

# PostNord Group's Code of Conduct for Suppliers

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## 1.0 Background and purpose

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**We deliver!** PostNord is the leading supplier of communication and logistics solutions to, from and within the Nordic region. We also ensure the postal service to households and businesses in Sweden and Denmark. With our expertise and strong distribution network, we develop options for tomorrow's communication, e-commerce, distribution and logistics in the Nordic region. In 2014, the Group had 38,000 employees and sales of SEK 40 billion. The Parent Company is a Swedish public limited company headquartered in Solna, Sweden. Visit us at [www.postnord.com](http://www.postnord.com)

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Group Sourcing

The Code of Conduct for Suppliers reflects the undertakings of PostNord with regard to, for example, the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights.

Suppliers to PostNord are required to follow the Code of Conduct for Suppliers. Any supplier which, at the time of entering into an agreement with PostNord, does not satisfy the requirements in the Code of Conduct for Suppliers, shall inform the relevant contact person at PostNord thereof

Goods and services should be produced under conditions that are in accordance with:

- The United Nations Universal Declaration of Human Rights (1948)
- The Eight Fundamental Conventions of the International Labour Organisation, no. 29, 87, 98, 100, 105, 111, 138 and 182
- The United Nations Convention on the Rights of the Child, Article 32
- The labour protection and labour environment legislation in force in the country of production
- The labour law, including legislation on minimum wages, and the social welfare protection regulations in force in the country of production
- The environmental protection legislation that is in force in the country of production
- The United Nations Convention against Corruption

If applicable law requires stricter conditions than those required by this Code, the supplier must comply with applicable law

## 2.0 The United Nations Universal Declaration of Human Rights (1948)

### 2.1 The supplier shall support and respect human rights

The supplier has a responsibility to respect and support human rights both within its own operations and in the supply chain.

The supplier shall ensure that it does not participate, directly or indirectly, in violations of human rights. This also includes situations when the supplier fails to pose questions on violations of human rights or benefits from violations that are carried out by a third party.

The supplier shall have routines in place to evaluate risks of participating in violations of human rights through its operations.

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### **3.0 International Labour Organisation (ILO), Eight Conventions on Fundamental Principles and Rights at Work and the United Nations' (UN) Convention on the Rights of the Child (CRC)**

#### **3.1 Child labour is prohibited (ILO no. 138 and 182, UN CRC article 32)**

Child labour refers to all economic activity which is carried out by a person of compulsory school-going age or younger. No employee may be under the age of 15 (or 14 if national legislation allows for this), or younger than the minimum age of employment, if this age exceeds 15 years.

Youth between the ages of 15 and 18 may work with non-hazardous operations, under the precondition that they have reached the legal age of employment and have completed compulsory national education.

If child labour is detected, the supplier shall act based upon the best interests of the child and find suitable solutions in consultation with the child and the family of the child.

#### **3.2 Forced labour is prohibited (ILO no. 29 and 105)**

Forced labour refers to labour or services exacted under the menace of any penalty and for which the said person has not offered himself voluntarily. Forced labour, including slave labour, bonded labour or involuntary prison labour shall not take place. All labour shall be voluntary, and the employee shall have the right to terminate employment following a reasonable term of notice.

#### **3.3 Discrimination and harassment is prohibited (ILO no. 100 and 111)**

Discrimination refers to any distinction, which is not based on the merits or qualities of a particular job, but involves differential treatment based upon biased grounds. The supplier shall support diversity and equal opportunities in employment. Discrimination on the basis of race, sex, marital status, pregnancy, religion, social or ethnic origin, nationality, physical ability, political opinion, union membership or sexual orientation may not take place.

Harassment refers to instances when employees are subject to harsh or inhuman treatment, including sexual harassment or other forms of psychological or physical punishment. Harassment may not take place.

### 3.4 Freedom of Association and Collective Bargaining (ILO no. 87 and 98)

Freedom of association and collective bargaining refers to formalised and/or non-formalised forms of cooperation in order to support and defend employees' interests at the workplace and in the relationship between employers and employees. The supplier is expected to recognise and respect the rights of employees (and employers) to organise, to join organisations in which they themselves choose to participate, as well as the right to collective bargaining. In countries where freedom of association is limited or under development, the supplier shall support instances where employees may meet management in order to discuss wage and labour conditions without the risk of negative sanctions.

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## 4.0 Legislation

The supplier must fulfil local laws and regulations in the countries in which they operate.

### 4.1 Wages and hours of work

Wages shall be paid directly to the employee within the agreed upon timeframe and in full. The supplier shall support the payment of living wages to employees, and under no circumstances support the payment of less than the national or locally stipulated minimum wage if applicable. Overtime compensation shall be paid and clearly specified in wage statements.

Employees shall have at least one day of rest per week. Working hours shall not exceed legal limits or a maximum of 60 hours per week, including overtime.

Leave, including vacation, holidays, sick leave and parental leave shall be compensated in accordance with national legislation.

### 4.2 Safe and Hygienic Working Environment (ILO no. 155 and 170)

A safe and hygienic working environment refers to the employee, when she/he is present in an area that the employer has direct or indirect control over, being guaranteed to be free from or protected from conditions which can constitute a hazard for the employee's physical and or psychological health. The employee working within the operations of the supplier shall be provided a safe and healthy working environment where preventative measures shall be taken which reduce injury and risks to health.

Employees shall receive training on the potential health risks that the work can entail, including fire safety, hazardous operations and first aid. The employer shall, to the extent that it is possible, provide relevant protective equipment and ensure that information on health and safety is readily available at the workplace.

Emergency exits shall be clearly marked, illuminated and may not be blocked. Evacuation exercises and the testing of fire alarms shall be conducted on a regular basis.

## 5.0 Environment

Suppliers shall conduct their operations responsibly in relation to the environment and comply with local and national environmental legislation. Through a structured and systematic approach or the identification, measurement and follow-up of its environmental impact, the supplier shall aim to continually improve its environmental performance and minimise the use of resources and the production of waste. The supplier shall aim towards employing a life-cycle perspective concerning environmental impact from products and services and shall place environmental requirements on subcontractors.

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## 6.0 UN Convention against Corruption

The supplier shall not directly or indirectly offer undue payment or other forms of compensation to any person or organisation with the aim of obtaining, maintaining or directing business operations or receive other undue advantages within the framework of its operations.

The supplier shall not directly or indirectly request or accept any form of undue payment or other forms of compensation from a third party which can affect the objectivity of business decisions.

## 7.0 Compliance

Transparency in the supply chain is required in order to guarantee compliance with the Code of Conduct for Suppliers. In order to assess compliance, PostNord, or a partner engaged by PostNord, will conduct reviews, request documentation, conduct on-site audits, review and approve action plans and monitor the implementation of these plans. Suppliers are required to take relevant measures in order for the content of this Code of Conduct for Suppliers to be implemented in their own operations, as well as in the supply chain.

If such relevant measures are not performed by the supplier within the time stated by PostNord, PostNord remains entitled to terminate the agreement with the supplier with immediate effect

I, the undersigned authorized representative of the Supplier, hereby certify that I have read, understood and accept the Code of Conduct for Suppliers.

Enter full company name ('the Supplier'):

Enter corporate identity number:

Place and date:

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Name and position: