



scandomestic

**Sustainability Policy and
Responsible Business Practices**

November 2025

Scandomestic is continuously working to improve its sustainability practices and to operate in a responsible and transparent manner. We recognize that our business activities have an impact on the environment, our employees, and the wider community. Therefore, we are committed to taking practical steps to reduce negative impacts and promote positive change wherever possible.

This document outlines Scandomestic's approach to sustainability across four key areas: **Environment, Labor & Human Rights, Ethics**, and **Sustainable Procurement**. Our goal is to ensure that all employees, partners, and suppliers understand our expectations and act in accordance with these principles in their daily work.

The policies are approved by the Board of Directors and included in the company's annual activity plan, and they are reviewed annually to ensure their continued relevance and effectiveness. Updates will be communicated to all employees.

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Environmental Policy

Policy Statement

Scandomestic is committed to operating responsibly and continuously improving its environmental performance. As a trading and wholesale company, our main environmental impacts are related to energy use, transportation, packaging, and waste generation.

We will comply with all applicable environmental laws and regulations and seek practical ways to reduce our footprint through awareness, efficiency, and collaboration with suppliers and partners.

Our Commitments

- Minimize energy consumption in our offices, warehouse, and logistics activities.
- Minimize waste generation and promote recycling.
- Avoid the use of hazardous substances whenever possible.
- Choose environmentally responsible suppliers and products where feasible.
- Comply with relevant environmental legislation and customer requirements.
- Encourage employees to act responsibly and support our environmental goals.

Key Areas

Energy Efficiency and Facilities

Our new office and warehouse are designed to be energy efficient. The building is modern, well-insulated, and equipped with motion sensors that control lighting to reduce unnecessary energy use. Mechanical cooling has been deliberately omitted to minimize energy consumption and environmental impact.

We aim to continuously optimize our lighting, heating, and ventilation systems and to select energy-efficient equipment when upgrading or replacing existing installations. For example, our charging stations for electric forklifts are equipped with timers to reduce electricity use during peak hours and to minimize strain on the power grid.

Waste Management

- All employees must sort waste according to local recycling rules.
- Packaging materials, paper, cardboard, and electronics should be recycled whenever possible, and boxes and other packaging materials are actively reused to minimize waste.
- A shredder is used to process surplus cardboard and packaging materials, which are then reused as filling and protective material for spare parts.
- Hazardous waste must be disposed of properly through approved channels.
- We aim to reduce unnecessary packaging in our product handling and logistics.

Transportation and Logistics

- Scandomestic seeks to plan deliveries efficiently to minimize unnecessary transport and fuel consumption.
- Company vehicles must be used responsibly, and idling should be avoided.
- All company cars purchased in Denmark are electric vehicles, supporting our goal to reduce emissions from transportation.
- Where possible, we will collaborate with logistics partners who demonstrate environmental responsibility.

Pollution and Biodiversity

Although Scandomestic does not work directly with manufacturing processes or biological materials, we are committed to preventing any indirect environmental harm.

- We do not trade or distribute products that involve endangered species or restricted materials in any form.
- We also seek to reduce emissions, noise, and waste from our daily operations and logistics activities.
- The outdoor areas surrounding our buildings are maintained as natural growth zones to support local biodiversity and create habitats for plants and insects.

Roles and Responsibilities

- **Management** is responsible for maintaining and reviewing this policy and ensuring compliance with relevant laws and standards.
- **Employees** are expected to follow the environmental guidelines in their daily work and report any environmental concerns or improvement suggestions.

Labor & Human Rights Policy

Policy Statement

Scandomestic is committed to upholding human rights and providing decent working conditions for all employees.

We treat every person with dignity and respect and support a culture of openness, fairness, and equality.

We comply with all applicable labor laws, including those related to working hours, wages, health and safety, and non-discrimination.

Our Commitments

- Comply with national labor laws and international labor standards.
- Provide a safe and healthy working environment for all employees.
- Ensure fair and legal wages that meet or exceed the requirements of applicable laws.
- Respect employees' rights to join or not join a trade union or employee association.
- Prevent discrimination and harassment in all forms.
- Prohibit any form of child labor, forced labor, or human trafficking.
- Encourage open communication and fair treatment across all levels of the organization.

Key Areas

Health and Safety Policy

Scandomestic is dedicated to ensuring that all employees work in a safe and secure environment. Safety is a shared responsibility, and every employee is expected to take reasonable care to prevent accidents and report any unsafe conditions.

Rules and Guidelines:

- All employees must follow safety instructions and use the required protective equipment (e.g., safety shoes, high-visibility vests) when relevant.
- Only trained personnel may operate machinery or warehouse equipment such as forklifts.
- Emergency exits, fire extinguishers, and first aid must always remain accessible.
- All accidents, near miss, or unsafe conditions must be reported immediately to a supervisor.
- Smoking is only permitted in designated areas.
- Visitors must follow all safety instructions provided by Scandomestic staff.
- An extended health insurance plan is provided for all permanent employees to support their well-being and access to healthcare services.
- A workplace assessment (APV) is conducted annually to identify and address potential risks and ensure a safe and healthy work environment.

Equal Opportunity and Fair Treatment

Scandomestic values diversity and inclusion. All employment decisions, including hiring, training, compensation, and promotion, are based on qualifications, performance, and business needs.

We commit to:

- Ensuring equal opportunities for all employees regardless of gender, age, race, religion, disability, sexual orientation, or political opinion.
- Preventing discrimination, bullying, or harassment of any kind.
- Promoting a respectful and cooperative work environment.
- Ensuring equal pay for equal work.

Employees who feel they have been subject to unfair treatment or harassment can raise concerns directly with their manager. Complaints will be handled confidentially and without retaliation.

Working Conditions

- Scandomestic ensures that working hours comply with national legislation and that overtime is limited and voluntary.
- Employees are entitled to rest periods, breaks, and paid leave as required by law.
- Wages are paid on time, clearly documented, and meet at least the minimum legal standards.
- Scandomestic supports open social dialogue and recognizes employees' rights to organize, join a union, or be represented collectively. We encourage cooperation and communication between management and employees to maintain a transparent and respectful workplace.

Employee Engagement and Communication

We encourage open communication across all levels of the company. Employees are welcome to share suggestions or concerns related to working conditions, safety, or human rights.

A Safety Committee, with participation from both employees and management, meets to discuss workplace matters and ensure a safe and healthy work environment.

Management is committed to listening and responding constructively to employee feedback.

Roles and Responsibilities

- **Management** is responsible for maintaining a safe, fair, and inclusive work environment. This includes ensuring compliance with relevant laws, communicating this policy, and responding promptly to any violations or concerns.
- **Supervisors** must lead by example and ensure that their teams understand and follow this policy in their daily work.
- **Employees** are expected to treat colleagues with respect, follow safety procedures, and report any concerns related to working conditions, discrimination, or harassment.

Ethics Policy

Policy Statement

Scandomestic is committed to conducting business with integrity, fairness, and respect for all stakeholders. We do not tolerate any form of corruption, bribery, fraud, or unethical behavior. We also recognize the importance of protecting confidential information and handling data responsibly in all our activities.

Our Commitments

- Comply with all applicable laws, regulations, and internal policies.
- Conduct business honestly and transparently, avoiding conflicts of interest.
- Prevent bribery, corruption, and fraudulent practices in all forms.
- Protect confidential and personal information belonging to customers, partners, and employees.
- Treat all business partners fairly and avoid unethical competitive practices.
- Promote a culture of accountability, openness, and ethical awareness across the organization.

Key Areas

Anti-Corruption and Fair Business Conduct

Scandomestic has a zero-tolerance approach to bribery and corruption. Employees and representatives must never offer, give, request, or accept any form of bribe, kickback, or other improper advantage.

Guidelines:

- Gifts or hospitality may only be accepted if they are modest, infrequent, and in line with normal business courtesy.
- Any situation that could appear as a conflict of interest must be disclosed to management immediately.
- All business decisions must be based on objective criteria, not personal relationships or benefits.
- Employees must not use company property, information, or position for personal gain.

To ensure transparency and independent oversight, the Board of Directors consists of a majority of independent business professionals who hold no financial interest in the company.

Responsible Information Management

Scandomestic is committed to managing information responsibly and ensuring data privacy and security.

Key practices:

- Confidential information must only be shared with authorized individuals and used for legitimate business purposes.
- Employees must follow internal IT and data security procedures to prevent unauthorized access or disclosure.
- All company systems and data are protected by passwords, access controls, and regular security updates.
- Third-party data (e.g., from customers or suppliers) must be handled with care and protected from misuse.
- Employees are encouraged to report any suspected data breach immediately.

Training and Awareness

All employees receive regular communication or guidance on Scandomestic's ethical standards and data protection requirements.

Managers are responsible for promoting ethical behavior within their teams and ensuring that everyone understands this policy and the consequences of non-compliance.

Roles and Responsibilities

- **Management** ensures that ethical standards are clearly communicated, understood, and enforced throughout the company.
- **Supervisors** must lead by example and support employees in making ethical decisions.
- **Employees** must follow this policy, act with honesty and integrity, and report any suspected violations or unethical conduct.

Sustainable Procurement Policy

Policy Statement

Scandomestic is committed to sourcing products and services in a responsible and sustainable manner.

We recognize that our suppliers play a key role in our overall environmental and social performance, and we expect them to operate in line with our values and ethical standards.

This policy aims to ensure that sustainability considerations — including environmental protection, human rights, and ethical business conduct — are integrated into our procurement decisions and supplier relationships.

Our Commitments

- Conduct business with suppliers who comply with applicable laws and demonstrate responsible environmental and social practices.
- Integrate sustainability and ethical considerations into purchasing decisions.
- Evaluate and monitor suppliers based on their environmental, social, and governance (ESG) performance.
- Encourage suppliers to continuously improve their sustainability practices.
- Avoid working with suppliers involved in corruption, forced labor, child labor, or other unethical activities.
- Promote transparency and collaboration throughout the supply chain.

Key Areas

Supplier Standards and Expectations

All suppliers are expected to comply with **Scandomestic's Supplier Code of Conduct**, which outlines minimum requirements for:

- Environmental protection and responsible use of resources,
- Safe and fair working conditions,
- Respect for human rights,
- Ethical business behavior and anti-corruption, and
- Compliance with applicable laws and regulations.

Suppliers must ensure that these principles are also communicated to their own subcontractors and partners.

Supplier Assessment and Monitoring

Scandomestic conducts regular evaluations of key suppliers to identify and mitigate potential environmental and social risks.

Key practices include:

- **On-site visits or audits** to assess working conditions, safety, and environmental performance.
- **Continuous dialogue** with suppliers to promote improvement and address identified issues.
- **Corrective actions** required from suppliers that do not meet Scandomestic's standards.

Collaboration and Improvement

We believe in working collaboratively with suppliers to achieve mutual improvement. Scandomestic supports suppliers in developing their sustainability practices by providing feedback and encouraging transparency and innovation in their operations.

Roles and Responsibilities

- **Management** ensures that sustainable procurement principles are integrated into company strategy and supplier selection.
- **Procurement staff** are responsible for applying this policy in daily operations, conducting risk assessments, and maintaining supplier documentation.
- **Suppliers** must follow the requirements outlined in our Supplier Code of Conduct and cooperate with audits or requests for information.



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