



COMPLIANCE PROTOCOL

Corporate Social Responsibility

Sweda Company, LLC is committed to conducting its business affairs in a socially responsible and ethical manner consistent with all applicable national and local legal requirements, customs, and published industry standards pertaining to employment and manufacturing.

Our policies and practices ensure Sweda maintains fair and decent working conditions throughout our business operations. We require our suppliers to do so as well:

- a. **Forced Labor** – Sweda does not use any type of forced labor, whether in the form of prison labor, indentured labor, bonded labor, or otherwise.
- b. **Child Labor** – Sweda does not employ people under the age of 15, or the minimum age for the completion of compulsory education, or the minimum age of employment required by law in the country of manufacture, whichever is higher.
- c. **Harassment** – At Sweda, every employee is treated with dignity and respect. No employee shall be subject to any physical, sexual, psychological, or verbal harassment or abuse.
- d. **Health and Safety** – All employees shall be provided with a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring during work or as a result of the operation of Sweda facilities.
- e. **Wages and Benefits** – Sweda recognizes that wages are essential to meeting employees' basic needs. Sweda pays all employees at least minimum wage as required by all applicable local laws and provides all legally mandated benefits.
- f. **Working Hours** – Sweda's work week is scheduled Monday through Friday and shall not exceed 48 hours on a regular basis. Except for in extraordinary business circumstances Sweda employees do not work more than either (a) the limits on regular and overtime hours allowed by local law or (b) a maximum 60 hours a week inclusive of overtime. All overtime is consensual and shall be paid at a premium rate. Employees are entitled to one day off in every seven-day period.
- g. **Overtime Compensation** – In addition for compensation for regular hours of work, Sweda employees are compensated for overtime hours at such premium rate as is legally required by law.
- h. **Non-Discrimination** – Sweda will not tolerate discrimination in its employment practices based on race, color, religion, sex, age, physical disability, origin or any other basis prohibited by law.

Compliance

- a. Sweda's production facility successfully passed a social compliance audit in the past 24 months.
- b. Sweda is a signatory to the PPAI Code of Conduct for social compliance.
- c. Sweda employs a dedicated to compliance analyst full-time.

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- d. All products are fully compliant with all laws and regulations throughout the U.S.
- e. Sweda employs our factories and vendors to exercise compliance protocols and third-party testing.

Testing monitored by Sweda Compliance Team in China and US



Product Development, Risk Assessment, Compliance Assessment

- a. Sweda maintains a "Bill of Materials" for each of your products documenting its raw materials.
- b. A "risk assessment" process is standard operating practice for evaluating new products.
- c. Sweda's team regularly visits and evaluates each of the factories for potential business.
- d. Sweda commissions third-party lab tests for most new products before adding them?

Ink Testing

- a. Sweda is currently following all protocol set forth by our ink supplier for ink testing.
- b. Sweda maintains CPSIA and Prop65 tests for all our inks.

Third Party Laboratory Testing

- a. Sweda maintains current third-party lab test reports for all products.
- b. Sweda tests all products for CPSIA Lead-in-Substrate at third party labs.
- c. Sweda tests all products for CPSIA Lead-in-Surface Coating at third party labs.
- d. Sweda tests all phthalate containing products for 10P-current 2020 CPSIA plus Prop 65.

Overseas Quality Management

- a. Sweda has an overseas office with full time employees in Ningbo, China performing sourcing and QC inspections.
- b. Sweda maintains a factory scorecard system and corrective action plan for factories.
- c. Sweda maintains a documented process for inspection of the following:
 - raw materials
 - production goods
 - finished goods
- d. Sweda compiles a historical record of QC inspections to evaluate production, quality and compliance issues.

Restricted Substances - Lithium-ion Powered and Electric Products

- a. Sweda's tech factories send products to our third-party testing facilities for compliance.
- b. Sweda offers UL 2056, IEC-62133, UN 38.3, UL-2054 certified products.
- c. Sweda maintains test reports for the lithium-ion used.
- d. Sweda complies with UPS, FedEx and IATA packing requirements for this type of product.
- e. Sweda has a recall readiness program in place.



California Proposition 65

Compliant products do not require Prop 65 Warning labels for items shipping into California. Any other state does not require any label. Non-Compliant products require the Prop 65 labels only for shipments into California. Any other state does not require any label.