

## Sustainable supply chain policy

Sustainability is at the core of Valmet's business operations. Valmet promotes sustainable development throughout its value chain and expects its suppliers to operate in the same manner.

Valmet requires that all its suppliers comply with the following sustainable principles. This is the starting point for entering into and maintaining all business relationships with Valmet.

The supplier shall ensure that all its employees, permanent and temporary, as well as its suppliers, and sub-suppliers, recognize and comply with the requirements set out in this policy.

### The supplier is required, at a minimum:

#### 1. Business ethics and legal compliance

- to comply with all applicable national and international laws, regulations and generally accepted practices;
- to comply with all applicable export control and trade sanction laws and regulations, including but not limited to those issued by the UN, EU or US authorities;
- not to participate in or support any form of corruption, bribery and money laundering, by, among others, not paying bribers or other illegal payments to obtain or retain business or to facilitate favorable decisions or services;
- not to offer any lavish or excessive gifts, entertainment or invitations to Valmet's employees. Any gifts, entertainment or hospitality must be reasonable and suitable and reflect the national laws and business custom;
- not to directly or indirectly provide or accept gifts in the form of cash or cash equivalent;
- when requested, to provide information concerning this policy related to its business with Valmet, as well as report actively any deficiencies that may appear in the information it provides;
- to act with integrity in all business relationships. For Valmet, integrity means honesty and strong moral principles.

#### 2. Human and labor rights

- to comply with all applicable national laws and regulations regarding human rights and labor rights, as well as acknowledge changes in them;

- to respect the protection of human rights and comply with the principles of the [UN Declaration of Human Rights](#) and the [ILO Declaration on Fundamental Principles and Rights at Work](#). These include the freedom of association, the effective recognition of the right to collective bargaining, the abolition of forced labor, and equality of opportunity and treatment;
- to pay at least the minimum wage required by national laws for regular working hours, overtime hours and overtime differentials;
- not to employ or do business with subcontractors or suppliers that employ persons under the minimum age, the age of 15 or the mandatory school age defined by national law, whichever is higher. Employing persons above the minimum age but below 18 may not interfere with their schooling or harm their health, safety or morals;
- not to use forced labor in any form or do business with subcontractors or suppliers doing so;
- not to retain government-issued identity documents, passports, work permits, or ask for any other unreasonable deposits or fees (e.g. recruitment or hiring fees) as a condition of employment;
- not to discriminate in hiring, compensation, training opportunities, promotion, termination of employment, or retirement based on race, age, gender, social class, national origin, religion, disability, sexual orientation, marital or maternal status, union membership, political affiliation, or other comparable reasons;
- not to perform or support physical punishment or physical, sexual, psychological or verbal harassment or abuse;
- to ensure that contractors at site have adequate and decent accommodation

#### 3. Occupational health and safety

- to comply with all applicable national laws and regulations regarding occupational health and safety, as well as acknowledge changes in them;
- to provide a safe, healthy and well-managed working environment;
- to prevent incidents, injuries and occupational disease;
- to allocate enough resources and the required competence for providing a healthy and safe work place;

- to have a process to identify and evaluate work-related hazards and relevant controls and based on this assessment then implement safe systems of work. These systems shall be monitored by management, kept up-to-date and continuously improved;
- to instruct personnel in mitigation of hazards, risk controls and safe work methods;
- to provide personnel with appropriate occupational health services, including statutory insurance coverage, and all necessary training required by applicable laws;
- to report and investigate all health and safety incidents.

#### 4. Environment and climate

- to comply with all applicable national laws and regulations regarding environmental management, as well as acknowledge changes in them;
- to provide resource-efficient, clean and well-managed operations;
- to prevent pollution and environmental incidents;
- to allocate enough resources and the required competence for environmental management;
- to have all valid environmental permits required by the operations and follow the operational and reporting requirements included in the permits;
- to have a process to identify and evaluate environmental aspects and relevant operational controls and based on this assessment implement procedures to prevent pollution and minimize environmental impacts. These procedures shall be monitored by management, kept up-to-date;
- to instruct personnel in the environmental aspects, controls and procedures associated with their work tasks;
- to appropriately sort and forward waste, according to applicable laws, for reusing or recycling to minimize the environmental impacts, and to appropriately process and dispose hazardous waste;
- to identify substances that are hazardous to the environment or health and use, store and dispose the substances in a safe and controlled way;
- to keep up-to-date safety data sheets and instructions for eventual accidents and apply a plan to replace hazardous substances with less hazardous alternatives;
- to maintain emergency action plans to ensure all environmental accidents are managed to minimize consequences;

- to strive towards continually reducing the use of energy, raw materials and water as well as minimizing waste and emissions to air, water and soil;
- to monitor, report, and strive to reduce greenhouse gas emissions from its operations and value chain and to provide data if requested.

#### 5. Products and services

- to maintain a proactive approach to product safety by, among others, ensuring that the products supplied to Valmet meet mandatory product safety requirements and identifying, evaluating and managing all risks related to the use of the products;
- to strive towards continually reducing hazardous substances from its products;
- not to use any restricted materials in its supply to Valmet and to comply with the substance restrictions defined by the European Union's RoHS directive (Restriction of the uses of certain Hazardous Substances), REACH regulation (Registration, Evaluation, Authorization and Restriction of Chemicals), China MIIT Order No 32, or other similar regulations in other countries, when applicable, in the subject industry;
- to ensure responsible and conflict free sourcing of tin, tantalum, tungsten, and gold (3TG) within its supply chain as required by the EU Conflict Minerals Regulation and the Dodd-Frank Conflict minerals act;
- to provide information about above mentioned substances and minerals if requested, read more: [Valmet's guidance restricted materials in products](#).

#### 6. General requirements

- to designate a person within the company to be responsible for following and developing the principles set forth in this policy;
- to have a remediation process in place in case of human rights, health and safety or environment violations;
- to report any violations or breaches of this policy to Valmet. The supplier and any personnel and stakeholders can report their concerns anonymously 24/7 in native language, using this third-party managed channel: <https://secure.ethicspoint.eu/domain/media/en/gui/102387/index.html>
- to permit Valmet, or any third party authorized by Valmet and accepted by the supplier, to conduct in presence of the supplier an audit of the supplier's operations in relation to this policy.

### Enforcement

Valmet actively follows and evaluates its suppliers' compliance with this policy and may ask its suppliers to complete a sustainability self-assessment.

If the supplier does not comply with this policy, Valmet reserves the right to terminate the contract with the supplier without prejudice to any other rights, whether under contract or at general law, including already placed and future orders.

Thomas Hinnerkov  
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Valmet