

4. March 2024

# NORDIC CORPORATE SOCIAL RESPONSIBILITY

## CULLIGAN NORDIC GROUP

This document is the governing policy for ethical and sustainable business practices for the Nordic Culligan businesses.

The work is an integral part of our joint Nordic management system, which is certified against ISO 9001 and ISO 14001 and also governs our health and safety work.

This policy applies to all of Culligan's operations in the Nordics, within Norway, Sweden, Denmark, and Finland.

## Introduction

*Culligan* strives to have a sustainable business practice that respect people, society, and the environment. This policy document, including principles for sustainable business practices, forms the basis for our sustainability work. It is a Nordic supplement to the international *Culligan* Group's Supplier Code of Conduct

*Culligan* considers sustainable business practices to be a prerequisite for sustainable development, which means that today's generations meet their needs without destroying the ability of future generations to meet theirs. The UN's Sustainable Development Goals are the world's joint action plan for sustainable development. *Culligan* works actively with the sustainability goals both with local activities and joint activities within the international group.

*Culligan* commits to working actively with due diligence assessments and annual follow-ups for sustainable business practices as a cornerstone of our quality and environmental management system. Due diligence assessments are a risk-based approach to respecting and looking after people, society, and the environment in our own business and throughout the supply chain. We expect our suppliers and partners to follow the same approach. This is done in accordance with the Transparency Act and requirements from the group within similar initiatives such as the Modern Slavery Act, Plan of Vigilance, EU Taxonomy etc.

## Requirements for our own business

*Culligan* recognizes that our business practices can have a potential negative impact on people, society, and the environment. We shall publish the results of our surveys and risks annually in accordance with the Transparency Act on our websites. At the same time, we see our potential to contribute to positive development in the supply chain.

Based on this, we have drawn up the following principles and requirements for our own business:

### Due diligence assessments

*Culligan* shall conduct due diligence assessments for sustainable business practices. That is to say: make your own risk assessments of negative impacts on people, society, and the environment, and stop, prevent, and reduce such impacts. The measures are monitored and assessed for their effect and communicated to those affected. Where our activities cause or contribute to a negative impact on people, society, or the environment, we must stop this activity, and we will seek to restore the damage. Where the supplier is responsible for the negative impact/damage, the supplier is also responsible for recovery.<sup>1</sup>

### Responsible purchasing practices

*Culligan* considers responsible purchasing practices to be one of our most important tools in the work for sustainable business practices. *Culligan* must adapt our own procurement practices so that we strengthen, and not undermine, suppliers' ability to deliver on the requirements we set to

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<sup>1</sup> *OECD contact point for responsible business, "OECD's guide to due diligence assessments for responsible business - an introduction", 2018.*

ensure good conditions for people, society, and the environment. We shall strive for long-term supplier relationships with suppliers who show particular willingness and ability to work with positive development in the supply chain.

#### Free trade union organization and worker representation

*Culligan* supports the right to free trade union organization and other forms of democratically elected worker representation. We will involve worker representatives and other relevant stakeholders in our work with sustainable business practices.

#### Supplier-chain development and partnership

In dialogue with suppliers, we will, if necessary, consider contributing with relevant skills development or resources that enable our suppliers to comply with *Culligan's* requirements for conditions in the supply chain. In this way, we lay the foundations for good cooperation with suppliers who show a particular willingness and ability to work with positive development for people, society and the environment in the supply chain.

#### Anti-corruption

*Culligan*, including all employees, shall never offer or receive illegal or improper monetary gifts or other remuneration to obtain business or private benefits for themselves or benefits for customers, agents, or suppliers.

#### Countries under trade boycott

*Culligan*, including our suppliers and partners, must avoid trading partners that have activities in countries that have been subject to a trade boycott by the UN and/or the Nordic authorities.

#### Requirements for the supply chain

We expect our suppliers and partners to work purposefully and systematically for compliance with our guidelines for suppliers, including principles for sustainable business practices, which cover basic requirements for human rights, labor rights, anti-corruption, animal welfare and the environment.

Our suppliers must:

- Follow guidelines for suppliers, including principles for sustainable business practices.
- Actively work with due diligence assessments, that is to say: make your own risk assessments for negative impact on people, society and the environment, and stop, prevent and reduce such impact. The measures must be monitored and assessed for their effect and communicated to those affected. Where the supplier is responsible for the negative impact/damage, the supplier is also responsible for recovery.<sup>2</sup>

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<sup>2</sup> OECD contact point for responsible business, "OECD's guide to due diligence assessments for responsible business - an introduction", 2018

- Show willingness and ability to continuously improve for people, society, and the environment through cooperation.
- At the request of *Culligan*, be able to document how they themselves, and possibly subcontractors, work to comply with the guidelines.

If the supplier, after repeated enquiries, does not show the will or ability to comply with the guidelines for suppliers, termination of the contract may occur.

#### Principles of sustainable business practices (Code of Conduct)

These principles of sustainable business practice are based on UN and ILO conventions and set minimum and not maximum standards. The legislation at the place of production must be respected. Where national laws and regulations cover the same subject as these guidelines, the highest standard shall apply.

##### 1. Forced labour/slave labor (ILO Convention No. 29 and 105)

- 1.1. There must not be any form of forced labour, slave labor or involuntary labour.
- 1.2. Workers shall not have to deliver a deposit or identity papers to the employer and shall be able to freely terminate the employment relationship with reasonable notice.

##### 2. Trade union organization and collective bargaining (ILO Convention No. 87, 98, 135 and 154)

- 2.1. Workers shall, without exception, have the right to join or establish trade unions of their own accord, and to bargain collectively. The employer must not interfere with, prevent or oppose trade union organization or collective bargaining.
- 2.2. Trade union representatives must not be discriminated against or prevented from carrying out their trade union work.
- 2.3. If the right to free organization and/or collective bargaining is limited by law, the employer must facilitate, and not prevent, alternative mechanisms for free and independent organization and negotiation.

##### 3. Child labor (UN Convention on the Rights of the Child, ILO Convention No. 138, 182 and 79, ILO Recommendation No. 146)

- 3.1. The minimum age for workers shall not be less than 15 years and in line with the national minimum age for employment, or; minimum age for compulsory school attendance, with the highest age applicable. If the local minimum age is set at 14 in line with the exception in ILO Convention 138, this can be accepted.
- 3.2. New recruitment of child workers in violation of the above-mentioned minimum age shall not take place.
- 3.3. Children under the age of 18 must not perform work that is harmful to their health, safety or morals, including night work.

3.4. Action plans must be established for the rapid phasing out of child labor that is in breach of ILO Conventions 138 and 182. The action plans must be documented and communicated to relevant staff and other stakeholders. Arrangements must be made for support schemes where children are given the opportunity for education until the child is no longer of compulsory school age.

#### 4. Discrimination (ILO Convention No. 100 and 111 and the UN Convention on Discrimination against Women)

4.1. There shall be no discrimination in employment, remuneration, training, promotion, dismissal or retirement based on ethnicity, caste, religion, age, disability, gender, marital status, sexual orientation, trade union work or political affiliation.

4.2. Protection must be established against sexually intrusive, threatening, insulting or exploitative behaviour, and against discrimination or dismissal on unfair grounds, e.g. marriage, pregnancy, parenthood, or status as HIV-infected.

#### 5. Brutal treatment (Human Rights Declaration/UDHR)

5.1. Physical abuse or punishment, or the threat of physical abuse, is prohibited. The same applies to sexual or other abuse and other forms of humiliation.

#### 6. Health, environment, and safety (ILO Convention No. 155 and Recommendation No. 164)

6.1. Efforts must be made to ensure workers a safe and healthy working environment. Hazardous chemicals and other substances must be handled properly. Necessary measures must be taken to prevent and minimize accidents and health damage as a result of, or related to, conditions at the workplace.

6.2. Workers must have regular and documented training in health and safety. Health and safety training must be repeated for newly employed and redeployed workers.

6.3. Workers must have access to clean sanitary facilities and clean drinking water. If relevant, the employer must also provide access to facilities for the safe storage of food.

6.4. If the employer offers accommodation, this must be clean, safe, adequately ventilated and with access to clean sanitary facilities and clean drinking water.

#### 7. Salary (ILO Convention No. 131)

7.1. Salary to workers for a normal working week must at least be in line with national minimum wage regulations or industry standards, whichever is higher. Salary must always be sufficient to cover basic needs, including some savings.

7.2. Pay conditions and payment of wages must be agreed in writing before the work begins. The agreement must be comprehensible to the worker.

7.3. Deductions from wages as a disciplinary reaction are not permitted.

#### 8. Working time (ILO Convention No. 1 and 14)

8.1. Working hours must be in line with national laws or industry standards, and not exceed working hours in accordance with applicable international conventions. Normal working hours per week should not normally exceed 48 hours.

8.2. Workers must have at least one day off per 7 days.

8.3. Overtime must be limited and voluntary. The recommended maximum overtime is 12 hours per week, i.e. total working time of 60 hours per week. Exceptions to this can be accepted if it is regulated by a collective agreement or national law.

8.4. Workers must always receive overtime pay for working hours beyond normal working hours (see point 8.1 above), at least in line with current laws.

## 9. Employment conditions

9.1. Obligations towards workers, in line with international conventions, national laws and regulations on regular employment, must not be circumvented through the use of short-term engagements (such as the use of contract workers, temporary workers and day workers), subcontractors or other employment relationships.

9.2. All workers are entitled to an employment contract in a language they understand.

9.3. Apprenticeship programs must be clearly defined with regard to duration and content.

## 10. Marginalized minorities

10.1. The production and use of natural resources must not contribute to destroying the resource and income base for indigenous people or other marginalized population groups, for example by confiscating large areas of land, irresponsible use of water or other natural resources on which the population groups depend.

## 11. Environment

11.1. Negative environmental impact must be reduced throughout the value chain. In line with the precautionary principle, measures must be implemented to continuously minimize emissions of greenhouse gases and local pollution, the use of harmful chemicals, pesticides and to ensure sustainable resource extraction and management of water, sea, forest and land, and conservation of biological diversity.

11.2. National and international environmental legislation and regulations must be complied with, and relevant emission permits must be obtained.

## 12. Corruption

12.1. All forms of bribery are unacceptable, such as the use of alternative channels to secure illegitimate private or work-related benefits to customers, agents, contractors, suppliers or their employees and public officials.

## 13. Animal welfare

13.1. Animal welfare must be respected. Measures should be taken to minimize the negative impact on the welfare of production animals and working animals.

13.2. National and international animal welfare legislation and regulations must be complied with.

#### 14. Management systems at suppliers

The management system is central to the implementation of ethical guidelines. Culligan emphasizes the importance of suppliers having systems that support the implementation and operation of sustainable business practices.

The expectations are clarified by:

- The supplier should appoint a person centrally in the organization to implement the ethical guidelines in their own operations.
- The supplier must make the guidelines known in all relevant parts of its organization.
- The supplier must obtain consent from Culligan so that production or parts of production can be outsourced to subcontractors/contractors where this has not been agreed in advance.
- The supplier must be able to explain where goods ordered by Culligan are produced.
- The supplier must be able to guarantee that goods ordered by Culligan do not contain conflict minerals.

Sollentuna, 4. Mars 2024

for Culligan



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Mattias Källemyr

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