

# Report for the Transparency Act 2023

**Haypp Norway**

## Introduction

This statement has been published in accordance with the requirements of the Norwegian Transparency Act.

It sets out the steps taken by Haypp Norway (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 2023, ending 31st December 2023.

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

Haypp Norway is a part of the global company Haypp Group, which is publicly listed in Sweden. Haypp Norway is governed from the headquarter in Sweden but has a local warehouse in Norway and a smaller office in Oslo.

The highest governing body for Haypp Group is the general meeting, referred to as Annual General Meeting (AGM), in which the shareholders exercise their decision-making powers. At the AGM the Board of Directors (BoD) are elected after a proposal by the Nomination Committee, whose task is to propose an appropriate composition and mix, including age, gender, education and professional background. The diversity should be manifested by the elected members regarding versatility and breadth regarding competencies, experiences, and background. During the year 2023, the BoD consisted of six members and the Chairman of the BoD of Haypp Group is Ingrid Jonasson.

The BoD appointed Gavin O'Dowd as the CEO of Haypp Group, who in turn leads the Management team, composed of five members. The corporate governance structure is set up with different functional and department managers who report to the CEO and together handle the daily operations, including decision-making in relation to economic, environmental, and social fields. The work of the Management team is continuously overseen by the BoD.

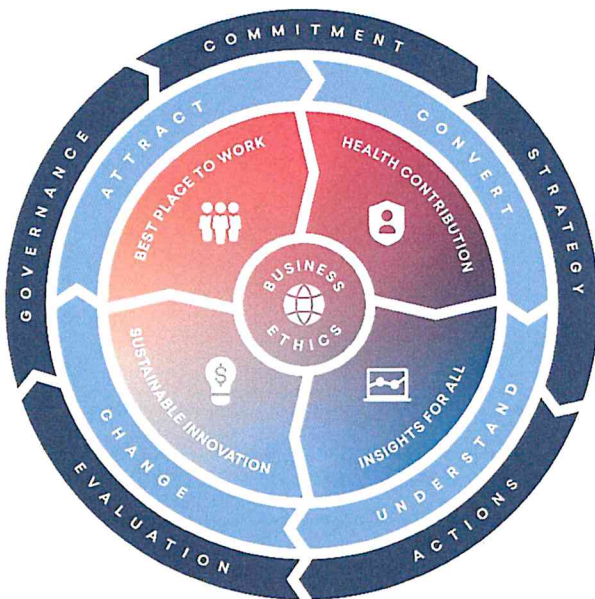
The overall responsibility for performance within sustainability lies with the BoD. They determine the strategy for Haypp Group and identify the various risks based on recommendations from the Management team. The BoD is tasked with monitoring the risk management process and is continuously informed 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 a part of our ordinary business review presented to management and handled accordingly. Sustainability risks 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 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.

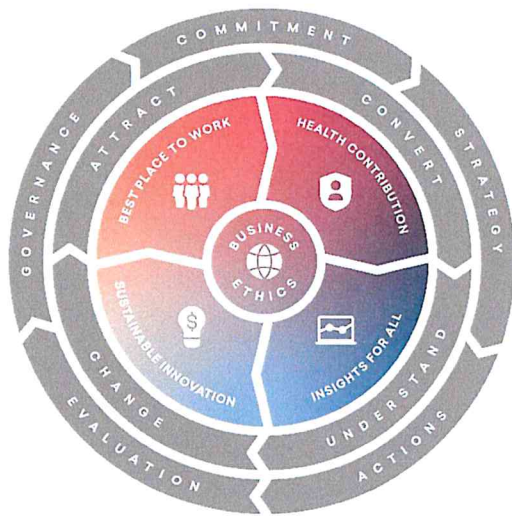
At Haypp Group, we follow applicable laws and regulations protecting employees in the workplace. We respect the dignity of every human being and work in accordance with all internationally recognized human rights and labor rights, including those in the International Bill of Human Rights and the International 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.

## The strategic areas – to drive change



**Health contribution**, how we can help people convert from smoking, and other tobacco products, into less harmful alternatives among oral nicotine products. Our contribution leads to more years and lives lived.



**Best place to work**, aspiring to be the best employer for all within Haypp Group.



**Insights for all**, working with the data we, as an e-commerce business, have access to help develop products, increase convenience, meet consumer needs, form relevant market policies, and create new alternatives.



**Sustainable innovation**, utilising the data, can contribute to sustainable growth and development together with business partners, suppliers, regulators, and consumers.



**Business ethics**, at the core of sustainability and business. Our ethics shall always guide our decisions as we must apply a high level of ethics in e-commerce and the oral nicotine sector.

At the core of the business model, we have several areas organising our sustainability efforts and ESG initiatives. These areas have been chosen carefully based on the materiality analysis, dialogues with our stakeholders, and a way to organise our work. The five areas are also the base for our scorecard, a tool to drive change throughout the different departments, functions and the organisation 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.

### Best place to work

We know that Haypp Group improves when our employees reach new levels in their own development. By promoting equality, diversity and inclusion, the people involved in Haypp Group's operations and development can move mountains.

The metrics that we measure annually in the scorecard in the area of best place to work are as follows: employee satisfaction, ranking against benchmark, coaching culture, leadership index, regrettable losses and staff turnover.

Find more information about this in Haypp Group's 2023 [sustainability report](#).

## Business ethics

In order to deliver consistently and successfully to our current and future customers, we must hold ourselves to the highest ethical standards. There are policies in place to ensure high business ethics and prevent corruption and bribery.

High business ethics are fundamental to the way we want to do business. It is also necessary to place high demands on both our suppliers and ourselves in order to realise our goal of leadership in our market. The Code of Conduct has been developed to ensure proper behaviour, and it guides us in the different situations which may occur.

Business ethics indicators Haypp Group track include:

- Code of Conduct  
As we grow, both in business and the number of employees, the need to have clear guidelines on how we operate is paramount. The Code 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 and was updated in 2024, and all employees and full-time consultants have to review and complete an e-training to verify their compliance and understanding.
- Supplier Code  
In our agreements with suppliers, we include references to our Supplier Code, which the supplier signs or present a similar declaration from their side.
- Customer satisfaction  
When customers are asked, the most important aspect for the customer of Haypp Group is that the promise given at the purchase is met. This means that the right product is delivered in the right way and at the right time. Customers are asked for their opinion, which results in a customer satisfaction score.
- Driving development and change according to partners  
We take pride in driving the transformation of the nicotine industry as well as being part of the change from traditional brick-and-mortar retail to e-commerce. Business partners are asked if they consider Haypp Group as a force for this change.

Find more information about this in Haypp Group's 2023 [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 2023 [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.

## Our due diligence of the supply chain

Haypp Group conducts regular risk assessments across our operations and the regions where we operate. These assessments include, but are not limited to, compliance and ESG considerations. 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.

Haypp Group did not identify any negative social impacts among its product suppliers in 2023.

## 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](https://www.hayppgroup.com)



## Our responsible path into the future

Our company is currently in the process of establishing new standards for ESG reporting to comply with the European Union's new sustainability legislation under the Corporate Sustainability Reporting Directive (CSRD). This initiative involves meeting significantly higher demands for transparency in our environmental, social, and governance practices.

The CSRD requires us to provide more detailed and comprehensive disclosures on how our operations impact the environment and society. By setting these new standards, we are not only ensuring compliance but also strengthening our commitment to sustainable business practices, ultimately enhancing the trust and accountability towards our stakeholders.

Haypp Group will continue to conduct regular risk assessments to ensure we are identifying and addressing potential challenges. We are continuously reviewing, updating, and implementing relevant documents to maintain compliance with all applicable regulatory frameworks.

### Relevant Links

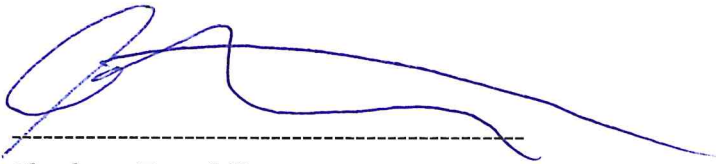
[Haypp Group website](#)

[Haypp Groups Whistleblowing function](#)

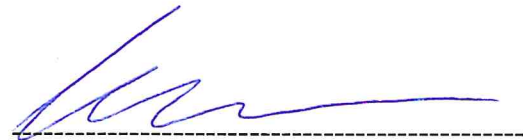
[Haypp Group Sustainability Report 2023](#)

[Haypp Group Annual Report 2023](#)

## Signature of the Board



Charlotta Emtefall



Svante Andersson