



11. Corporate Responsibility Policy

May 2018

This policy was adopted by the Board of HL Display Holding AB/HL Display AB (publ) 2018-05-17.

The policy shall be revised as required, and at least once a year.

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HL Display Corporate responsibility (CR) policy

Policy for Corporate Responsibility for HL Display Group. This policy was adopted by the Board of HL Display Holding AB and HL Display AB on 2018-05-17.

1. Introduction to CR Policy

HL Display's CR Policy aims to give our business partners, employees, shareholders and other stakeholders a clear view of how HL Display conducts business, and the demands we put on ourselves and our partners in our business dealings.

2. Background

HL Display (HL) is a company with activities in more than 40 countries, primarily in Europe and Asia, and with production in China, Sweden, Poland and the UK.

Our vision is to lead the development in providing innovative and sustainable solutions for a better shopping experience around the world, brought to life through our values: Ownership, Speed, and One HL Team.

We adhere to the United Nations declarations on Human Rights, Labour Standards, Environment and Anti-corruption and are a member of UN Global Compact.

We have a commitment to the environment, proven by over 10 years of work with ISO 14001 in our factories.

We strive to not only be compliant with current legislation on GRI reporting, but – as a market leader – set an example, and aspire to be a leader in our industry in the field of Corporate Responsibility.

3. Guidelines

- Our first commitment is to drive an ethical and profitable business in strict adherence with regulatory requirements, thus ensuring:
 - A trustworthy partner for our business associates
 - A safe and developing work place for all employees
 - Return on investment for our shareholders
- The products we develop and supply must be resource efficient. Not only in manufacturing, but also in transportation and installation, and sufficient information must be given for end-of-life treatment of products.
- Suppliers serving HL sign a Purchasing policy, adhering to rules drawn from the UN Declarations cited above.
- We secure freedom of association, anti-discrimination, anti-corruption and workplace safety through a continuous pursuit of the objectives set out in our policies Code of Conduct and External and Internal Working Environment, see Appendix 1 and 3.
- Environmental impact of production:
 - We aim to have all our factories and distribution centres ISO14001 and OHSAS18001 certified.
 - We aim to recycle 100% of our production waste and use recycled plastics when quality and supply chain permit it.

- We strive to use electricity from renewable sources and minimize our water consumption thanks to closed water loops.
- We aim at developing and offering greener alternatives to standard products to our customers.
- HL complies with REACH (non-use of hazardous materials in our manufacturing).
- Environmental impact of our commercial activities:
 - We use tele- and videoconferencing as a substitute to travelling whenever possible.
 - We actively pursue projects with our partners to convert transportation flows from road to multimodal for reducing the carbon footprint of our inbound and outbound transports.
 - Our car policy streamlines the type of company cars we use and limits our fleet's CO2 emissions.

4. Reporting

HL shall publish a yearly progress report on sustainability, according to UN Global Compact, and as per legal requirements as part of the GRI framework.

5. Implementation

This policy is published on our external and internal web sites. Managers are responsible for communicating a reminder of the Corporate Responsibility policy annually.

Appendix 1: Code of Conduct

Policy for code of conduct for HL Group and HL Partners. This policy was adopted by the Board of HL Holding AB and HL AB 2018-05-17, and is an extension to the CR policy. The policy shall be revised as required, and reviewed at least once a year.

HL is a UN Global Compact signatory since 2010, and our Code of Conduct reflects the commitment we have towards the ten principles of the Global Compact.

The HL Group and HL Partners are hereinafter referred to collectively as "HL".

Human Rights

HL supports and respects the protection of internationally proclaimed human rights and makes sure that we are not complicit in human rights abuses.

Labour Standards

Freedom of association

As local or relevant laws allow, all employees are free to form, join or not to join unions and have the right to collective bargaining when employed by HL.

Forced and compulsory labour

No form of forced or compulsory labour is tolerated by HL and all employees have the right to leave their employment as stated by contracts or local laws.

Child labour

We are not complicit in any form of child labour or other forms of exploitation of the child. No one is employed below the completion of compulsory school or under the age of 15 and no one under the age of 18 is employed for hazardous work within HL.

Work place

HL shall provide a working environment that is healthy, safe and in accordance with the relevant ILO conventions and applicable local laws for all employees. HL makes every effort to pay fair salaries and remuneration in accordance with relevant norms in the locations in which the Group has operations.

Discrimination

Diversity amongst HL employees is a positive attribute and HL offers all individuals equal opportunities. No one regardless of ethnicity, colour, gender, sexual orientation, nationality, parental status, marital status, pregnancy, religion, political opinion, ethnic background, social origin, social status, age, union membership or disability shall be discriminated. Harassments in the form of physical or psychological abuse are strongly prohibited within HL, as is any kind of intimidation or other threats. Employees in HL have a joint responsibility for this to be achieved

Purchase of sexual services and child pornography

Purchase of sexual services, sexual exploitation of children and child pornography, not only is illegal in several countries, but is a clear violation of human rights. Employees of HL on assignments and business travel are expected to comply with HL's policy, irrespective of country and both during and after working hours.

Environment

Precautionary approach

HL has a precautionary approach towards environmental challenges which means that we avoid dangerous materials when suitable and more environmentally friendly alternatives are available.

Environmental responsibility

HL will, wherever possible, work to reduce the environmental impact of the operations and contribute to long-term, sustainable development through active and systematic environmental work. The objectives related to this are set out in Appendix 3: External and Internal Working Environments.

Anti-corruption

HL's reputation of honesty, integrity and responsibility must be upheld and any involvement in bribery, extortion or corruption in any form is not tolerated by HL. HL makes active efforts to ensure that this does not occur within the company.

The term corruption refers to abuse of a position of trust for own or the company's gain, for example through the use of bribes. It is forbidden to offer, promise, or give, as well as request, accept a promise of, or receive a bribe. A bribe is a gift or other benefit that might influence another person, as part of their employment or duties, to show improper favour to the giver.

HL's employees may, for example, not offer, give, receive, or request gifts, services, entertainment or other rewards that:

- Violate accepted business practice.
- Have an unreasonable value.
- Consist of money, securities, cash loans, or other types of personal payments in the form of discounts, commissions, bonuses or fees.
- Consist of pure leisure or vacation trips.
- Violate existing laws.
- Are other rewards which due to their value or other relevant circumstances are typically likely to improperly influence the recipient in the exercise of their professional duties or in another manner risk embarrassing the company or the employee in the event they become public knowledge.

This does not prevent HL employees from receiving or offering promotional gifts designed to retain and promote good business relationships with customers and other business partners. This subject to the condition that such gifts are modest, openly accepted and offered and otherwise compliant with this Code of Conduct. Management of respective subsidiary is responsible for preparing appropriate guidelines and routines for employees concerning representation and gifts.

Consumer Interests

When dealing with customers and end-consumers, HL acts in accordance with fair business, marketing and advertising practices. HL also ensures that provided goods or services meet all agreed and legal standards.

Competition

HL conducts its activities according to applicable laws and regulations and refrains from concluding unlawful anti-competitive agreements as well as exchanging unlawful price and/or market information with competitors.

Export Control

HL shall comply with all applicable rules regarding export controls, including not acting contrary to, or with persons implicated in economic sanctions.

Conflicts of Interest

HL employees shall always work in the company's best interest and avoid all acts that might be perceived as favouring a third party at HL's expense. Employees shall avoid all types of activities that violate the company's interest or have a negative effect on the employee's possibility to act with judgment and integrity. Agreements with or other forms of assignments to related parties shall be avoided, and always be reported to and approved by the nearest manager or the company's Group management.

HL employees may not spread or abuse confidential information. This principle may be waived if specific permission has been given by the immediate manager. Examples of confidential information include non-public information about HL's operations, financial position, strategies, business transactions, business plans, business processes, etc.

HL respects personal information and handles it carefully. HL respects individual personal information that the company can obtain or use in information processing and ensures that personal data in the operations is handled in accordance with applicable laws and regulations.

Relationships with external parties, such as suppliers and business partners

HL has a separate code of conduct for suppliers, based on the same principles as the internal code of conduct, which all business partners must comply with.

Violations

HL will ensure that immediate action, such as termination of employment, is taken against those who violate this Code of Conduct and that circumstances in violation of applicable laws and regulations are reported to the relevant authorities.

Violations of the Code of Conduct shall be reported to the immediate manager. If such person is involved or otherwise disqualified, the reporting can be done with an e-mail to superior management level, or if applicable, reported through HL's third-party Whistleblowing service.

Implementation

This policy will be signed by all permanent personnel at HL. New employees sign this Code of Conduct as an addendum to their employment contract.

Managers are responsible for communicating a reminder of this policy annually, and central HR will make sure the updated version is accessible on the intranet.

Appendix 2: Policy for equal opportunities

Policy statement

HL recognizes that it is essential to provide equal opportunities to all employees. We strongly believe that a working environment with a mixture of gender, ages and ethnical background is a good basis for making successful business.

HL strives to integrate this awareness into the daily working environment. This policy outlines the goals in this area in all aspects of employment, including education, development and recruitment. All working conditions will, as far as possible, be adjusted to suit employees of both genders.

Training and competence development shall support and benefit the business. All employees will have the same possibility to promotion, development and training. The working climate within the company shall be such that it in a natural way encourages and promotes cooperation between men and women. We shall continue to encourage further development for employees of both genders.

The objective of HL when recruiting is to employ people with the right competence, experience, mind-set and commitment. Our recruitment ads will encourage applicants of both genders and be non-discriminating. The goal is to seek candidates of both genders and to increase opportunities for those who are less represented within the company.

Women and men with comparable qualifications and work tasks shall have the same opportunities and working conditions. Salary shall be based upon level of difficulty and achievement.

All forms of discrimination must be avoided. Sexual harassment and discrimination are unacceptable and will lead to disciplinary action.

HL endeavors to create possibilities for women and men to combine parenthood and work life. Both men and women will have equal rights for parental leave. The parental leave should not create any obstacle in future promotion.

Appendix 3: External and Internal Working Environment

Policy for external and internal working environment for HL Group. This policy was adopted by the Board of HL Holding AB and HL AB 2018-05-17

HL supplies products and solutions for in-store communication and merchandising to the food and non-food retail sectors. Within our field of business, we shall work to minimize our impact on the environment and to contribute to a better living environment. We shall provide a safe working place to our employees, and the products we sell shall be safe to use for our customers. The environmental work should be integrated in our daily work and be a natural part of the business.

We shall comply with our policy by:

- Respecting European Health & Safety standards in our manufacturing units.
- Respecting employees' freedom of association in all our work places, according to the principles of ILO and UN.
- Working systematically to secure fulfillment of legal requirements.
- Actively cooperate with our customers, suppliers and authorities to support development of environmentally better solutions and practices.
- Systematically evaluate and improve our environmental work, both internally and externally.
- Working for long-term environmental solutions within our field, through development, technological innovation and by minimizing the use of non-renewable resources.
- Minimizing the environmental impact on air, water and other natural resources arising from our products, from a cradle to grave perspective.
- Reaching 100% internal or external recycling of our production waste.

Appendix 4: Whistleblowing

Policy for Whistleblowing in HL Group. This policy was adopted by the Board of HL Holding AB and HL AB 2018-05-17. The policy shall be revised as required, and at least once a year.

Objectives

- To enable HL employees to communicate a serious concern to a management level which is not immediately connected to the problem reported.
- To make management aware of serious wrongdoings.

Actions Covered

The type of concerns covered by this policy is:

- Failure to comply with local legislation and/or HL Code of Conduct.
- Health & Safety issues.
- Unauthorized use of the company's money.
- Possible fraud and/or corruption.
- Actions which are unprofessional, inappropriate or in conflict with a general understanding of what is right and wrong, including sexual or physical abuse.

Background

HL, as reflected in our CR Policy and adherence to the United Nations Global Compact, strongly believes in promoting equal opportunity in the work place and high business ethics.

Instituting a Whistleblowing system further reinforces our commitment to be irreproachable both in the way we treat each other as HL employees, and in our dealings with external business partners and stakeholders.

We believe that a Whistleblowing procedure will help us to minimize harm from any wrongdoings in our daily business operations throughout the over 40 markets where we operate.

Reporting a Concern

We encourage employees to report their concern to their direct superior line manager.

If the concern reported is linked to this same manager, reporting can be done with an e-mail to superior management level, or directly to the management group. Reporting can also be done through a third-party Whistleblowing service, where the whistle-blower remains anonymous.

For instances of particular concern, external reporting will be made available, where the employee's anonymity towards HL is maintained.

Confidentiality & Support for Whistleblowers

To the extent that the reported concern has been made in good faith, HL will ensure that the reporting party is:

- Kept anonymous, unless the concern leads to legal action, where the Whistleblower may be asked to come forward as a witness.
- Kept harmless from any repercussions, even if the claim turns out to be unfounded.

Implementation

Managers are responsible for communicating a reminder of the Whistleblowing policy annually, and central HR will make sure the updated version is accessible on the intranet.

Appendix 5: Purchasing Policy

Policy for the purchase of goods and services from suppliers and subcontractors of HL Group. The full text and latest version is available on HL Group website, under the section “Corporate responsibility”.

Objectives

- HL has defined a set of ground rules intended for managing the business relationships with its Suppliers.
- HL requires suppliers to comply with the requirements listed in the Purchasing Policy by duly signing the last page of the document and returning it to the relevant HL’s purchasing contact in charge, prior to the completion of the first order.
- HL reserves the right to perform announced or unannounced audits, inspections and visits to suppliers to ensure the effective application of the Purchasing Policy.
- Failure to meet the Purchasing Policy is ultimately sanctioned by the stop of the business relation with HL Group and all its subsidiaries.

Main Requirements

- Human and Labor Rights
- Business Ethics
- Sustainable Growth
- Environmental Care
- Supply Chain Responsibility