

# Supplier Code of Conduct

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SOMAS' SUSTAINABLE DEVELOPMENT REQUIREMENTS FOR SUPPLIERS

October 2019

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Somas is committed to managing and developing its business in a sustainable and responsible manner. A good balance between our financial, environmental and social responsibilities is necessary for sustainable business and benefits our stakeholders. Sustainability issues are taken into consideration throughout our value chain, and we expect our suppliers and contractors to do likewise.

Somas supports the ten principles of the UN Global Compact and these principles form the basis of our code of conduct.

All of Somas' suppliers are expected to follow these sustainability requirements or applicable national or local legislation, whichever is the more stringent. It is also the responsibility of the supplier to ensure that its subcontractors follow the principles of this Code of Conduct.

## 1. Definitions

By supplier, we mean a physical or legal entity that provides materials, products or services to Somas. By Somas' representatives, we mean every employee at Somas, as well as the company's representatives.

## 2. Environmental requirements

Suppliers shall:

- 2.1 fulfil the environmental requirements that have been set through national legislation, environmental permits or similar,
- 2.2 clarify the responsibility for environmental matters within their organisation,
- 2.3 ensure that their personnel have received appropriate environmental training or have the knowledge required concerning environmental matters,
- 2.4 ensure that written instructions are available for the storage and handling of hazardous materials and that all personnel concerned are informed about these instructions and continuously strive for resource-efficient use of raw materials and energy.
- 2.5

## 3. Social responsibility requirements

The supplier shall support and respect the protection of internationally recognized human rights and ensure that its own companies are not involved in human rights violations. In cases where the supplier identifies a risk that it, through its activities, contributes to the violation of human rights, appropriate measures must be taken.

### 3.1 Business ethics

Somas' suppliers shall conduct their business in accordance with applicable laws and regulations.

This includes:

- 3.1.1 running their business operations in accordance with applicable competition laws,
- 3.1.2 complying with all applicable anti-corruption laws, to never accept or receive bribes and never offer anything of value to public officials in order to retain or receive any type of professional or other benefit,
- 3.1.3 preventing situations that may give rise to a conflict of interest between the supplier's and Somas' interests, and
- 3.1.4 truthfully and carefully documenting and reporting all commercial information and following all applicable laws concerning the reporting of this information.
- 3.1.5 that all purchasing documentation sent by Somas, such as purchase orders, drawings, etc. are Somas' property and shall be treated confidentially.

When doing business with Somas, this means:

- that Somas' representatives shall always be responsible for their own travel and accommodation costs when visiting suppliers, conferences, reference sites, etc.,
- that gifts, entertainment and paid expenses for Somas' representatives are only accepted if they are reasonable and could not unduly influence a business transaction,
- that suppliers should not feel compelled to "sponsor" sports or other activities on behalf of Somas or Somas' employees.

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## 3.2 Occupational health and safety

Suppliers shall:

- 3.2.1 fulfil all national legal requirements relating to occupational health and safety,
- 3.2.2 clarify and delegate responsibility for occupational health and safety within their organisation,
- 3.2.3 ensure that there are written occupational health and safety instructions available and that all employees have been informed about them,
- 3.2.4 ensure that their personnel have been given appropriate training within occupational health and safety,
- 3.2.5 provide required safety equipment and
- 3.2.6 document all accidents and implement corrective measures and prevent the risk of accidents in the workplace.

## 3.3 Fundamental employee rights

Suppliers:

- 3.3.1 may not discriminate against any of their employees,
- 3.3.2 may not prevent employees from exercising their right to organise or engage in a trade union and collective bargaining,
- 3.3.3 may not utilise any form of involuntary labour in their operations,
- 3.3.4 shall ensure that all decisions relating to recruitment and responsibilities are based on relevant and objective criteria such as competence, experience and performance;
- 3.3.5 may not employ people below the minimum age as determined by ILO convention 138 regarding child labour (14 or 15 years of age) or national legislation if this is more restrictive, and
- 3.3.6 shall ensure that the employment of young people (under 18 years of age) does not compromise their education, health, safety or morals.

## 3.4 Salary and working hours

Suppliers shall:

- 3.4.1 pay all employees at least the minimum salary determined by national legislation or applicable collective bargaining agreement, and
- 3.4.2 comply with the working hours as set out in the ILO conventions on working hours (1, 14, 106 and 132), national legislation or applicable collective bargaining agreement.

## 4. General requirements

Suppliers shall:

- 4.1 guarantee and monitor the subcontractors who carry out services on behalf of Somas to ensure that they comply with the sustainability requirements that are established in this document,
- 4.2 immediately report any deviations from these sustainability requirements to Somas, and
- 4.3 immediately report incidents that may affect Somas' reputation or influence Somas' operations in any other way.

Controls are mainly done through assessment forms that are regularly filled in by the supplier.

At the request of Somas, suppliers shall:

- 4.4 allow Somas, or an external party appointed by Somas to carry out an audit of the supplier's or contractor's operations (including but not limited to facilities, documentation and protocols) with regard to how these requirements are met.

## 5. Compliance

If Somas observes failure by the supplier to meet the requirements and expectations set out in this Code of Conduct, Somas may cancel all active orders and terminate any contract with the supplier.