

# **Service Declaration**

**- for suppliers of goods and  
services to Sveaskog**

## 1 Sveaskog's views on sustainable enterprise

Sveaskog strives to achieve long-term sustainable development and it takes financial, environmental and social responsibility. Sveaskog shall run profitable business operations with good ethics and be a role model for sustainable business, the latter encompassing the environment, business ethics, anti-corruption, equality, diversity, working conditions and human rights. This is clarified in **Sveaskog's Code of Conduct**, in which we describe how we shall act as a business partner, an employer, employees and part of the community, together with the expectations we have for our business partners. Sveaskog supports the UN Global Compact and has therefore agreed to act in accordance with ten fundamental principles in the areas of human rights, labour, the environment and anti-corruption. As our business partner, we expect you to do the same.

The requirements set out in our Service Declaration are the same regardless of the national domicile of the supplier, subcontractor or employee.

Sveaskog works together with the Swedish Tax Agency and the credit reference agency UC (Upplysningscentralen) to counter fraudulent suppliers and financial crime. This partnership aims to make it easier for bona fide companies that want to collaborate with Sveaskog. Competition shall take place on equal grounds. Among other things, this means that the Swedish Tax Agency and UC assist Sveaskog with company information prior to procurement processes and contract signing, as well as throughout agreement periods.

In this document, Sveaskog's Service Declaration, we exemplify our expectations for **you** as a supplier and business partner to Sveaskog, among other things as regards the Global Compact principles. The aim is to facilitate our business partnership and to clarify what Sveaskog expects of you.

The Service Declaration applies to all business collaborations with suppliers.

## 2 Service Declaration application and compliance

Suppliers and subcontractors (referred to below as suppliers) are expected to comply with all laws and regulations in the countries where they do business. Sveaskog also expects compliance with the Service Declaration and that the supplier strives for continuous improvements in its own business.

As one of Sveaskog's business partners, you are responsible for ensuring and checking that all of those in your supplier chain fulfil their obligations and the relevant requirements for the assignment.

If a supplier encounters a deviation or risk of deviating from the Service Declaration in its own operations or supply chain, the supplier must immediately investigate the root causes, take appropriate action and report the incident to Sveaskog without delay.

Sveaskog, or a third party appointed by Sveaskog, will conduct digital reviews or audits on location in order to assess how well you, in your role as supplier, fulfil the different aspects of the Service Declaration. Read more about this in section 7.

Shortcomings in compliance/breaches will lead to sanctions.

## 3 Finances and business entity type

As a Sveaskog supplier, your company must always:

- Be a registered limited liability company, partnership or association
- Be registered as an employer with the Swedish Tax Agency, if you have employees
- Be approved for Swedish F-tax (corporate tax)
- Be registered for Swedish value added tax (VAT), if operations are subject to VAT
- Hold a valid commercial transport permit, in cases where the assignment entails commercial transport
- Possess valid liability insurance that is relevant to the business
- Follow the labor market rules in each country regarding employed staff

- Pay a salary, including benefits that meet basic needs and an income that meets the requirements of applicable laws and/or relevant collective agreements
- Indicate leave and vacation that comply with laws and/or relevant collective agreements
- Compensate employee for overtime
- Acknowledge and respect employees' right of association, right to organise themselves and right to engage in collective negotiations in accordance with the laws in the countries where they are employed
- Have no tax or similar debts at Sweden's Enforcement Authority
- Have sufficiently good finances to fulfil long-term contractual obligations
- Deliver at the agreed time
- Meet the stated requirements on the supply chain
- Work proactively to prevent and counteract all forms of discrimination, corruption and unfair competition

## 4 Control of the supply chain

Suppliers of services that intend to hire subcontractor for the current assignment for Sveaskog must notify Sveaskog, which assesses whether these can be approved. Only subcontractors approved by Sveaskog may perform work covered by a signed agreement.

All requirements concerning, for example, EU and tax law and work/residence permits must be fulfilled for all employees in the supply chain. Upon request, suppliers must be able to present permits and certificates for all concerned personnel.

All employees in Sweden who have their residence outside Sweden must be registered in the Swedish Work Environment Authority's secondment register.

## 5 Work environment

The supplier is responsible for operations being conducted such that ill health and occupational accidents are prevented and a satisfactory work environment is achieved, regardless of the manufacturing country.

If you have employees in Sweden, you must engage in systematic work environment activities in accordance with the regulations issued by the Swedish Work Environment Authority.

Systematic work environment activities encompass the employer's efforts to review, conduct and monitor its business operations such that ill health and occupational accidents are prevented and a satisfactory work environment is ensured.

Suppliers must ensure that there are adequate safety routines in place that are appropriate for the work that is being carried out and which are applied in all stages of production.

## 6 The environment and climate impact

Sveaskog has the following requirements on suppliers as regards their environmental and climate impact:

- Remain up-to-date on sustainable working methods relevant to their area of operations
- Run operations in a responsible way with regard to environmental risks and environmental impact by applying preventive measures to guarantee that environmental damage can be avoided
- The most important environmental challenges that suppliers are expected to deal with in their operations are: the impact on biodiversity and long-term damage to eco systems; greenhouse gas emissions and the consequences of climate change; damage to water eco systems; destruction of land; the effects of the use and disposal of chemicals; waste management and the depletion of non-renewable resources.
- Work systematically with environmental issues by establishing goals and via monitoring
- Select modern, efficient and environmentally-friendly technologies that support sustainable development

## 7 Monitoring of contractors and operations

Sveaskog follows up on its suppliers to ensure that they engage in sustainable entrepreneurship. As a supplier, you must actively and openly engage in dialogue, monitoring and controls. You must also provide whatever documentation is requested in connection with Sveaskog's efforts to follow up on its suppliers.

Sveaskog and/or a third party will regularly monitor you, in your role as supplier, as regards your performance in relation to the Service Declaration.

## 8 Sanctions

Most important is to always act when shortcomings are raised in order to prevent serious incidents or recurrence. If the applicable rules are not applied or complied with on an assignment, sanctions may result, which can ultimately lead to liability for damages or the annulment of the business contract.

Breaches are handled by Sveaskog and the supplier's contract manager/management/owner.

The sanction system is applied if a supplier acts in breach of the Service Declaration.

The sanction system is applied in accordance with the following principles:

- Verbal warning – The supplier has committed a minor breach.
- Written warning – The supplier has committed a significant breach
- Sanctions based on the existing contract, such as termination of the contract, fines or damages

## 9 Important links

More detailed information can be found on the following websites:

Sveaskog's Code of Conduct (in Swedish): <http://www.sveaskog.se/Om-Sveaskog/uppforandekod/>

United Nations Global Compact: <https://www.unglobalcompact.org/>

The Swedish Work Environment Authority: <http://www.av.se>

The Swedish Tax Agency: <http://www.skatteverket.se>

The Swedish Migration Agency: <http://www.migrationsverket.se>

## 10 Declaration

I/we have read and accept Sveaskog's Service Declaration and assume responsibility for its fulfilment by me, my employees and my subcontractors. I agree to continuously inform/instruct my employees and subcontractors about the Service Declaration and its contents.

Date \_\_\_\_\_

Company name \_\_\_\_\_

Corporate Identity Number \_\_\_\_\_

Signature \_\_\_\_\_

Printed name \_\_\_\_\_

Title \_\_\_\_\_