnerships and joint ventures with production companies across the world to deliver our wide range of textile accessories. We have analyzed our business processes using the GRI4 guidelines to discover parts/areas within our business process that have impact on the environment and have set up standards and goals for improvement in order to operate globally in a sustainable manner.

We have started this by measuring our internal processes in Step One and including the total supply chain in Step Two. We do however require that all suppliers must adopt The Rudholm Group policies to be a partner with our group.

From this we have developed four focus areas, where we will have a global impact. Central to our work is the RH Code Of Conduct and our standard of human rights.

Policy

We live in a world where people's awareness of sustainability is constantly increasing. These people are our customers, our suppliers, our investors and our employees. We want to show all our stakeholders that we are working towards being a sustainable company with our four focus areas:

- Human rights
- Raw materials and processes
- Transportation
- Finance

Human rights - We are a global company operating in growing countries, where we place high value on human rights and anti-corruption. We truly believe that everyone in our company has an equal human value and should all be treated with the same respect, knowing that their voice will be listened to regardless of the professional role they have within the company. We work hard for the human rights to be met in all the countries we operate in, to ensure that there are no distinctions between people due to race, gender, language, religion etc.

Materials - Our customers are a top priority for us, and we are working to meet their increasing expectations regarding the sustainability of the products we produce. In the process of product development, we choose to work with resource friendly materials and are continuously looking for new ways to make high standard products while reducing water and energy consumption. Another vital focus in the work towards more sustainable product lines, to design new products in a way that makes them recyclable, biodegradable and in line with Cradle to Cradle (C2C).

Transportation - We want to have a greater part in the reduction of the carbon dioxide emissions. We believe the best way for us to do this is to choose logistic partners who are conscious about their emissions and also work actively to reduce them. Changes can also be made within our business group. For work-related travels, the most environmental friendly transportation is to be used. There is an ambition to reduce the number of work-related travels within the group, through an increase of web meetings or other alternatives to physically be in the same place for meetings.

Finance - The work of becoming an sustainable company is possible as long as we have a strong financial ground to build upon. We are continuing to make investments in the markets where we operate, because we want to have a positive impact on society. By producing our products locally as much as possible, also gives a positive economic effect in the local areas where we are active.



CODE OF CONDUCT

Introduction

WHAT IS THE CODE OF CONDUCT AND WHERE DO OUR VALUES APPLY?

Purpose

The Code of Conduct applies to everyone in the Rudholm Group and we must all follow its principles and supporting policies, and pro-actively seek guidance if we are unsure how to be compliant with the Code or any Policy.

Country Managers, Regional Managing Directors, Line Managers and Heads of departments, have additional responsibilities under this Code.

They should ensure that they:

- Comply with the laws and regulations in their country.
- Explain the Code and ensure it is understood by employees;
- Set an example to employees and third parties by promoting the standards of the Code;
- Address any training or guidance needs which employees or third parties may have in order to meet the standards of the Code; and
- Ensure that employees and third parties remain aware of, and comply with, the principles of the Code.
- Integrate the principals of this policy into critical processes.

Deviations

Deviations from this policy may be approved only by Rudholm Group's Board Directors.

Language

The original language of this document is English. If it is translated into other languages, the English version shall take precedence in case of disputes.

Disciplinary actions

Explicit or implicit approval of questionable actions will not be tolerated and may result in disciplinary actions up to and including dismissal and legal proceedings.

Code of Conduct Policy

- The Rudholm Group expects and requires the highest standards of ethical and compliant behaviour in all activities and relationships, both internal and external.
- The Rudholm Group considers malpractice in whatever form to be a very serious matter and is committed to addressing any such incidence regardless of where, or at what level, in the Group it may occur.
- It is in all our interests to ensure that malpractice does not occur. It is therefore of fundamental importance that valid concerns are raised and managed in a just, safe, secure and confidential environment.
- The Rudholm Group Board believes that the application of the **Speaking Up Policy** provides that environment.
- If an individual has a genuine concern that an act of malpractice has been committed, is being committed, or is likely to be committed, they must raise that concern at the earliest possible opportunity.
- All malpractice concerns raised will be taken seriously and will be treated in a confidential, sensitive and just manner.



Code of Conduct Policy (Continued)

- The identity of the individual raising the concern will be protected and wherever possible restricted to only those personnel directly involved in any investigation. In turn, the number of personnel involved in any investigation will be restricted as fully as possible without detriment to the investigation.
- The Public Interest Disclosure Act 1998 (“PIDA”) provides statutory protection for individuals who raise a valid concern of malpractice in good faith and reasonable belief.
- The PIDA covers incidents inside and outside the UK and is therefore applicable to all Rudholm Group operations regardless of location.
- Should harassment, victimisation or sufferance in a workplace or any disadvantage occur in any manner by an individual who has raised a genuine concern under this policy, or any actions taken to deter or attempts to prevent an individual from raising a genuine concern **will not be tolerated**.
- Any such action may be subject to disciplinary proceedings. Rudholm Group views this sort of behaviour very seriously and any disciplinary action could therefore result in dismissal. Similar action would be taken against others working for Rudholm Group who are not subject to disciplinary procedure, including termination of their relationship with Rudholm Group.



SPEAKING UP

If you have any doubts or queries regarding any of the principles of this Code, it is important to seek guidance before taking any action

Speaking Up Policy

Should you have a concern that malpractice or any act in breach of the Code or related Policies has occurred, may occur or is planned to occur, that concern must be raised at the earliest opportunity in accordance with the Rudholm Group's *Speaking Up Policy*.

The *Speaking Up Policy* allows concerns to be raised in a confidential and secure manner, and the process for this is as follows:-

1. In the first instance the concern should be raised with the individual's immediate manager. This can be done verbally or in writing.
2. If, for whatever reason, the individual does not consider it appropriate to raise the concern in this manner they should contact their Head of Department/Director. Again, this can be done verbally or in writing.
3. If, for whatever reason, the individual does not consider it appropriate to raise the concern as above, they should contact Jonas Haglund on +46 (0) 703 331127 or by the confidential email speakup@rudholm-hk.se, this email will only be accessed by Jonas Haglund.
4. If the individual prefers to leave a phone or email message in their local language this can be done. In such instances it is recommended, but not essential, to confirm the country from which the message is being left. A confidential external translation service will be used as appropriate.
5. The Group is committed to thoroughly and fairly investigating all concerns of malpractice raised.
6. Retribution or other adverse consequence against the person raising the concern will not be tolerated in any circumstance where a concern has been raised in good faith.

Procedures

Scope and Reach

- In general, concerns relating to an individual's personal circumstances will be addressed through the appropriate Grievance Policy. Where the concern relates to the interests of others, or of the organisation, it would be addressed through this policy.
- The speaking up policy applies to all permanent and temporary employees of all companies owned by Rudholm Group, or over which Rudholm Group has a controlling interest, regardless of location. It also applies to external consultants, contractors, agents, intermediaries and agency personnel whilst conducting Rudholm Group business under contract at any of those locations.
- In addition to this policy, each country may have country specific policies, which will also apply to employees etc. in that country.

Raising a Concern:

- An individual should raise a concern when, in good faith and with reasonable belief, they suspect that a malpractice has been committed, is being committed, or is likely to be committed.
- Once satisfied that the concern should be raised under this policy, due care should be taken to ensure the accuracy of the concern without putting the individual, or any subsequent investigation, in jeopardy.

Concerns should be raised in the following manner:

In the first instance the concern should be raised with the individual's immediate manager. This can be done verbally or in writing.

- If, for whatever reason, the individual does not consider it appropriate to raise the concern in this manner they should contact their Head of Department / Director. Again, this can be done verbally or in writing.
- If, for whatever reason, the individual does not consider it appropriate to raise the concern as above, they should initially make contact in confidence by using the following dedicated email address



speakup@rudholm-hk.se

- If the individual prefers to leave a phone or email message in their local language this can be done. In such instances it is recommended, but not essential, to confirm the country from which the message is being left. A confidential external translation service will be used as appropriate.
- All concerns will be investigated, even if they are raised anonymously. However, the individual is encouraged to provide as much detailed information as possible, as this will help any investigation, including name, position, details of the malpractice together with comments on how it came to light and any evidence.
- Individuals are encouraged to put their name to any disclosures made. Anonymity can be requested but this may seriously hinder the ability to successfully progress and/or conclude any investigation and therefore satisfactorily address the concern.
- Due care should be taken to ensure the accuracy of any concern raised. If an individual raises a concern in good faith and with reasonable belief, but investigation does not subsequently confirm the concern, no action will be taken against the individual.
- If, however, an individual raises a concern which is found to be deliberately false or malicious disciplinary action will be taken against that individual. This sort of behavior is considered very seriously. Disciplinary action may result in dismissal.

Investigating a Concern

- All concerns of malpractice raised will be investigated.
- Receipt of the concern will be confirmed to the person who raised it as soon as possible, typically within two working days.
- The Group HR Director and/or Group General Counsel will, in the first instance, consider the concern raised and determine the appropriate initial approach to be taken.
- The concern will be investigated in conjunction with the appropriate departments relevant to the subject matter of the concern. The number of parties involved in the investigation will be limited as far as is practically possible.
- The identity of the individual who raised the concern will be kept confidential unless this would hinder or frustrate the investigation, in which instance all reasonable steps would be taken to ensure that the individual suffers no disadvantage as a result.
- The individual who raised the concern may be interviewed during the course of the investigation and may be accompanied by a colleague of their choice, who can be conferred with during the course of the interview but who may not answer on behalf of the individual.
- Appropriate feedback will be given to the individual on the progress and conclusion of the investigation including, where possible, what, if any, action has been taken.

Seeking Advice

- If an individual is uncertain on whether to use the SUPP manual and wants independent advice at any stage, they can contact the independent UK charity Public Concern at Work on +44 (0)207 404 6609 (or equivalent in the relevant country). The charity's lawyers can provide free and confidential advice at any stage from how to raise a concern through investigative proceedings.
- It would not normally be appropriate to disclose confidential information regarding a concern to a third party unless the SUPP manual has been followed first.
- Failure to do so could render any disclosure to a third party in breach of the confidentiality obligations in the individual's contract of employment, contract of engagement or terms and conditions of trade, and mean that the statutory protection offered by PIDA is not available.



SPEAKING UP – Examples of malpractice

Examples of malpractice would include, but are not limited to:

- Bribery, other corrupt activity or unethical behaviour in whatever form.
- Fraud.
- Irregularities involving accounting or financial procedures.
- The commission of any criminal offence.
- Conduct which is or may be in conflict with Rudholm Group interests such as involvement with a business competitor.
- Dishonesty, unacceptable conduct, or other irregularities in dealing with customers and suppliers.
- Conduct which endangers the health & safety of employees or others working for Rudholm Group, or those in the vicinity of a Rudholm Group location.
- Conduct which endangers the environment.
- Breach of the Group's core values.
- Breach of the Group's Alcohol and Drug policies.
- Breach of the Group's Corporate Social Responsibility policy.
- Breach of the Group's Marketing Code.
- Improper use of company assets, intellectual property or company confidential information.
- Failure to comply with a legal obligation.
- Attempt to coerce another to act in an inappropriate or non-compliant manner.
- Attempt to conceal any of the above.

It is not possible to provide an exhaustive list of scenarios of malpractice, and there may be other instances that give rise to concerns. Individuals are encouraged to speak up if there are any concerns at all.



THE WAY WE WORK

OUR PEOPLE

Engaged, loyal and devoted staff is the key factor for success in the Rudholm Group. It is our mission to help and give our staff best opportunities to follow and live by Rudholm Group 4 core values:

- **WOW**
- **RESPECT**
- **PASSION**
- **SPEED**

In this document we have set the overall guidelines. In each Rudholm Company we also have local rules and regulations; this document will override any local staff handbook if any parts are conflicting.

RECRUITMENT

- The Rudholm Group is committed to recruiting the highest calibre of individuals to support business growth, provide talent management for the future and positively contribute to the culture of the Group.
- We are committed to hiring the person best suited to the job through application of the Group's Equal Opportunities Policy at all stages of recruitment and selection.
- Recruitment will be based solely on the applicant's abilities and individual merits as measured against the criteria for the position without regard to gender, gender reassignment, sexual orientation, marital or civil partnership status, colour, race, nationality, ethnic or national origins, religion or belief, age, pregnancy or maternity leave or trade union membership.
- Any candidate with a disability will be included unless it is clear that the candidate is unable to perform a duty that is intrinsic to the role, having taken into account any reasonable adjustments which may need to be made to the recruitment process or the job role to ensure that no applicant is disadvantaged because of his/her disability.
- All employees shall be treated with respect. Discrimination, physical or verbal harassment or any illegal threats are not tolerated.

PERFORMANCE MANAGEMENT & DEVELOPMENT

- We conduct annual performance management and development processes at all levels across the business.
- The purpose of this process is to set clear objectives for individuals which contribute to the overall achievement of the Rudholm Group goals, give constructive feedback to individuals regarding their job performance, identify personal development needs, and support employee career progression.

LEARNING & DEVELOPMENT

- We are committed to the learning and development of our employees. This commitment ensures the Rudholm Group has quality employees at all levels to achieve current objectives, realise long-term plans and ensure continued success. All learning and development plans are developed and delivered in line with business values, Group strategy and annual operating plans.
- The learning and development needs of every employee are assessed on an annual basis, as a minimum, through the performance management and development process, and may be identified at any time throughout the year.
- All Line Managers within the Rudholm Group have a responsibility to develop their staff through an open and supportive management style, however responsibility for learning and development is shared between each individual employee and the Group.



- We support continuous learning and will facilitate an employee's further education and training where this is relevant to the individual's ability to perform their current role more effectively, or where it will enhance future potential to contribute.

EQUAL OPPORTUNITIES

- We are committed to providing equal opportunities in employment and to avoiding unlawful discrimination in all areas of our business. Striving to ensure that the work environment is free of harassment and bullying, and that everyone is treated with dignity and respect, is an important aspect of ensuring equal opportunities of employment.
- Every employee is required to assist the Rudholm Group in meeting its commitment to equal opportunities.

HARASSMENT

- The Rudholm Group sets out to protect employees from harassment or bullying at work. Such behaviour is viewed as unacceptable, as the Group strives to create a culture where all employees are treated with dignity and respect.
- Harassment, in whatever form, is considered unacceptable and will not be condoned.
- The Rudholm Group requires the support and involvement of all employees in our efforts to avoid harassment or bullying in the workplace.
- Any employee who, after careful investigation is found to have been involved with harassment or bullying will be subject to the Rudholm Group's disciplinary procedures.

FORCED LABOUR

- The Rudholm Group shall not engage in or support forced, bonded or compulsory labour, nor require any form of deposit or confiscate identification papers from employees. Employees are free to leave their employment after reasonable notice as required by law or contract.

CHILD LABOUR

- Child labour is not tolerated. The minimum employment age is the age of completion of compulsory school, but never less than 15 years.

HEALTH, SAFETY & WELLBEING

- The Rudholm Group is fully committed to providing the highest level of health and safety in the workplace for all employees and others who have occasion to be on our premises, or who may be affected by any of our operations.
- The Rudholm Group complies with health and safety legislation in all territories in which we do business. In addition, we co-operate fully, and maintain open relationships with, all relevant regulatory authorities.

EACH MANAGER IS RESPONSIBLE TO...

- Establish Health, Safety and Wellbeing guidelines and work procedures.
- Enforce compliance with this policy, to implement local health and safety guidelines and work procedures.
- To respond to reported unsafe conditions and opportunities to improve.
- Inform, educate and monitor the potential risks.
- Involve employees in the construction of improvements at work, and support systems.
- Keep up to date with the latest research regarding health, safety and wellbeing issues.



EACH EMPLOYEE IS RESPONSIBLE TO ...

- Understand and act in ways that show consideration for their own and others health and safety.
- To comply with local health and safety guidelines and work procedures.
- To inform management of any unsafe conditions and suggest opportunities for improvement.

HOW WE CONDUCT OURSELVES

ALCOHOL

- The Rudholm Group always promotes a greater awareness of the impact of alcohol in the workplace, and to ensure that the Company continues to safeguard the health and safety of employees.
- The Company's approach is to set an expectation, based on the individual responsibility of each employee, that alcohol will not be used in such a way as to adversely affect safe behaviour or work performance.
- Employees are under an obligation, in any situation where they may be viewed as representatives of the Rudholm Group, to protect our reputation. Employees should recognise that as a result drinking irresponsibly or committing offences relating to the misuse of alcohol, their reputation and that of the Group is at risk.
- In some areas of the business, particularly in roles which involve the entertainment of clients, customers or consumers, situations may arise whereby an employee may legitimately consume some alcohol during working hours or while attending a business-related function. Such circumstances do not negate or otherwise diminish the employee's obligation to promote responsible drinking. Employees should never feel obliged to drink at such events.

DRUGS

- The Rudholm Group will always promote a greater awareness of the negative and potentially dangerous impact of drugs in the workplace and to ensure the health and safety of our employees.
- We have zero tolerance, and expressly forbid employees from being impaired by, consuming, being in possession of or supplying illegal drugs while in the workplace or on Group business.

ROAD RISK

- The Rudholm Group, underpinned by local legislation particular to each country, requires any employee driving on company business in either a company owned vehicle or their own private vehicle, to adopt and maintain a responsible attitude to road safety and uphold the highest standards of driving and safety.

COMPANY PROPERTY AND RESOURCES

- The Rudholm Group property and resources shall be used for business objectives. Not for personal gain, fraudulent purposes or in any inappropriate manner.



MAIL / INTERNET

- The appropriate use of e-mail and internet access within the Rudholm Group is encouraged. Appropriate useage facilitates communication, knowledge and efficiency, and assists employees in the performance of their duties. Inappropriate use can bring problems, ranging from minor distractions to legal claims against the Group.
- The E-mail and Internet Policy sets out the Group's view on the correct use of e-mail and internet access, and explains how this can be achieved, as well as the response to inappropriate use. See appendix 2a.

IT NETWORK SECURITY

We all rely upon the efficient operation of our IT network to support the business, and it is therefore in all our interests that the appropriate security measures as set out as follows:

- Any breach of security will be taken seriously by the Group and may result in action taken under the disciplinary procedure.
- As more business transactions take place online and we constantly try to improve and uphold high security and to protect both customer data as well as group data that can be accessed online. See appendix 2b.
- We follow and are aware of the EU regulations related to GDPR for personal integrity. See appendix 2c.

SOCIAL MEDIA

- The Rudholm Group recognizes that the internet provides many opportunities for employees to engage in interactive discussions and share information using a variety of social media. However, it is important that employees use social media in a responsible manner to ensure that it does not pose any risk to our confidential and proprietary information, our reputation, and our legal obligations.
- If you are uncertain or concerned about any issue regarding social media, please contact your Line Manager or follow the guidelines set out in the Speaking Up Policy.

GIFTS, ENTERTAINING, & HOSPITALITY POLICY

The Rudholm Group believes that the occasional acceptance or provision of modest items of hospitality, entertaining or gifts can legitimately contribute to good business relations so long as they are reasonable, proportionate and transparently recorded, and does not influence proper business decision-making.

OUR RESPONSIBILITY

- Employees are expected to adhere to the guidelines set out in the Business Transactions – Specific Types of Activity section of the Global Anti-Corruption Policy and Procedures when engaging in new and existing business relationships and activities.
- It is prohibited for employees to solicit hospitality, entertaining or gifts.
- Similarly, travel expenses (met in relation to a third party), charitable donations, contributions to political parties and sponsorship also require careful consideration to ensure they accord with the Global Anti-Corruption Policy.

OTHER INFORMATION/ WHAT NEXT?

Full guidance is available in the Global Anti-Corruption Policy and Procedures.

Remember that you can raise any concerns of malpractice you may have using the Speaking Up Policy.



COMPETITION/ANTI-TRUST OUR POLICY AND STANDARDS

- We ensure that we comply with legislation and rules wherever we do business, including the anti-trust and competition laws of each country in which we operate.

The competition rules vary in every country, but generally speaking competition law seek to prohibit:

- Agreements between businesses that restrict fair competition; and
- Abusive conduct by businesses in a dominant market position.

OUR RESPONSIBILITY

Infringement of competition law could lead to serious penalties including criminal sanctions and director disqualification, so it therefore important that, where relevant, we:

- Familiarise ourselves with the competition and anti-trust guidelines for each market in which we operate;
- Never get involved in conversations, meetings, e-mail exchanges, or share information, directly or indirectly with competitors, regarding details of prices, costs, profits, margins, trading terms, or new product launches;
- Never try to fix prices, divide up markets, customers or territories, or to boycott any customer.

CONFLICTS OF INTEREST

POLICY AND PRINCIPLES/ STANDARDS

We believe that conflicts of interest can be damaging to our business and reputation.

OUR RESPONSIBILITY

- It is the responsibility of employees to act in the best interests of the Rudholm Group at all times and to avoid situations where our personal, social or financial interests, commitments or loyalties may conflict with its business.
- If any family member or close relation works for a customer, supplier or competitor, or you have any other existing or potential conflicts of interest you should disclose this in writing to your Line Manager.
- If such a conflict does arise and is properly notified, the individual will be isolated, without disadvantage, from decision-making or operation in the area in which the conflict of interest exists.
- All Rudholm Group assets should be utilised appropriately and not by employees for their own personal gain or benefit.
- Employees should seek written approval if they wish to act as an officer or director of another business.

REMEMBER

Remember that you can raise any concerns you may have using the Speaking Up Policy.



FINANCE

BUSINESS TRANSACTIONS – GENERAL REQUIREMENTS

Records and Books of Accounts

- All business transactions must be recorded accurately and transparently in the records and books of account with sufficient segregation, detail and documentation to identify the parties involved, the amounts of money involved and the business purpose of the transaction.
- The records and books of account must be held available for inspection in accordance with local statutory retention periods.
- The falsification of records or books of account, or the making of false, misleading or incomplete statements in connection with any audit, examination of financial statements or preparation of required reports, whether internal or external, is expressly prohibited.

Internal Controls and Audit

An effective system of internal control, including controls specifically designed to aid the detection and prevention of activities which are in breach of this policy and anti-corruption laws, must be maintained to provide reasonable assurance that:-

- Transactions are executed in accordance with approved delegation of authorities;
- Transactions are appropriately recorded;
- Access to assets is appropriately restricted and controlled; and
- Recorded assets and liabilities fairly reflect existing assets and liabilities.
- Internal controls and arrangements under this Policy will be subject to regular audit and review by internal audits; risk management and external audit functions to ensure the integrity and effectiveness of the control, records and books of accounts.
- The findings of such audits and reviews will be made available to the Audit Committee for their independent assessment of the adequacy of these arrangements.

Delegated Authority

- A comprehensive, documented and approved Summary of Delegated Authority/Approval Matrix must be maintained at each location.
- All approvals must be appropriately documented and retained for potential future review.
- The delegated authorities in relation to activities specifically addressed by this Policy must be approved by the Global Anti-Corruption Officer.

Conflict of Interest

- Situations where loyalty to the Rudholm Group may come into conflict with personal interests and/or loyalties must be avoided e.g. where the spouse or partner is employed by a potential supplier.
- If such a conflict does arise it must be declared in writing to senior management who must then ensure that the individual is insulated from decision-making or operating in the area in which the conflict of interest exists.

TAXATION

- The Rudholm Group shall comply with the tax laws and regulations of the country in which it operates. Where the tax laws do not give clear guidance, prudence and transparency shall be the guiding principles.



MARKETPLACE

INTEGRITY IN OUR BUSINESS/ WORKING WITH BUSINESS PARTNERS

POLICY BUSINESS CONDUCT AND COMPLIANCE

The Rudholm Group mission is to develop and deliver products with controlled sustainable value to the garment industry. Everything we do is intended to support our mission.

We understand and respect the obligation we have to our customers, to operate under the highest standards of business ethics and compliance.

With a presence in over 20 countries, the compliance challenges we face are not always straightforward, but we commit to you that Rudholm Group employees will comply with all applicable laws and regulations, including Rudholm Group code of conduct everywhere we do business. Rudholm also requires that our suppliers/partners and third party business partners uphold the same level of commitment to compliance and business ethics as we do.

Our Compliance Culture is an essential part of the foundation of our Company. Our Executive Leadership Team is committed to building an organization that enjoys a reputation as a leader in compliance, with a global compliance program.

The Rudholm Group Code of Conduct and this document, set the tone for our global compliance program and is a starting point for understanding and working with Rudholms Compliance Policies and Procedures.

This means:

The Rudholm Group will adopt the principles of this Code in all of its business relationships, including those with:-

- Subsidiaries and other entities over which we have effective control;
- Joint Ventures;
- Agents and intermediaries; and
- Contractors and Suppliers.

OUR RESPONSIBILITY

- Prior to engaging in any new material business relationships or transactions, we will carry out appropriate due diligence on the other party to ensure that they do business in a manner that is consistent with our Code.
- Where the people we work with have their own Code of Conduct, we will ensure that they are operating to the same ethical standards as we have set out in our Code.
- Where the policies, procedures or practices of a third party are not fully consistent with our Code, any elements of the Code necessary to supplement the third party's arrangements should be included in the relevant contracts.
- We will not work with business partners whose practices are inconsistent with this Code.

MORE INFORMATION/ WHAT NEXT?

- For further guidance in this area, or if you have concerns of malpractice regarding the conduct of, or relationship with a business partner, please refer to the Business Relationships section of the Group's Anti-Corruption Policy and Procedures, or follow the guidance in the Asking Questions and Raising Concerns section of this Code as appropriate.



INTERNATIONAL TRADE OUR POLICY/PROCEDURES

The Group trades in accordance with legal requirements and international sanctions for the import and export of goods for each country in which we operate.

OUR RESPONSIBILITY

To ensure that we comply with all the legislation governing the import and export of our products and trade laws of each country which we operate in or do business with:-

- To obtain all necessary import and export licences; and
- To provide accurate information to all customs authorities.

FIGHTING CORRUPT PRACTICES: ANTI-CORRUPTION

POLICY AND PRINCIPLES/ STANDARDS

- Bribery, other corrupt practices and unethical behaviour of any sort are contrary to our beliefs and aims and will not be tolerated in any of the Group's global activities or relationships.
- Bribery is the offering, promising, giving, accepting or soliciting of an undue reward with the intention of encouraging someone to "improperly perform" their duties in order to obtain or retain a commercial advantage.
- Facilitation payments (a payment made to a public official to expedite or secure performance of an action that would reasonable be considered routine to the official carrying out their duties) must not be made, regardless of value or whether they may be considered local custom and practice.
- In all of the Group's activities, we will closely monitor the performance of our partners, third party agents, contractors etc. to ensure that they observe these anti-corruption standards.

OUR RESPONSIBILITY

We will all comply with the guidelines set out in the Global Anti-Corruption Policy and Procedures and, most importantly, will never:

- Offer, pay, solicit or accept a bribe in any form, either directly or indirectly;
- Engage in the unauthorised or inappropriate receipt, transfer or disbursement of funds; or
- Engage in activities which may suggest, or give the impression of, a lack of ethical behaviour.

MORE INFORMATION/ WHAT NEXT?

- Full guidance is available in the Group's Global Anti-Corruption Policy and Procedures. See appendix 4a.

Remember to follow the Speaking Up Policy if you have any concerns of malpractice.



COMMUNITY

POLICY

Rudholm Group companies should play an active role to interact and help to develop our community at a local level. Local Management in all our global companies should contribute by sharing knowledge and resources in areas that are related to our industry or any of below areas where we always can find meaningful projects. Resources can be monetary or contribute with manpower or other material resources we can supply from within the group.

- Education (Specially related to Textile Industry)
- Children
- Health
- Environment (Pollution and Water)

OUR RESPONSIBILITY

- Every local management should plan and find projects to support.
- Every local management should allocate financial resources in their budget to support these projects.
- The projects should be reported and added to our global list where we share all local projects we are working with in each region. See appendix 3.



ENVIRONMENT

The world needs to change the impact on our earth, in many areas this is related to how we conduct our business. Using GRI4 guidelines, The Rudholm Group have identified two areas where we can make a greater impact on the footprint we leave behind. We need to work with sustainable materials in our products and consider how we transport our goods around the world. These will be our focus areas alongside our Environmental Policy.

POLICY

For more than 50 years the Rudholm Group has been a leading supplier of garment accessory trims. The Group is committed to the prevention of pollution and to the minimization of the impact of its operation on the environment. We regard the conservation of energy, raw materials and water and the minimization of waste to be a high priority in our business.

The Environmental Management System within the Rudholm Group has been developed and includes the design and management of the trims which we develop for all major customers in Europe and America.

The Environmental Management Systems are subject to continual improvement which is monitored by the Rudholm Group Board. This is chaired by the Group Managing Director, who sits on the Group Board.

Through Employee co-operation and efficient management procedures, the Group undertakes to achieve the following environmental aims:

- To encourage sound environmental practices throughout the organization.
- To operate within standards we fully comply with, and where practicable exceed, any relevant legislation or codes of practice pertaining to our industry and local requirements dependent upon the country of origin of the product.
- To promote environmental awareness, understanding and responsibility amongst our employees, suppliers and customers and communicate our Environmental Policy publicly.
- To include environmental criteria in the selection and review of key suppliers.
- To minimize any significant adverse environmental impact of any of our existing processes and activities and to ensure that the implications of new processes are fully assessed prior to their introduction.
- To reduce the consumption of resources and to manage energy effectively.
- To commit to recovery and recycling as opposed to disposal wherever feasible.
- To manage and control our procedures and processes and to dispose of waste and any effluent in a responsible manner.



EMISSIONS

The Rudholm Group strive to have a greater part in the reduction of the carbon dioxide emissions and we are determined to work actively towards this.

Transportation

One of our main business ideas is to operate having offices and factories in different countries around the world, in an effort for us to be closer to our customers. By doing this, we shorten transportation distances the products make from us to our customers. We also try to choose logistic partners who are conscious about their emissions and work actively to reduce them. We get information about how they work to reduce emissions at an early stage when we look over the contracts with a new supplier or review contracts with already existing ones.

Not only do we want to know which logistic partner is an environmentally friendly choice, but we also believe we can influence these companies by asking them these questions. They will be forced to think about how they operate.

We have started to gather more specific information about our emissions from the logistic partners who can offer us this information. See appendix 5. As it is today, half of our biggest transportation suppliers still do not have these documents for us but they say that they are working on it, so hopefully we can receive even more information soon. The reports we do get show carbon dioxide emissions from fossil sources in two different aspects; TTW and WTW. Tank-To-Wheel are the direct emissions from the fossil carbon content of the propellant, while Well-To-Wheel also includes carbon dioxide emissions from production and distribution of the propellant. With the numbers we get from the reports, we are able to compare the impact of fossil emissions between the different logistic companies and in the future, we will also see follow how our impact has changed and decreased over years.

Travel

When it comes to our internal workforce and the travel we make, the policy is that the most environmental friendly transportation is to be used when it is practically doable. For the travels we make with the company's cars, we are aiming to replace the normal cars used today to environmentally friendly cars. Currently, we have one hybrid, our aim is to increase in this in the upcoming years. Our first goal is to have 50% of our company's cars that are hybrid within the next three years.

Another way to meet our goal is to reduce the number of work-related travels within the Group, through increasing the use of web meetings or other alternatives to not have to physically be in the same place for meetings. Our staff are updated with information about which programs or other technology, which can help us to communicate without travelling.



PRODUCTS

Materials

At Rudholm Group, our mission is to offer and promote environmental friendly products and we are constantly striving to produce greener products. This means foregrounding environmental concerns in the design, manufacturing, materials used and their source, the distribution and its recycling capabilities. Our goal is to produce products that are made with materials which come from and can return safely to nature – Cradle to Cradle (C2C). Until we can exchange the current materials we are using, our standard materials will be still available.

We are asking product developers to ask four key questions:

1. Is this product RECYCLABLE?
2. Is this product made from RECYCLED Materials?
3. Is this product a good BIODEGRADABLE - Fast and clean?
4. Are there any positives in the production process which has less impact on the environment?

What kind of materials are classified as environmentally friendly?

The market is constantly developing new materials and recycled, biodegradable and Cradle to Cradle (C2C) is the future for our products. We believe natural materials are sustainable as long as they are not considered as limited natural resources.

Our real leather products are traceable which means we can make sure the leather comes from a certified farm and that the animals have been taken good care of. The main purpose of the farm is to produce food, which means there won't be any wastage of the animal.

We can today offer:

- Recycled polyester
- Recycled paper
- Regenerated polybag Compostable Polybags
- Recycled woven/printed labels
- Recycled paper hang tags
- Organic cotton labels
- Eco friendly polyester buttons
- Liquid wook made from 100% renewable raw materials
- Eco finishes to products
- Recycled plastic products
- Water-soluble hang tags with water-soluble and biodegradable seal
- 100% Recycled woven lable (GRS certified)
- FSC paper
- Recycled nylon buttons from "ghost" fish nets picked up from the sea
- Organic cotton
- Horn
- Hampa
- Linen
- Corozo
- Real leather

All our products are certified by Oeko-Tex – this is to make as little damage to human health and nature as possible.



The Eco Collection

We are developing new products which have the environment at the forefront of our mind from design to distribution. Our aim to make sure all our products in the future are either RECYCLABLE or MADE FROM RECYCLED MATERIALS or BIODEGRADABLE without compromising on its design and Function.

Rudholm have now developed a Eco Collection which cover many products in our range, including Eco friendly finishes.

Hang Tags with Water-Soluble Fibre/Pulp and Seals

These seals are made from 100% PVA. Soluble fibre is used to replace pulp, which in turn saves using trees. PVA is a water-soluble, biodegradable material, which is non-toxic and doesn't smell. This is revolutionary material to use in a seal.

Organic Cotton Lables with Oil Based Ink

Organic cotton is grown using methods and materials that have a low impact on the environment. Third-party certification organizations verify that organic producers use only methods and materials allowed in organic production. Organic cotton is grown without the use of toxic and persistent pesticides and synthetic fertilizers. In addition, federal regulations prohibit the use of genetically engineered seed for organic farming.

Regenerated Polybags

These are made by re-using scraps to make a new polybag. This uses less fresh petroleum-based resins by upcycling to a new recycled product.

Recycled Polyester Woven or Printed Labels

Recycled Polyester Woven or Printed Labels are printed with oil based ink. The benefits of using recycled materials have become more prevalent in recent years in the attempt in reducing using new materials. If parts of the existing products are considered for recycling, it can reduce the amount of waste that goes to the landfill.

Recycled Paper Hang Tags

These hang tags are made with FSC Recycled Paper with oil based ink. The benefits of using recycled materials have become more prevalent in recent years, this is the reduction of using new materials. If parts of the existing products are considered for recycling, it can reduce the amount of waste that goes to the landfill.

Eco Friendly Polyester Buttons

Eco Friendly Polyester Buttons re-use scraps to make another new button. This uses less petroleum-based resins.

Ocean Waste Recycled Plastic

These plastic products are made from recycled PA 6 from abandoned fishing nets.

Recycling the worn or abandoned fishing nets from fishermen or collecting them from the oceans directly, minimize the hazard of "Ghost nets", therefore reducing the effect on the marine environment.

Liquid Wood

This is made from 100% renewable raw materials.

- Biodegradable and resistant to micro-organisms.
- Degradable in anaerobic conditions and in water.
- Rigidity and viscosity adjustable within a larger range.
- Moderate to very high impact strength.
- Moderate to high thermal resistance.
- Food-compatible types.
- Good printability and bond ability.
- Good colourability using standard masterbatches.
- Scratch resistance.
- Flame-retardant.

ECO Finishes

The new ECO Finish uses less water, chemicals and energy than conventional electroplating. The chemical oxidation (Redox reaction) contains less toxic and harmful substances in the solutions, discharges and disposals than those using the electro-plating process, meaning less impact to operators and the environment. The Eco finish also uses less power and water consumption during the colouration process.

Compostable Polybags

These use starch material.

- Compostable bags are made of natural plant starches.
- Compostable bags break down in a natural composting system through microbial activity into water, carbon dioxide and biomass.
- Reduces greenhouse gases released from landfills.
- Uses less petroleum-based resins.

Recycled Woven Labels

These 100% Recycled Woven Labels are made with post-consumer chips. This adds value to the recycling industry, it can ease the amount of rubbish sent to landfills, and reduce the demand of oil-refined polyester which can in turn save water and energy.

System for measuring and controlling sustainable products

We have customized items which aren't included in the collections, to control and measure what products are sustainable, we have developed a way of tracking this. This is a new initiative in our industry and we have worked alongside a local IT company to develop this. In this way, we can follow up on both customized products but also products from our collections.

Goals

RH Group is in the process of setting sustainable goals and standards to follow up. Goals and reports will be presented during winter 2018

Side effects and Solutions

Side effects such as water consumption when producing items is hard to avoid, but as members of STWI we work hard to minimize water consumption within the production and textile industry. With the introduction of our new Eco finish on products which uses less power and water consumption during the colouration process is one way we can do this.



CERIFICATES

Rudholm Group work with the following certifications to make sure our products are environmental and human friendly. See appendix 6 for copies of related certificates.

Oeko-Tex

The STANDARD 100 by **OEKO-TEX®** is consistent worldwide, this an independent testing and certification system for raw, semi-finished, and finished textile products at all processing levels, as well as accessory materials used. Examples of articles that can be certified: raw and dyed/finished yarns, woven and knitted fabrics, accessories, such as buttons, zip fasteners, sewing threads or labels, ready-made articles of various types (garments of all types, domestic and household textiles, bed linen, terry products and much more).

The more intensive the skin contact of a product and the more sensitive to the skin, the stricter the human-ecological requirements that need to be complied with.

Accordingly, a distinction is made between four product classes:

- **Product class I:**
Articles for babies and toddlers up to 3 years of age (underwear, rompers, clothing, bed linen, terry products etc.)
- **Product class II:**
Articles that are worn close to the skin (underwear, bed linen, t-shirts, socks etc.)
- **Product class III:**
Articles used away from the skin (jackets, coats etc.)
- **Product class IV:**
Decoration/Furnishing materials (curtains, tablecloths, upholstery covers etc.)

Bluesign

Bluesign is an emerging standard for environmental health and safety in the manufacturing of textiles. The Switzerland-based organization, officially known as Bluesign Technologies AG, provides independent auditing of textile mills, examining manufacturing processes from raw materials and energy inputs to water and air emissions outputs. Each component is assessed based on its ecotoxicological impact. Bluesign ranks its audit findings in order of concern, and suggests ways to reduce consumption while recommending alternatives to harmful chemicals or processes where applicable. Textile mills that commit to verifiably adopting Bluesign's recommendations can become certified "System Partners" and attract business from a wide range of brands and retailers around the world looking for greener vendors.

FSC

The **Forest Stewardship Council (FSC)** is an international non-profit, multi-stakeholder organization established in 1993 to promote responsible management of the world's forests. The FSC does this by setting standards on forest products, along with certifying and labeling them as eco-friendly.

The FSC's stated mission is to "promote environmentally appropriate, socially beneficial and economically viable management of the world's forests".[1] To this end the body has published a global strategy[2] with five goals:

1. Advancing globally responsible forest management.
2. Ensure equitable access to the benefits of FSC systems.
3. Ensure integrity, credibility and transparency of the FSC system.
4. Create business value for products from FSC certified forests.
5. Strengthen the global network to deliver on goals 1 through 4.

These goals are being promoted by activities which are managed and developed through six program areas:[3] forests, chain of custody, social policy, monitoring and evaluation, quality assurance and ecosystem services.[4]



It claims that forests managed to its standards offer benefits to both local and wider communities and these are said to include cleaner air and water, and a contribution to mitigating the effects of climate change.

Directly or indirectly, FSC addresses issues such as illegal logging, deforestation and global warming and some reports indicate positive effects on economic development, environmental conservation, poverty alleviation and social and political empowerment.[5][6]

Using the FSC logo signifies that the product comes from responsible sources—environmentally appropriate, socially beneficial and economically viable. The FSC label is used on a wide range of timber and non-timber products from paper and furniture to medicine and jewelry.,[7] and aims to give consumers the option of supporting responsible forestry.[8]

ORGANIZATIONS

SAC – Sustainable Apparel Coaliton

The **Sustainable Apparel Coalition (SAC)** is the apparel, footwear and textile industry's foremost alliance for sustainable production. The coalition's main focus is on building the Higg Index, a standardized supply chain measurement tool for all industry participants to understand the environmental, social and labor impacts of making and selling their products and services. By measuring sustainability performance, the industry can address inefficiencies, resolve damaging practices, and achieve the environmental and social transparency that consumers are starting to demand.

STWI

The **Swedish Textile Water Initiative (STWI)** is a unique collaboration between over 30 Swedish textile and leather brands and the Stockholm International Water Institute. In 2015, with funding from the Swedish International Development Agency (SIDA), the initiative expanded to become one of Sweden's largest public-private partnerships.

Founded in 2010, STWI works with major brands and their suppliers to develop sustainable business practices that foster improved water and waste water management in supply chains. Originally working exclusively with Swedish brands, the initiative has now branched out to include the entire Nordic region with suppliers in more than 70 countries. In 2015, STWI advanced from agreeing upon and setting guidelines to helping to implement change within the supply chain. In its first year of implementation, factories had reduced annual operating costs by 39 MSEK due to improved efficiency of water, energy and chemical use.



SUPPLY CHAIN

Rudholm Group follow supply chain processes to control and ensure quality of its products and to make sure our suppliers live up to the standards in this document.

General Policy and Principals

- Wherever The Rudholm Group operates in the world we will be a responsible corporate citizen, positively managing the social, environmental and ethical impacts of our activities.
- We believe in fair, free and open markets. Through our highest standards of ethical and compliant behaviour which is expected and required in all of our undertakings and all business relationships.
- The Laws of each country in which we operate must be complied with, without exception.
- These Global Sourcing Guidelines establish the standards expected of all of our suppliers, and we require our suppliers to ensure these standards are in turn applied throughout their own supply chains. The guidelines are based upon internationally recognised codes of practice, notably the Ethical Trading Initiative (ETI) Base Code (<http://www.ethicaltrade.org/resources/key-eti-resources/eti-base-code>) and the UN Global Compact (<http://www.unglobalcompact.com>).
- The UK Bribery Act 2010 establishes certain legal obligations on all UK companies like Rudholm UK Ltd and these obligations extend to our dealings with our supply chain. In response to this legislation the Rudholm Group has introduced an Anti-Corruption Policy and these guidelines are aligned with and support that policy.
- Suppliers must apply the Rudholm Group Global Sourcing Guidelines at all times and be able to demonstrate that they are doing so. The Rudholm Group will work with its suppliers to facilitate compliance with the guidelines and drive continual improvement however we may also take action which may involve cancelling contracts if suppliers do not operate in a compliant manner.
- Please refer to our Supplier Partnership Agreement for details.

Ethical Standards

- We will only do business with business partners who, as individuals and organisations, promote and adhere to a set of ethical standards which are consistent with our own.

Legal requirements (Including Corruption and Anti-Competition)

- We require our business partners to be law abiding, complying with all domestic and international legislation and/or regulations relevant to the conduct of their business.
- Bribery, or other corrupt, anti-competitive or unethical activities in whatever forms contrary to Rudholm Group beliefs and aims and will not be tolerated. Activities of this nature or activities which could suggest or give the impression of a lack of ethical behaviour must be avoided.

Supplier Partnership Agreement

All suppliers have to sign our supplier agreement which ensure they meet RH Code of Conduct and related policies in this document. In this agreement they also consent to follow RH General Sourcing Policy and Principals, RH QA Manual, Reach agreement, RoHS (if applicable) and that they undertake the commitment to let us do full factory audits on request. Documents for appendix 7 can be sent upon request.

RH Supply Chain procedure (How we work)

RH procedures ensure that we strive to update and find new partners as well as maintaining and uphold control and standards with existing partners.

The process of finding new partners to work with start with an initial contact and background check about the company in general. Before any agreements are made, samples are tested, discussions regarding price levels versus quality commence and establish if the supplier can live up to our demand for speed and communication. If the test period is successful, a Supplier Partnership Agreement is signed and the Supplier then has to fill in the RH Factory Report.

Each local team will be sent a factory profile report to fill in, and evaluate the supplier profiles, capacity and capability. These reports are forwarded to the RH group supplier compliance team, in order to help RH group know the supplier and factory in greater detail. Included in this report is the factory contact, address, product type, facility, capacity, general status, ...etc. The factory has to declare information accurately. We do investigate and verify the data/facts internally in any way we want before starting, using a variety of methods including market reaching, consultant, agency, local government, local social, business chamber, trade union, commercial laboratory, ...etc.

After RH internal discussion and investigations, business relationships will be established accordingly. Our colleagues will schedule a visit to verify the data/facts onsite, and meet the factory staff face-to-face for further discussions if needed.

If needed, it is up to the factory to make the necessary changes to meet commercial standards and ETI basic code of conducts.

Factory Audit – Service and Product Compliance

Rudholm Group have developed a compliance report for the suppliers to fill in and live up to, the Group Supplier Compliance Manager will make regular visits to follow this up at the factories.

The compliance form is based on guidance from Sedex/SMETA requirements and follows the Ethical Trading Initiative (ETI) suggested data for age, working hours, wages etc. See appendix 7.



APPENDIX

1- SPEAKING UP

2- THE WAY WE WORK

2a Internet & Social Media Policy

2b IT Security

2c GDPR - Privacy Policy

3- COMMUNITY

- Under Progress and will be updated spring 2019

4- MARKETPLACE

4a Anti Corruption procedures

5- EMISSIONS

- Under Progress and will be updated spring 2019

6- PRODUCTS

Certificates can be sent upon request

Oeko Tex

Blue Sign

7- SUPPLY CHAIN

Documents that can be sent upon request

- Partner ship Agreement
- RH QA Manual
- Reach Agreement
- RoHS
- Supplier Compliance form
- Sedex/Smeta requirement forms

**APPENDIX:
SPEAKING UP
POLICY**



SPEAKING UP

If you have any doubts or queries regarding any of the principles of this Code, it is important to seek guidance before taking any action

Speaking Up Policy

Should you have a concern that malpractice or any act in breach of the Code or related Policies has occurred, may occur or is planned to occur, that concern must be raised at the earliest opportunity in accordance with the Rudholm Group's Speaking Up Policy.

The Speaking Up Policy allows concerns to be raised in a confidential and secure manner, and the process for this is as follows:

- 1 In the first instance the concern should be raised with the individual's immediate manager. This can be done verbally or in writing.
- 2 If, for whatever reason, the individual does not consider it appropriate to raise the concern in this manner they should contact their Head of Department/Director. Again, this can be done verbally or in writing.
- 3 If, for whatever reason, the individual does not consider it appropriate to raise the concern as above, they should contact Jonas Haglund on +46 703 33 11 27 or by the confidential email speakup@rudholm-hk.se, this email will only be accessed by Jonas Haglund.
- 4 If the individual prefers to leave a phone or email message in their local language this can be done. In such instances it is recommended, but not essential, to confirm the country from which the message is being left. A confidential external translation service will be used as appropriate.
- 5 The Group is committed to thoroughly and fairly investigating all concerns of malpractice raised.
- 6 Retribution or other adverse consequence against the person raising the concern will not be tolerated in any circumstance where a concern has been raised in good faith.

Procedures

Scope and Reach

- In general, concerns relating to an individual's personal circumstances would be addressed through the appropriate Grievance Policy. Where the concern relates to the interests of others, or of the organisation, it would be addressed through this policy.
- The SUPP applies to all permanent and temporary employees of all companies owned by Rudholm Group, or over which Rudholm Group has a controlling interest, regardless of location. It also applies to external consultants, contractors, agents, intermediaries and agency personnel whilst conducting Rudholm Group business under contract at any of those locations.
- In addition to this policy, each country may have country specific policies, which will also apply to employees etc. in that country.

Raising a Concern:

- An individual should raise a concern when, in good faith and with reasonable belief, they suspect that a malpractice has been committed, is being committed, or is likely to be committed.
- Once satisfied that the concern should be raised under this policy, due care should be taken to ensure the accuracy of the concern without putting the individual, or any subsequent investigation, in jeopardy.

Concerns should be raised in the following manner:

In the first instance the concern should be raised with the individual's immediate manager. This can be done verbally or in writing.

- If, for whatever reason, the individual does not consider it appropriate to raise the concern in this manner they should contact their Head of Department / Director. Again, this can be done verbally or in writing.
- If, for whatever reason, the individual does not consider it appropriate to raise the concern as above, they should initially make contact in confidence by using the following dedicated email address speakup@rudholm-hk.se
- If the individual prefers to leave a phone or email message in their local language this can be done. In such instances it is recommended, but not essential, to confirm the country from which the message is being left. A confidential external translation service will be used as appropriate.
- All concerns will be investigated, even if they are raised anonymously. However, the individual is encouraged to provide as much detailed information as possible, as this will help any investigation, including name, position, details of the malpractice together with comments on how it came to light and any evidence.
- Individuals are encouraged to put their name to any disclosures made. Anonymity can be requested but this may seriously hinder the ability to successfully progress and/or conclude any investigation and therefore satisfactorily address the concern.
- Due care should be taken to ensure the accuracy of any concern raised. If an individual raises a concern in good faith and with reasonable belief, but investigation does not subsequently confirm the concern, no action will be taken against the individual.
- If, however, an individual raises a concern which is found to be deliberately false or malicious disciplinary action will be taken against that individual. As **TEG** views this sort of behaviour very seriously any disciplinary action may result in dismissal.

Investigating a Concern

- All concerns of malpractice raised will be investigated.
- Receipt of the concern will be confirmed to the person who raised it as soon as possible, typically within two working days.
- The Group HR Director and/or Group general Counsel will, in the first instance, consider the concern raised and determine the appropriate initial approach to be taken.
- The concern will be investigated in conjunction with the appropriate departments relevant to the subject matter of the concern. The number of parties involved in the investigation will be limited as far as is practically possible.
- The identity of the individual who raised the concern will be kept confidential unless this would hinder or frustrate the investigation, in which instance all reasonable steps would be taken to ensure that the individual suffers no disadvantage as a result.
- The individual who raised the concern may be interviewed during the course of the investigation and may be accompanied by a colleague of their choice, who can be conferred with during the course of the interview but who may not answer on behalf of the individual.
- Appropriate feedback will be given to the individual on the progress and conclusion of the investigation including, where possible, what, if any, action has been taken.



Seeking Advice

- If an individual is uncertain on whether to use the SUPP manual and wants independent advice at any stage, they can contact the independent UK charity Public Concern at Work on +44 (0)207 404 6609 (or equivalent in the relevant country). The charity's lawyers can provide free and confidential advice at any stage from how to raise a concern through investigative proceedings.
- It would not normally be appropriate to disclose confidential information regarding a concern to a third party unless the SUPP manual has been followed first.
- Failure to do so could render any disclosure to a third party in breach of the confidentiality obligations in the individual's contract of employment, contract of engagement or terms and conditions of trade, and mean that the statutory protection offered by PIDA is not available.

SPEAKING UP – Examples of malpractice

Examples of malpractice would include, but are not limited to:

- Bribery, other corrupt activity or unethical behaviour in whatever form
- Fraud
- Irregularities involving accounting or financial procedures
- The commission of any criminal offence
- Conduct which is or may be in conflict with Rudholm Group interest such as involvement with a business competitor
- Dishonesty, unacceptable conduct, or other irregularities in dealing with customers and suppliers
- Conduct which endangers the health & safety of employees or others working for Rudholm Group, or those in the vicinity of a Rudholm Group location
- Conduct which endangers the environment
- Breach of the Group's core values
- Breach of the Group's Alcohol and Drug policies
- Breach of the Group's Corporate Social Responsibility policy
- Breach of the Group's Marketing Code
- Improper use of company assets, intellectual property or company confidential information
- Failure to comply with a legal obligation
- Attempt to coerce another to act in an inappropriate or non-compliant manner
- Attempt to conceal any of the above
- It is not possible to provide an exhaustive list of scenarios of malpractice, and there may be other instances that give rise to concerns. Individuals are encouraged to speak up if there are any concerns at all.

**APPENDIX:
SOCIAL MEDIA AND
INTERNET POLICY**



Internet & Social Media Policy (2018-01-01)

Policy Email, Internet & Social Media sites.

Dear All,

This policy is a guide for all employees within Rudholm Group worldwide, related to using internet as information source and using social medias such as blogs, Twitter, Facebook, LinkedIn, Youtube, Instagram, Snapchat, Skype, Xanga, forums for discussions, etc.

Rudholm Group is exploring the opportunities to uses social medias to strengthen our brand and how to act as a company in different kind of medias. Communication on internet is however also a big risk for Rudholm Group since all that is written and published can get a wide spread with not chance to stop it. This policy will give our team members around the world some guidance about what is expected and allowed.

Working hours

You will no doubt be aware of the possible misuse of both company time & property by accessing the Internet & Social Networking sites during working hours which has become a problem for every company worldwide.

We would like to use this notice to reiterate the Rudholm Group policy regarding the use of Company computers during normal office/working hours and remind everyone of the policy.

Normal office hours vary between countries and you will all be aware of your local arrangements regarding hours of work.

The practice of accessing either the internet via a company PC/Laptop or personal mobile for the purposes of accessing Social Networking sites or for Gaming for personal use during normal working hours is with respect to you NOT allowed. It is also NOT allowed to visit pages that is not considered legal according to local country laws or visit any pages that is related to any type of racism, nazism or other extreme opinions.

Responsibility

You as a person is constantly present as an individual, but you participation in social media could not only effect how you as individual is perceived from others, but also the picture of Rudholm Group and what we stand for. The opportunity to be constantly online makes the boundary between working life and privacy and many way hard to see. It is very important that you make a difference between work and privacy when using social medias. You are always personally responsible for all that you publish both on behalf of company or private. Information that could damage Rudholm Group in any way is an offence against company loyalty.

Professional Secrecy

Your contract of employment with Rudholm Group makes you bound to secrecy related to all information given within you daily work. This is mainly related to company information, but also other information that could harm/effect the company, that is published and the nature of information is not considerable for an employee to give out.

The professional secrecy means for example that is you have criticism against the company; you must solve these problems internally. To in anyway criticize Rudholm Group in social media means a serious offence towards loyalty and secrecy. Please note that you are bound to this also outside company and company working hours.

Respect

Always show respect to customers, partners, and competitors. Never comment anyone depreciative. Be correct and use common sense. Even if you comment or answer is directed to a specific person, it can be read by many others such as employees, customers, partners, competitors, media etc.

Respect your team members integrity, to not refer to specific person without informing the person.

Email communication

Email account that the employee handles and is responsible for, belongs to the company and its main and only function is to be used for communication related to work. Based on this the company has right at any time to check and control every email account. In the case the employee uses the email address for personal use it must clearly be informed and seen that communication is for private use and should not be misread that it is coming from the company. No information that is shared by email should contravene with company "Code of Conduct"

Downloads and files received by email

All download from non-working related and trusted sites are also forbidden due to a rapidly and increasing amount of virus spread through internet. An effected PC/laptop with virus cost both money to repair and time with not effective work for our staff.

Do not reply or open any email that is not recognized and approved. You can both get virus but also be registered to get spam to you email account witch is very time consuming and will affect our organization.

Control

We are sure that we can all recognize the need for these guidelines/restrictions as these instances of misuse of company property & time cannot be allowed to continue.

We could as an extreme measure actually monitor each computer if necessary with software but we feel that this is not the way we operate as a Group of companies & we are sure that self-regulation is a much better solution, we are sure you agree.

Thank you for your co-operation in this matter and hope that you can understand the need for this notice and its contents.

Yours Sincerely

Jonas Haglund CFO

**APPENDIX:
IT SECURITY AND
STRUCTURE POLICY**



ABOUT RUDHOLM GROUP

The Rudholm Group has been producing garment accessories for the fashion & workwear industry since 1951, evolving from a family business to a global company with offices all around the world.

The company is a recognized leader in garment enhancement, bringing commitment and ability to our extensive range of high quality products.

<http://rudholmgroup.com/>

About This Document

This document holds the main information about the Rudholm Group IT Systems and parts of its for external users/systems and internal users/systems.

Focus of the document is to make sure all data is protected and handled according to processes that secure data and backups. Part of the document also describe group processes follow all legal requirements (example EU legalization GDPR).

Please be sure that you have the latest version of this document before you planning to use the documented information in.

This document is available on the company's intranet and is a part of Group document called RH Sustainability and Social responsibility act. This document will be updated / revised once a year, which will take place during January-February.

Question and feedback or need help?

it-support@rudholm-hk.se

Versions History

Version	Change	Author	Date
v2018	The first version of the new Rudholm Group IT Security Policy & Structure	RP	2018.15.02



IT Policy

This document holds the explained information about the Rudholm Groups IT Security Policy & Structure, the processes for securing the information/data and is valid for both internal and external actors who will integrate to our system.

Purpose

The purpose of the IT Security Policy is to ensure the company's activities against interruptions and loss of information/data and reduce the damage to the company by preventing and minimizing the effects of unwanted effects. It is also to ensure we minimize the savings of personal data/information and secure the process to follow GDPR.

Policy

The internal or external actors who want to integrate the system must follow the requirements and agreements in this document.

It is the company's policy to:

- The information shall be protected from unauthorized access.
- The confidentiality of the information shall be ensured.
- The accuracy of the information shall be ensured.
- The availability of the information shall be ensured
- Requirements in laws and agreements must be met.
- Interruption plan shall be set up, kept and tested.
- Training in information security shall be given to all employees.
- All security incidents, found or suspected, must be reported to and investigated by IT Manager and if any personal information is at risk be reported to The Swedish Data Inspection Authority.
- Any data loss from hardware (laptops etc.) where any personal data/information is at risk must be reported and investigated by IT Manager and reported to The Swedish Data Inspection Authority.

The company shall set up rules and processes to support of this policy. They should include virus checking, password management, back up routines etc.

The business requirements for the information and availability of information shall be met.

The function and responsibility for managing IT security work is assigned to IT Manager.

It is the responsibility of each employee to follow this policy.



Requirements & Agreements to Integrate to Rudholm Group IT Systems

The purpose of this policy is to protect the company's information assets against all threats - internal or external, - intentional or inadvertent.

Internal Users and Systems

- The employees are not allowed to use unofficial devices to connect to company's system without confirmation by IT Manager.
- The employees are not allowed to open, copy, change, transfer the company's information, files etc. on/with unofficial devices without confirmation by IT Manager.
- The company's information can't be shared with 3rd persons/systems without permission.
- The employees can't present or talk about the company on any media channel (social media, newspaper, tv, etc.) or via other channels (3rd persons) without confirmation by the departments manager.
- The official devices can't be changed (hardware and software) without confirmation by IT Manager.
- The employees can't remove, disable or change any official program on company's devices.
- The official devices, programs, systems etc. can't be used by 3rd persons.
- The official devices, programs and system can only be disabled, removed and revoked by IT Manager.
- All information/data such as emails, files, applications and all other information is company information and can be checked by IT Manager.
- Surfing on the internet for private use is prohibited during working hours. Likewise, downloading private files and programs is prohibited. Browsing web pages that violates Swedish law is prohibited, as well as pages promoting racism, nazism and other extreme opinions. (see also separate "Internet and Social Media Policy")
- It is forbidden to use unofficial external storage devices (usb disk, hdd, cd, floppy disk, etc....).
- The employee can't use email service for the private cases unless it is clearly stated that it is a personal email and will be available for any control IT Manager might perform.
- All emails sent must have a signature enl. The company's standard which also contains a clause to protect the company against improper spread of email.

External Users and Systems

- It is forbidden/not allowed to integrate to the Rudholm Group IT Systems without IT Manager confirmation.
- The external actor (user or system) can't integrate the Rudholm Group IT Systems or open/read/modify information with an unconfirmed device (for ex. Upload an order file from another server then IT Manager has confirmed).
- Rudholm Group must be informed in that case the connected system or person is about replacing, changing, removing setups etc. that will change the data exchanging process.
- Rudholm Groups Business and IT Information can't be shared with or used by 3rd persons or any media channel (social media, newspaper, tv, etc.).
- Rudholm Group reserves the right to request that all sensitive information will be destroyed even if the agreement is no longer valid.
- Rudholm Group reserves the right to disable access to the IT System for any person or system at the potential threat.



Software

Operative Systems

Rudholm Groups is using Windows 10 and Windows 7 with latest updates/service packs. The IT Manager must confirm any other operative system before it can be used.

Applications & Tools

Only pre-installed applications and tools can be used on remote desktops. No 3rd part software installations are allowed unless tested and granted access.

Antivirus & Firewalls

All local and internal computers have latest Windows Updates and activated firewall. These computers run group approved antivirus solution. Any action against antivirus solutions saves in the log tool.

Office Package

Both local and remote computers run Office 365 which are directly installed/connected on Microsoft Servers. The latest updates install by system automatically.

Business System (GARP)

Business System GARP is accessible only via remote desktops and the user has (except admin user) have limited rights to change general settings. Normal user rights are for accessing/input/change customer/supplier data and information related to daily work/communication such as items, orders etc. To access the business system a double command login information must be supplied.

Users

Users Groups & Permissions

There are different users, user groups and permission levels for the groups.

User Types

Normal User

The standard user in this group is that with most limited access to information and systems. The user can access to the information/system only via remote desktop connection. To change any critical setting and install any application on remote desktops is not allowed.

For ex: an employee from "Order Department" who is working with Business System on Remote Desktop with a login. All actions by these users saves in a log tool.

External User

All persons and systems from outside of the company's structure classified as external users. These users can only access to very limited system or information and are not allowed to change any setting. Rudholm Group is rebuilding all its systems to make sure all external users only access through Rudholm Group web applications and that that all information before stored in any internal environment is tested and approved by filters in web applications. All actions by these users saves in a log tool. For ex: a customer who upload an order file to Carelabel System with access to the web with a login.

Admin User

These users can be both internal and external with higher permissions level.

An internal admin can have access to all or parts of business system there the quick action can be performed for daily cases. But for the more complex cases the internal admin must get access via IT Supplier Company.

An External admin can have access to all system on all levels but can't perform any critical changes without a local admins confirmation/request. All actions by these users saves in a log tool.



Policy for login to networks and systems

- All users must have a password when signing in. The company policy requires that password management be done with 8 characters each. You must keep at least 2 Versions, 2 lower and 2 numbers.
- For longer absence from the terminal, at lunch etc., the user must log off.
- At the end of the day, the user must log off and turn off his computer.
- Users who suspect that the password has lost their power should promptly change.

Hardware

Hardware Requirements for External Users & Systems

Rudholm Group doesn't allow to unconfirmed devices integrates with its IT System if the connection will take place on advanced level. The IT Manager and Supplier must confirm the external IT System/device before it can get access to internal system and the access can be revoked if the that external system/device is changed.

Internet Connections

All internet connections between internal users and servers take place on "IPSEC Tunnel + AES". All external access should be encrypted.

Client Computers & Servers

- Servers should be locked and secured in a safe manner.
- Fixed computers with sensitive information should be firmly wired.
- All computers must be protected with a password and it can't be disabled.
- It is forbidden to convey information from the company by copying, printing or otherwise storing formation that may harm the company.

Firewall Servers

Rudholm Groups servers protected by firewall servers on 2 various levels.

1. Main Firewall Level

This firewall server protects a group of the servers. That means if there are several servers which connected to each other to build a bigger system then all outside connection requests meet first this firewall server. The connection request which can't pass this firewall level will be rejected.

2. Server Firewall Level

Each server has own firewall and all internal or external request must pass via this level before any action can be performed by the related server. For more information, please check the illustrations enclosed.

Remote Desktops/Terminal Desktop Servers

All internal users can integrate the IT Systems only via remote desktop connections. All local devices have latest updates and a customized antivirus solution. Auto file scanning performs on real time.

Remote Desktop connection protects by a unique username and password. On the server level there are user groups with permissions level, event log, multi login control and geographic user control.

Business System (GARP) Server

This server is used for only Business System (GARP) and protects by double level firewall (Main and Server Level). A professional supplier performs critical updates and configurations. The user integrates this server via an icon on the connected account on Remote Desktop/Terminal Server. The server has the standard function; user group permissions, backups and event log. This server has backup and fail over server.

Web Servers

Web Servers have the service (Carelabel System) on the web space and has the "HTTPS" connection. These servers have 2 backups and 2 fails over servers. The server manages by a separately supplier and await always a confirmation from Rudholm IT Manager for critical action.



Golden Gate

This server manages the connection between different servers (Business System, Web Servers and Web Services). The server does exist behind double firewall servers as main firewall and server firewall.

Web Service Server

This server has rest of the web systems (Rh Portal, Barcodes System....) and does exist in a server group with Domain Control Server, Integrations Server, App Server, File Server, Backup Server.

Domain Control Server

This server checks the accessibility and certainty of the domain on real time for each connection.

Integrations Server

This server connects all server in the Web Service Group (Web Service Server, Domain Server, App Server and File/Backup Servers).

App Server

The server for the web applications.

File & File Backup Servers

For each server or server group there are backup/reserve servers for two different purposes.

1. File Backup

This server backups all file on real time and scan them for eventually threats.

Routines for backup

- Daily backup of the business system data directories
- Nightly backup of the entire system.
- Individual users must back up local documents as well as email to the home directory at the server at least once a day, which should be done automatically.
- Payroll programs and other local programs must be backed up at least once a month to the home directory.
- Backups must be kept by a person outside the company.

2. Fail Over/Reserve

This server (multiple servers) has same configuration as the main server and replace the failed server automatically.

Outage planning

Rudholm Group has routines and backup plans for different scenes that cause simple or major serious issues affecting parts of or the entire IT environment.

With the help of this structured and verified action document, Rudholm Group keeps its systems rolling to the highest extent.

Simple Problems: Slow Connection, Memory Management, Server Pool Sharing

Problems on this level the action is applied in the same minute and often takes only seconds that the system is back in normal mode. So no users notice any interruptions and no connected other systems are adversely affected.

Larger Problem: Server Down, Hardware Hassle, Hacking Attack

Such issues are solved immediately with verified operations with backup server and restore backups. The action is applied for minor problems a few minutes and takes only a few hours for major problems.

For all other extreme issues, Rudholm Group has a total action plan that takes up to 24 hours to record the system as usual with all features and backups.

Rudholm Group has its backups, additional servers and other crisis actions in several different geographic locations so that action options are preserved in several levels of crisis mode when needed.

Rudholm Group reserves the right to the above information and informs the reader that the above action can only be applied in the usual state that does not deal with situations that affect the whole country, the world or parts of it in a serious way (eg natural disasters, war, strikes and other similar crisis ...).



GDPR

Rudholm Group interact with customers, suppliers and other business partners all over the world. To be able to conduct business we save basic personal contact information (Name, email and phone number) as contact person connected to the partners. Rudholm Group here clarify our process to make sure we meet the new and updated EU-regulation – GDPR.

Legal Ground

All saved information in all our systems are based on that we have engaged with the customer in a deal/contract/agreement for trade. We do not save any other personal information unless person in question have given consent for us to save the information. (see Other information below)

Saved information

Rudholm Group Policy is to save as little information as possible that could be classified as personal data. Information based on trade agreements is saved in our ERP system (Garp) or in our system for variable data (Carelabel Production). It is basic information with Name, email and phone number) for each contact person.

All contacts are going through a clearance process beginning of every year and all contacts where we have a 5-year non- active trade or communication situation is deleted.

Other information that has personal data is connected to either newsletters or information given to us at fairs, exceptions etc.

Newsletters – the address list for newsletters is based on active consent from recipient.

1. Everybody must actively prescribe to the newsletter and everyone must actively give consent when register for newsletter that we can keep the personal information in our register
2. It is clearly stated how you stop your subscription
3. It is clearly stated where to contact to correct or delete your information.
4. For all contacts where the email bounce back due to invalid email or person no longer valid the contact details is automatically removed.

Prospects - Rudholm Group regularly participates in fairs and exceptions. In these kinds of events we are contacting business partners and business partners is contacting us. Every event is summarized and a register is created and shared internally about contacts met in the event. Names collected can be both current partners that goes in under our basic legal ground but some names are for potential customers / Prospects. All prospects get and follow up email where we inform that we keep register of the event and where they should contact if they do not want to participate. All these registers are saved on group dedicated server area and are deleted after 2 years.

Backup and security

All data is saved on internal servers and follows the backup routines and security process in this document. All partners related to any saved data has a valid support agreement confirming no data leaves the EU/EES or that the partner outside EU/EES is under working under "Privacy of Shield" regulation.

Rudholm Group is mainly working out of Sweden where the ultimate mother company is based. In any case of data loss or risk that outside 3:th party have got access to any register, we will follow the GDPR rules to report it to The Swedish Data Inspection Authority. Following the recommendations in the GDPR act that if a company group conduct business in multiple countries within EU/EES we report to the authority where the major business is conducted. In this case Sweden.

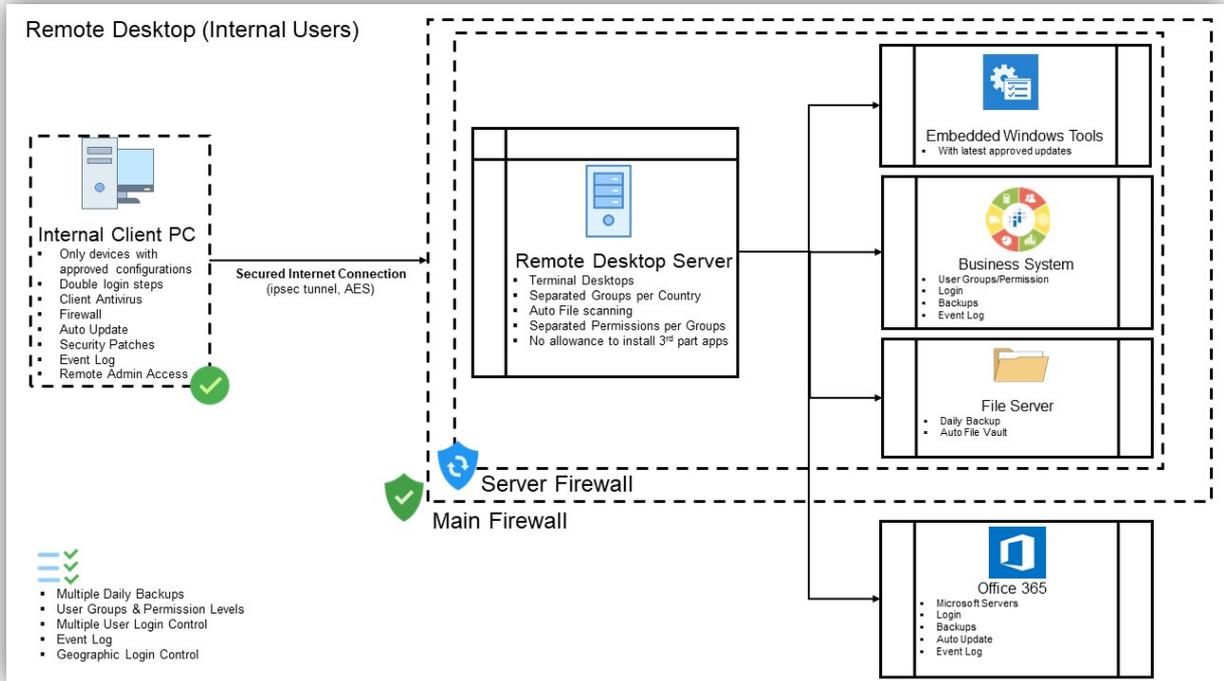
Contain/Correct/Delete

Information about who to contact related to matters where we should extract and send you the registered information or if you want us to correct or delete any information is showed at following areas

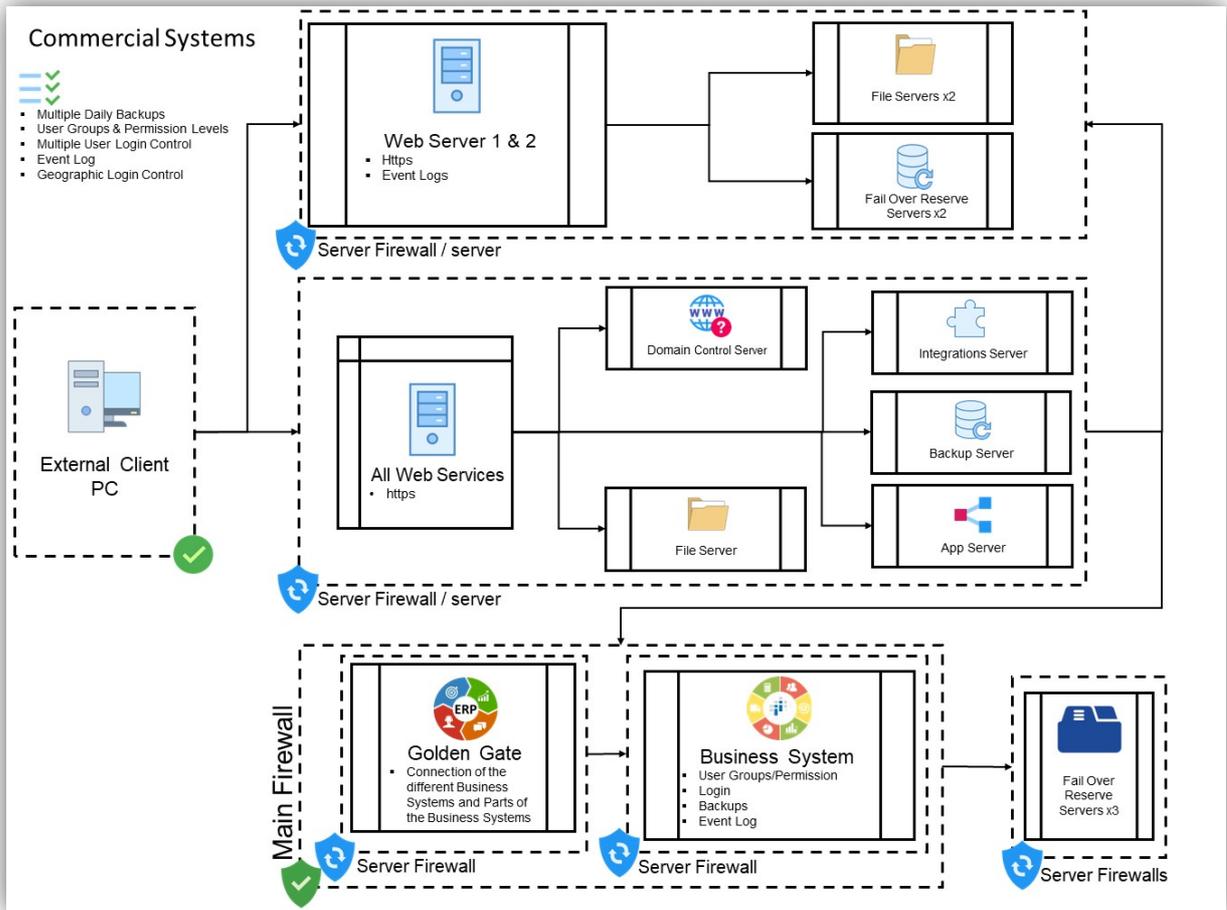
- In the contact list in this document
- In our General Terms of Sale
- In our email signature for every mail coming from Rudholm Group
- In our web sites (RH-Portal, Carelabel Production, Tokyo, General Homepage)

Attachments

Attachment 1 – Remote Desktop (Internal User)



Attachment 2 – Commercial Systems





Attachment 3 - Systems & Actors

Name	Definition	Link
Rudholm Group		
	www.functionalthinking.com	
Intranet	http://portal.rudholm-hk.se/SitePages/Home.aspx	
RH Portal		http://www.rh-portal.com/
Carelabel System		http://www.rudholmproduction.com
Office365 Online		https://www.office.com/
Remote Desktop		http://rds.rhgroup.se/
Remote24	IT Supplier	www.remote24.se
WooCode	Programming Supplier	www.woocode.com
Business System GARP		www.gcsolutions.se

GDPR Related Case Contact Persons

Name	Email	Title/Department
Jonas Haglund	jonas.haglund@rudholm-hk.se	IT
Recai Poyraz	recai.poyraz@rudholm-hk.se	IT
Sandra Claesson	sandra.claesson@rudholm-hk.se	Finance

**APPENDIX:
ANTI-CORRUPTION
POLICY**



GLOBAL ANTI-CORRUPTION POLICY

POLICY

The coming in to force on 1st July, 2011 of the Bribery Act 2010 requires companies to have in place “adequate procedures” to prevent acts of bribery being committed directly or indirectly on their behalf anywhere across their global operations. For this reason it is appropriate to restate our beliefs and reconfirm our general practices, not just for the UK, but around the world.

- The Rudholm Group believes in fair, free and open markets. Wherever we operate in the world we will be a responsible corporate citizen and positively manage the social, environmental and ethical impact of our activities.
- Through our core values the highest standards of ethical and compliant behaviour is expected and required in all of our undertakings. The laws of every land in which we operate will be complied with, without exception.
- Bribery, other corrupt activities or unethical behaviour in whatever form (including money laundering and extortion) is contrary to those beliefs and aims. We specifically will not tolerate:-
- The offer, payment, solicitation or acceptance of a bribe in any form, either directly or indirectly;
- The unauthorised or inappropriate receipt, transfer or disbursement of funds; and
- Engaging in activities which may suggest, or give the impression of, a lack of ethical behaviour.
- Your attention is also drawn to the separate Speaking Up Policy which explains how any concerns of malpractice can be raised in a confidential and secure manner.
- Finally, we confirm that in no circumstances will an individual suffer any disadvantage or other adverse consequence for refusing to engage in a corrupt act. This includes the refusal to give or receive a bribe, and is regardless of whether business is lost, or fails to be secured, as a result.

BUSINESS TRANSACTIONS – GENERAL REQUIREMENTS

Records and Books of Account

- All business transactions must be recorded accurately and transparently in the records and books of account with sufficient segregation, detail and documentation to identify the parties involved, the amounts of money involved and the business purpose of the transaction
- The records and books of account must be held available for inspection in accordance with local statutory retention periods.
- The falsification of records or books of account, or the making of false, misleading or incomplete statements in connection with any audit, examination of financial statements or preparation of required reports, whether internal or external, is expressly prohibited.

Internal Controls and Audit

- An effective system of internal control, including controls specifically designed to aid the detection and prevention of activities which are in breach of this policy and anti-corruption laws, must be maintained to provide reasonable assurance that:-
- Transactions are executed in accordance with approved delegation of authorities;
- Transactions are appropriately recorded;
- Access to assets is appropriately restricted and controlled; and
- Recorded assets and liabilities fairly reflect existing assets and liabilities.
- Internal controls and arrangements under this Policy will be subject to regular audit and review by internal audit, risk management and external audit functions to ensure the integrity and effectiveness of the controls, records and books of account.
- The findings of such audits and reviews will be made available to the Audit Committee for their independent assessment of the adequacy of arrangements.



Delegated Authority

- A comprehensive, documented and approved Summary of Delegated Authority/Approval Matrix must be maintained at each location.
- All approvals must be appropriately documented and retained for potential future review.
- The delegated authorities in relation to activities specifically addressed by this Policy must be approved by the Global Anti-Corruption Officer.

Conflict of Interest

- Situations where loyalty to the Rudholm Group may come into conflict with personal interests and/or loyalties must be avoided e.g. where the spouse or partner is employed by a potential supplier.
- If such a conflict does arise it must be declared in writing to senior management who must then ensure that the individual is insulated from decision-making or operation in the area in which the conflict of interest exists.

Corruption Risk Assessments

- The Local Anti-Corruption Officer will conduct regular local corruption risk assessments and maintain an up-to-date corruption risk register. The register will be reported to the Group Anti-Corruption Officer as required.
- The Local Anti-Corruption Officer will ensure that local anti-corruption arrangements and resource are adequate, prioritised and aligned with the corruption risks as identified by that risk assessment.
- The Global Anti-Corruption Officer will conduct regular group-level corruption risk assessments and, also reflecting the respective local risk assessments, maintain an up-to-date Group corruption risk register and risk inventory.
- The Global Anti-Corruption Officer will ensure that anti-corruption arrangements and resources across the Group are adequate, prioritised and aligned with the corruption risks as identified by the risk assessments.
- The Global Anti-Corruption Officer will ensure that the corruption risk inventory is appropriately communicated and available as an input to corruption risk assessments across the Group to promote comprehensive consideration of all potential corruption exposures.

Anti-Corruption Policy Register

- As set out elsewhere in this Policy certain responsibilities, business relationships and business activities are required to be recorded in an Anti-Corruption Policy Register.
- The format and manner of use of the register is as approved by the Global Anti-Corruption Officer and must be applied consistently by each location.
- The register must be kept up-to-date by the Local Anti-Corruption Officer, held available for inspection and reported to the Global Anti-Corruption Officer as required under the monitoring & reporting procedures supporting this Policy.

Incentive Programmes

- Incentive programmes for customers, suppliers and staff must be proportionate to the level of business and must not encourage behaviour which is inconsistent with this Policy.



Facilitation Payments

- Facilitation payments must not be made, regardless of value or whether such payments may be considered consistent with local custom and practice.
- Where a facilitation payment is solicited it must be refused and notified in writing to the line manager and the Local Anti-Corruption Officer at the earliest opportunity.
- Where there is no alternative to making a facilitation payment to protect against loss of life, limb or liberty, the payment should be made and reported in writing immediately to the line manager and the Local Anti-Corruption Officer.

Government or Political Bodies or Officials

- Given the sensitivities of transactions with Government or political bodies or officials, they must be avoided unless they are permissible under local rules, consistent with local custom and practice, and do not create the appearance of impropriety.
- The Local Anti-Corruption Officer shall determine whether a due diligence review of a government or political body or official is necessary. If deemed necessary, details of the review and the conclusions must be documented and retained.
- The Local Anti-Corruption Officer must specifically approve all employees and third party intermediaries authorised to interact with government or political bodies or officials on behalf of the company, and maintain an up-to-date list of those employees and third party intermediaries which is held available for review.
- Appropriate and properly documented due diligence of all third party intermediaries with government or political bodies or officials must be undertaken prior to engaging their services.
- The manner in which any such intermediary conducts business with government or political bodies or officials must be transparent, ethical, beyond reproach, and be subject to appropriate oversight by the Local Anti-Corruption Officer.
- All transactions with government or political bodies or officials, regardless of cost or value, must be reviewed and approved in advance by the Local Anti-Corruption Officer. Evidence of the approval must be documented and held available for review.
- Transactions with government or political bodies or officials must be promptly recorded in the Anti-Corruption Policy register which is maintained and held available for review.

BUSINESS TRANSACTIONS – SPECIFIC TYPES OF ACTIVITY

Hospitality, Entertaining and Gifts

- The occasional acceptance or offer of modest items of hospitality, entertaining and gifts can legitimately contribute to good business relations, but must never influence, or be perceived to influence, business decision-making.
- When establishing new business relationships all parties must be made aware of this Policy and, in particular, the position regarding these types of activity.
- It is prohibited to solicit hospitality, entertaining or gifts.
- It is prohibited to give or receive items of this nature when:-
- There is an established, or presumed, expectation that it will be reciprocated or recurring;
- It is not compliant with local laws and regulations;
- It is in cash, cash equivalent or other form of untraceable funds;
- It is in relation to personal services;
- It is a loan;
- It is of excessive value in relation to the level of business or the industry norm;
- It is inappropriate, in poor taste, “adult” in nature, or in an inappropriate venue;
- It has not been approved in accordance with the Summary of Delegated Authority;
- the business partner is not present; or
- It is during periods when important business decisions are being made (eg tenders).
- The following may be given or accepted without prior approval:-
- A gift (of one or more items), including corporate gifts featuring the logo of the donor;



- Meals related to a business context; or
- Occasional invitations to events of no more than one night and two days, where “occasional” means no more than 3 times per year with the same individual or organisation.
- The giving or accepting of items of this nature outside of these parameters must be approved in advance by the line manager and Local Anti-Corruption Officer, and be promptly recorded in the Anti-Corruption Policy Register.
- In certain circumstances, typically cultural in nature, the refusal to accept a gift (note: not hospitality or entertainment) which is not compliant with this policy may be considered discourteous or cause embarrassment and, as a result, be detrimental to TEG’s interests. In such circumstances:-
- The gift may be accepted on behalf of the Group but must immediately be reported to the line manager and Local Anti-Corruption Officer; and
- The gift must be submitted to the Local Anti-Corruption Officer who will determine the appropriate action to be taken (e.g. donation to charity); and
- Where Rudholm Group would be disadvantaged (as opposed to gaining an inappropriate advantage) by not giving or receiving hospitality, entertaining or gifts that are customary in the industry but not compliant with this Policy, the activity may be undertaken if, and only if :-
- It can be clearly demonstrated that the activity is customary in nature, that our competitors undertake the activity, and that TEG would be disadvantaged if it did not do so;
- The activity is not illegal; and
- The prior documented approval of the Local Anti-Corruption Officer has been received.
- The Local Anti-Corruption Officer must promptly record the activity in the Anti-Corruption Policy Register.

Travel Expenses (met in relation to a third party)

- Promptly recorded in the Anti-Corruption Policy Register. Any travel costs met in relation to a third party (including transport, accommodation, meals and entertainment in connection with business travel) must be:
- Reasonable and customary;
- Based on a specific business need;
- Provided in the normal course of business;
- Permissible under applicable laws and regulations;
- Limited to what is necessary to meet the needs of the business; and
- The service provider or organisation must be reimbursed directly. It is prohibited to reimburse an individual or a party not directly involved in the transaction.
- Travel costs in relation to a third party must not exceed what would be incurred by a TEG employee of equivalent status if they were to travel to the same destination.
- Travel costs in relation to family members, or other individuals accompanying the third party, must be approved in advance by the Local Anti-Corruption Officer. The approval must be documented and retained, and the activity

Charitable Donations

- Charitable donations must be approved in accordance with the Summary of Delegated Authority, which must include the Local Anti-Corruption Officer. The approval must be documented and retained.
- Charitable donations must be reasonable in value and be paid or given (in the instance of Group product or other tangible good) to a legitimate registered charity or an authorised official of a legitimate registered charity.
- The charity must have clear relevance to the business.
- Charitable donations must never be given in cash or cash equivalent.
- A receipt or other form of independent acknowledgement must be obtained. The receipt or acknowledgement must be matched to, and retained with, other related documents supporting the transaction.



Contributions to Political Parties

- Contributions to political parties, organisations or individuals engaged in politics as a way of obtaining advantage in business transactions will not be tolerated.
- Contributions to political parties must be approved in advance by the line manager and Local Anti-Corruption Officer. The approval must be documented and retained.
- All contributions to political parties must be promptly recorded in the Anti-Corruption Policy Register.

Sponsorship

- Sponsorship is defined as support provided by Rudholm Group to another person or organisation, or an event or activity run by another person or organisation, where:
- the support is provided by the giving of company product, time or expertise of employees or some other form of help at Rudholm Group expense, and
- The cost of sponsorship must be reasonable and commensurate with the benefit expected to be derived, and must not be given in cash or cash equivalent.
- The nature and recipient of the sponsorship must have clear relevance to Rudholm Group business.
- Sponsorship of a government or political body or official, or an event or activity run by a government or political body or official, must be approved in advance by the Local Anti-Corruption Officer. The approval must be documented and retained, and the transaction promptly recorded in the Anti-Corruption Register.

HUMAN RESOURCES

- Human Resource policies and procedures, including recruitment, promotion, training, performance management, remuneration, recognition and disciplinary practices, must be aligned with the commitments of this Policy.
- New hires who will be involved in any activities covered by this Policy must have background checks carried out to the extent permissible under applicable laws. At a minimum, references must be obtained and any offer of employment must be conditional on disclosure of:-
- Any unspent criminal record or indictment; and
- Any civil or administrative penalty or pending investigation relating to unethical activities.
- If any negative information is discovered by the background checks the relevant functional main Board member and the Global Anti-Corruption Officer must be advised. The relevant Board member must approve the candidate before they may be hired.
- Job descriptions and related documentation must make clear the mandatory nature of compliance with this Policy, and employees and relevant Third Parties will be required to certify their compliance when asked to do so.
- As compliance with this Policy is mandatory any breach will result in disciplinary action which. Given the importance of this Policy, this could ultimately result in termination of employment and the involvement of external authorities.

Training and Communication

- Directors, managers, employees and agents of Rudholm Group, its subsidiaries and its joint ventures must receive appropriate and consistent training in this Policy. The training must be provided on induction and on a regular basis thereafter (at least once per year).
- Trainees must formally acknowledge that they have received the training and the acknowledgements must be retained.
- Appropriate steps must be taken to assess the effectiveness of the training (e.g. an "exit exam"), with the assessments retained and the training revised to improve as necessary.
- The Local Anti-Corruption Officer will ensure that training records are documented, retained and reported on as required.
- Where appropriate, significant contractors and suppliers will also receive training on the Policy.
- A copy of this Policy must be held at each location in a manner that is readily accessible to staff.
- On a regular basis the purpose, importance and key requirements of the Policy must be communicated in an appropriate manner to staff and other stakeholders (e.g. intranet "home page", team briefs, website, other Group periodicals).



SEEKING GUIDANCE AND RAISING CONCERNS

- If it is uncertain whether an act was, or will be, in breach of this Policy guidance must be sought at the earliest opportunity from the Local or Global Anti-Corruption Officer.
- If a bribe is demanded or offered it must be rejected and reported to the line manager and the Local Anti-Corruption Officer at the earliest opportunity.
- If there is a concern that an act in breach of this Policy has occurred, may occur, or is planned to occur, the concern must be raised at the earliest opportunity in accordance with the Group Speaking Up Policy. This policy can be found on local and group intranets and is included in this series of documents
- The Speaking Up Policy explains the ways in which concerns can be raised in a confidential and secure manner, as follows:-
- In the first instance the concern should be raised with the individual's immediate manager. This can be done verbally or in writing.
- If, for whatever reason, the individual does not consider it appropriate to raise the concern in this manner they should contact their Head of Department / Director. Again, this can be done verbally or in writing.
- If, for whatever reason, the individual does not consider it appropriate to raise the concern as above, they should initially make contact in confidence by using the following dedicated email address inconfidence@rudholm.co.uk
- Where a concern has been raised in good faith, regardless of whether the concern is proven or not, it will be dealt with in strictest confidence. In no circumstance will:
 - The individual suffer any adverse consequence for having raised that concern in good faith; or
 - Retribution in any shape or form against the individual raising the concern will be tolerated.
- Thorough, independent and sensitive investigation will be made into all concerns and breaches of the Policy.

MONITORING, REVIEW AND REPORTING

- It is imperative that this Policy is evidenced in practice and the corresponding records retained.
- The Global Anti-Corruption Officer must ensure that:-
- Appropriate global processes are in operation to provide adequate:
 - evidencing of the Policy in practice Group-wide;
 - assurance that the Policy is being consistently complied with across the Group; and
 - assurance that all relevant parties across the Group remain aware of the requirements of the Policy;
- Any instances of non-compliance are swiftly identified, brought to the attention of senior management as appropriate, and addressed in an appropriate manner; and
- The Global Anti-Corruption Officer must report any instance of corruption in a timely manner to the relevant authority. Where the act occurred overseas the Global Anti-Corruption Officer will coordinate with local senior management the reporting of the act to the relevant local law enforcement agency.
- The Local Anti-Corruption Officer must ensure that:-
- Accurate reports are submitted to the Global Anti-Corruption Officer as required;
- Appropriate local processes are in operation to provide adequate:-
 - Evidencing of the Policy in practice;
 - Assurance that the Policy is being consistently complied with; and
 - Assurance that all relevant parties remain aware of the requirements of the Policy;
- Any instances of non-compliance are swiftly identified, brought to the attention of local management and the Global Anti-Corruption Officer, and appropriately addressed.

GLOBAL ANTI-CORRUPTION PROCEDURES – APPENDIX 1

DEFINITIONS

Bribery

- The offering, promising, giving, accepting or soliciting of an “undue reward” with the intention of encouraging the person being bribed to “improperly perform” their duties to obtain or retain a commercial advantage.
- The “undue reward” can be to the direct benefit of the person being bribed, or to their family, friends, associates or acquaintances.
- To “improperly perform” duties would be to act other than in good faith, other than in an impartial manner, and/or in a manner that is in breach of their position of trust. The performance of duties will be judged against UK, not local, standards.

Bribery of a public official

- The offering, promising or giving of a financial or other advantage to a “public official” with the intention of:
- Influencing the official in the performance of their official function; and
- Obtaining or retaining business or an advantage in the conduct of business.
- An offence will not be committed where the “public official” is permitted or required by written law to be influenced by the advantage.
- “public official” includes:
- Any person holding a legislative, administrative or judicial position;
- Any person performing a public function in a branch of national, local or municipal government or any public agency (e.g. health agency) or public enterprise;
- Any official or agent of public international organisations such as the UN or World Bank.

Corruption

- The misuse of entrusted power or authority by an individual for their personal gain, or for the gain of their family, friends, associates or acquaintances.

Money Laundering

- The process of hiding the criminal origins of money or money’s worth (the “proceeds of crime”) within legitimate businesses or business activities to give it the appearance of legitimacy.

Extortion / Solicitation

- The bribe is refused. The request or demand for a bribe, with or without a threat of **repercussion if**

Facilitation Payment

- A payment made to a public official to expedite or secure the performance of an action that would reasonably be considered routine to the official carrying out their duties.

Third Party

- An individual who is not employed by Rudholm Group, or an organisation or venture in which Rudholm Group does not have a controlling interest.



GLOBAL ANTI-CORRUPTION PROCEDURES – APPENDIX 2

CIRCUMSTANCES THAT MAY INDICATE CORRUPTION

- The presence of the following circumstances does not mean that a bribe or other act of corruption has or will take place, but management should exercise greater diligence and scrutiny of activities, and take extra care in ensuring adequate and effective safeguards are in place.
- If there is a concern or guidance is required in relation to the context of a business relationship or activity the Local or Global Anti-Corruption Officer should be contacted at the earliest opportunity.
- The following is a not an exhaustive list of circumstances that may indicate corruption:
- Request by a customer, business partner, distributor etc. for:
- An increase in price, rather than a discount, for matters unrelated to a change in contract specifications or requirements during negotiations;
- An unusual transaction structure, inclusion of incorrect or unnecessary cost items or false documentation; or
- A payment “up-front” or before completion of a project, or an increase in compensation during the life of a project where not provided for in the governing contract.
- Requests for payments to be made:-
 - In a different country to that where the organisation resides or provides it goods or services;
 - To a third party; or
 - In cash or any other form of untraceable funds.
- Requests for reimbursement of expenses which are poorly documented or substantiated.
- Incomplete or inaccurate information in required disclosures.
- Requests for false invoices or other documentation.
- Refusal to commit to, or certify compliance with, the Global Anti-Corruption Policy.
- The organisation is owned by or employs a government or political official or officials.
- One or more principals of the organisation are related to, or associated in some way with, a government or political official or officials.
- Prices observed in the market place which are exclusive of duty or other excise or sales related taxes.
- Depletion volumes which are in excess of volumes known to be shipped directly to the market

**APPENDIX:
PRIVACY POLICY**



PRIVACY POLICY

Rudholm Group interact with customers, suppliers and other business partners all over the world. To be able to conduct business we save basic personal contact information (Name, email and phone number). Rudholm Group companies take great concern that all communication and personal data is processed in a secure manner and we here clarify our process to make sure you feel confident that we meet the new and updated EU-regulation – GDPR and that your data is safe with us.

Legal Ground

All saved information in all our systems are based on that we have engaged with you as a business partner in a deal/contract/agreement for trade or service, and we need to save basic information to fulfill that engagement. We do not save any other personal information unless person in question have given consent for us to save the information.

Saved information

Rudholm Group predominately deals with other businesses and most of the data hold relates to a business rather than an individual and is therefore not classed as personal data. Our policy is to save as little information as possible that could be classified as personal data. Information based on trade agreements is saved in our ERP system or web applications. We only save basic information with Name, email and phone number for each contact person. All information is given to us by you as a business partner and we do not collect any personal information from other sources. General policy for data retention is that data will be saved as long as we have a relationship or potential relationship with you as a business partner and in order to meet all legal requirements. All personal contact information are going through a clearance/maintaining process beginning of every quarter and all contacts where we have a 3-year non- active trade or communication situation is deleted.

Your rights and Contact information

You should always be able to:

- Access to your information by either contact us and get a copy of the information we keep in a portable structure or access the information by one of our web applications.
- Correct your information by contact our local customer service team or at below contact information. You can in most web applications also correct your own information.
- Ask us to delete your information which can be done as long as no local laws or regulations prevent us to delete the data.

Please note we only keep personal information based on agreements with the company you are representing. Reason for deleting your personal information could be:

- 1) You consider that we no longer require the information for the purposes for which it was obtained
- 2) Our use of your personal information is contrary to law or our other legal obligations

In cases we save the information based on consent you can always withdrawing consent to use your information and your information will be deleted. All data control is centralized in the group to head office in Borås, Sweden.

You can contact us

- By email it-support@rudholm-hk.se
- Letter to Rudholm & HK AB, Box 1103, 501 11 Borås, Sweden
- Contact local Customer Service Team in your country for assistance.

Use of information

We only use saved information for communicate with you as a partner in our business relation. Communication is mainly related to the day to day business but sometimes we need to send you general information or new. You can always stop these kind of information letters by using the unsubscribing link at the end of the email. We never use or share the information in other ways or purposes and we will never sell or rent your information to third parties and we will never share your information with third parties for marketing purposes.



Visiting our Web Applications

Cookies – The Rudholm Group uses cookies in all our systems to provide functionality for our users. Cookies are a piece of data that are often created when you visit a web site and which are stored in the cookies directory of your computer. Some cookies contain personal information, such as your user id, used for login purposes. These are stored in an encrypted manner and can't be connected to you outside of the system.

JavaScript – The Rudholm Group also uses JavaScript in all our systems to provide functionality for our users. JavaScript and Cookies are used together to aggregate and analyses customer usage patterns in our systems. This provides us with data on your usability and behavior, such as your IP address, geographical location, browser type, referral source, length of visit and number of page views. We may use this information in the administration of the website, to improve the website's usability, and for marketing purposes. This does not collect any personal or identifiable information about users.

Partners and Sub-contractors

This Policy is valid for all companies in the Rudholm Group (Appendix 1) and these companies all act as Data controllers as defined in the GDPR regulations. We use partners and sub-contractors to provide a secure and stable platform to make sure all our systems and web applications are running and performing. They in some cases process your personal data. All our sub-contractors are fulfilling the role as a Data Processor by signed DPA:s to make sure your data is stored and processed according to GDPR regulations. All sub-contractor follow this policy and only process information upon our instructions. We can upon request share a full list of all our sub-contractors. We can upon request share our full IT-Policy to clarify our platform and security standards.

Confidentiality

Your information is only accessed by our staff and our sub-contractors for our systems and web application. To ensure the confidentiality of your information:

- All our staff have signed a confidential clause and been trained in the General Data Protection Regulations 2018 (GDPR)
- All our sub-contractors have signed a Data Processing Agreement (DPA) including a confidentiality clause and guarantee to follow the GDPR.

Changes to our privacy notice

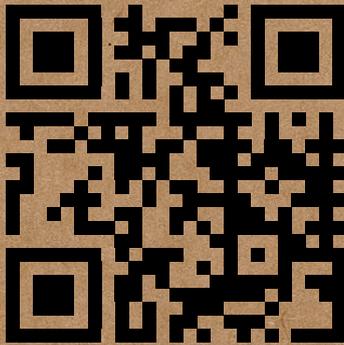
If this privacy policy changes in anyway, we will place an updated version on this page. Regularly reviewing this page ensures you are always aware of what information we collect, how we use it and what rights you have regarding it.

Questions or complaints

You are welcome to contact us for any questions and if you disagree with the way we handle your personal data. Please let us know. The registred has also always right to contact supervisory authority Datainspektionen Sweden for complaint.
Borås | Sweden | 2018-05-25

Appendix 1 - List of Companies

Company name	Company id no	Country
Rudholm Group Holding AB	556535-0849	Sweden
Rudholm & HK AB	556254-3735	Sweden
Rudholm & Haak (HK) Ltd	702134	Hong Kong
Rudholm UK Ltd	03913445	UK
Rudhom Tekstil Aksesaur	7350689537	Turkey
Bamatex AB	556521-7592	Sweden



www.rudholmgroup.com

Please only print this PDF if it is necessary.
Every unprinted PDF helps the environment.



WE CARE

We are always trying to find ways to reduce our impact on the environment. This is why we've ensured our packaging can be reused or recycled. www.rudholmgroup.com