Within a short period in the recent years, the significance of activities in the digital space has grown substantially worldwide. This means that the demand of presence online has increased immensely and changed the way how the retail market works, hence the way that Pappelina needs to operate online. Pappelina has always and will always value long-term commitment and long-term relationships before volume profit. We take pride in our strong core values and from the start of Pappelina in 1999, we made the decision to only work with partners and retailers that have similar core values as ourselves. Pappelina wants offline and online retailers to complement each other so that both our brand, partners and retailers will prosper many years to come.

In light of the above, the following guideline applies to our online retailers:

- Selling Pappelina products online is preferred only in the online shop that you run and manage, with
 your URL: selling is not permitted on third-party platforms and marketplaces without consensus with
 agent, distributor or Pappelina.
- Preferably retailers should, if possible, avoid to actively advertise and sell online outside the country where the head office is officially registered.
- · Retailers should avoid acting as wholesalers or to sell Pappelina products to other retailers.
- Pappelina reserves the right both not to accept potential online retailers and to withdraw current
 accounts as a result of brand strategy, production capacity and sales-channel enhancement.
- Online retailers shall use Pappelina trademarks and intellectual property, including but not limited to logo, product trade names, photos, illustrations and other Pappelina images. The usage shall be in accordance with Pappelina's directives. All intellectual property rights, including but not limited to copyright, trademark and logos, remain with and belong to Pappelina.
- In terms of the end customer, the online shop must always present correct information and act in
 accordance with fair commercial practices and applicable rules and regulations. Pappelina prefers that
 online retailers publicly show stock balance, freight, VAT and other taxes/fees for the items for sale.

