

Nordea

NORDEA SUPPLIER CODE OF CONDUCT

This document has been amended for public consumption from the original internal version. Personal and confidential information has been removed.



1. Purpose and scope

As the leading Nordic universal bank, Nordea recognises that we have an important role to play in driving society towards a sustainable future. We have set ambitious targets in the four strategic areas of financial strength, climate action, social responsibility and governance and culture. In this document we have translated what this means for our supply chain.

Working with suppliers that share our mindset and ambitions is crucial for us. By partnering up, we aim to be part of a collective movement working towards a just transition of our society to secure a low-carbon, climate-resilient and circular economy where nature and biodiversity are protected and restored, human rights are respected and adverse societal impacts from the transition to a low-carbon economy are mitigated.

This document sets the general standards for how we expect our Suppliers to behave with regard to their social, ethical and environmental business practices. We require our Suppliers to comply with this Supplier Code of Conduct (“SCoC”) even if it stipulates a higher standard than required by national laws or regulations. Where relevant, additional product- and service-specific sustainability obligations are covered in other parts of the Agreement.

2. Commitments

The SCoC is based on the following internationally recognised standards:

- The United Nations’ Global Compact derived from:
 - The Universal Declaration of Human Rights
 - The International Labour Organization’s Declaration on Fundamental Principles and Rights at Work

- The United Nations’ Convention Against Corruption
- The Rio Declaration on Environment and Development.
- UN Guiding Principles for Business and Human Rights
- OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

3. Suppliers’ obligations

3.1. Suppliers’ general obligations

The Supplier is expected to establish environmental, social and governance management systems and sustainability targets that reflect the nature and scope of its impacts, risks and opportunities.

The Supplier is expected to systematically report on progress on its sustainability performance at least on an annual basis and where relevant provide Nordea with ESG data aligned with the requirements in the Corporate Sustainability Reporting Directive.

The Supplier must in its agreements with subcontractors carry forward the same obligations as specified in this SCoC and establish due diligence procedures to identify and manage sustainability risks and impacts in its entire value chain.

The Supplier must have a process in place confirming that sub-contractors comply with the principles in the SCoC, including a follow-up process to ensure proper closure of any identified actions.

3.2 Suppliers’ human rights obligations

The Supplier must adhere to all the principles regarding human rights as listed in section 2. Of these principles Nordea considers the following to be the core principles:

- a) The Supplier must, in all contexts, seek ways to honour the principles of internationally recognised human rights in all areas of operations even when faced with conflicting requirements.
- b) The Supplier has a responsibility to conduct continuous due diligence to avoid causing or contributing to adverse human rights impacts through its own activities and to take action to remediate when adverse impacts have materialised.
- c) The Supplier is required to strive for gender balance, diversity and inclusion and hereby leverage the power of differences by treating everyone fairly and with respect. The Supplier is expected to promote an inclusive work environment where all perspectives are appreciated and respected, enabling all to contribute.
- e) The Supplier ensures that employees under 18 years of age will not be engaged in hazardous or heavy work or working night shifts in the value chain.
- f) The Supplier does not engage forced labour, slave labour or other non-voluntary labour in its value chain.
- g) The Supplier prioritises the health and safety of their employees. A healthy and safe working environment, including psychosocial considerations and, if applicable, housing facilities must be provided for employees in accordance with international standards and national laws.
- h) Injuries and accidents occurring at work should be logged and investigated, and preventive measures should be introduced.
- i) The Supplier treats all employees with respect and dignity. Employees with the same qualifications, experience and performance receive equal pay for equal work. Employees are under no circumstances subject to corporal punishment, unlawful detention, violence, threats, coercion, verbal or sexual harassment.
- j) The Supplier rejects all forms of discrimination and harassment, whether active or by means of passive support, based on e.g. ethnicity, national origin, disability, gender, gender identity, sexual orientation, religion, unionisation, employee representation, political affiliation, parenthood, age and any other characteristic protected by local law, as applicable. When mandatory or permitted by local legislation, special measures of protection, assistance and advancement may be provided to disadvantaged groups.

3.3 Suppliers' labour rights obligations

The Supplier must adhere to all the principles regarding labour rights as listed in section 2. Of these principles Nordea considers the following to be the core principles:

- a) The Supplier provides all employees with at least the fair living wage according to national legislation and respects the upper limits on regular and overtime hours allowed by the law of the country in which they operate.
- b) The Supplier ensures that employees have employment terms/contracts in a language they understand, specifying their terms of employment and termination.
- c) The Supplier respects and recognises, in accordance with the laws of the country in which employees are employed, the right to freedom of association and collective bargaining and employees will be free to terminate their employment in accordance with established rules.
- d) The Supplier upholds the effective abolition of child labour, i.e. no labour is performed by children or minors under the minimum age, in accordance with laws of the country.

3.4 Suppliers' environmental obligations

The Supplier must adhere to all the principles regarding the environment as listed in section 2. Of these principles Nordea considers the following to be the core principles:

- a) The Supplier applies a precautionary approach when conducting business.
- b) The Supplier strives to use and encourage the development of environmentally friendly technologies, products and services, looking to minimise negative impact on climate, nature and biodiversity and to contribute to sustainable development.
- c) The Supplier continuously improves its environmental performance by locating, identifying, assessing and managing environmental risks and impacts throughout its value chain.
- d) The Supplier takes suitable actions to avoid and/or minimise negative impacts.
- e) The Supplier¹ is committed to be “net-zero by 2050 at the latest” and to have a science-based transition plan in place by 2028².
- f) The Supplier commits to share relevant GHG emissions data related to the product or service provided to Nordea at least on an annual basis.

- shall exercise increased caution and restraint when business courtesies involve public officials.
- c) The Supplier is committed to exerting reasonable due diligence and to have reasonable policies and processes in place to prevent, detect and tackle financial crime, including but not limited to, corruption, fraud, extortion, tax evasion, sanctions violations and money laundering in all its business arrangements.
- d) The Supplier must take effective measures to avoid, or when necessary mitigate, possible and actual conflicts of interest.
- e) The Supplier complies with all competition and anti-trust laws. This includes agreeing not to enter into discussions or agreements with competitors regarding price fixing, market sharing, bid rigging or other similar activities.

3.5 Suppliers’ anti-corruption obligations

The Supplier must adhere to all the principles regarding anti-corruption as listed in section 2. Of these principles Nordea considers the following to be the core principles:

- a) The Supplier has zero tolerance towards corruption, including but not limited to bribery, extortion and fraud. Nordea requires all Suppliers to uphold the highest ethical standards and act with integrity when doing business.
- b) The Supplier prohibits the offer or acceptance of business courtesies – gifts, hospitality, expenses or other benefits – if they could constitute, or appear to constitute, an undue influence. Suppliers

4. Breaches and remedies

Nordea is committed to conducting business with the highest ethical standards and according to applicable laws, rules and regulations. Therefore, Nordea encourages all stakeholders to always report any suspected fraudulent or unethical behaviour by Nordea or its employees via our [whistleblowing service \(WhistleB\)](#).

Similarly, the Supplier is expected to have in place a complaint mechanism for employees and other external stakeholders to report grievances. The Supplier is also expected to have a process in place for providing remedies.

If a question or concern arises regarding the interpretation of this SCoC or the performance of the Supplier's obligations thereunder, the Parties must proactively use

¹ Suppliers that meet at least two of the following three conditions: >250 employees and/or >40 EURm in turnover and/or 20 EURm in total assets.

² Science Based Target initiative or SME Climate Hub can be used for validating that the plans are science based.

the governance process described in the contract.

Nordea expects Suppliers to proactively inform the bank about any breaches of the obligations in this SCoC.

5. Audit

Nordea, itself or through a third party (not being a competitor of the Supplier), or any public regulatory or supervisory authorities are entitled to audit the Supplier and subcontractors in order to verify whether they meet their obligations with regard to this Supplier Code of Conduct. The right to audit comprises the Supplier's operations at all its locations, including the operations of subcontractors at all their locations. This entitlement includes the audit of all aspects of the Supplier's and its subcontractors' processes related to the obligations under the Agreement.

The Supplier must cooperate in the audit and the audit preparations and ensure that its subcontractors cooperate and participate and must make available and give access to all

information required to conduct the audit and assist Nordea with all reasonable efforts as deemed necessary by Nordea. Nordea must notify the Supplier five (5) days in advance of an audit. However, audits carried out by public authorities may be performed without notice and in accordance with the public authorities' instructions. Nordea or a third party assigned by Nordea to carry out an audit must enter into a non-disclosure agreement as reasonably requested by the Supplier. Nordea, the Supplier and the relevant subcontractors must bear their own costs of carrying, preparing and participating in the audit, including any cost for third party contractors appointed by either Party. If the results of an audit reveal that the Supplier, more than insignificantly, is or has been in breach of the Agreement, the Supplier must pay any costs associated with such audit.

6. Causes of termination

Breach of this SCoC is considered a material breach of the Agreement.

We value our collaboration!

We recognise that collaboration is key to achieving an impact of the scale needed. That is why we want to partner up with suppliers that share our mindset and ambitions.

If you have any suggestions for improvements, please feel free to email your input to sustainable.procurement@nordea.com