

# Swedbank's Supplier Code of Conduct

## 1. Promotion of Fair Practices

This Code of Conduct is a result of Swedbank's ambition to establish a proactive collaboration with its suppliers in the promotion of lawful, professional and fair practices that integrate the respect for human rights, business ethics and the environment.

## 2. The Parties' Commitments

As a bank, Swedbank is exposed to all types of businesses and different parts of society, and Swedbank has the opportunity to enable a sustainable development while making good business. Swedbank operates with global impact through its investments, credits and supply chain. Swedbank believes that the respect for human rights and the planetary boundaries is essential for Swedbank's and its business partners' future and that its contribution to a sound and sustainable society is essential. Therefore, Swedbank wants to take an active part to contribute, within its sphere of influence, to promote human rights, fight corruption and promote respect for the environment. Swedbank is committed to follow:

- United Nations Global Compact
- UN Principles for Responsible Investments
- OECD Guidelines for Multinational Companies

## 3. Employee Practices

### 3.1 General

This section establishes requirements on the supplier concerning employee practices. Relevant information concerning employee practices and labour conditions shall be available in the language(s) of the supplier's employees in service and/or manufacturing units.

### 3.2 Employment is Voluntary

Forced labour, including prison labour, indentured labour, bonded labour or other forms of forced labour is never used.

### 3.3 No Discrimination or Harassment

Employees are not subject to discrimination in employment, including hiring, compensation, promotion or discipline, on the basis of gender, race, religion, age, disability, sexual orientation, pregnancy, marital status, nationality, political opinion, trade union affiliation, social or ethnic origin or any other status protected by local law. Employees may not be subject to physical, sexual, psychological or verbal harassment or abuse.

### **3.4 Child Labour and Young Workers**

Child labour is never used and appropriate measures to ensure that no child labour occurs in production or operations or at subcontractors' place(s) of production or operation are taken. If child labour is found in any place of production or operation, a corrective and preventive action plan shall be implemented immediately. The action plan shall take the child's best interest into consideration, i.e. its family and social situation and level of education. Care shall be taken not merely to prevent child labour but to enable a more viable and sustainable alternative for the child.

### **3.5 Remuneration**

Employees' receive salaries/wages above or in accordance with minimum salaries/wages that are always timely paid. The supplier shall also provide legally mandated benefits, including holidays. Any overtime hours are consensual and compensated at a premium rate or otherwise.

### **3.6 Regular Employment**

Work is performed on the basis of a recognized employment relationship established by local law and practice.

### **3.7 Freedom of Association and Collective Bargaining**

To the extent permitted by local law, the right of employees to freedom of association and collective bargaining is respected and promoted by the supplier. This includes the right to form and join trade unions and other worker organizations of their own choosing without harassment, interference or retaliation. In countries where such freedoms are limited by law, the responsibility of the employer to assure other forms of employee influence is increased correspondingly.

### **3.8 Health and Safety Standards**

The workplace shall be safe, hygienic and healthy. This implies, but is not limited to, assuring fire protection, safety equipment, and other necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work. Systems to detect, avoid and respond to potential risks to the safety and health of all employees are implemented and maintained and yearly training in fire drill and usage of safety equipment etcetera is provided. The supplier shall provide access to toilets and potable water.

### **3.9 Gender Equality Integrated**

Gender equality is promoted in all parts of the operation; this may imply integration of gender equality in processes such as recruiting, promotion, training, remuneration and parental leave.

## 4. Human Rights

### 4.1 General

This section establishes requirements on the supplier concerning human rights impact.

### 4.2 Respect for Human Rights

The respect for human rights, and when possible the promotion of such rights, shall be integrated in all business activities and operations. Hence, human rights risks shall be assessed in business relationships with employees, customers, suppliers, subcontractors and joint venture partners, and human rights considerations shall be taken in all business decisions.

### 4.3 Due Diligence, etcetera

In all business the relevant activities and operations measures (for example due diligence procedures) to avoid infringing on the rights of others shall be taken. In situations where human rights are not protected, steps to respect human rights and avoid taking advantage of these situations shall be taken.

### 4.4 High Risk Countries

When defining high risk countries the human rights situation, as it is reported by official sources such as international human rights organizations and United Nations bodies shall be taken into consideration. When operating in, or doing business with, such high risk countries increased human rights risk assessments should be carried out.

## 5. Environment

### 5.1 General

This section establishes requirements on the supplier concerning environmental impact.

### 5.2 Managing Environmental Aspects

The supplier must strive to minimize the adverse environmental impacts of its activities, products and services through a proactive approach and responsible management of its environmental aspects (including, but not limited to) use of scarce natural resources, energy and water emissions to air and releases to water, noise, odor and dust emission, potential and actual soil contamination, waste management (hazardous and non-hazardous substances) and product issues (design, packaging, transport, use and recycling/disposal).

### 5.3 Compliance with Environmental Legislation

The supplier shall maintain awareness of current environmental legislative requirements, which are relevant to the environmental impacts of its activities, products and services. Also, it must ensure legal compliance through training, awareness, operational control and monitoring.

## 6 Business Ethics

### 6.1 General

This section establishes requirements on the supplier concerning fair business practices and respectful customer relations.

### 6.2 No Corruption

Corruption is the abuse of entrusted power for private gain. This can mean not only financial gain but also non-financial advantages such as nepotism, etcetera. Efforts to assure compliance with all applicable anti corruption laws and regulations are taken. No form of corruption is accepted.

### 6.3 Privacy, Freedom of expression and confidentiality

The freedom of expression and privacy of end users, customers, employees and business partners are respected. Information regarding business activities, structure, financial situation, performance, and/or any other information deemed confidential must be effectively safeguarded. Such information shall be disclosed only in accordance with information the guidelines specified in a non-disclosure agreement (or the similar) concluded or to be concluded between supplier and Swedbank, and within the guidelines of the applicable banking secrecy and data protection laws and regulations.

## 7 Monitoring and Compliance

### 7.1 Implementation

As a condition for doing business with Swedbank, the supplier shall implement the materiality of this Code into its operations. The supplier assures that a responsible person with the mandate and resources to implement and follow up this Code of Conduct is appointed without delay. The name and contact details of this contact person shall be communicated to all employees.

### 7.2 Compliance

The supplier shall see to it that appropriate measures are taken to enable that the materiality of the requirements stated in this Code of Conduct is complied with at the supplier's and its subcontractors' sites/productions units.

### 7.3 Monitoring

The supplier shall audit its own and its subcontractors' operations to ensure compliance with the materiality of this Code of Conduct. Swedbank reserves the right to randomly review all suppliers' policies, procedures or any other document related to this Code of Conduct. Swedbank may also require on-site audits in production sites of suppliers of branded goods to audit the adherence to this Code; the supplier shall give access to all relevant documentation and must give physical access to all premises.

### 7.4 Consequences of Non-Compliance

Swedbank will base its supplier relations on dialogue and collaboration to fulfill this code. However, if the supplier fails to meet the requirements of this Code of Conduct, and this non-compliance is not

cured within twelve months upon Swedbank notifying the supplier on such non-compliance, this shall be deemed to constitute a material contractual breach of the supplier and Swedbank may, in Swedbank's choice, and free of any obligation of paying penalties, damages or any other compensation or reimbursement to the supplier or its subcontractors, cancel any or all orders and/or suspend, cancel or early terminate any or all contracts with the supplier (or parts thereof).

If an audit reveals less than full compliance with this Code of Conduct, the supplier must take the prescribed corrective actions without delay. The period of time the supplier has to implement these corrective measures will be agreed upon with the auditors, but may not exceed twelve months.

SUPPLIER NAME: \_\_\_\_\_

AUTHORIZED SIGNATORY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_