

Report for the Transparency Act 2024

SnusHjem.no AS

Introduction

This statement has been published in accordance with the requirements of the Norwegian Transparency Act, and includes SnusHjem.no AS, a wholly owned subsidiary of the Haypp Group, with no subsidiaries of its own.

It sets out the steps taken by SnusHjem.no AS to continue the work to assess, prevent, and mitigate the risks of breach of human rights in its business operations and supply chains, during the fiscal year from 1st January 2024, ending 31st December 2024.

At Haypp Group we take our responsibility to having a positive impact on the people and communities where we work very seriously. We are committed to protecting the human rights of people who work throughout our value chain and interact with our products.

Haypp Group has a sustainable business model built on five strategic areas for sustainability. The areas align with Haypp Group's vision and higher purpose, seamlessly integrating into our operations. The company's contributions to sustainability, health, and society go hand-in-hand with our business success.

Who we are

Governance

SnusHjem.no AS is a part of the global company Haypp Group, which is publicly listed in Sweden. SnusHjem.no AS is governed from the headquarter in Sweden but has a local warehouse in Norway and a smaller office in Oslo.

SnusHjem.no AS is a subsidiary of Haypp Group, a leading global e-commerce company headquartered in Sweden and listed on Nasdaq First North. SnusHjem.no AS operates in the e-commerce sector with a core focus on the sale and distribution of oral nicotine products, including both nicotine pouches, tobacco snus and nicotine-free alternatives. Products are sold through the company's Norwegian platform, SnusHjem.no, and under other brands.

Number of employees in the Group and Norway are 232 and 22 respectively.

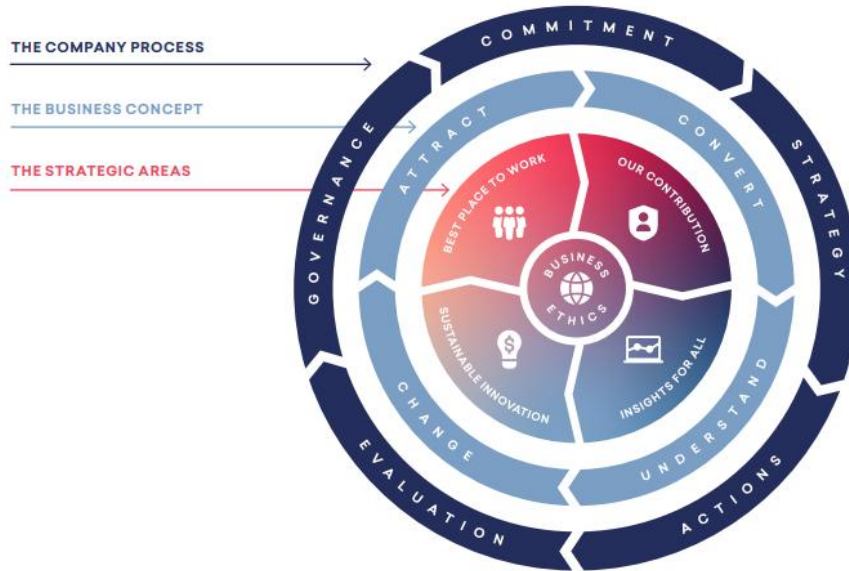
The overall responsibility for performance within sustainability including human rights and decent working conditions lies with the BoD. They determine the sustainability strategy for Haypp Group and identify the various risks based on recommendations from the Management team. The BoD is tasked with monitoring the risk management process and is continuously informed about existing and newly identified risks and measures taken to mitigate these risks. All functions are responsible for managing the risks associated with their plans, both centrally, and by individual employees.

We govern sustainability the same way we govern everything else that is critical to the business. The evaluation of our impact on sustainability is part of our ordinary business review presented to management and handled accordingly. Sustainability risks including human rights and decent working conditions are addressed with the same priority as financial or operational risks and coordinated together in the annual risk assessment process. This ensures that ESG risks are managed in the same manner as other significant risks identified by the organisation. The BoD is ultimately responsible for social sustainability in Norway.

The management team has developed Haypp Group's sustainability strategy and has decided to implement the strategy aligned with the business strategy. All subsidiaries must follow the Group policies.

At Haypp Group, we follow applicable laws and regulations protecting employees in the workplace. We respect the dignity of every human being, and our policies are grounded in accordance with all internationally recognized human rights and labor rights, including those in the International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

A sustainable business model



Haypp Group's business model includes a focus on our strategic areas of sustainability, making it our sustainable business model. The model covers ESG aspects, commercialisation as well as the process and structure we follow on a corporate and operational level. The foundation of the business model rests on five strategic areas for sustainability that align with our vision and higher purpose and help us drive the business on both an operational and more strategic level.

At the core of the business model, we have several strategic areas organizing our sustainability efforts. These areas have been chosen carefully based on a previous materiality assessment and dialogues with our stakeholders. The five areas are also the base for our scorecard, a tool to drive change throughout the different departments, functions and the organization as a whole.

For Haypp Group to continuously monitor and review progress in relation to the strategic areas for sustainability within the business model, Haypp Group has created a Sustainability Scorecard. The scorecard sets out the metrics that we have identified to measure progress and actions to help achieve the overall purpose.

Find more information about this in Haypp Group's 2024 [sustainability report](#)

Our policies and procedures

Code of Conduct

Our Code of Conduct is the core pillar that guides us to keep compliant with our high standards of business ethics. It is the fundamental guide in everything we do and defines our main principles in relation to our commitment, our people & workplace, our business, and our assets.

The Code of Conduct applies to Haypp Group AB (publ) and all its subsidiaries and shall be followed by all employees. The Code of Conduct is implemented through robust communication and training for all employees.

New employees undertake e-learning on the Code of Conduct as well as being part of each manager's responsibility to cover during onboarding, including full-time consultants.

Find more information about this in Haypp Group's 2024 [sustainability report](#).

Supplier Code of Conduct

Haypp Group and its group companies are determined to conduct business in a sustainable manner. We expect our contracting parties, manufacturers and suppliers ("Partners") to share this vision.

This Code of Conduct specifies what Haypp Group and its group companies demand of their Partners in relation to key sustainability issues. We expect our Partners to comply with this Code of Conduct and they demand the same compliance from their suppliers.

According to the Supplier Code of Conduct, the Partner shall ensure, and to Haypp Group and its group companies guarantee, that they do not violate, or contribute to violation of, human rights or labour rights.

This means that the Partner, inter alia, should ensure that the production of products complies with the ILO eight fundamental conventions on human rights in working life. ILO's fundamental conventions reinforce basic human rights in working life, such as freedom of association and the effective recognition of the right to collective bargaining; the effective abolition of child labour; elimination of all forms of forced or compulsory labour; the elimination of discrimination in respect of employment and occupation and fundamental labour rights.

The Supplier Code of Conduct focuses on:

- Safe products
All suppliers must guarantee that the oral nicotine products provided to Haypp Group comply with statutory requirements and industry regulations relating to production, content, packaging, labelling, warning texts, and marketing.
- Taxes and other fees
All suppliers must comply with all tax and fee obligations from national legislation.
- Working environment and human rights
All suppliers must guarantee that they do not violate or contribute to the violation of human rights or labour rights. Product production must comply with the ILO's eight fundamental conventions on human rights in working life.
- Anti-bribery and corruption
Haypp Group has zero tolerance for bribery and corruption. All suppliers must comply with relevant laws and regulations applicable in markets in which the business is conducted, e.g. anti-bribery legislation in Sweden, the UK and the United States.
- Environmental and climate innovation
Haypp Group is actively trying to contribute to the global environment in a positive way. Haypp Group brings consumer and market insights to the table when engaging in product development with partners and encourages all sustainable and climate- innovative initiatives from partners. Such initiatives can create a more sustainable range of products and services.

Haypp Group's due diligence procedure

Haypp Group conducts regular risk assessments across our operations and the regions where we operate. Risk assessment is a cornerstone and is a crucial guide for determining where to focus, helping us prioritize where to allocate resources.

Our suppliers of tobacco and nicotine products are required to adhere to our Supplier Code of Conduct, which, among other things, stipulates the need to respect human rights and adhere to ILO conventions. In the majority of cases, suppliers sign our Supplier Code of Conduct, in some instances, both parties may use their respective Codes of Conduct, and in very few cases, only the counter-party's Code of Conduct is used, provided it is equivalent to our own Code of Conduct.

Information on actual and potential negative impacts

Haypp Group did not identify any actual negative impacts among its product suppliers in 2024.

The main salient risks identified are linked to the supply chain in the raw material phase of agriculture for tobacco growing and production. These risks include the potential presence of forced labour, child labour and health and safety risks of workers in the sourcing of materials, goods, and services due to the industry and countries of production. Furthermore, the plastic snus containers also have heightened risks for forced labour and salient health and safety risks in the oil extraction phase further down in the supply chain.

As a result, products and sourcing activities within the tobacco supply chain, as well as the broader procurement of materials and services, have been flagged as high-risk areas requiring enhanced due diligence.

Other salient risks are those of workers' rights within warehousing and logistics with potential third party providers and vulnerable groups of migrant workers.

Downstream Haypp has an impact on consumer health, which is of utmost priority to the Group, yet out of the direct scope of the Norwegian Transparency Act.

Information on mitigating measures

To address the aforementioned potential risks for negative impacts, we have taken or initiated the following steps:

Mitigating measures for salient risks in the supply chain

In each of the negotiations we have with suppliers of goods, we include references to our Business Partner Code of Conduct, which the supplier signs or present a similar declaration from their side. We have updated our measurement method since 2023, and the 80 % figure reported for 2024 covers the percentage of goods suppliers who have signed our own Supplier Code of Conduct. For the future, there is an initiative to implement similar agreements with suppliers of transport and delivery services, which are utilized in the delivery of orders to our customers.

We plan to conduct more detailed risk assessments of our supply chain and adjust our supply chain management systems going forward, in order to further mitigate potential negative impacts.

Mitigating measures for employee health and wellbeing

We make a constant effort to listen to all our employees' opinions and voices. We try to take into consideration how it is to be employed by Haypp Group. With our temperature measuring, we get an overall value which is possible to benchmark with other organizations. Throughout the year, we have consistently invested in our culture to promote collaboration, innovation, inclusivity, and execution. The model we have established is a winning concept for creating high levels of both well-being and ensuring a high degree of accountability among our employees. It is the delicate balance between the two that needs to be achieved to encourage people to step out of their comfort zone and learn new things. We always encourage our employees to seek new knowledge and ways to enhance their skills. This way, we can ensure that individuals have a good opportunity for meaningful and long-term development at Haypp Group.

As we grow, both in business and the number of employees, the need to have clear guidelines on how we operate is paramount. The Haypp Code of Conduct is not only a declaration of how we act and the standards we commit to, but it's also a tool for compliance and gaining experience. The Code was first rolled out in 2021, which all employees and full-time consultants have to review and complete an e-training on. With many new employees joining the company, this has made it especially hard to cover 100 % of the target group, and for 2024 the result is 80 %.

Mitigating measures for consumer health

For Haypp, consumer health is a matter of concern for everyone in the industry. To us, everything we do focuses on better consumer health, saving lives, more years to be lived, and reducing the use of tobacco and the harmful effects of smoking. For Haypp, working with consumer health means respecting and enforcing age restrictions, being transparent with product information, and labelling products so that consumers can make informed choices. We attract adult consumers seeking an alternative to extremely damaging consumption and offer a range of nicotine products. Not only is it the right thing to do, but it also makes good business sense. In addition, we offer nicotine-free alternatives for customers that wish to reduce their nicotine consumption or would like to quit altogether.

Haypp Group aims to be a worldwide source of essential health-related information and insights. We are committed to reducing risk while developing an understanding of how tobacco-related death can be avoided. Spreading the word is the way to support global efforts for increased health awareness, as well as growing our business together with others.

These insights give Haypp Group the opportunity to contribute to both market development and product innovation, as well as consumer research and regulations – so we can improve business and the category together.

By collecting and analyzing data, Haypp Group has become the leading research and insight provider within the oral nicotine category. These insights are shared with business partners and the wider external environment, including authorities and researchers, to provide factual and evidence-based information for commercial and public health-related decision-making. Furthermore, Haypp Group also drives different industry initiatives where one of the strategic ones is the laboratory testing of all nicotine-containing non-tobacco pouches, called nicotine pouches or all-whites. Even though we are an e-commerce retailer, not a manufacturer or product owner, we allocate substantial resources in the advocacy category, making the results public and ensuring availability for not only the industry but also authorities, decision-makers, and consumers.

Whistleblower channel

There are multiple ways of speaking up and raising compliance concerns. As a first step, we recommend that employees turn to their manager, People Function or the Compliance Function. Should you wish to report something anonymously, you can always use the Whistleblower Function.

Haypp Group has a whistleblowing function available for both employees and third parties to use. Our whistleblowing service which is an early warning system to reduce risks. It is an important tool to foster high ethical standards and maintaining customer and public confidence in us.

The whistleblowing service can be used to alert us about serious risks of wrongdoing affecting people, our organisation, society, or the environment. Reports can include information regarding criminal offences, irregularities and violations or other actions in breach of EU or national laws, within a work-related context.

Reports are securely handled. The whistleblowing service is provided by an external partner, to ensure anonymity. The communication channel is encrypted and password protected. All messages will be processed in confidence.

Find more information about this on hayppgroup.com

Requests for Information

In accordance with the Transparency Act, individuals or organizations may request further information about how we manage actual and potential human rights impacts.

For enquiries, please contact: Joakim Werle, Joakim.werle@hayppgroup.com, +46722517566

Relevant Links

[Haypp Group website](#)

[Haypp Groups Whistleblowing function](#)

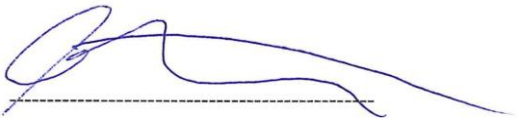
[Haypp Group Sustainability Report 2024](#)

[Haypp Group Annual Report 2024](#)

Signature of the Board and General Director of SnusHjem.no AS



Svante Andersson
Chairman



Charlotta Emtefall
Board member