

# Skandia's Code of Conduct for Suppliers

The Skandia Group (jointly “Skandia”) is a leading pension and banking group of companies that has provided people with financial security for 160 years and has a strong tradition of product development and community engagement. Skandia creates a richer life for people through pension, health and savings solutions.

Skandia wants to help create a secure and sustainable future by doing business in a responsible manner. Our mission is to take a preventive and long-term approach in our actions. This also applies to Skandia's relationships with suppliers. To live up to this, Skandia sets, through this Code of Conduct, standards for suppliers to regulate their business from a sustainability perspective and work in accordance with the same values and regulations as Skandia.

The purpose of this Code of Conduct is to ensure that Skandia can work together with its suppliers for sustainable development in a business ethics, social and environmental sense.

This Code of Conduct for Suppliers forms an integral part of the supplier's agreement with Skandia.

## Corporate responsibility

For Skandia, corporate responsibility means that business should be conducted in a socially connected, ethical and environmentally sustainable manner. It means showing respect for people, society and the environment and striving to meet and exceed the expectations of our stakeholders with regard to Skandia's business.

Skandia follows the UN Global Compact and its ten principles on human rights, workers' rights, the environment and combatting corruption. Skandia does this by working in accordance with the United Nations Guiding Principles on Business and Human rights and the OECD Guidelines for Multinational Enterprises. These principles state that companies must identify their potential negative effects and take appropriate measures to counteract these risks.

## Requirements for suppliers

Being a Skandia supplier means being aware of your sustainability risks and continually working to manage and prevent them. As a supplier, you must in your business operations respect basic human rights and work in accordance with international conventions and other recognised regulations and standards. Products and services supplied to Skandia must be produced under conditions that are in accordance with the following:

- The UN Universal Declaration of Human Rights
- The International Covenant on Civil and Political Rights
- The International Covenant on Economic, Social and Political Rights
- The UN Convention on the Rights of the Child
- The eight fundamental conventions of the ILO Declaration on Fundamental Principles and Rights at Work
- The UN Convention against Corruption
- The UN Global Compact
- The UN Guiding Principles on Business and Human Rights
- The OECD Guidelines for multinational enterprises.

## Human rights

The supplier undertakes to uphold and protect internationally accepted human rights (see the list above). This means that the supplier must avoid causing, contributing to or otherwise being connected with negative effects on human rights through its business operations or business connections. The supplier undertakes to manage and to take preventative measures against negative effects caused by its business activities. The supplier undertakes to treat its employees, customers and subcontractors with dignity and respect in every regard.

### *Discrimination*

The supplier undertakes to treat all employees with dignity and respect. The supplier may not practice any form of discrimination in its business operations or hiring processes. Banned forms of discrimination include but are not limited to discrimination on the basis of sex, transgender identity or gender expression, ethnic background, religion or other belief system, differently abled status, sexual orientation or age.

### *The Rights of the Child*

The supplier undertakes to observe the rights of the child in all its business operations.

### *Equality and diversity*

The supplier undertakes actively to promote equality and diversity.

## Working conditions

### *Modern slavery and forced labour*

The supplier undertakes to combat all forms of modern slavery. The supplier may not take part in or benefit from any form of forced labour, including debt slavery, involuntary prison labour or work carried out under threat. The supplier may not require employees to surrender government-issued identification, passports or work permits as a requirement for employment.

### *Child labour*

The supplier must combat all forms of child labour, which means that, among other things, the supplier may not employ any person who has not reached the legal minimum age for employment. The minimum age is that reached at the end of

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<sup>1</sup> The eight fundamental conventions are no. 29: Prohibition of forced and compulsory labour and labour as punishment, no. 87: Freedom of association and protection of the right to organise, no. 98: The right to organise and collective bargaining, no. 100: Equal remuneration for work of equal value, regardless of sex, no. 105: Abolition of forced labour, no. 111: Discrimination in respect of employment and occupation, no. 138: Minimum age for admission to employment, and no. 182: Abolition of the worst forms of child labour.

compulsory education, or not lower than 15 years, or 14 years in countries where the school system is not sufficiently developed. The supplier may not employ children in work that can be classified as dangerous work, or work that is not compatible with the personal development of a child. If child labour is discovered, the supplier must take measures on the basis of the best interests of the child.

#### *Wages and terms of employment*

Wages must be paid directly to employees on time and in full. The statutory national minimum wage is the lowest accepted wage level and the supplier must provide all workers' benefits required by law. The supplier must ensure that normal working hours and overtime hours are maintained within the limits fixed by applicable laws and regulations, or otherwise agreed on in collective bargaining arrangements. Each working week may not exceed 60 hours, including overtime work. Employees must be allowed at least one rest day per seven-day period.

#### *Health and safety*

The supplier undertakes to ensure that employees work in a safe and healthy working environment. Employees must be informed of any potential health and safety risks of the work. The supplier must also provide relevant and appropriate training and protective equipment to all employees.

#### *Freedom of association*

The supplier must respect the employees' right to organisation and freedom of association and their right to collective bargaining. In situations where the right to organisation and the right to collective bargaining are limited under applicable laws and regulations, the supplier is expected to permit alternative forms of worker representation.

## **Bribery and corruption**

The supplier undertakes actively to take a stand for ethical business practices and to place stringent requirements on the company, its employees, its contractors and its other working partners to take adequate measures to prevent bribery, corruption and undue influence. The supplier must ensure that bribery, corruption and undue influence can be reported. The supplier undertakes to follow the Swedish Anti-Corruption Institute's "Code on Gifts, Rewards and other Benefits in Business" (the Code of Business Conduct) or equivalent standards.

## **Environment**

The supplier undertakes to pursue an environmental policy which strives to limit and reduce its environmental impact, including its effect on the climate, and to support a precautionary approach. The supplier must have procedures for minimising soil, air and water emissions as well as for furthering recycling and reuse. The supplier is requested to develop and disseminate environmentally-friendly technology where appropriate and to engage proactively with environmental protection in other ways, for example to increase the efficiency of energy and resource use.

## **Procedures and processes**

Skandia's suppliers must have effective procedures and processes for ensuring that the requirements of the Code of Conduct are followed. These procedures and processes must be adapted to the supplier's business activities and must always meet the requirements of the UN Guiding Principles on Business and Human Rights.

#### *Subcontractors*

Suppliers who sign Skandia's Code of Conduct for Suppliers are responsible for ensuring that its relevant subcontractors are informed of and comply with the same standards. The supplier undertakes to provide evidence of this at Skandia's request.

**Application of and compliance with the Code of Conduct**

The supplier is responsible for working in accordance with Skandia’s Code of Conduct for Suppliers in its business operations. Skandia reserves the right to request documentation and/or perform audits to ensure compliance with the Code of Conduct. In the case of conflict between the Code of Conduct and applicable laws, the supplier must follow whichever of the requirements are the more stringent.

*Continual improvement*

Skandia is aware that suppliers are in varying situations regarding the social, business ethics and environmental matters dealt with by the Code of Conduct, and Skandia expects its suppliers to work for continual improvement.

*Handling of non-compliance*

If Skandia finds that a supplier is not complying with the requirements in the Code of Conduct Skandia will, where necessary, provide guidance on the applicable instructions. The supplier must in such a case take corrective measures and commit to making progress. In the case that the supplier does not take corrective measures and does not show clear willingness to improve, Skandia retains the right no longer to work with the supplier and to end the business relationship.

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*We, the supplier, hereby declares that we, as suppliers to Skandia, have read, understand, accept and will abide by Skandia’s Code of Conduct for Suppliers. We, the supplier, understands that the Code of Conduct applies to us in all markets and jurisdictions where we conduct business with, or indirectly represent or work for, Skandia. We, the supplier, agrees and accepts that this Code of Conduct for Suppliers forms an integral part of our agreement with Skandia.*

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Company name

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Signature

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Date

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Name in block letters