

Musti Group: Supplier Code of Conduct

1. Introduction

Musti Group is the leading Nordic pet care specialist operating in Finland, Sweden, and Norway. Our primary aim is to support and safeguard the furry everyday life of pet lovers everywhere. We serve our Nordic customers in all channels through store chains Musti ja Mirri, Musti, Arken Zoo and Djurmagazinet, and through pureplay online retail brands such as Peten Koiratarvike, Vetzoo and Animail.

For us, responsibility means putting the welfare of pets and people first, having high standards for quality, safety, and expertise, as well as always looking into more sustainable ways to develop our business. Musti Group is a member of the United Nations Global Compact, which means that we are committed to support 10 principles within four important areas: human rights, labor rights, environment, and anti-corruption.

As a listed company, Musti Group is also bound by securities market regulations as well as regulations and guidelines for good corporate governance.

The Musti Group Supplier Code of Conduct refers to international conventions such as the Universal Declaration of Human Rights, the Children's Rights and Business Principles, UN Guiding Principles for Business and Human Rights, OECD Guidelines, UN Global Compact and International Labor Organization (ILO) Conventions and Recommendations relevant to improve working conditions in the supply chain.

1.1 Background and scope

This code applies to all Musti Group's suppliers (hereafter "the supplier" or "suppliers"). Observance of the code is an enforced part of any agreement or contract between Musti Group and our suppliers.

The provisions of the code extend to all activities and workers, including workers who are engaged informally, on short-term contracts, or on a part-time basis. Suppliers must ensure that the Code of Conduct is also observed by sub-contractors involved in production processes of final manufacturing stages carried out on behalf of Musti Group, which includes responsibility for communicating Code of Conduct and ensuring that all measures are implemented accordingly. By signing Musti Group's Supplier Code of Conduct, suppliers confirm that the supplier will take action if they observe any failure to comply with the principles and standards in the Code of Conduct and its appendixes among its sub-contractors. In addition, the supplier shall notify Musti Group immediately if any breach or misconduct appears.

1.2 Compliance

Suppliers must, in addition to meeting the provisions of this code, comply with all national laws and regulations. Should there be differences between the content of this code and national laws, suppliers must adhere to the more stringent requirements. Conflicts between the provisions of this code and national laws or other applicable standards will be evaluated by Musti Group in cooperation with the supplier. Suppliers must be able to document their compliance, and if any conflicts are detected, suppliers must inform Musti Group immediately.

Musti Group is entitled to conduct (announced) audits at the suppliers' sites either by themselves or through 3rd parties in order to verify compliance with this Code. In the event of non-compliance, we require our suppliers to be committed and engaged in remedying the non-compliance issues within the time schedule set out in the corrective action plan. Musti Group seeks to continuously improve together with our suppliers and help them achieve compliance with the provisions of this code, while reserving the right to terminate any agreements should a supplier decide that compliance with the requirements of the code is impossible to obtain or the supplier shows repeated and/or serious disregard for the code. If no solution can be agreed upon and implemented within a reasonable amount of time, Musti Group may choose to terminate the business relationship and/or suspend future contracts with a non-compliant supplier.

2. Business Ethics

2.1 Bribery, gifts and entertainment

Suppliers shall not engage in any form of bribery, corruption, extortion or embezzlement in any business practices and transactions carried out by them or on their behalf by business partners. They shall not offer, accept or countenance any payments, gifts in kind, hospitality, expenses or promises as such that may compromise the principles of fair competition or constitute an attempt to obtain or retain business from any person or to influence the course of the business or governmental decision-making process.

The Supplier shall also refrain from offering funding, donations, lavish gifts and extravagant entertainment to any employee of Musti Group or any other counterparts in Musti Group in an attempt to influence business decisions.

2.2 Money Laundering and Finance of Terrorism

Suppliers must maintain financial accounts of all business transactions where required by applicable law and in accordance with national or international accounting standards.

3. Human Rights and Working Conditions

3.1 Human Rights

Suppliers shall at all times respect the fundamental human rights and the dignity of the individual, according to the United Nations Universal Declaration of Human Rights.

3.2 Discrimination

Suppliers shall not practice or condone any form of discrimination in the workplace in terms of hiring, remuneration, overtime, access to training, promotion, termination or retirement based on race, ethnicity, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation, marital status, pregnancy status, physical appearance, HIV status, or age, or any other applicable prohibited basis, such that all individuals who are "Fit for Work" are accorded equal opportunities and are not discriminated against on the basis of factors unrelated to their ability to perform their job. Suppliers shall ensure that employees are not subjected to harsh or degrading treatment, sexual or physical harassment, mental, physical, or verbal abuse, coercion or intimidation in any circumstances.

3.3 Child Labor and Young Persons

The supplier shall not engage in or benefit from the use of child labor.

The minimum age for fulltime employment shall not be less than the age of completion of compulsory schooling and, in any case, shall not be less than 15 years (or 14 years where established by local laws in accordance with the ILO (developing-country exception)).

The supplier shall refrain from hiring workers under the age of 18 for positions that require hazardous work that could jeopardize their health, safety, or morals. If any children are found to be in employment below the minimum age, suppliers shall provide adequate support to enable them to attend and remain in school until no longer a child. Child labor remediation processes shall include steps for the continued welfare of the child and consider the financial situation of the child's family.

3.4 Prohibition of Forced and compulsory Labour and Disciplinary Measures

All forms of forced labor, such as lodging deposits or the retention of identity documents from personnel upon commencing employment, are forbidden as is prisoner labor that violates basic human rights. Neither the company nor any entity supplying labor to the company shall withhold any part of any personnel's salary, benefits, property, or documents in order to force such personnel to continue working for the company. Personnel shall have the right to leave the workplace premises after completing the standard workday and be free to terminate their employment provided that they give reasonable notice to their employer.

3.5 Freedom of Association and Collective Bargaining

Suppliers shall not prevent employees from associating freely. Where laws prohibit these freedoms, suppliers shall support parallel means for independent and free association and bargaining.

Suppliers shall not prevent collective bargaining and shall adhere to collective bargaining agreements, where such agreements exist.

3.6 Working Hours

The supplier shall comply with applicable national laws on working hours and public holidays. The maximum allowable working hours in a week are as defined by national law but shall not on a regular basis exceed 48 hours and the maximum allowable overtime hours in a week shall not exceed 12 hours. An employee is entitled to at least one free day following six consecutive days worked.

Suppliers shall provide employees with all legally mandated leave, including maternity and paternity, compassionate and paid annual leave.

3.7 Wages and benefits

Suppliers shall pay all employees a wage based on the higher of either the applicable legal minimum wage plus associated statutory benefits, or the prevailing industry standards. Suppliers shall make payment to the employee on a regular and pre-determined basis and shall accompany all payments by a wage slip which clearly details wage rates, benefits and deductions where applicable.

3.8 General Employment Terms

All workers shall be provided with a written, understandable and legally binding labor contract. Provisions for non-permanent and seasonal workers shall be no less favorable than for permanent workers.

Suppliers shall maintain appropriate employee records, including records of piece rate and wage payments as well as working hours, for all staff employed, whether on a full time, part time or seasonal basis.

3.9 Health & Safety

Suppliers shall provide safe and healthy working conditions for all employees in accordance with applicable law and other relevant industry standards, including, but not limited to, protection against fire, accidents, and toxic substances. The supplier shall also formulate and maintain health and safety plans that clearly set out the measures to be taken to safeguard employees and others affected by its activities. The supplier shall be expected to progressively identify and eliminate or control hazards that present a risk to employees and other persons present on its sites and to the environment.

The supplier shall provide a suitable, clean, and sanitary infrastructure, including access to toilets and potable water, which meets the needs of its employees and is adequate for its employee numbers. Accommodation, if provided by the supplier, shall satisfy the same requirements, including the general provisions on health and safety listed above. Suppliers shall provide employees with the necessary health and safety training and/or education and shall secure that adequate systems to detect and avoid potential threats and to help continuously improving health and safety are put in place.

Appropriate procedures must be in place to prevent accidents and injury to health arising from, or linked to, the course of work-related activities and operations at a facility. Suppliers shall establish emergency procedures and evacuation plans for all reasonably foreseeable emergencies. Suppliers shall ensure that the procedures and plans are accessible or clearly displayed throughout their facilities.

The supplier shall provide its employees with the protective equipment and training necessary to perform their tasks safely. The supplier shall develop and maintain effective systems for informing and consulting employees on relevant health and safety matters. Through these systems the supplier shall keep accurate records of accidents, injuries and known exposure to health and safety risks at work according to local legislation.

4. Environmental Performance

4.1 Environmental Protection

The supplier shall comply with all relevant national environmental legislation. The supplier shall maintain awareness of current environmental legislative requirements relevant to the environmental impacts of its activities, products, and services, and ensure legal compliance through training, awareness, operational control and monitoring. Suppliers shall, wherever appropriate, introduce management and operating systems to minimize the detrimental environmental impacts of its business practices.

4.2 Hazardous Substances

Suppliers shall not manufacture, trade, and/or use chemicals and hazardous substances subject to international bans due to their high toxicity to living organisms, environmental persistence, potential for bioaccumulation, or potential for depletion of the ozone layer.

4.3 Waste and Emissions

Suppliers shall dispose of waste substances in compliance with applicable law. Where applicable law does not exist, prevailing international standards shall be adopted. Suppliers shall seek to decrease emissions to air, water, and land relative to production output.

4.4 Use of Energy and Natural Resources

Suppliers shall seek to ensure the efficiency of their business operations in terms of consumption of natural resources including, but not limited to, water and energy.

5. Reporting concerns and instances of non-compliance

It is the duty of each of Musti Group's supplier to seek assistance and immediately report to their contact person at Musti Group any worries or detected violations.

If a supplier faces a difficult situation or detect behavior that violates this Code of Conduct, they can always discuss the matter with their contact person at Musti Group.

If the options above do not meet your need, you may give feedback confidentially and anonymously via Musti Group Whistleblowing-channel. Whistleblowing-channel can be found from Musti Groups external webpage [Whistleblowing - Musti Group](https://whistleblowermustijamirri.efectecloud.com/) and from link <https://whistleblowermustijamirri.efectecloud.com/>

Please note that this channel is only intended for reporting violations of this Code of Conduct and suspected violations. Any customer feedback received via this channel will not be processed. Customer feedback must be submitted via the appropriate channel.

6. Signature

By signing this document, the Supplier confirm that they as a business have read, understood, and will respect and act to fulfill this code of conduct:

Date and Place:

Signature:

Name and title of signatory in capitals:

Company name in capitals: