# Supplier Code of Conduct

The Supplier Code of Conduct describes the rules and direction for the behaviour that is required and expected of our suppliers in order to prevent or minimize the adverse impact as well as increase the positive effect of our business activities.[1]

We perceive this work and the cooperation with our suppliers as a running process, which essentially never ends. Change takes time, but we expect our suppliers to always take steps in the right direction to ensure continuous improvement.

The expectations and requirements related to the Supplier Code of Conduct can vary depending on sector and type of product. Some products will have a greater adverse impact, as well as bigger risks related to the production than others. JYSK is prioritizing the effort and focus on the products, that has the greatest significance to JYSK and where JYSK believes, the biggest difference can be made.

Compliance with national and international legislation is essential and will be considered the minimum requirement for all suppliers. It will at all times be the supplier's responsibility to ensure that legal compliance is respected simultaneously with the Supplier Code of Conduct. Especially environment and climate are heavily regulated areas under continuous development, and it is therefore important that all suppliers remain updated and prepared to comply with future legislation and requirements.

To fulfill its obligations under the EU Directive 2024/1760 (CSDDD), JYSK commits to strengthening its risk-based Human Rights and Environmental Due Diligence (HREDD) across its own operations and with respect to its business partners.

By conducting business with JYSK, suppliers agree to comply with this Supplier Code of Conduct and support responsible business practices in human rights and environmental protection. Furthermore, suppliers of Goods not for resale (GNFR) and JYSK products (products for sale in JYSK), must comply with amfori BEPI Code of Conduct (*JYSK 10220*) and amfori BSCI Code of Conduct (*JYSK 10221*).

Suppliers commit to the following principles:

## People

**Social Management System and Cascade Effect**

- Adopt and publicly communicate a written human rights policy statement, in line with the complexity and size of operations, approved at the most senior level.
- Implement a process- and risk-based due diligence management system in their business practices in line with the UNGPs, and adjusted to the business model of the company. The expectations set in this Code of Conduct should be embedded in the system.
- Actively communicate their endorsement of JYSK Supplier Code of Conduct through all the functions in their company, as well as to their business partners and relevant stakeholders.

[1] The Supplier Code of Conduct applies to all business partners upstream the value chain, meaning suppliers, producers, agents, and traders.

- Train and incentivize all relevant departments and individuals in a manner that allows them to integrate the principles of responsible and gender-responsive business and purchasing practices in the company culture, and cascade it to their business partners.
- Require their business partners to cascade the information to the relevant business partners and stakeholders in the supply chain.
- Require and follow-up with their business partners to work towards full observance of JYSK Supplier Code of Conduct within the sphere of their influence, including intermediaries that are involved in the worker recruitment process, such as brokers, recruiters and recruitment agencies.
- Include all workers in their due diligence, especially the vulnerable parts in their supply chain such as home-based workers, smallholders, as well as temporary and migrant workers; identify the challenges at these levels, and partner with JYSK and other relevant stakeholders for improvements.
- Have the strategy, processes, and sufficient resources in place to meet the responsibilities related to JYSK Supplier Code of Conduct and ensure that there is continuous improvement in its implementation.
- Exercise responsible and gender-responsive purchasing practices, and avoid putting their business partners in a position that prevents them from adhering to JYSK Supplier Code of Conduct.

**Workers Involvement and Protection**

- Establish responsible and gender-responsive management practices that involve all workers and their representatives in sound information exchange on the due diligence process.
- Define long-term goals to protect workers in line with the aspirations of JYSK Supplier Code of Conduct.
- Take specific steps, such as trainings, to make workers aware of their rights and responsibilities, with special attention to vulnerable persons. When relevant, intermediaries such as brokers, recruiters, and recruitment agencies should play an active role in achieving these steps.
- Build sufficient competence among the managers, workers, and worker representatives within their company, as well as in the supply chain, in order to embed JYSK Supplier Code of Conduct in their company culture, and promote continuous education and training at each level of work.
- Establish or participate in effective operational-level grievance mechanisms for individuals and communities who may be adversely impacted, and maintain accurate records. The operational-level grievance mechanism must be in line with UNGP Article 31. Where relevant (e.g. when a migrant worker population is present), the operational-level grievance mechanism should be accessible in relevant local languages, and should allow to address and remedy the issues effectively across jurisdictions through partnerships and coordination.
- JYSK suppliers are expected to convey the same expectation on access to grievance mechanisms for individuals and communities to their suppliers.

**The Rights of Freedom of Association and Collective Bargaining**

- Respect the right of workers to form and join trade unions – or to refrain from doing so – and bargain collectively, in a free and democratic way, without distinction whatsoever and irrespective of gender.
- Ensure meaningful representation of all workers, without distinction whatsoever and irrespective of gender.
- Not discriminate against workers because of trade union membership.
- Not prevent workers' representatives and recruiters from having access to workers in the workplace or from interacting with them.
- Respect this principle by allowing workers to freely elect their own representatives with whom the company can enter into dialogue about workplace issues, when operating in countries where trade union activity is unlawful or where free and democratic trade union activity is not allowed.

**No Discrimination, Violence or Harassment**

- Treat all workers with respect and dignity.
- Ensure that workers are not subject to any form of violence, harassment, and inhumane or degrading treatment in the workplace, as well as threats of violence and abuse, including corporal punishment, verbal, physical, sexual, economic or psychological abuse, mental or physical coercion, or other forms of harassment or intimidation.
- Understand the possible grounds for discrimination in their specific context, and not discriminate or exclude persons based on sex, gender, age, religion, race, caste, birth, social background, disability, ethnic and national origin, nationality, membership in unions or any other legitimated organisations, political affiliation or opinions,

- sexual orientation, family responsibilities, marital status, pregnancy, diseases, or any other condition that could give rise to discrimination.
- Establish disciplinary procedures in writing and explain them verbally to workers in terms and language which they understand. The disciplinary measures must be in line with national legislation.
- Provide gender-sensitive and equal opportunities and treatment throughout recruitment and employment.
- Verify that workers are not harassed, disciplined, or retaliated upon for reporting issues on any of the grounds listed above.

**Fair Remuneration**

- Comply, as a minimum, with wages mandated by governments' minimum wage legislation, or industry standards approved based on collective bargaining, whichever is higher. The wages shall refer to standard working hours.
- Pay wages in a regular, timely and stable manner, and fully in legal tender. Partial payment in the form of allowance "in kind" is only accepted in line with ILO specifications.
- Assess the pay gap accurately, and work progressively towards the payment of a living wage that is sufficient to afford a decent standard of living for the workers and their families.
- Reflect the skills, responsibility, seniority, and education of workers in their level of wages.
- Where a pay rate for production, quota or piece work, is established, allow workers to earn at least a wage which respectively meets or exceeds applicable legal minimum wages, industry standards, or collective bargaining agreements (where applicable) within standard working hours.
- Ensure that workers of all genders and categories, such as migrant and local workers, receive the same remuneration for equal jobs and qualification.
- Implement deductions only under the conditions and to the extent allowed by law or fixed by collective agreement.
- Provide the workers with the social benefits that are legally granted, such as without negative impact on their pay, level of seniority, position, or promotion prospects.

**Decent Working Hours**

- Ensure that workers are not required to work more than 48 standard hours per week, without prejudice to the specific expectations set out hereunder. Exceptions specified by the ILO are recognized.
- Interpret applicable national legislation, industry benchmark standards or collective agreements within the international framework set out by the ILO, and promote working hour practices that enable a healthy work-life balance for the workers.
- Only exceed the limit of hours described above in line with exceptional cases defined by the ILO, in which case overtime is permitted.
- Use overtime as an exceptional and voluntary practice, paid at a premium rate of minimum 125% of the standard rate. Overtime shall not represent a significantly higher likelihood of occupational hazards, and in no circumstance go the limits defined under national legislation.
- Grant their workers the right to resting breaks in every working day and the right to at least one day off in every seven days, unless exceptions defined by collective agreements apply.

**Occupational Health and Safety**

- Respect the right to healthy working and living conditions of workers and local communities, without prejudice to the specific expectations set out hereunder. Vulnerable persons, such as - but not limited to - young workers, new and expecting mothers and persons with disabilities, shall receive special protection.
- Comply with national occupational health and safety legislation, or with international standards where national legislation is weak or poorly enforced.
- Ensure that there are systems in place to assess, identify, prevent, and mitigate potential and actual threats to the health and safety of workers.
- Train all departments and individuals on occupational health and safety regularly throughout all stages of employment, and provide information on potential occupational health and safety risks to workers and public, including affected communities.
- Take effective measures to prevent workers from having accidents, injuries, or illnesses, arising from, associated with, or occurring during work. These measures aim at minimizing, so far as is reasonable, the causes of hazards inherent within the workplace.
- Seek improving workers' protection in case of accident, including through compulsory insurance schemes.

- Maintain records of all health and safety incidents in the workplace and all other facilities that are provided or mandated.
- Take all appropriate measures, and obtain all relevant licenses and documentation required by national legislation, to see to the stability and safety of the equipment and buildings they use, as well as to protect against and prepare for any foreseeable emergency. This includes residential facilities for workers when these are provided or mandated by the employer or a recruitment partner.
- Establish relevant committees, such as an Occupational Health and Safety Committee, to ensure active co-operation between management and workers, and/or their representatives for the development and effective implementation of systems that ensure a safe and healthy work environment. These committees aim to represent the diversity of the workers.
- Provide awareness to workers, and respect their right and responsibility to exit the premises and/or stop working without seeking permission in dangerous situations and uncontrolled hazards.
- Provide adequate occupational medical assistance and related facilities and provide equal access to all workers for these services. Health services (including insurance) should serve the distinctive concerns and needs of all genders and ages.
- Provide access to safe and clean drinking water, and eating and resting areas free of charge, and where applicable, provide access to cooking and food storage areas.
- Provide an adequate number of safe, separate toilets with adequate level of privacy for all genders, and paper towels and washbasins with hand soap in all work areas.
- Ensure that when residential facilities are provided or mandated, they are clean and safe, and they meet all the basic needs of the workers.
- Provide effective and tailored Personal Protective Equipment (PPE) to all workers free of charge, taking the needs of different worker categories, such as pregnant and nursing women, into consideration.
- Compensate the damages incurred to the workers on the occasion that historical or actual failure of adherence to principles is identified.

**No Child Labour**

- Not employ, directly or indirectly, children below the minimum age of completion of compulsory schooling as defined by law, which shall not be less than 15 years, unless the exceptions recognised by the ILO apply.
- Protect children from any form of exploitation.
- Establish robust age-verification mechanisms as part of the recruitment process, which may not be in any way degrading or disrespectful to the worker.
- Take special care and identify measures in a proactive manner in case of the dismissal and removal of children, to ensure the protection of affected children.

**Special Protection for Young Workers**

- Ensure that young persons do not work at night and that they are protected against conditions of work which are prejudicial to their health, safety, morals, and development, without prejudice to the specific expectations set out in this principle.
- Remove young workers from any hazardous work or source of hazard immediately when such cases are identified, and redefine their scope of work without any loss of income.
- Ensure that (a) the kind of work is not likely to be harmful to young workers' health or development; (b) their working hours allow their attendance in school, their participation in vocational orientation approved by the competent authority or their capacity to benefit from training or instruction programmes.
- Set the necessary mechanisms to prevent, identify and mitigate harm to young workers, with special attention to the provision and access of young workers to effective operational grievance mechanisms and to Occupational Health and Safety trainings schemes and programmes specific to the needs of young workers.

**No Precarious Employment**

- Ensure that, their recruitment process and employment relationships do not cause insecurity and social or economic vulnerability for their workers.
- Ensure that work is performed on the basis of a recognised and documented employment relationship, established in compliance with relevant national legislations, custom or practice, and international labour standards, whichever provides greater protection.
- Before entering employment, provide workers with understandable information in their own language and ensure that they are aware about their rights, responsibilities, and employment conditions, including working hours, remuneration and terms of payment in their own language.

- Aim at providing decent, and where relevant, flexible working conditions that also support workers, irrespective of gender, in their roles as parents or caregivers, including migrant and seasonal workers whose children may be left in their hometowns.
- Not use employment arrangements in a way that deliberately does not correspond to the genuine purpose of the law. This includes - but is not limited to - (a) apprenticeship or training schemes where there is no intent to impart skills or provide regular employment, (b) seasonality or contingency work when used to undermine workers' protection, (c) labour-only contracting, and d) contract substitution.
- Not use subcontracting in a way that undermines the rights of workers.

**No Bonded Labour, Forced Labour or Human Trafficking**

- Not engage in, or through business partners, be complicit to, any form of servitude, forced, bonded, indentured, trafficked or non-voluntary labour, including state-imposed forced labour.
- Adhere to international principles of responsible recruitment, including the Employer Pays Principle, and require the same from their recruitment partners, when engaging and recruiting all workers, either directly or indirectly, especially members of vulnerable groups such as temporary and migrant workers.
- As a minimum, this includes:
    - No recruitment fees and costs are charged to workers
    - Clear and transparent employment contracts
    - Workers' freedom from deception and coercion
    - Freedom of movement and no retention of identity documents
    - Access to free, comprehensive, and accurate information
    - Freedom to terminate contract, change employer, and safely return
    - Access to free dispute resolution and effective remedies
- Progressively compensate the damages incurred to the workers within a reasonable timeframe, and within the framework of the same international principles, if historical or actual failure of adherence to principles is identified.

**Ethical Business Behaviour**

- Not take part in any act of corruption, extortion or embezzlement, nor in any form of bribery - including but not limited to - the promising, offering, giving or accepting of any improper monetary or other incentive.
- Develop and adopt adequate internal controls, programmes or measures for preventing and detecting corruption, extortion, embezzlement or any form of bribery, developed on the basis of a company-specific risk assessment.
- Keep accurate information regarding their activities, structure and performance, and disclose these in accordance with applicable regulations and industry benchmark practices to enhance transparency of their activities,
- Not falsify, or participate in falsifying any information or in any act of misrepresentation in the supply chain.
- Provide awareness to the workers about the policies, controls, programmes and measures against unethical behaviour, and promote compliance within the company through trainings and communication,
- Collect, use, and otherwise process personal information (including that from workers, business partners, customers and consumers in their sphere of influence) with reasonable care. The collection, use and other processing of personal information must comply with privacy and information security laws and regulatory requirements.
- JYSK takes a zero-tolerance approach towards bribery and corruption and is committed to act professionally in all of its business dealings and relationships. JYSK's anti-bribery policy reflects our commitments to uphold all laws relevant to countering bribery and corruption. In particular JYSK and third parties acting on behalf of JYSK, i.e. suppliers, distributers, officials etc. are committed to compliance with the UK Bribery Act 2010.

## Environmental Principles

In order to prevent or minimize our supplier's adverse effects on the environment, it is necessary to incorporate considerations to the environment in all aspects of doing business. This includes product specific considerations such as development, production, packaging, reuse- and recyclability, and other aspects such as transportation, water consumptions, energy sources etc. Therefore, JYSK expects suppliers to include environmental considerations into their own policies, procedures, procurements, targets, and value chain. It is important, that suppliers set their own targets for continuous improvement and track them over time, based on the following principles.

**Environmental Management System and legal compliance**

- Implement a process- and risk-based environmental due diligence management system in their business practices, adjusted to the business model of the company. This can also be integrated into the overall due diligence management system.
- Comply with national environmental legislation, or with international standards where national legislation is weak or poorly enforced.
- Identify the environmental impacts of their operations, and implement adequate measures to prevent, mitigate and remediate adverse impacts on the surrounding communities, natural resources, climate, and the overall environment.
- Review business partners' processes to ensure legal compliance and prevent major environmental incidents.
- Assess environmental management practices of business partners.

**Responsible use of resources**

- Minimize their resource consumption, including materials in every sense, just as material waste should be limited. This applies to the product, packaging, production materials as well as materials in day-to-day operations.
- The use of water in particular should be limited and suppliers should ensure that the production does not contaminate local water sources.
- Review water management practices in own operations and at business partners. Where possible, adopt measures to reuse resources such as water.
- Seek to increase the usage of responsible raw materials.
- Responsible use of resources should not compromise the working environment or safety of workers.

**Increase reuse and recycling**

- Consider recycling in all aspects of the production. The usage of recycled and recyclable materials in products as well as packaging will continuously be tightened by JYSK and legislation.
- This principle applies to the use of recycled materials in production, but also to ensure that potential material waste will be reused in the production when possible and that the products and packaging can be recycled after their life cycle.
- For instance, both products and packaging should be easily separable into different types of materials after use.

**Responsible chemical management**

- To prevent the adverse environmental impact caused by the use of harmful chemicals in the production, suppliers should establish effective policies and procedures on procurement, handling, and disposal of chemicals.
- When there is an option to use an alternative chemical, the supplier should choose the alternative which cumulative is less harmful to harmful for people and/or the environment.

**Responsible waste management**

- All types of waste as well as by-products from the production that cannot be reused in the production, should be managed responsibly in order to reduce the environmental impact.
- Monitor waste generation and encourage practices that divert waste to reuse and recycling.
- Hazardous waste should especially be handled and collected correctly, to avoid any spills into nature.

**Energy & Climate**

- Suppliers are expected to work on continuous improvements to lower the greenhouse gas emissions from their energy consumption.
- Initiatives can be implemented for production, logistics as well as office facilities, but should not compromise the working environment or safety of workers.
- Ensuring there are effective energy management practices in own operations and those of business partners.
- Manage emissions of Ozone-depleting and other hazardous substances.

**Reduce transportation**

- To limit the adverse climate impact of transportation of goods, suppliers should seek to reduce the amount of transportation by optimizing the degree of filling on pallets and in trucks and containers, as well as considering alternate routes in the supply chain.

**Biodiversity**

- Identify, monitor, and control adverse impacts on biodiversity and encourage measures that have positive impact.

**Nuisances**

- Identify, monitor, and control adverse impacts of noise and nuisances on the environment and local community.
- Implement corrective actions to remediate adverse nuisances on the environment.

## Animal welfare

Suppliers of products that are derived- or partly derived from animals must follow the requirements below to ensure that the sourcing of animal-based products will not cause harm to any animals.

**No animal abuse**

- Animal abuse or any kind of cruelty to animals are not tolerated. Suppliers should respect this principle throughout the entirety of the supply chain and in all stages of any animal's life, including farming, transportation, and slaughter of the animal.
- The principle applies to raw materials such as leather, fur, skins, down, feathers, silk, and wool in all products.
- Examples of animal abuse, which are not tolerated, are live plucking, mulesing, live-skinning, force feeding, trimming the beak or similar harmful methods.
- To ensure that this kind of animal abuse will not take place all leather, fur, skins, down and feathers should come from slaughtered animals, meaning animals that were supposed to be slaughtered anyway and is thus not killed solely for the raw material used in production of furniture and textile products.

## Shared commitment to due diligence

**Human Rights and Environmental Due Diligence (HREDD) Requirements**
All JYSK suppliers shall abide by the following:

- **Assessment and notification regarding adverse impacts**
  - Suppliers shall systematically assess human rights and environmental risks within their own supply chain and promptly notify JYSK of any potential or actual adverse impacts.

- **Contractual Assurances for Prevention Measures**

  **Direct Business Partners:**
  Where a potential adverse impact is identified, suppliers shall collaborate with JYSK to implement a CSDDD compliant prevention action plan.

  **Indirect Business Partners:**
  For potential adverse impacts that cannot be fully prevented or mitigated, JYSK shall seek, and direct suppliers shall facilitate contractual assurances from indirect business partners to ensure compliance with the Code of Conduct and a prevention action plan.

- **Contractual Assurances for Corrective Measures**

  **Direct Business Partners:**
  Where an actual adverse impact is identified, suppliers shall collaborate with JYSK to ensure compliance with the Code of Conduct and, where necessary, to implement a corrective action plan.

  **Indirect Business Partners (Actual Impacts):**
  For actual adverse impacts that cannot be fully remedied, JYSK shall seek, and direct suppliers shall facilitate contractual assurances from indirect business partners to ensure compliance with the Code of Conduct and a corrective action plan.

- **Contribution to preventive and corrective measures**
  - Contributions to prevention and correction action plans, as well as remediation shall be proportionate to the contribution and the capabilities of the companies involved.

**Additional HREDD obligations**

Suppliers are additionally required to:

- Integrate HREDD processes into their own operation.
- Ensure their sub-suppliers are contractually obligated to adhere to HREDD practices.
- Conduct due diligence on prospective business partners, confirm their commitment to HREDD and seek JYSK's approval when required.
- Provide comprehensive material traceability information, documentation on due diligence efforts and cooperate with JYSK audits where necessary.
- Provide access to business partners' premises and workers for audits and inspections.

- **Verification of Compliance**
  - Obligations arising for direct business partners from the Code of Conduct amount to contractual assurances.
    - JYSK shall take appropriate measures to verify compliance with Code of Conduct and all contractual assurances from direct and indirect suppliers, including third-party verification through industry or multi-stakeholder initiatives and unannounced inspections, and unannounced inspections, when there is credible suspicion of severe adverse impacts.
  - Any non-compliance identified must be remedied within a reasonable period.

**Grievance Mechanism**
JYSK provides a grievance mechanism (*Whistleblower Service | JYSK*) for employees, suppliers, supply-chain workers and external stakeholders to report concerns related to human rights violations and environmental harm.

Suppliers are required to:

- Actively communicate JYSK's grievance to their workers, stakeholders and business partners and provide them unrestricted access.

All grievances shall be handled confidentially and in accordance with due process.

Utilizing JYSK's mechanism shall not limit the ability to pursue additional legal remedies if necessary.

Suppliers shall ensure that no individual faces retaliation for reporting concerns through the Grievance mechanism, or other channels.

**Responsible Termination and Exit**
Failure to comply with HREDD obligations constitutes a default, requiring corrective action within an agreed timeframe. If unresolved, this is considered a breach of contract.

In case of a material breach or unresolved default, JYSK reserves the right to as a last resort suspend or terminate any contractual relationship, provided that reasonable notice is given, and such action is in strict accordance with the applicable provisions of the CSDDD.

**Continuous Improvement and Policy Review**
JYSK is committed to continuous improvement in human rights and environmental due diligence. This Supplier Code of Conduct will be reviewed and updated regularly to reflect regulatory developments, industry best practices, and lessons learned from implementation.

Contact: compliancequality@JYSK.com
Version: 2025-07