



**KOSKISEN**

# **KOSKISEN SUPPLIER CODE OF CONDUCT**



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Koskisen is a Finnish wood product company that is more than one hundred years old. Koskisen processes wood into sawn timber, plywood, chipboard and more. Koskisen's business is based on forests and skilled personnel, and therefore, caring for nature, the environment, and employees is at the core of Koskisen's business and strategy.

Koskisen is a responsible, reliable and longterm partner that offers products made of dense wood from managed Finnish forests to its quality-oriented customers worldwide. Koskisen's agility, experienced sales organisation, as well as willingness and ability to creatively solve the needs of its customers, make it stand out from many of its competitors. Achieving this requires partnering with responsible business partners.

Koskisen is committed to honest, responsible, and ethical business and respect for human rights. We require a similar commitment from our suppliers. Each supplier is expected to comply with the requirements of Koskisen's Supplier Code of Conduct, in addition to which additional requirements can be agreed upon in procurement contracts.

The ethical principles presented in this Supplier Code of Conduct are based on internationally recognised conventions\* for business conduct, human rights, labor code, environmental protection, and sustainable development.

*\*Fundamental principles of Human Rights, as defined by the Universal Declaration of Human Rights (United Nations 1948); Fundamental Principles of Rights at Work (ILO declaration June 1998); Convention on the Rights of the Child (United Nations 1989); the UN Convention Against Corruption; OECD Guidelines for multinational enterprises (OECD 2023); United Nations Guiding Principles on Business and Human Rights, UNGP (United Nations 2011), the Rio Declaration on Environment and Development.*

## LAWS AND REGULATIONS

The Supplier must comply with all applicable national and international laws and regulations. If there are national differences in any of the laws, the supplier must follow the strictest of them.

## RESPECT FOR HUMAN RIGHTS

The Supplier undertakes to act in accordance with the guiding principles of the UN concerning companies and human rights. The Supplier recognizes the human rights impacts of its value chain, acts preventively and takes measures to correct possible human rights impacts.

### SAFE AND HEALTHY WORKING CONDITIONS

The Supplier must provide its employees with a safe and hygienic work environment, considering the industry sector and the potential hazards associated with it. Adequate measures must be taken to prevent accidents and injuries at or in connection with work by minimizing the hazards in the work environment as far as is reasonably practicable. The supplier is recommended to operate in accordance with the principles of the ISO 45001 Occupational Health and Safety Management System.

The Supplier shall provide all employees with the necessary and effective personal protective equipment. Employees should be provided with regular and documented health and safety training. The Supplier must provide adequate protection against fire.

Employees must have access to clean toilets and potable water and, if necessary, clean

facilities for storing food. Any accommodation provided must be clean, safe, adequately ventilated and have clean toilets and clean water.

### FAIR EMPLOYMENT TERMS Employment and wages

A written employment contract is drawn up for all employees in a language they understand, which contains information about their rights, obligations and working conditions. The Supplier shall not attempt to collect nor are any workers required to lodge "deposits", salaries or their identity papers with their employer and are free to leave their employer after a reasonable notice.

Employer obligations related to the employment relationship should not be avoided by using short-term or fixed-term employment contracts or other means.

Employees shall be paid at least the minimum wage and overtime pay in accordance with applicable laws and regulations, including applicable collective agreements. Wages are enough to meet basic needs in the country of work.

The Supplier must organize adequate occupational health care for its employees.

**Working hours**

Working hours shall be in accordance with national laws and regulations, current industry practices, including collective agreements.

Employees are granted annual leave and sick leave and maternity or parental leave, to which they are entitled according to national legislation.

**FAIR TREATMENT****Equal treatment**

The Supplier shall ensure all employees are treated in a fair and equal manner in all situations, regardless of their contract type. There is no discrimination in hiring, compensation and remuneration, access to training, promotion, termination, or retirement based on e.g., race, caste, skin color, national or social origin, religion, age, disability, state of health, language, gender, marital status, sexual orientation, union membership, political opinion or any other similar distinction which not based on the inherent requirements of the work. All employees are protected from termination of employment on unjustifiable grounds, including marriage, illness, pregnancy, or parenthood.

The Supplier shall respect indigenous peoples' rights and traditional livelihoods and does not participate in the forced evictions of any ethnic group.

**Respect for privacy**

The supplier is required to respect everyone's privacy and the protection of personal data being processed, including good information security practices. Personal data is collected, processed, and stored only for permitted purposes in accordance with applicable legislation.

**No Harassment or Inhumane Treatment**

Physical abuse or punishment, threats of physical abuse, sexual or other harassment and verbal abuse, as well as other forms of intimidation, is prohibited. The Supplier shall have grievance systems in place enabling anonymous reporting of unfair treatment and/or other complaints from employees and other stakeholders.

**No forced labor**

Forced, bonded or involuntary prison labor is not permitted. All forms of slavery, including modern slavery and human trafficking is prohibited.

**No child labor**

Child labor is prohibited. Child labor is work done by a child that disrupts the child's right to healthy growth and development and prevents the child's right to quality schooling.

**Freedom of association and the right to collective bargaining**

Employees have the right to join or form a trade union of their choice and to participate in collective bargaining. An employee has the right not to join a trade union also. The Supplier must be open to employee representation in trade unions and their organizational activities.

**PRODUCT SAFETY, QUALITY AND PRODUCT INFORMATION**

The supplier undertakes to fulfill all the quality, safety and product information requirements agreed or available for products and services and to make sure that they comply with the legislation. The supplier must use raw materials whose origin is known. The finished products are traceable and safe for people and the environment.

**PROTECTION OF THE ENVIRONMENT**

The supplier is required to comply with national environmental legislation applicable for its operations and other regulations. The supplier must identify the environmental impacts of its operations and take sufficient measures to prevent and mitigate possible impacts and to correct harmful impacts on the environment, natural resources, and surrounding communities. Suppliers with industrial production are required to have a certified ISO 14001 Environmental management system or operation according to its principles is required.

## **PROHIBITION OF CORRUPTION**

The supplier commits to responsible, honest, and confidential activities in its business. All forms of corruption are prohibited, such as cartels and activities contrary to competition law, conflicts of interest and bribery.

### **FAIR COMPETITION**

The supplier must compete fairly and ethically and in accordance with applicable competition laws. Restricting competition through cartels or other agreements and information exchange is prohibited, for example, regarding participation in price agreements, sharing markets or customers, agreeing on production restrictions, sharing competitively sensitive information.

### **AVOIDANCE OF RISKS OF CONFLICTS OF INTEREST**

The supplier commits to following the rules of good governance, which includes avoiding conflicts of interest. Decisions and transactions must not be based on anyone's personal interests.

### **PROHIBITION OF BRIBERY**

Bribery in any form is prohibited, which is aimed at pursuing or obtaining a personal or business advantage. Reasonable hospitality and other benefits in connection with normal business are allowed.

Koskisen pays the travel and accommodation expenses of its own personnel and company representatives in connection with customer and supplier seminars and training events.

## **ETHICAL BUSINESS BEHAVIOUR**

### **PREVENTION OF MONEY LAUNDERING AND TAX EVASION**

The supplier undertakes to comply with laws that prohibit money laundering or financing for illegal or unlawful purposes, such as financing terrorism, and to take all necessary precautions to prevent such activity.

The supplier must act honestly in handling tax obligations without artificial tax avoidance.

### **COMPLIANCE WITH TRADING REQUIREMENTS**

We operate in an international business environment where products, goods, services and information are exported and imported from one country to another. The supplier undertakes to comply with embargo and sanctions-related regulations, customs legislation on import and export, export control, customs value, country of origin and preferential treatment regulations.

### **BUSINESS CONTINUITY MANAGEMENT**

Cyber and security attacks, secure data storage, natural disasters, fires, major supply chain problems or pandemics can pose significant threats to business continuity. The supplier must know and manage the risks related to its business and create procedures to prevent their occurrence and to recover from them.

## **COMPLIANCE AND MONITORING**

Koskisen believes in long-term and confidential partnerships, and this Supplier Code of Conduct creates common grounds for respect for human rights, protection of the environment and ethical business as part of good and developing cooperation.

Upon request, the supplier must provide information for reporting in accordance with the EU's Sustainability Reporting Directive or other mandatory requirement regarding operations in Koskisen's value chain. Koskisen reserves the right to ensure the implementation of these operating principles, for example in the form of supplier self-assessments or supplier audits. Violations of ethical principles that have emerged must be corrected. If corrective measures are not carried out within the agreed time or if these principles are violated repeatedly, Koskisen may terminate cooperation with the Supplier.

The supplier must create for its employees and stakeholders the opportunity to anonymously report concerns or doubts related to ethical principles, as well as notice handling practices.

Koskisen's Whistleblowing notification channel is available to the Supplier and its staff for reporting concerns or doubts. The notification channel can be found on the company's website <https://koskisen.fi/en/sustainability/management-and-reporting/business-ethics/>.



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[www.koskisen.com](http://www.koskisen.com)

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