

CODE OF CONDUCT

RAPUNZEL OF SWEDEN AB

CORE VALUES AND MISSION

The purpose of this Code of Conduct is to clarify Rapunzel's attitude and commitment to suppliers, partners and Rapunzel employees

Rapunzel's Code of Conduct forms the basis for the everyday decisions made in operations that affect the environment, people and society. We require that all employees and contractors comply with applicable laws, regulations and other applicable ethical standards. Employees and suppliers are required to keep abreast of changes in the code of conduct. Supervisors and managers expected to lead by example.

The Code of Conduct is based on internationally recognized conventions on human and labour rights, and international environmental regulations.

Who is covered by the Code of Conduct

Rapunzel's Code of Conduct applies to all Rapunzel employees and, where applicable, Rapunzel suppliers.

Core values and ethical conduct

Rapunzel's core values are quality, service, teamwork and safety. These values should permeate the daily work, such as the cultivation of Rapunzel's resources and in collaboration with customers, suppliers and competitors. Rapunzel strives to deliver products and services of the highest quality where products are developed with both ethical and environmental considerations.

Vestiges of the law

Rapunzel, its employees and suppliers shall comply with applicable laws and regulations, including but not limited to those concerning employment, discrimination, health, safety, competition, fraud, corruption, bribery and environmental protection.

Rapunzel strives to enter into relationships with customers and suppliers who have sound business character and reputation. Rapunzel does not support organizations that violate labour and environmental legislation or hinder free competition.

Vestiges of the Code of Conduct

Suppliers where failure to follow the Code of Conduct may be grounds for terminating the agreement between Rapunzel and the supplier.

GLOBAL BUSINESS DEALS AND APPLICABLE LAWS

Rapunzel conducts business in many countries. Consequently, our business is subject to numerous countries' laws and regulations. A challenge for us is to understand how these laws apply to our business. A country's laws can affect Rapunzel activity anywhere in the world. Rapunzel will not have any practices contrary to local laws or regulations. In the event that Rapunzel should have practices contrary to local laws or regulations, the local laws and regulations shall prevail.

Competition Legislation

In most countries there is a competition law. Competition law aims to ensure that markets for goods and services can compete effectively so that customers can enjoy the benefits of open competition amongst their suppliers, and so that vendors may similarly benefit from competition between their purchasers. In some countries, violation of competition laws leads to substantial civil liability. Additionally, breaches of competition law are often treated as criminal acts that can result in criminal liability for both the company, in the form of fines, and individuals in the form of fines and imprisonment.

Some documents almost always incite a breach of competition laws. Employees and other representatives of Rapunzel should pay particular attention to such behaviour and proactively prevent such conduct. Examples of documents that are considered to constitute violations of competition laws are:

- price fixing or other economic terms for fundamental marketing stages of the sale, purchase, supply or service licensing, or to use an agreed method for pricing, or establishing conditions with underlying marketing process regarding the sale or purchase;
- fix prices, to exchange sensitive information, distribute or restrict customer base, geographies, products, or services between competitors.

For example, it is forbidden to enter into agreement with customers regarding the minimum sale price or price levels (eg discounts) on Rapunzel's goods or services at its resale.

International Business Activities

Laws and customs vary throughout the world, but all employees must do their utmost to maintain the integrity of Rapunzel in all countries where the company is in some form present, even if represented through a supplier.

Sanctions and trade embargoes

Employees must abide by all economic sanctions or trade embargoes necessary under applicable laws, whether they apply to other countries or particular foreign individuals and legal entities. Inquiries as to whether a transaction complies with applicable sanctions and trade embargoes should be directed to Rapunzel Management.

SAFETY, HEALTH AND ENVIRONMENTAL POLICY

Safe practices, healthy working conditions and environmental protection are fundamental to achieving sustainable profitability and continuity for our company and our employees.

- We are committed to continuous improvement in our processes for security management, health and environmental concerns.
- Our environmental guidelines and objectives at a minimum will strictly comply with all applicable laws and regulations.

See also under section below.

COMPLAINTS PROCEDURE

Failure to report criminal activity could jeopardize our business, so we encourage personnel to report suspected criminal activity without delay. The same applies if employees or suppliers deviate in other ways from the Code of Conduct.

SPECIFICALLY FOR RAPUNZELS SUPPLIERS

Rapunzel's relationship to their suppliers is based on full transparency about where and how products are made. Rapunzel has no manufacturing facilities of their own instead choosing to purchase from selected suppliers worldwide. For us at Rapunzel it is very important that our products are safe, of high quality, do not contain any hazardous substances and that they have been produced or purchased in an ethical manner.

Rapunzel expects suppliers to apply what is stated in this Code of Conduct in their own business as much as possible but sets out specific requirements in this section for its suppliers regarding, for example, working conditions and environment.

While Rapunzel recognizes that there are different legal and cultural environments in which Rapunzel suppliers operate, this section of the Code states the basic requirements that all suppliers must meet in order to do business with Rapunzel. The conditions set out in the Code of Conduct are only minimum requirements.

Rapunzel's suppliers are responsible for ensuring that all the factories or suppliers that are involved in the supply and manufacture of products to Rapunzel follow the Code of Conduct, whether the provider is the legal owner of the factory or not.

General Principles

Suppliers that provide or manufacture products for Rapunzel shall act in full compliance with all applicable laws, rules and regulations, including but not limited to those related to work and workers' health and safety. Should any of the following requirements of this Code of Conduct conflict with applicable mandatory national law in any country or territory where production takes place, the national legislation must always be observed. In such cases, the supplier must immediately inform Rapunzel upon receipt of this Code of Conduct or when the relevant mandatory national legislation is implemented.

It must be emphasized that the demands of Rapunzel in this Code of Conduct are not limited by the requirements of non-mandatory national law.

Rapunzel's suppliers must comply with the relevant conventions of the UN and international agreements, such as ILO core Conventions 29 (forced labor), 87 (freedom of association), 98 (Right to Organise and Collective Bargaining), 100 (Equal pay for equal work), 105 (Abolition of forced labor), 111 (Discrimination), 138 (minimum age) and 182 (Elimination of the worst forms of Child Labour). Other established social rules and principles of international law than those listed in this Code of Conduct shall also be considered and included in the scope of this Code of Conduct.

The supplier must permit Rapunzel and / or any of its representatives unlimited access to its and its suppliers' facilities and to all relevant records at all times, regardless of whether the application is made in advance of Rapunzel or its representatives or not.

Employment and Discrimination

Rapunzel suppliers will strive to give all employees a legally binding written contract of employment, duly signed by the supplier and the employee. An employment contract shall include information about the employee's responsibilities, salary, working hours, holidays, sick pay and absenteeism. Temporary employees should receive the same benefits as permanent employees.

The supplier must work to ensure that all employees should have the opportunity to social security and pension benefits.

The supplier must work to ensure that all the employees should have the opportunity for regular medical care benefits.

Rapunzel suppliers will strive to create a workplace based on respect and non-discrimination. Suppliers shall employ workers on the basis of their ability to do the job, and never because of their faith, race, colour, gender, nationality, religion, age, maternity, marital status, or the like.

Rapunzel suppliers should pay workers' wages and provide benefits and development opportunities without regard to creed, race, colour, sex, nationality, religion, age, maternity, marital status, or the like.

Child Labour

A "child" in this context is a person younger than fifteen (15) years or, as an exception, fourteen (14) years in countries covered by article 2.4 of ILO core convention No. 138 (minimum age).

Rapunzel providers must not use child labour, in violation of local laws in the countries or the UN Convention on the Rights of the Child, Article 32.1. Every worker employed by the supplier should meet the applicable statutory requirement of minimum age.

Rapunzel providers are encouraged to develop legal apprenticeship programs in the workplace to ensure training opportunities for their workers, provided that all participants meet the requirement of minimum age.

Rapunzel's suppliers must comply with all applicable laws regarding child labour, including those relating to employment, wages, working hours, overtime and working conditions.

Rapunzel providers shall maintain official documentation for verification of each worker's date of birth.

Wages and working hours

Rapunzel providers must ensure that working hours, wages and overtime pay comply with all applicable local laws.

Workers will be paid the higher of the statutory minimum wage and overtime pay as well as salary and overtime pay according to local industry standards.

Rapunzel suppliers shall conduct their operations in ways that limit overtime to a level that ensures human and productive working conditions. The supplier must strive to ensure that overtime is voluntary. The supplier must pay the workers for overtime worked.

Rapunzel suppliers shall not demand, according to the regular schedule, a working week of 60 hours, including overtime. Workers must also have at least one free day per 7 day week.

Rapunzel suppliers will work to be able to offer their employees at least 14 days holiday per year.

Rapunzel suppliers shall provide paid vacation, sick leave, maternity leave or other holiday as required by law or, if greater, that which meets the local industry standard. If such legal requirements or industry standards are not available, the supplier should aim to be able to provide that which is stated.

Rapunzel's suppliers must give employees a payslip for each pay period, including the number of days worked, wage or piece rate earned per day, overtime hours and overtime pay, bonuses, allowances and legal deductions, if any.

Working Conditions

Rapunzel suppliers shall treat all workers with respect and dignity and provide them with a safe and healthy environment.

Rapunzel's suppliers must comply with all applicable local laws and regulations regarding working conditions, including health and safety, sanitation, fire safety, risk protection and electrical, mechanical and structural safety.

Rapunzel providers may not use corporal punishment or any other form of physical or psychological coercion, such as threats of violence, sexual harassment or other abuse.

Supplier's factories should be sufficiently lighted and ventilated; there must be windows, fans and / or air conditioners and / or heaters in all work areas for adequate circulation, ventilation, and temperature control.

There should be enough clearly marked exits allowing an orderly evacuation in case of fire or other emergencies. Exits shall be kept free of obstructions and remain accessible and unlocked during all working hours.

Fire extinguishers must be regularly maintained and kept charged, visible and accessible to all workers.

Rapunzel suppliers shall provide adequate drinking water for all workers and allow reasonable access to it throughout the working day.

Rapunzel suppliers shall maintain clean and sanitary toilet areas during working hours and put reasonable limits on their use.

Rapunzel suppliers shall strive to avoid giving employees who are younger than 18, disabled or pregnant or breastfeeding workers tasks that expose them to risks (such as handling chemicals).

Organisation and union rights

Employees have the right to join associations of their choice. The supplier shall not interfere with workers who wish to lawfully organize or bargain collectively. Decisions not to do so should be taken solely by the workers. Representatives of trade unions should be admitted to the supplier site and factories.

Human Hair Material

The supplier guarantees that the hair found in Rapunzel's products is collected on commercial terms and for fair market compensation. Sales of hair from individuals should be entirely voluntary. No undue inducement may be present, either from suppliers or other third parties. The supplier is responsible for the statutory terms, even towards subcontractors.

Environment

Rapunzel's products shall be manufactured with respect both to the environment and to the health and safety of all people involved in the process, from suppliers' employees to our own employees and customers.

As part of achieving this, Rapunzel will educate and inform staff on environmental issues if necessary so that they are involved in environmental issues and comply with environmental legislation and other environmental related activities.

Rapunzel strives to reduce the environmental impact of the manufacture and transport of our products by following up with our suppliers to continuously improve their operations in accordance with our environmental standards.

Long and short term goals, with local adaptations, shall be implemented in order to aim for continued prevention of pollution by suppliers as well as to motivate suppliers to continue improvement of direct and indirect environmental effect and to behave in a way that enables sustainable development.

Rapunzel shall set the following requirements from their suppliers:

Rapunzel's suppliers must comply with local environmental legislation. Regardless of the requirements set out in local legislation, the supplier must work to ensure the minimum standards set out in the section below in this Code of Conduct.

Rapunzel suppliers will work to develop an environmental plan. The environmental plan shall include environmental concerns and considerations about how the supplier plans to manage environmental risks. The use of land and toxic materials shall be documented. The environmental plan shall be reviewed regularly.

Rapunzel suppliers will work to reduce waste and encourage the collection and recycling of raw materials.

Rapunzel suppliers will strive to ensure that wastewater does not affect the quality of fresh water, groundwater, soil or food. They must also work to ensure that water and energy resources are used to a minimum and also increase the use of renewable energy sources.

Rapunzel suppliers will ensure that materials that are hazardous to the environment are clearly marked. When handling these materials, care must be taken, and only authorized

personnel are allowed to handle the material. These materials should be stored in a safe place; in order to protect workers and the environment.

Rapunzel suppliers will strive to take the environment into account when making business decisions.