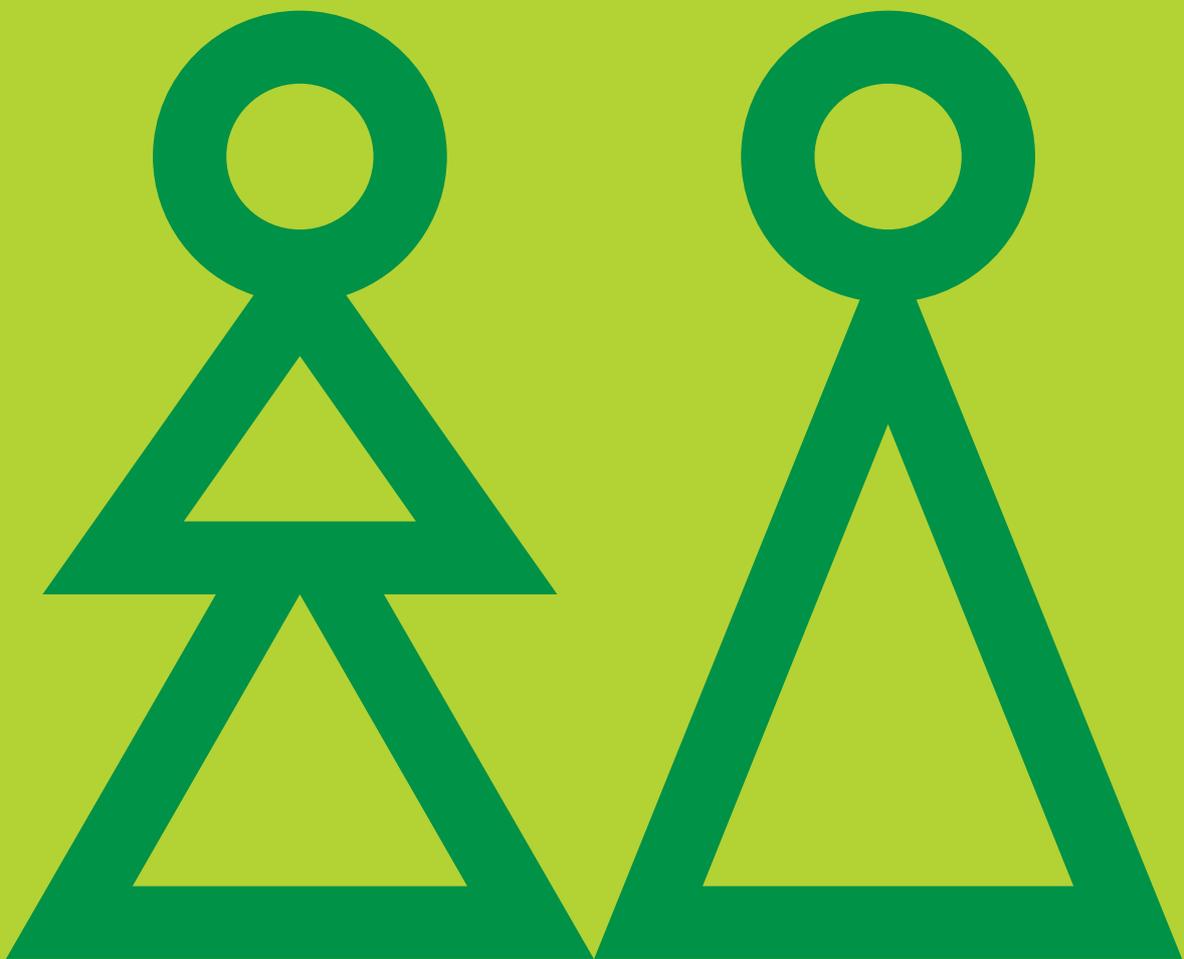


# Supplier Code





## 1. Why do we need a Supplier Code?

### 1.1. Introduction

Sound business ethics and high integrity will guarantee Södra's credibility and professionalism. Södra believes that its corporate social responsibilities extend across the entire value chain. The demands that Södra places on its employees under the company's Code of Conduct also apply to its suppliers under the Supplier Code.

### 1.2. Basic principles

The principles of the Supplier Code are based on Södra's policies and guidelines, the UN Global Compact, the Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.

### 1.3. Contents

Södra's Supplier Code contains guidelines for the duties and responsibilities of Södra's suppliers in relation to business principles, working conditions, respect for human rights and the environment. The guidelines are minimum requirements, and should not be considered an exhaustive list.

The Supplier Code applies not only to Södra's contracted suppliers (both verbal and written), but also to those contracted by Södra's suppliers. The supplier is responsible for ensuring that its contracted suppliers comply with Södra's Supplier Code or equivalent requirements.

A "supplier" is defined as a provider of both goods and services, with the exception of timber supplies from Södra's members.

## 2. Business principles

### 2.1. Laws, rules and regulations

Södra's suppliers are to comply with the applicable laws, rules and regulations of the countries in which they operate. If there are any differences between the regulations of the Supplier Code and the above named regulatory frameworks, the supplier is to apply the regulations with the highest standard. Södra's suppliers are to notify Södra without delay should a regulation in the Supplier Code be inconsistent with a law, rule or regulation of any of the countries in which the supplier operates.

### 2.2. Gifts, benefits, remuneration and hospitality

Södra's suppliers are to abstain from, and reject, any form of bribery, corruption or money laundering.

### 2.3. Competition law

Södra's suppliers are to comply with applicable competition laws and must not, in violation of applicable laws and regulations, engage in anti-competitive practices or conduct that prevents, restricts or distorts competition.

## 3. Human rights and working conditions

Södra's suppliers are to support and respect internationally recognised human rights within their sphere of influence.

### 3.1. Safe and healthy work environment

The supplier is to provide a safe and secure workplace for all employees. The supplier is to ensure that health and safety procedures are established, monitored and kept up-to-date. The supplier is to provide employees with protective equipment and any training they require to perform their jobs safely.



### *3.2. Discrimination and harassment*

Södra's suppliers must not engage in, or support, any form of discrimination on the basis of gender, marital status, ethnic or national origin, sexual orientation, religious belief, political affiliation, age, disability or any other status protected by applicable law.

Nor is the supplier to engage in, or support, any form of mental or physical abuse, threat of abuse, bullying, sexual or other forms of harassment.

### *3.3. Working conditions*

The supplier is to respect and abide by obligations to its employees under national laws and social security systems. Working hours, salary and other remuneration must comply with applicable laws and agreements, and generally accepted industry standards.

### *3.4. Child labour and forced labour*

The supplier must not engage in, or support, the use of child labour, in accordance with international and national laws and regulations.

The supplier must not be involved with, use, allow or take advantage of any form of forced labour including compulsory labour, slavery, servitude, human trafficking or labour as a form of abuse.

The supplier must not withhold any part of an employee's salary, benefits, property or documents (such as ID cards and travel documents) to force the employee to continue working for the supplier.

### *3.5. Freedom of association*

The right of workers to form or join trade unions and bargain collectively must be respected by Södra's suppliers. Trade union representatives must be able to carry out their functions, and discrimination against elected representatives or unionised employees is not accepted.

If trade unions are not permitted in the region in which the supplier operates, or if only state-approved organisations are allowed, the supplier is not to prevent workers from gathering independently in other forms to discuss work-related issues, and is to offer them a forum for raising work-related concerns with the management.

## **4. Environmental considerations**

Södra's suppliers are to comply with applicable environmental legislation, and adopt responsible practices in relation to the environment and energy in all of their activities.

## **5. Compliance and monitoring**

### *5.1. Compliance*

Södra's suppliers are to identify, manage and comply with the requirements set out in this Supplier Code. The Supplier Code is an integral part of the agreements that Södra concludes with its suppliers. Södra will perform supplier assessments to verify compliance with the Supplier Code.

If a supplier does not comply with the regulations in Södra's Supplier Code, Södra is entitled to (i) demand that the supplier immediately take corrective action or (ii) terminate the agreement and end the relationship with the supplier.

### *5.2. Monitoring*

The supplier agrees that Södra has the right to verify and evaluate compliance with the requirements set out in the Supplier Code. The supplier is to cooperate with Södra in the evaluation of its compliance with the Supplier Code.