

Stockholm, 12 April 2022

Pandox Fair Play
Code of Conduct
for Business
Partners

This Code of Conduct for Business Partners was adopted by the Board of Directors of Pandox Aktiebolag (publ) (reg. no. 556030-7885) on 12 April 2022.



Purpose and ambition

Pandox is committed to conducting business in a responsible and sustainable way, and this commitment includes Pandox's whole value chain. As such, the purpose of this Code of Conduct for Business Partners is to establish a common approach among business partners in accordance with Pandox's values. The Code of Conduct for Business Partners ("the Code") sets out the guiding principles and the expectations that Pandox has of its business partners, including suppliers.

Pandox has a long-term perspective and endeavours to maintain lasting relationships with its business partners. Through the Code and by respecting good business ethics and sound business practices, Pandox wants to promote a sustainable society in which businesses take economic, social and environmental responsibility.

This Code outlines the minimum requirements that Pandox expects business partners to respect in their business relations with Pandox. The Code is based on the Ten Principles of the UN Global Compact¹ and its underlying conventions and declarations covering human rights, labour rights (ILO), environmental protection and anti-corruption.

Business partners must comply with applicable legislation in the countries where they operate. Where this Code is in direct conflict with national legislation, national legislation must always prevail. However, if the Code sets out stricter requirements than national legislation, this Code is to take precedence.

Scope and responsibility

This Code applies to all parties with which Pandox conducts business – such as suppliers, business partners and contractors, including subsidiaries and subcontractors. These are referred to hereinafter as "business partners". The Code further applies to all of the business partners' employees, whether permanent or temporary, as well as to agency workers ("employees"/"workers").

Pandox expects its business partners to comply with the Code and to work actively and systematically to ensure that any subcontractors they use in their supply chain and any parties who otherwise perform services or are involved in assignments for Pandox also comply with the Code. The business partner is responsible for ensuring that suppliers in their supply chain adhere to the requirements set out in this Code.

Pandox's Senior Vice President and Director of Sustainable Business is responsible for the content of the Code of Conduct, for any required updates to the Code and, together with the respective manager, for its implementation in the organisation. The Policy is adopted annually by Pandox's Board of Directors and is available on the Company's website.

Human rights

Sexual exploitation, prostitution and human trafficking

Pandox has zero tolerance towards criminality or any form of sexual exploitation, prostitution or

¹ [UN Global Compact](#)



human trafficking. Suspicious activities are to be reported to hotel management. Pandox cooperates with the police and local authorities to combat crime.

Fair and equal treatment

Business partners must treat all employees with respect and dignity and must protect workers' right to privacy and home life. The business partner must not discriminate on the grounds of ethnicity, gender, sexual orientation, marital, social or parental status, religion, political views, nationality, disability, medical status, age or union affiliation. Psychological, physical, sexual or verbal abuse, intimidation, threat or harassment of any kind will not be tolerated.

Privacy and information security

The business partner must ensure that personal data relating to any kind of observations or information compiled or received concerning customers, hotel guests, employees and other relevant parties is protected. Confidential information regarding Pandox's business or the activities of guests and customers may only be used for its intended purpose. Business partners must protect confidential information and take appropriate technical and organisational measures to prevent loss, misuse, unauthorised access, alteration or disclosure, including inappropriate communication or disclosure of information to third parties.

Labour rights

Child labour and young workers

The use of child labour is strictly prohibited and Pandox does not accept child labour being used at any point in the supply chain. If the business partner employs young workers below the age of 18, the business partner must ensure that the young worker does not carry out hazardous or heavy work and does not work overtime or night shifts. The minimum working age shall be in line with national legislation and shall not be lower than the age at which compulsory education is completed.

Forced labour

All work must be voluntary, and workers should be free to leave work or terminate their employment upon reasonable notice. As such, the business partner must not use physical punishment, confinement or threats of violence, or exert control over the workers such as by confiscating their identity documents or any other documentation or through the depositing of money or similar that prevents workers from voluntarily resigning.

Employment terms

All employees are entitled to written employment contracts, in a language they understand, specifying their terms of employment and how it may be terminated. Business partners must not circumvent their employer responsibilities by contracting or subcontracting workers, using home workers or interns, or through similar arrangements.

Freedom of association and collective bargaining

All employees should be free to form, join or not join a trade union or employee organisation of their choice. Employees should also have the right to bargain collectively without fear of reprisals.

Working hours

The business partner must ensure that a normal working week does not exceed 48 hours and that overtime is voluntary. Overtime should be consensual and limited to ensure decent working conditions.

Wages and benefits

Employees have the right to equal pay for equal work. The business partner must ensure that all employees are paid a fair wage, i.e. at least the minimum wage according to national legislation. The business partner must compensate employees for overtime work and provide all employees with adequate insurance and benefits. If there is no statutory minimum wage, Pandox expects the business partner to pay wages in accordance with collective agreements in force.

Health and safety

The business partner must provide employees with a safe and healthy work environment by working systematically to protect their health and safety. Risk assessments are to be conducted regularly to identify hazards in the work environment, followed by the implementation of measures to prevent identified risks. The business partner must ensure that the premises have sufficient fire protection, that machinery is equipped with safeguards and that personal protective equipment is provided to employees at the company's expense. Employees are to be provided with regular training in health and safety. Work-related accidents must be reported and investigated, with preventive measures being introduced.

Environmental protection

Precautionary approach

The business partner must adopt a precautionary approach towards environmental and climate matters. The use and development of environmentally smart technology should be promoted, and business should be conducted with as little impact on the environment and public health as possible.

Energy and greenhouse gas emissions

Energy should be used responsibly, with the aim of reducing and optimising energy use and improving energy efficiency. The business partner is to regularly monitor energy use and prioritise the use of renewable energy sources as far as possible. The business partner must also endeavour to minimise greenhouse gas emissions by identifying, monitoring, controlling and managing greenhouse gas emissions from their operations. This also includes choosing the means of transport that has the least negative impact on the environment.

Emissions

As far as possible the business partner must identify, monitor, control and manage emissions to air, water and soil as well as the waste generated by its operations. The business partner should also endeavour to reduce waste and to increase its reuse and recycling of resources. Water is to be used responsibly, and the business partner must endeavour to reduce its consumption and ensure that the water is treated in an appropriate way.

Chemicals and hazardous substances

Chemicals and hazardous substances are to be eliminated where possible and otherwise kept to an absolute minimum. When using chemicals or hazardous substances, the business partner should ensure safe handling, storage and disposal of the substances. All substances must be properly and clearly labelled. Material Safety Data Sheets (MSDS) shall be easily available. The business partner must restrict and substitute hazardous substances in accordance with the EU's REACH² regulation and RoHS³ directive.

Business ethics and anti-corruption

Business integrity

All kinds of corruption, including but not limited to bribery, facilitation payments and nepotism, are strictly prohibited. Business partners must endeavour to prevent, detect and remedy financial crime, including but not limited to extortion, money laundering, terrorist financing and fraud.

The business partner is to develop and implement an anti-corruption policy as well as internal control measures. Anti-corruption training is to be provided to managers and to employees working in positions with a high risk of being vulnerable to corruption, such as purchasing, sales and financial transactions.

Bribery and gifts

The business partner must not – whether directly or indirectly through an intermediary – demand, offer, ask for, promise, give or accept a gift or undue advantage in exchange for business or other benefits from any party. Gifts with a monetary value, gift cards, cash or other gifts that could be considered cash equivalents are always considered inappropriate.

Corporate hospitality and gifts are to be characterised by transparency and moderation. Providing, promising or offering a benefit to a person who exercises authority or makes decisions on procurement is not permitted.

Conflicts of interest

Business decisions must not be motivated or influenced by personal relationships or interests. This also applies to hiring practices, including nepotism and cronyism. The business partner must not enter into financial or other relationships with a party if there is a risk of a conflict of interest and objectivity cannot be ensured. The business partner is to identify where conflict of interest could potentially arise, document such situations and take measures to manage the situations identified. In the event of a conflict of interest the business partner must take precautionary measures and inform Pandox of the situation.

Fair competition

² The REACH regulation concerns the registration, evaluation, authorisation and restriction of chemicals. REACH also contains requirements for users of chemicals, which were not present in previous legislation.

³ The RoHS directive aims to restrict and replace the use of hazardous substances in electrical and electronic equipment. The directive also aims to improve opportunities for profitable and sustainable materials recycling from electronic waste.



The business partner must respect free trade agreements and legislation on competition, which means that taking part in price cartels, market distortion or other types of cartel or price influence is strictly prohibited. The business partner must ensure that all taxes are paid in all local countries of operation, and that no transfer pricing manipulation or abusive transfer pricing occurs. The business partner must not pay or accept kickbacks or facilitation payments, and must prevent direct or indirect financial crimes such as money laundering, fraud or embezzlement by having a process in place for identifying and handling such incidents.

Intellectual property

Business partners may only use Pandox's intellectual property – such as trade secrets, copyrights, patents and trademarks – as permitted by agreement and must not misappropriate or infringe upon the intellectual property of others.

Accounting and reporting

All transactions are to be reported in accordance with generally accepted accounting standards, and accounting records must accurately reflect the transactions made. Business partners must prepare their financial reports in a timely manner and in a way that presents fairly the company's accounts and financial performance.

Follow-up and compliance

Pandox reserves the right to request that the business partner completes a self-assessment questionnaire. In addition, Pandox reserves the right to collect sustainability data from the business partner and to conduct announced audits to observe the business partners' operations and sustainability performance. The audits may be performed by Pandox employees or by a third party appointed by Pandox. The business partner must ensure that this is also made possible at its subcontractors.

Where a deviation from the Code is identified, the business partner must produce a corrective action plan for Pandox to approve. The plan will then be monitored together.

Pandox reserves the right to terminate the contract with the business partner in the event of material breach of the obligations outlined in this Code or of the underlying conventions and declarations on which the Code is based, irrespective of any action plan produced.

Business partners covered by the Code must be able to confirm, through an authorised representative, that the business partner has read and understood the Code and pledges to comply with it.

Whistleblowing service

A whistleblowing service is available via Pandox's website and allows business partners to report serious breaches of the guidelines in this Code.

Should the actions of the business partner be in breach of the Code or should the business partner become aware that a Pandox employee has acted in breach of this Code, the business partner may



inform the relevant Pandox representative by reporting the incident or suspected incident anonymously. See Pandox's Whistleblowing Guidelines. The guidelines are available on Pandox's website and can be accessed through the following link: <https://report.whistleb.com/en/Pandox>

Reports of potential breaches of the Code will be treated in confidence and investigated in accordance with the appropriate procedure.

For more information about Pandox's sustainability work see www.pandox.com/sustainability