

# Supplier Code



# Introduction

The purpose of Södra's values – feet on the ground, ears to the wind and eyes on the horizon – is to describe how we are to act together. The values are translated into more specific guidelines and behaviours for what is important for Södra and our brand through the Code of Conduct for Södra's employees and representatives and the Supplier Code for you as a supplier. The Codes are also based on legislation and international regulations and principles that we support.

The Supplier Code describes our responsibility by detailing our care for people throughout the value chain, responsible business, protection of Södra's assets and interests, and the sustainable use of the forest and earth's resources. It is the actions and decisions we take every day – members, employees and suppliers jointly – that build a sustainable and successful Södra for the future.

The Supplier Code contains guidelines for the obligations and responsibilities of Södra's suppliers. A supplier is defined as a provider of both goods and services that Södra has entered into an agreement with (both verbal and written), and sub-contractors engaged by Södra's suppliers. As a supplier, you are responsible for ensuring that your sub-contractors comply with the Södra Supplier Code or equivalent requirements. The guidelines are minimum requirements, and should not be considered an exhaustive list.

Special guidelines apply for members of Södra, and other private forest owners, who deliver wood directly to Södra, and these suppliers are not covered by the Supplier Code.

## Summary

### Care for people throughout the value chain

Always put health and safety first and work actively to support and promote internationally recognised human rights.

### Engage in responsible business with our feet on the ground

Zero tolerance for corruption, strive to compete fairly and honestly and work together with Södra for responsible business.

### Protect Södra's assets and interests

Use Södra's physical and financial assets and manage information about operations responsibly.

### Use the forest and the earth's resources with eyes on the horizon

Endeavour to reduce environmental and carbon emissions, for circular flows, richer biodiversity and active and sustainable forestry.

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

# Care for people throughout the value chain

Södra always puts health and safety first. We also strive to support and promote internationally recognised human rights.



## 2.1 Occupational health and safety

As a supplier, you are to offer a safe, secure and healthy workplace for all employees. This means the work environment must be physically, mentally and socially sound, and employees must have the opportunity to grow and develop. We expect compliance with national legislation and active work to completely avoid accidents, incidents and unsafe or unhealthy conditions in workplaces. We work safely or not at all.

## 2.2 Discrimination and harassment

Södra has zero tolerance of discrimination and harassment and promotes diversity, gender equality and inclusion. We expect the same of you as supplier. This means that you value employee differences and offer the same opportunities for employment, training and development at work, regardless of race, colour, ethnic, social or national origin, language, gender, transgender identity or expression, sexual orientation, religion or other expression of faith, political or other opinion, disability, age or other personal factors. Harassment, oppression, mental or physical punishment, the threat of punishment, bullying or victimisation are not acceptable.

## 2.3 Working conditions and freedom of association

As a supplier, you are to offer all employees working conditions that are at least equivalent to applicable laws and agreements. Obligations to employees under national laws and wages and other remuneration, working hours, social safety nets and personal and accident insurance must be respected and followed. If you have employees who operate in Sweden you must have collective agreements, local collective agreements or, as a minimum, equivalent conditions.

As a supplier, you must also recognise and respect the right of employees to form or become members of a trade union or other association to defend their rights, and the right to bargain collectively. Employee 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 you operate as a supplier, or if only state-approved organisations are allowed, you are not permitted to prevent workers from gathering independently in other forms to discuss work-related issues. A forum where employees can raise work-related issues with management must then be made available.

## 2.4 Forced labour and child labour

Södra does not accept forced or child labour and we expect measures to be taken to prevent and combat forced or child labour. This means that child labour must not occur in operations conducted by you as supplier, or by other business partners across our value chain. Immediate action must be taken if compliance breaches are suspected. Applicable legislation and international rules on the legal minimum age for employment must be followed. No form of forced labour or involuntary labour, including slavery, servitude, human trafficking or labour exploitation is accepted.

Employees shall have the freedom to choose to work for you as supplier and the right to leave their employment in accordance with applicable labour laws and employment contracts. No part of an employee's salary, benefits, property or personal documents may be withheld to force the employee to continue working.



# Engage in responsible business with our feet on the ground

Södra has zero tolerance for corruption and strives to compete fairly and honestly. We work together for responsible business.



### 3.1 Anti-corruption

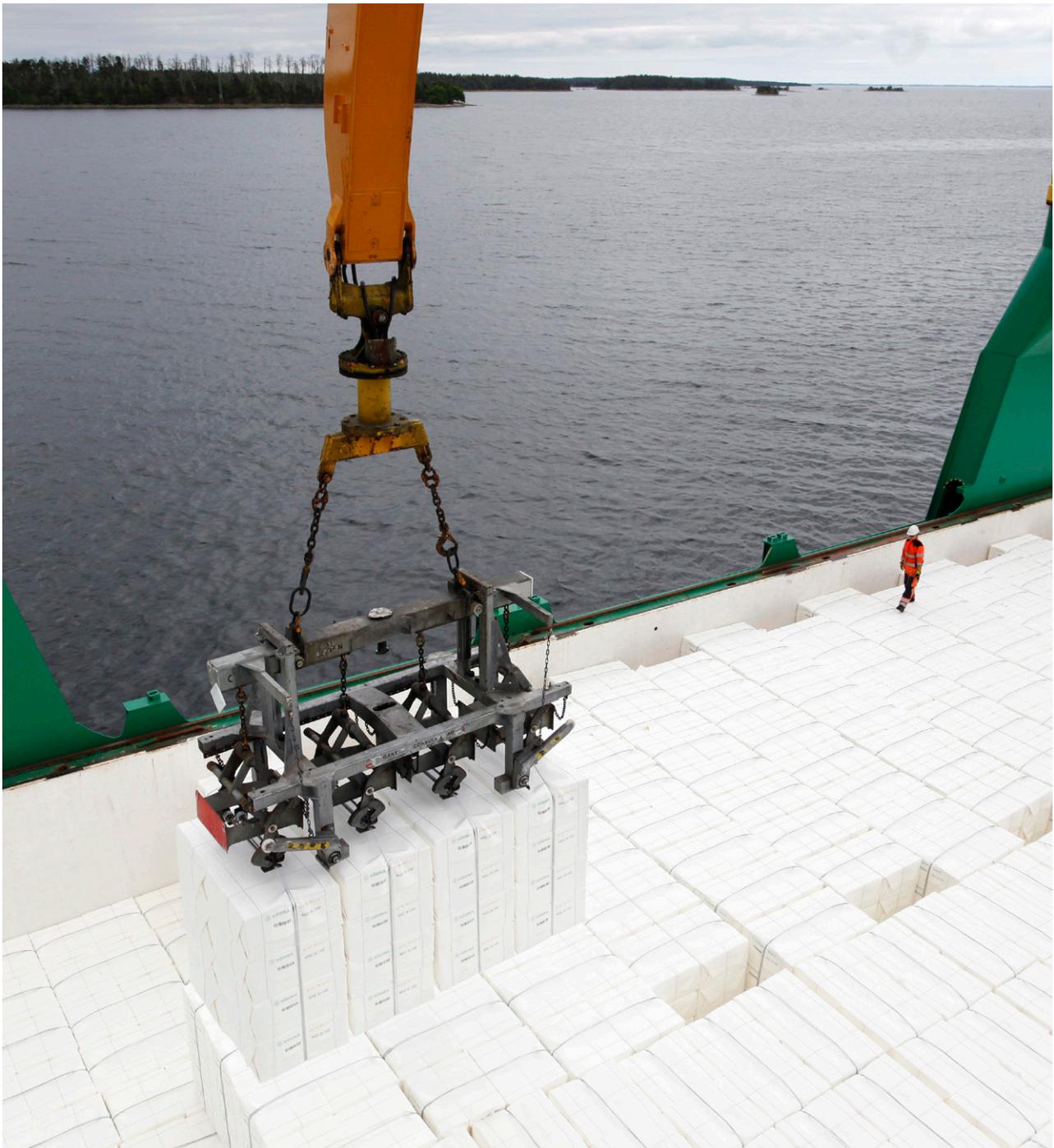
Södra has zero tolerance for all forms of corruption and we expect preventive activities to be undertaken to counteract corruption. This means you as supplier, directly or through another party, must not give or accept bribes, expensive gifts and business-related entertainment or other unpermitted remuneration to create or retain contracts or to speed up a decision. Any attempt to influence a business or official decision or receive favourable treatment in an inappropriate manner is strictly prohibited.

### 3.2 Competition law

Södra strives to compete fairly and honestly and in accordance with applicable competition legislation. As a supplier, you are to comply with applicable competition laws and must not engage in anti-competitive practices or conduct that prevents, restricts or distorts competition.

### 3.3 Trading rules and restrictions

As a supplier, you shall comply with trading rules, trade restrictions and trade sanctions issued by national authorities, the UN or EU in force at the time.



# Protect Södra's assets and interests

Södra's physical and financial assets and information about our operations are crucial for the company. We use assets and manage information responsibly.



#### 4.1 Protect confidential information

All information about Södra and our operations that is not public is in principle confidential information. That is why you, as a supplier, must never unlawfully submit confidential information to any unauthorised person, neither within nor outside Södra. Confidential information could be either verbal or written and in physical or electronic form.

#### 4.2 Södra's assets

All of Södra's assets, both physical and financial, are central for our operations and may only be used to serve Södra's interests. As a supplier, you are to use Södra's

assets responsibly and may not use them for your own purposes. Södra's assets shall also be protected from theft, loss and damage. Södra's brand may not be used without approval.

#### 4.3 Information security and protection of personal data

As a supplier, you shall comply with all applicable laws and regulations in the field of personal data and information security. Collection, processing and storage of personal data shall be appropriate and lawful, and incorrect processing of personal data must always be avoided.



# Use the forest and the earth's resources with eyes on the horizon

Södra endeavours to reduce environmental and carbon emissions, for circular flows and for richer biodiversity. We encourage active and sustainable forest management.



## 5.1 Environment, climate and circular flows

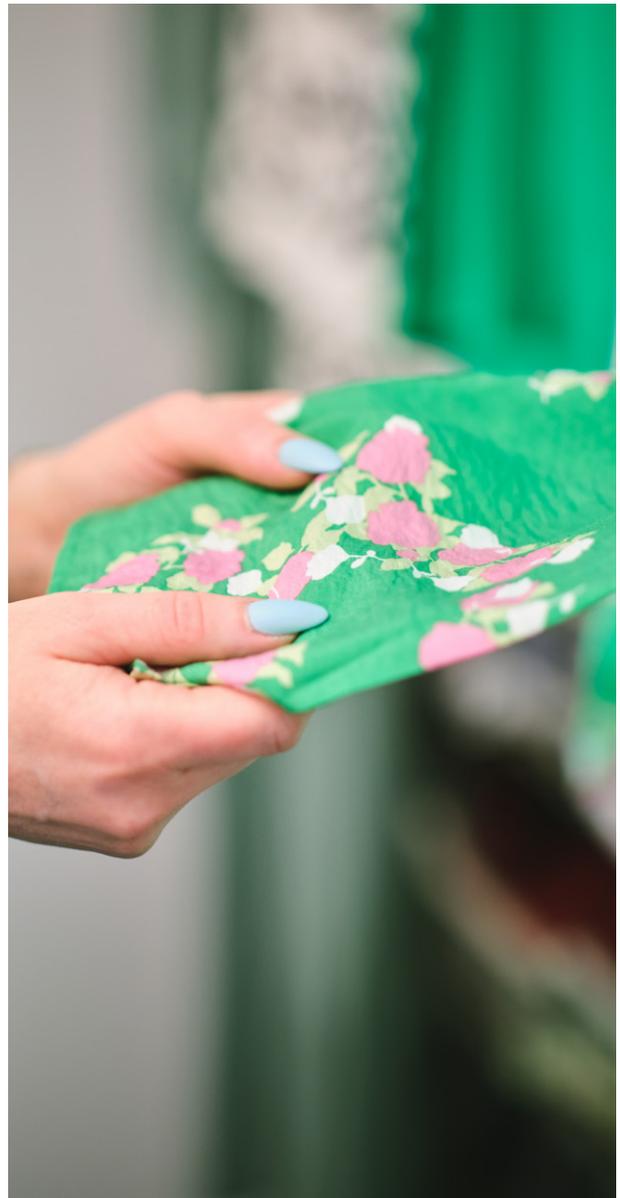
As a supplier, you shall comply with all applicable environmental legislation and prevent and reduce environmental and climate impact, while striving to achieve resource and energy-efficient and circular flows. This means emissions and other disruptions shall be limited, the use of and emissions to water are to be minimised, waste is to be avoided, chemicals management is to be based on the precautionary approach and material and energy recycling is prioritised. This also means that you as a supplier must identify the impact of operations, and actively strive to protect biodiversity.

As a supplier, you shall endeavour to achieve systematic and continuous improvements, for example by using environmental management systems. You must also monitor environmental and climate performance and be able to report the environmental performance and GHG emissions from operations to Södra.



## 5.2 Sustainable forestry

As a supplier of forest raw material, you must conduct active, responsible and long-term forest management where consideration is made for nature conservation values, social values and cultural values. This can be achieved by offering certified raw material, or when the raw material complies with the requirements for FSC® Controlled Wood. As a minimum, you as a supplier must ensure the forest raw material has not been illegally harvested, does not come from natural forests that have been harvested to use the land for plantations or for non-forest land uses (except when the change only affects a limited part of the economic entity and does not damage high conservation values), areas where the rights of indigenous peoples to the forest were violated, key habitats (except for measures to preserve or strengthen conservation values) or genetically modified trees.



# Compliance and monitoring

## 6.1 Compliance

As a supplier, you are to identify, manage and comply with the requirements set out in the Supplier Code. You are also responsible for ensuring that your sub-contractors comply with the Södra Supplier Code or equivalent requirements. By entering into an agreement with Södra you accept the requirements in the Supplier Code.

As a supplier, you must always comply with the applicable laws, rules and regulations of the countries in which you operate. If there are any differences between the regulations of the Supplier Code and these regulatory frameworks, the regulations with the highest standard are to be applied. Notify Södra immediately if a regulation in the Supplier Code is inconsistent with a law, rule or regulation of any of the countries in which you operate.

## 6.2 Monitoring

As a supplier, you agree that Södra, or a third party appointed by Södra, has the right to verify and evaluate compliance with the requirements in the Supplier Code. You must cooperate with Södra in the evaluation of compliance with the Supplier Code.

## 6.3 Reporting non-compliance

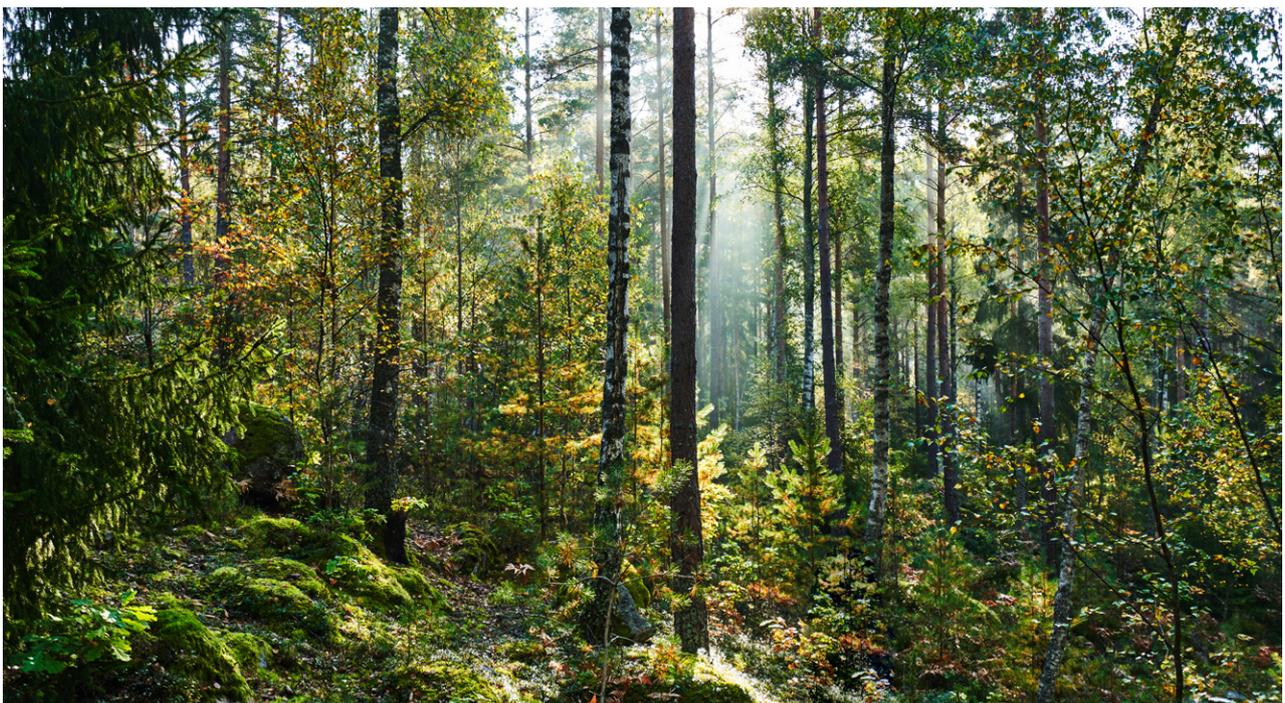
As a supplier, if you suspect or detect non-compliance with the Supplier Code you must immediately contact Södra, for example through your ordinary contact person with us, the contract manager or the whistleblower function.

As a supplier, you must have a whistleblower function that employees are aware of, where shortcomings and complaints can be reported. If the company does not have its own whistleblower function, employees are to be informed that they can report serious shortcomings via Södra's whistleblower function.

Södra's whistleblower function may be used by employees at suppliers or other business partners of Södra, if serious shortcomings exist. This could involve fraud, corruption or other forms of financial crime, harassment or discrimination, dangers to health and safety or the threat of serious environmental damage.



Scan the QR-code to whistleblower function



## This is Södra

Södra was founded in 1938 on the idea that we are stronger together. Södra is now the largest forest-owner association in Sweden, with 52,000 family forest owners as its members. Together, members of Södra own a world-leading industry that processes forest raw material into renewable products such as pulp, timber, building systems, liquid bioproducts and energy.

**With our roots in the forest, we are creating the future.**

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