



JYSK Linen’N Furniture Inc.
25 King Edward Street
Coquitlam, BC V3K 4S8
Canada

SOCIALLY RESPONSIBLE PRODUCTION

A COMMITMENT TO RESPECTING WORKERS’ HUMAN RIGHTS

JYSK Linen’N Furniture Inc. (“JYSK”) is a privately-owned Canadian Corporation that sells products produced in many different places in the world. Some of these places include so-called “risk countries” – countries with a larger risk of not complying with the rights described in the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work.

As a part of our commitment to respect the fundamental rights of workers in our supply chain, we are members of amfori, a leading sustainable trade business association. As a member of amfori, JYSK adheres to the amfori Business Social Compliance Initiative (“amfori BSCI”) and its Code of Conduct, a common set of rules with specific demands regarding the conditions at the factories where JYSK’s products are made.

The amfori BSCI Code of Conduct refers to international conventions such as the Universal Declaration of Human Rights, UN Guiding Principles for Business and Human Rights, OECD Guidelines, and the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work.

The amfori BSCI Code of Conduct consists of 11 principles for an ethical and socially responsible way of doing business. Among other concerns, child labour, forced labour, discrimination and corruption is prohibited. In addition, demands are also made related to work safety, decent working hours, and that the employees in the factories have the right to be members of a union and to engage in collective bargaining.

AUDIT SET-UP

Before JYSK considers starting a collaboration with a new producer in a risk-country, an assessment of the working conditions at the production site is strictly mandatory.

Every production site located in a risk-country JYSK collaborates with must have a valid third-party audit report. The report is reviewed by JYSK’s Compliance Manager in advance of any collaboration with the

site. Hereafter, audits are conducted on a regular basis. The frequency of new audits is decided on a case-by-case basis based on the findings from the previous audit.

All audit work and reporting is conducted by amfori BSCI. As such, the audits are performed by an impartial third party. In the scenario where a producer is not audited by amfori BSCI, JYSK's policy is to work with the producer to provide reporting that meets a standard similar to the amfori BSCI standard such as SA8000.

As part of the amfori BSCI audit process, employees are randomly picked for qualitative interviews. The employees are interviewed in a separate location and several employees are interviewed. The purpose of this procedure is to ensure that the employees feel safe to be open and honest about the conditions at the workplace, as they are completely anonymous.

If the audit reveals any deviations from the Code of Conduct, amfori BSCI, JYSK and other companies sourcing from the factory will be informed so that all partners can find a solution in cooperation with the factory. It is important to JYSK that a new audit is set up shortly afterwards in order to ensure remediation.

If the breach is serious, a so-called zero tolerance protocol comes into effect, and a solution must be found immediately. A remediation group will be formed to make a plan for the actions needed to become compliant and to decide appropriate remediation for affected individuals. If a zero tolerance case arises, management will be notified.

The day-to-day responsibility of ensuring that our suppliers and producers comply with the Code of Conduct, including human rights of workers, is based in the JYSK Compliance & Quality department, where a BSCI-responsible individual is appointed. This individual, the Compliance Manager, has a comprehensive knowledge of the Code of Conduct and has taken courses provided by amfori BSCI. In addition, this individual helps educate other members of the JYSK team on the Code of Conduct.

DIALOGUE AND INVOLVEMENT IS THE WAY FORWARD

If there are any deviations from the Code of Conduct in a factory, JYSK prefers to continue working with the producer to ensure improvements are made. If we simply end the cooperation and turn our backs on the problems, the change may never happen. Ongoing improvements are at the core of amfori BSCI, and at JYSK we believe that dialogue and involvement is the way forward when it comes to improving social conditions.

However, for collaboration with such a producer to continue, it is crucial that we see improvements at the factory. If this is not the case, the cooperation must end.

GRIEVANCE MECHANISM

JYSK's membership in amfori BSCI enables a grievance mechanism for our business partners. The amfori BSCI external grievance mechanism provides a platform for individuals or organisations to submit grievances about perceived or real instances of wrong or unfair treatment. Grievances can be submitted at www.amfori.org/en/solutions/governance/speak-for-change.

NO INCIDENTS IDENTIFIED

JYSK has not identified any forced labour or child labour in our activities and supply chains. In addition, JYSK has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.



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In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for JYSK Linen’N Furniture Inc. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the 12 months ended February 29, 2024.

A handwritten signature in black ink, consisting of a series of loops and a final horizontal stroke.

Ludvik G. Kristjansson
Chief Executive Officer
May 21, 2024

I have the authority to bind JYSK Linen’N Furniture Inc.