



Landshypotek Bank

# Code of Conduct for suppliers to Landshypotek Bank

Landshypotek's sustainability work covers the entire operation. Therefore, it is important for the bank that its suppliers also take responsibility for promoting healthy and sustainable development. This code of conduct for suppliers describes what Landshypotek expects from its suppliers.

## 1. Purpose of the Code of Conduct

The purpose of this Code of Conduct is to establish a proactive partnership between Landshypotek Bank AB (publ) (hereinafter "Landshypotek") and its suppliers. The Code establishes guidelines for the expectations Landshypotek has for all its suppliers, including any approved sub-suppliers engaged by Landshypotek's suppliers. Landshypotek's procurement is denoted by a high level of ethics, respect for human rights, professionalism, objectivity and equal treatment. Supporting fair competition and counteracting all forms of corruption, bribes, money laundering or illegal restrictions on competition is the basis of all of our relationships. Landshypotek expects suppliers to maintain high ethical standards in their operations and to adhere and adapt to the principles provided in this Code of Conduct.

## 2. Description of Landshypotek

Landshypotek is authorised by Sweden's financial supervisory authority, Finansinspektionen, to conduct banking operations pursuant to the Banking and Financing Business Act (2004:297). Before a supplier enters into a business relationship with

Landshypotek, the supplier needs to be aware that it is working with a supplier of critical services in the financial market, which is dependent, to a high degree, on the trust of the public and of customers. Moreover, the trust Landshypotek enjoys in the market is affected by its suppliers.

## 3. Contract parties equivalent to suppliers

"Suppliers" refers to companies that have entered partnership, consulting, sponsor or mediation contracts, or similar, with Landshypotek. Such parties are obligated to comply with the requirements set out in this Code of Conduct and, in the event of non-compliance, can be subject to the auditing and termination conditions in Section 9 below.

## 4. Responsibility for sub-suppliers

It is the supplier's responsibility to ensure that its sub-suppliers meet the requirements in this Code of Conduct. The supplier is also responsible for evaluating and controlling its supply chain and providing information about its sub-suppliers' compliance with the Code of Conduct to Landshypotek on request.

## 5. Working conditions at suppliers

### 5.1 Labour is voluntary

Suppliers are not permitted to use compulsory labour in their operations, including penal servitude or bonded labour.

### 5.2 Discrimination and harassment

No workplace discrimination is permitted against any supplier employee due to gender, ethnicity, religion or other belief, age, disability, sexual orientation, pregnancy, marital status, nationality, political opinion, union membership, social or ethnic origin, or any other grounds of discrimination defined by law. Discrimination is not permitted during hiring, when determining remuneration or promotions, or in disciplinary measures. Nor should supplier employees be exposed to physical, sexual, psychological or verbal harassment.

### 5.3 Child labour

Child labour is not permitted. Furthermore, the supplier must take reasonable measures to ensure that child labour does not occur anywhere in its supply chain, regardless of whether it takes place in its own operations or those of a sub-supplier.

### 5.4 Compensation

Employees must receive salaries or compensation that meet or exceed minimum wage requirements. Furthermore, the supplier must provide employees with statutory benefits such as, but not limited to, vacation days. Work hours must be reasonable and all overtime compensated. Salaries are paid directly to employees, in full, on the agreed date.

### 5.5 Freedom of association and right to collective bargaining

To the extent it is appropriate, the supplier must respect and support freedom of association and employees' rights to collective bargaining. This includes employees' rights to form and belong to a trade union or other trade organisations without being singled out for harassment or discrimination. If the supplier is domiciled in a country where the freedom to associate and/or the right to collective bargaining is limited, the supplier must support other methods of ensuring employee influence over operations.

### 5.6 Working environment

Supplier workplaces must be safe, hygienic and healthy. This includes but is not limited to fire safety, protective equipment and other necessary measures intended to prevent accidents and injuries at the workplace. The supplier must also have a system in place to detect and prevent potential health and safety risks. Furthermore, the supplier must provide access to a toilet and running water.

### 5.7 Gender equality and diversity

Gender equality and diversity must be promoted across all parts of the operation including, but not limited to, hiring, promotions, training, remuneration and parental leave.

## 6. Human rights

### 6.1 Respect for human rights

Respect for human rights must be integrated into each business activity. The impact on human rights is to be assessed in each relationship with employees, customers, sub-suppliers and partners.

### 6.2 Governance and control

Relevant measures must be taken in all of the supplier's operations to avoid violating human rights. Human rights must be respected even in situations where they are not protected. Exploitation of such situations is not permitted. Suppliers must have procedures for identifying, preventing and handling risks related to human rights that are appropriate for the operation's scope, nature and context.

## 7. Climate and sustainability

### 7.1 Consideration of climate and sustainability aspects

The supplier must strive to minimise the effect of its operations on the climate, for example the use of fossil fuels and greenhouse gas emissions, and on the environment, such as noise, potential soil contamination, waste management and product management (such as material use, transportation and recycling). The supplier is also encouraged to ensure that products and/or methods used in its operations have relevant sustainability certifications, such as TCO certification for IT products and ISO certifications for environment and working environment management.

### 7.2 Compliance with climate legislation

Suppliers must comply with all relevant climate legislation. Regulatory compliance is also ensured through training, awareness, operational control and monitoring.

## 8. Business ethics

### 8.1 Corruption

Landshypotek expects suppliers to strictly prohibit all forms of bribes, corruption, extortion and fraud. "Corruption" refers to the misuse of designated authority for personal gain, such as but not limited to accepting bribes. "Accepting bribes" here includes, but is not limited to, gifts, rewards or other benefits that can create a personal relationship with the recipient and, thereby, influence the recipient's actions in their professional role. Benefits are deemed permissible if they are moderate and offered transparently. Everything stated above regarding the acceptance of bribes applies equally to offering bribes. The supplier is not to offer any inappropriate benefits to Landshypotek employees or their family members. The supplier must take measures to ensure compliance with all applicable laws and regulations on corruption, including the Swedish Anti-Corruption Institute's *Code on Gifts, Rewards and other Benefits in Business*.



### **8.2 Personal life, freedom of speech and confidentiality**

The right to a personal life and freedom of speech for the supplier's customers, employees and business partners must be respected. Confidentiality is required for business relationships, financial circumstances or other information that can be considered sensitive. Sharing information between Landshypotek and the supplier is only permitted within the framework of a confidentiality agreement signed between Landshypotek and the supplier, as well as within the framework of applicable personal data regulation and banking secrecy.

### **8.3 Whistle-blowing**

The supplier must take measures to prevent irregularities in their operations. One such measure required of the supplier is clear procedures for how reporting on misconduct is received, also known as whistle-blowing. If the supplier has at least 50 employees, this process must follow the procedure given in the Special Protection Against Reprisals for Workers who Report Serious Irregularities Act (2016:749). Every employee at the supplier should be encouraged to report their observations of any unethical or unlawful behaviour. Furthermore, the supplier must inform their employees, and any employees at their sub-suppliers, that they can report their observations confidentially and directly to Landshypotek by using this web-based channel: <https://report.whistleb.com/landshypotek>

## **9. Compliance and audit**

### **9.1 Implementation**

As a condition for entering into or maintaining business dealings with Landshypotek, the supplier must implement this Code of Conduct in their operations. The implementation should be through dialogue, transparency and an open partnership between Landshypotek and the supplier. The supplier must, without delay, ensure that someone is appointed to implement the Code of Conduct. This person's name and contact information is to be communicated to Landshypotek. The supplier is obligated to communicate any change in contact person to Landshypotek.

### **9.2 Compliance**

The supplier must take the measures necessary to ensure compliance with this Code of Conduct at the supplier and any of its sub-suppliers. The supplier is to inform Landshypotek (via [juridik@landshypotek.se](mailto:juridik@landshypotek.se)) of any incidents, conduct or other circumstances on their side that entail, or could be considered to entail, a failure to comply with the Code of Conduct.

### **9.3 Audit**

The supplier is to audit its operations and those of its sub-suppliers. Landshypotek expects the supplier to be able to provide the information Landshypotek needs to determine whether the supplier is following this Code of Conduct. However, the supplier is not obligated to give Landshypotek access to its cost structure or information about other customers. Furthermore, Landshypotek must comply with any reasonable security requests made by the supplier during follow-up and audit.

### **9.4 Consequences of violating the Code of Conduct**

The relationship between the supplier and Landshypotek, in terms of the Code of Conduct, is ideally based on partnership and an open dialogue. If the supplier fails to meet the requirements of the Code of Conduct and this failure is not addressed by the supplier within six (6) months of receiving notice of said breach from Landshypotek, it will be considered a material breach of contract. Such a breach gives Landshypotek the right to cancel a contract, effective immediately and without compensation to the supplier or its sub-suppliers, regardless of the terms of the relevant contract.

### **9.5 Revisions to the Code of Conduct**

This Code of Conduct may be revised/updated if and when relevant. For the most recent version, refer to Landshypotek's website: [www.landshypotek.se/en/about-landshypotek/sustainability](http://www.landshypotek.se/en/about-landshypotek/sustainability)