

Requirements for suppliers on ethics and sustainability

Generally

Sparks wants to contribute to an ethically justifiable and sustainable development. We take our responsibility seriously, and therefore expect our suppliers of goods and services to meet the same high standards.

Sparks sets requirements for our suppliers of goods and services within:

1. Good business practices and compliance with applicable laws, rules, and conventions
2. Human rights and working conditions
3. Environment and climate
4. Traceability
5. Quality
6. Compliance

Suppliers are expected to take a positive and proactive role in these areas in collaboration with Sparks to find good solutions.

1. Good business practices and compliance with applicable laws, regulations and conventions

Suppliers must maintain high ethical standards, good business practice and not act in violation of applicable laws and regulations, key UN declarations and conventions, ILO conventions and national labor legislation in the value chain.

Where conventions, national legislation and national regulations deal with the same topic, the highest standard shall always apply.

When using subcontractors who contribute to the performance of contracts, the supplier is obliged to continue these requirements.

1.1 Zero tolerance for corruption

There is zero tolerance for corruption in Sparks. The Supplier shall comply with all applicable laws and regulations regarding corruption, bribery, fraud and other forms of prohibited business practices. The Supplier shall not accept, request, receive or offer any services, gifts or hospitality of significant value in order to retain, or obtain any business advantage. Suppliers shall not give or receive benefits that may be considered unacceptable rewards for achieving, retaining or managing business activities. Such goods can be, for example, cash, goods, travel or services of other kinds. Furthermore, suppliers must have their own guidelines for zero tolerance for corruption in their own operations and value chain.

1.2 Money laundering

Suppliers shall comply with all applicable anti-money laundering laws and regulations and take active measures to prevent their financial transactions from being exploited by others for this purpose.

1.3 Fair Business Conduct

Suppliers shall conduct business in accordance with laws and regulations and in a fair and ethical manner, and promote healthy competition.

1.4 Conflict of interest

Suppliers shall avoid any conflict of interest with Sparks. Suppliers shall provide immediate notice to all affected parties if an actual or potential conflict of interest arises.

2. Human rights and working conditions

Suppliers to Sparks are committed to respecting human and labour rights in their own operations and supply chain. This is in accordance with the UN Guiding Principles on Business and Human Rights. Suppliers must comply with all applicable laws, international standards and other legislation related to the protection of human rights and labour rights. Suppliers must have policies and guidelines in place to minimize violations of human and labor rights.

2.1 Pay and working conditions

Employees of suppliers and subcontractors who directly contribute to fulfilling the contract must have pay and working conditions in accordance with regulations on generalized collective agreements. In areas not covered by the regulations, pay and working conditions must not be poorer than what follows from the current nationwide collective agreement, or in the absence of such a nationwide collective agreement, what is otherwise normal for the place and profession in question. This also applies to work carried out abroad.

2.2 Working environment and employment conditions

Suppliers must promote an inclusive and diverse environment free of any form of harassment, bullying or discrimination, whether indirect, direct or verbal.

Suppliers must provide equal opportunities for all employees. As a minimum, suppliers must comply with current laws regarding working conditions and compensation, and all employees must have a clear and comprehensible employment contract. Suppliers shall have in place appropriate notification, and procedures for complaint and termination.

2.3 EHS

Suppliers must ensure the health, safety and welfare of workers and visitors, and protect the public from health and safety risks in accordance with all laws and regulations applicable to their operations.

Suppliers must ensure that their workers understand the safe practices and dangers of their work, and provide regular and adequate training.

2.4 Modern slavery, child labor or forced labor

Suppliers shall not participate in, use or tolerate the use of child labor, forced labor or human trafficking. Child labor is defined by the International Labor Organization (ILO) as any engagement or work of any person under the age of 15 or under the age of completion of compulsory schooling, whichever is higher. Children between the ages of 13 and 15 can do light work, if it does not threaten their health and safety, or hinder education or vocational training.

2.5 Organization and collective negotiation

Suppliers must respect employees' rights to join trade unions, organize and negotiate collectively

3. Environment and climate

In goods and services that are included in deliveries, work must be done proactively to reduce negative impact on the environment and climate. Suppliers must ensure that there is a low consumption of raw materials and energy, a minimal burden on biological diversity and a minimum of pollution and amounts of waste in the life cycle of goods and services. The supplier undertakes to comply with applicable laws and regulations, as well as obtain the necessary environmental approvals, permits and registrations. On request, the supplier must be able to document the main input factors, emissions and waste management in connection with deliveries.

4. Traceability

Suppliers must have full traceability of materials, products and services where a significant risk of negative impact on human and labor rights and the environment has been identified.

5. Quality

Suppliers must have a satisfactory quality assurance system adapted to the delivery, and be able to document that defined quality requirements are included as a natural part of the company's activities.

6. Compliance

Sparks' requirements to suppliers shall apply to all contracts to which Sparks is a party. Failure to comply shall form the basis for sanctions for breach of contract.

In case of serious violation of regulations of these Supplier Requirements, Sparks may terminate the contract. In the assessment of whether the violation is significant, the risk of serious harm to people/loss of human life and serious environmental damage will be central, as well as financial losses and/or loss of reputation, or the risk of loss of reputation.

The above is accepted by the supplier when signing the agreement.